



# Balance of payments and International Investment Position

## Q1 2019



21 June 2019

Summary data	Net external financing capacity (CA+KA)	Net external financing capacity (FA)		External positions	
		by resident sectors	by instruments	by resident sectors	by instruments
Stock of external debt	FDI flows according to directional principle	EU transfers		Revisions (vs previous publication)	

Net external financing capacity/GDP (SA)

2.8%



Net IIP/GDP

-52.4%



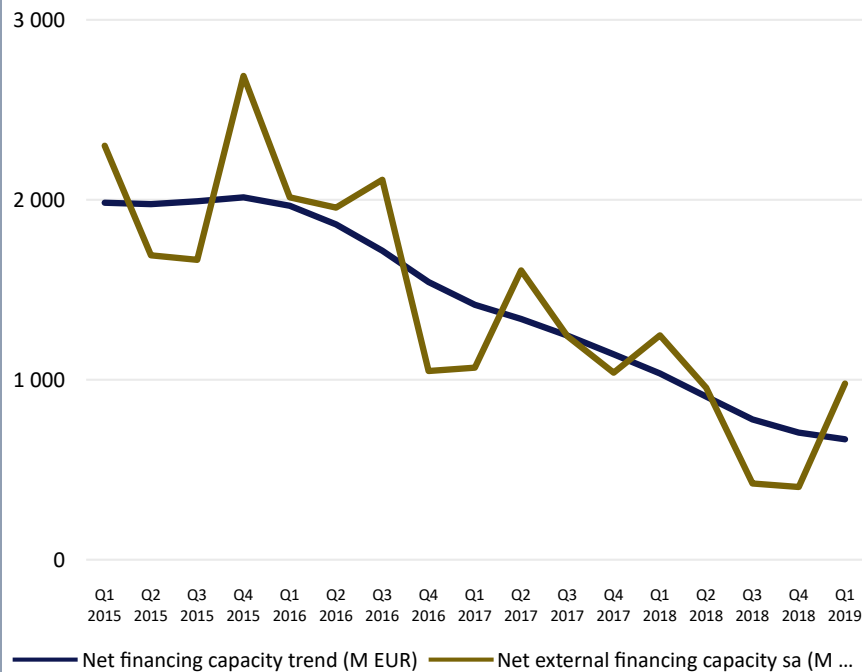


# Summary data

FDI debt (filter)

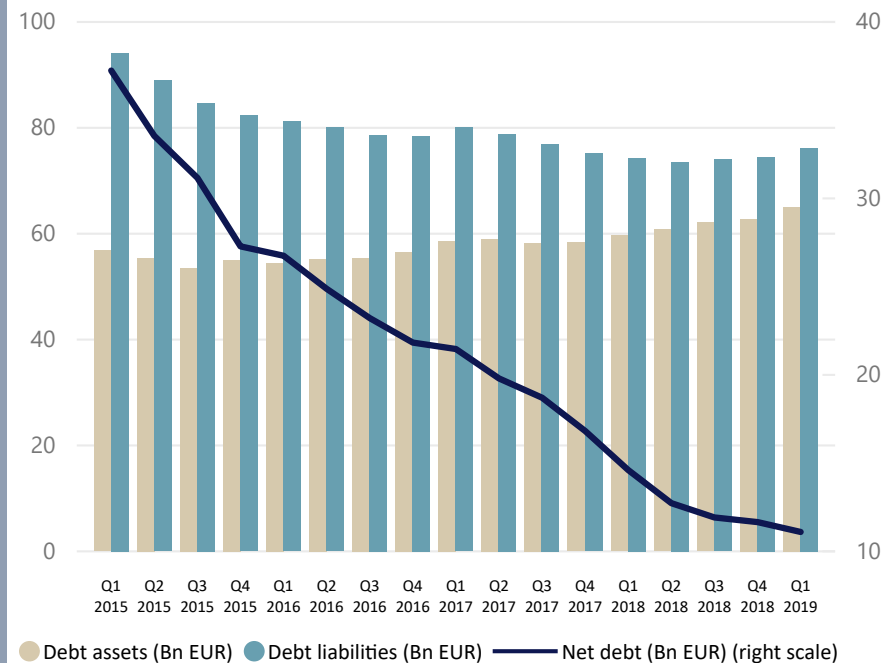
Debt excluding FDI debt

Net external financing capacity (M EUR)



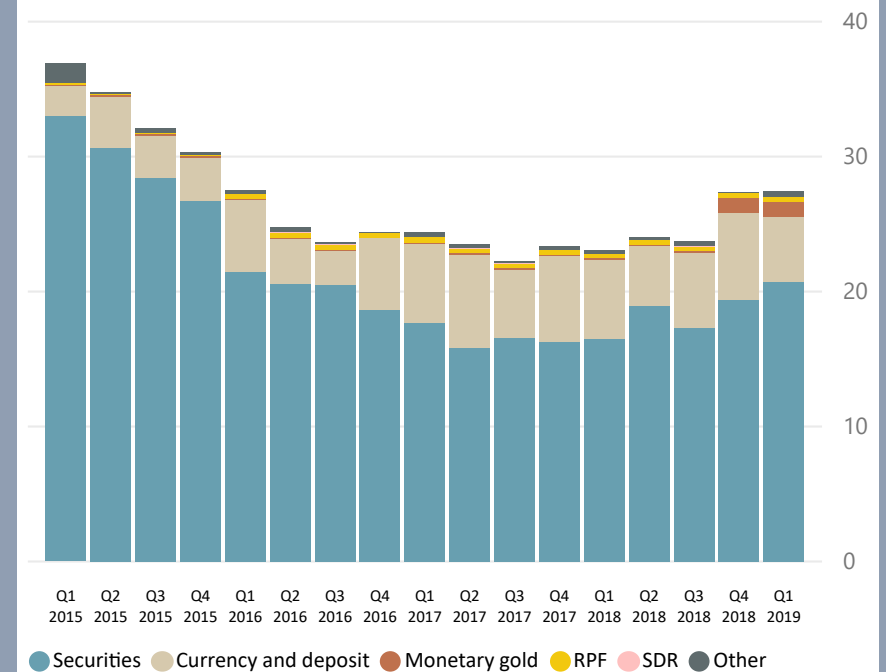
In Q1 2019, Hungary's seasonally adjusted net external financing capacity (i.e. the combined surplus on its current and capital accounts) amounted to EUR 979 million, equal to 2.8 % of quarterly GDP. Higher transfers from the EU were the main factor resulting in an increase in net external financing capacity. The unadjusted value EUR 1216 million.

External debt excluding FDI debt instruments (Bn EUR)



Hungary's net foreign debt, excluding FDI debt instruments, amounted to EUR 11.1 billion at the end of March 2019 (8.3 % as a percentage of GDP in the last four quarters). The net external debt continued to decline compared to the previous quarter.

Reserve assets (Bn EUR)



The Central Bank's reserve assets amounted to EUR 27.5 billion at the end of March 2019. The level of reserves in the first quarter slightly exceeded the level achieved in the previous quarter.



# Net external financing capacity (CA+KA)

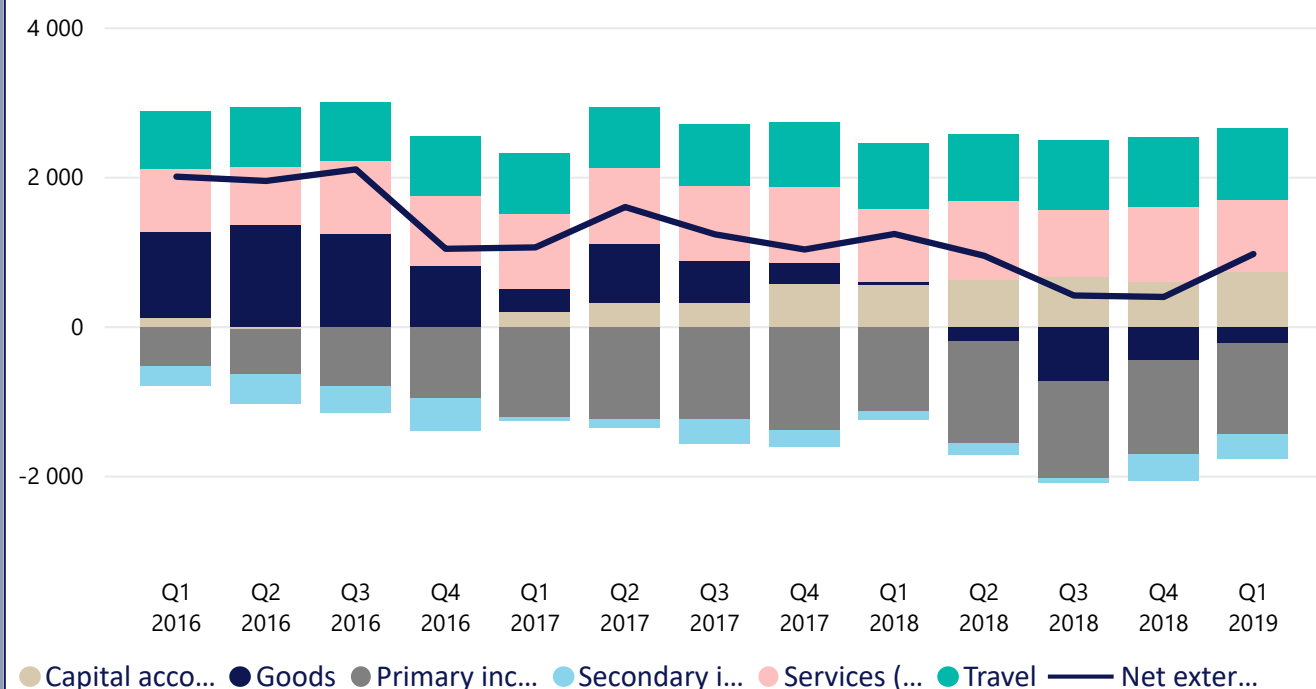


Seasonally adjusted data

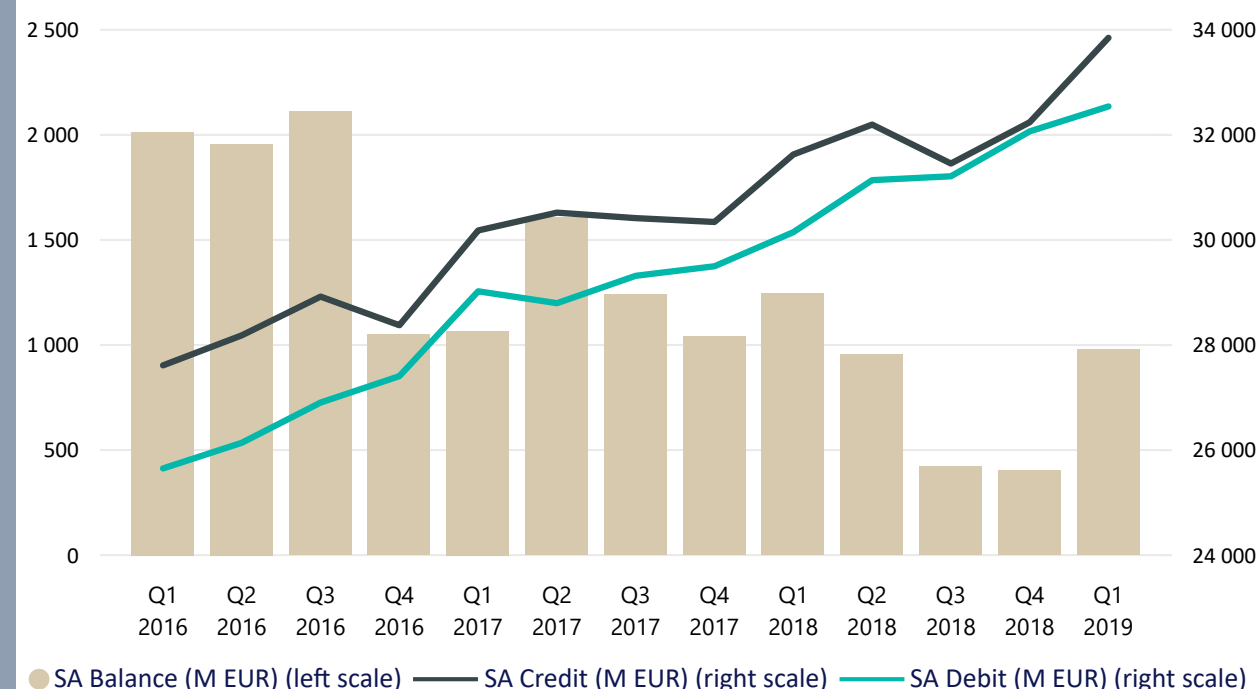
Unadjusted data

**Note:** The balances and aggregates are directly adjusted. The seasonally adjusted balances cannot be reproduced from the seasonally adjusted credits and debits. The same applies to the aggregates.

Net external financing capacity SA (M EUR)



Selected instruments (credit, debit, balance): Net external financing capacity



Of the components of Hungary's net external financing capacity, the seasonally adjusted deficit on goods amounted to EUR 219 million in Q1 2019. The deficit decreased compared to the previous quarter and that contributed to the increase of net financing capacity. Seasonally adjusted exports (EUR 23,747 million) and imports (EUR 23,872 million) in Q1 2019 exceeded their levels compared to the previous quarter.

Within services, net travel amounted to EUR 953 million with increasing travel credits (EUR 1,571 million), while debits (EUR 568 million) remained nearly identical to the previous quarter. In Q1 2019, both other services credits (EUR 4,732 million) and debits (EUR 3,840 million) exceeded Q4 2018, and the surplus on other services (EUR 973 million) was lower to the previous quarter.

In Q1 2019, the seasonally adjusted primary income deficit (EUR 1,211 million) was lower than its level recorded in the previous quarter. The seasonally adjusted secondary income deficit (EUR 329 million) was lower than that recorded in the previous quarter, too.

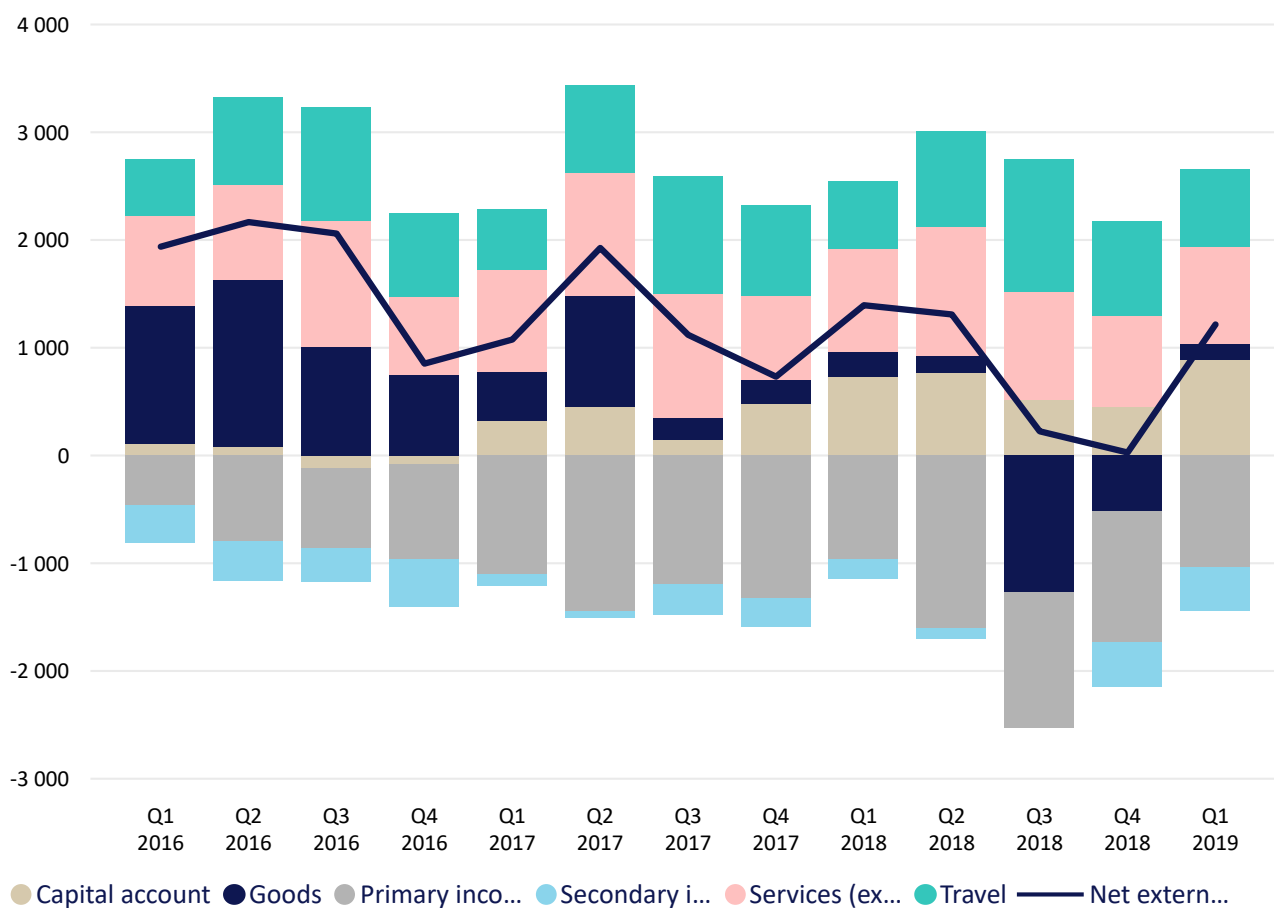


# Net external financing capacity (CA+KA)

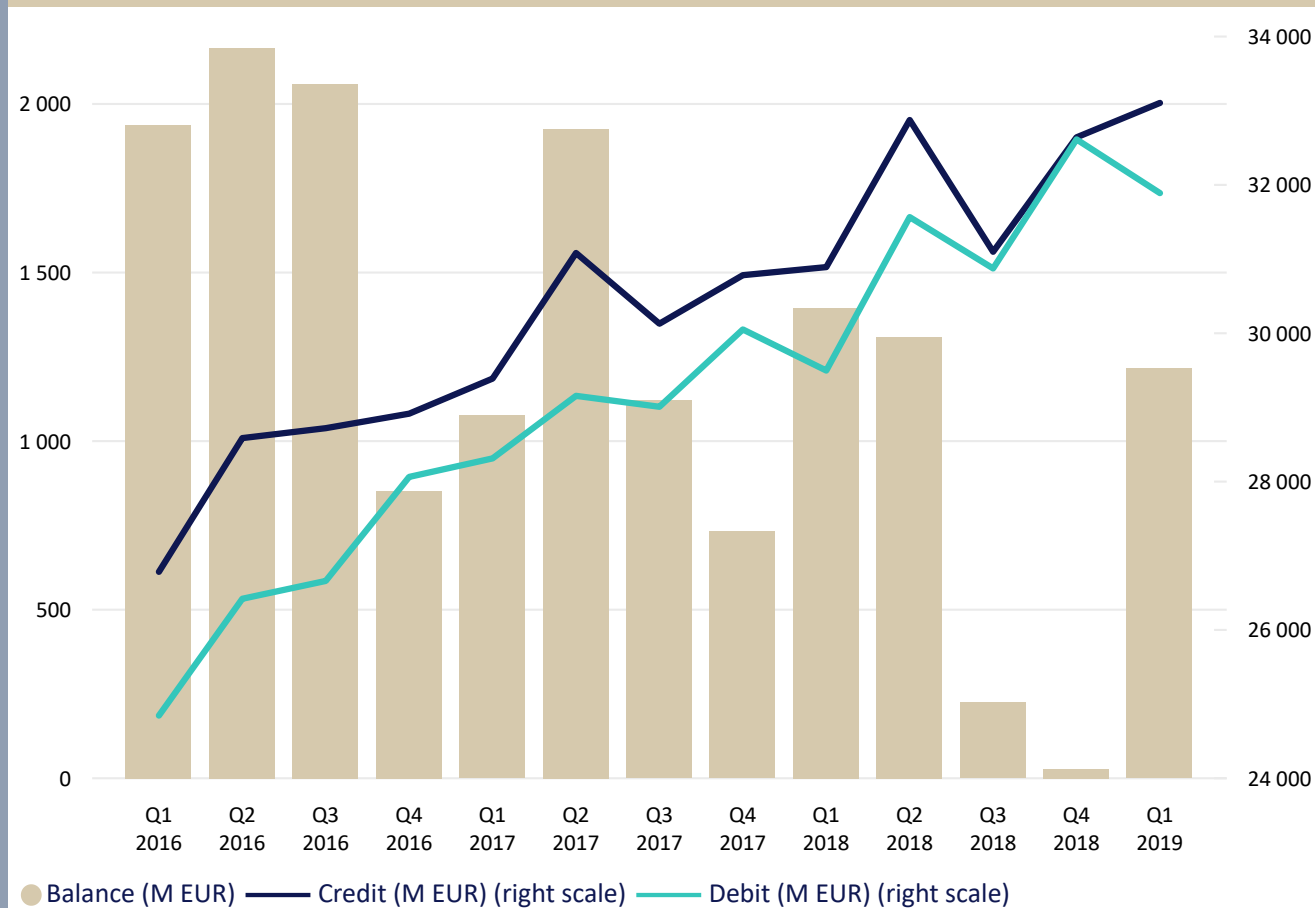
Seasonally adjusted data

Unadjusted data

Items of net external financing capacity (M EUR)



Selected instruments (credit, debit, balance): All (Net external financing capacity)





## Net external financing capacity (financial account) by resident sectors

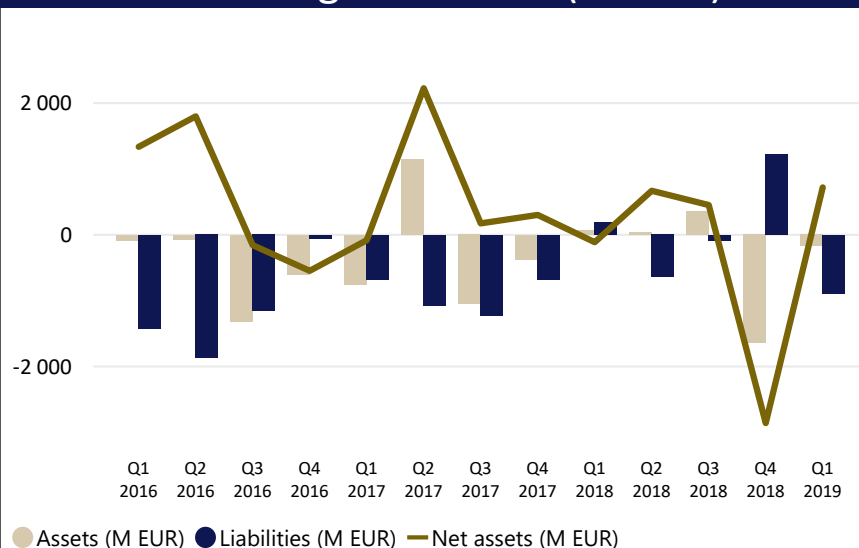
Időszak/Period

All

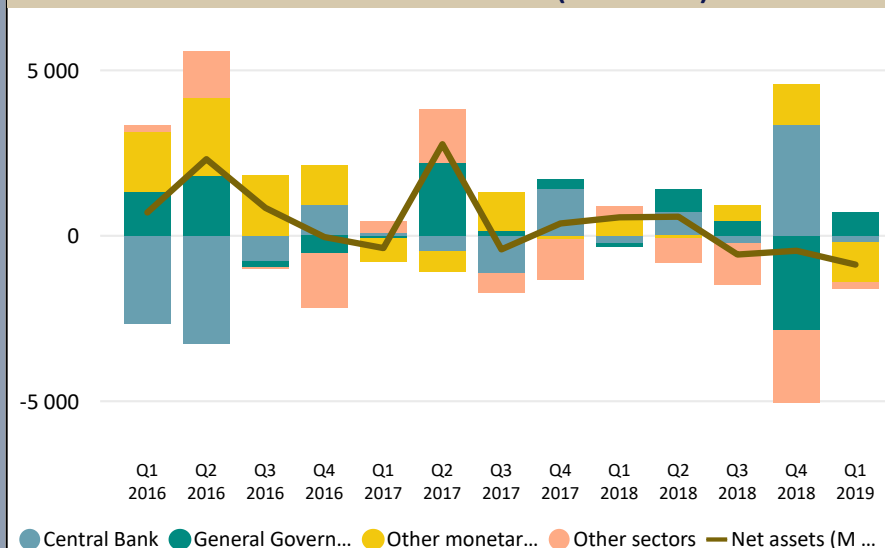
Instrument

All

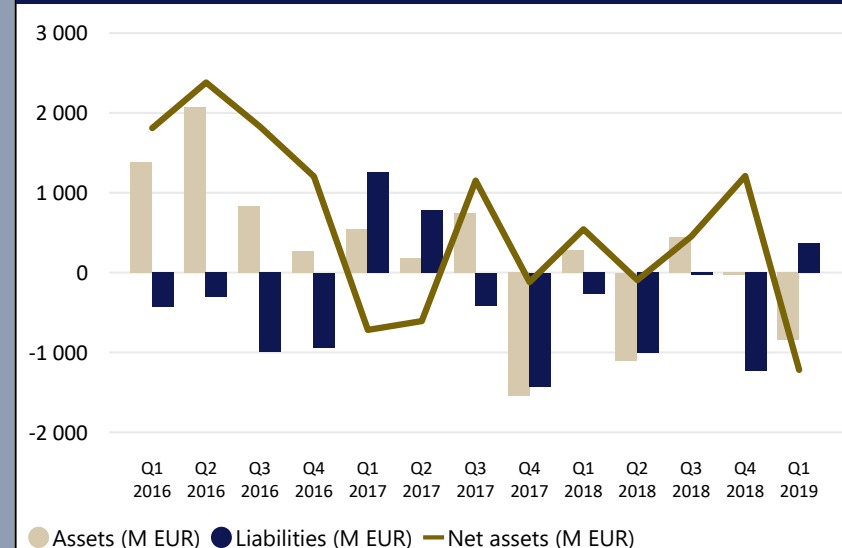
### General government (M EUR)



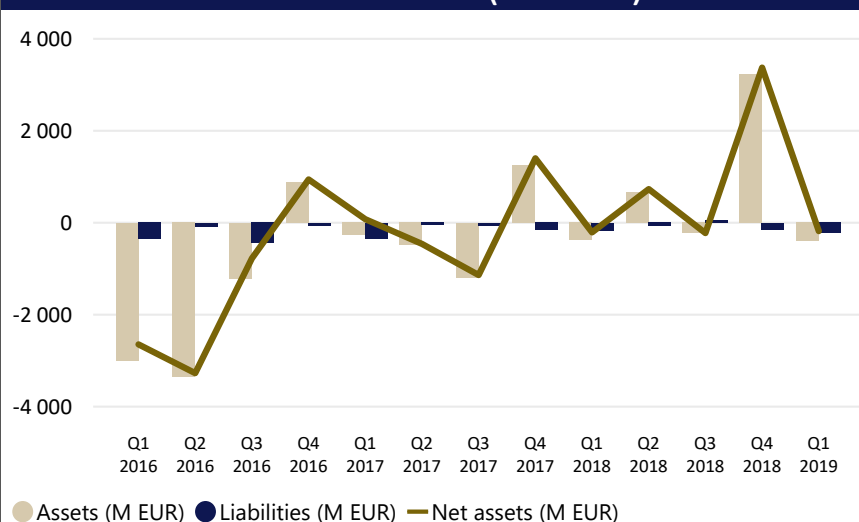
### Financial account (M EUR)



### Other monetary institutions (M EUR)



### Central Bank (M EUR)

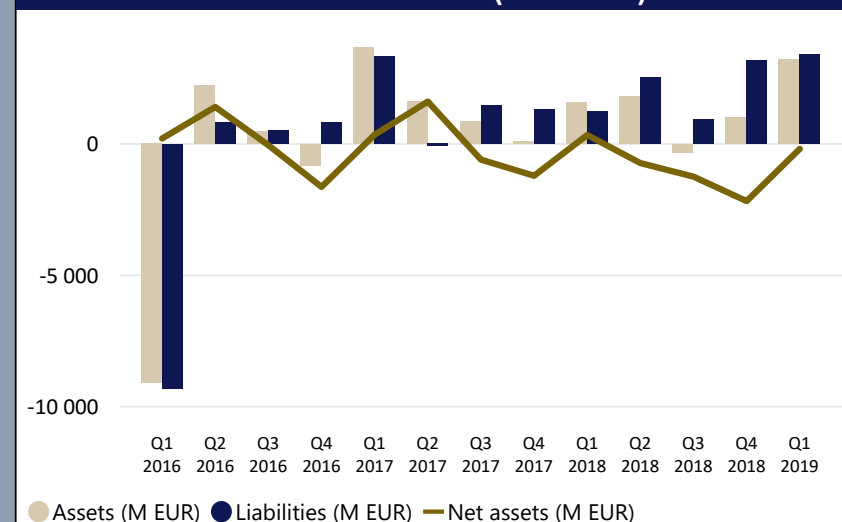


In Q1 2019, financial account balance showed a net inflow of EUR 871 million (decrease in net assets).

Of which other monetary institutions have EUR 1,218 million, the MNB EUR 183 million, while other sectors EUR 189 million as a decrease in net external assets. The general government is the only sector which increased its net external assets by EUR 719 million (net outflow).

In terms of instruments, the net inflow of EUR 1,470 million in FDI was partly offset by the net portfolio investment outflow of EUR 1,255 million. There were net inflows of EUR 208 million recorded in financial derivatives. Reserve assets decreased by EUR 312 million in Q1 2019.

### Other sectors (M EUR)





## Net external financing capacity (Financial account) by instruments

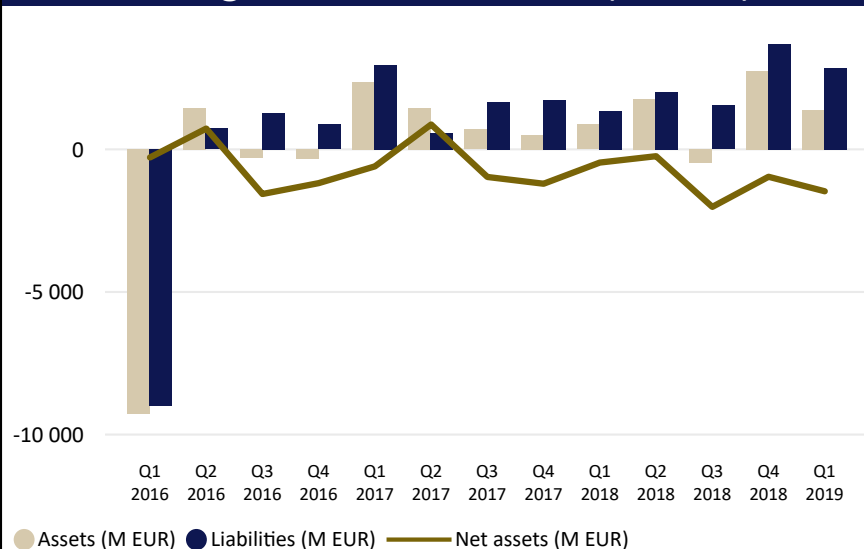
Időszak/Period

All

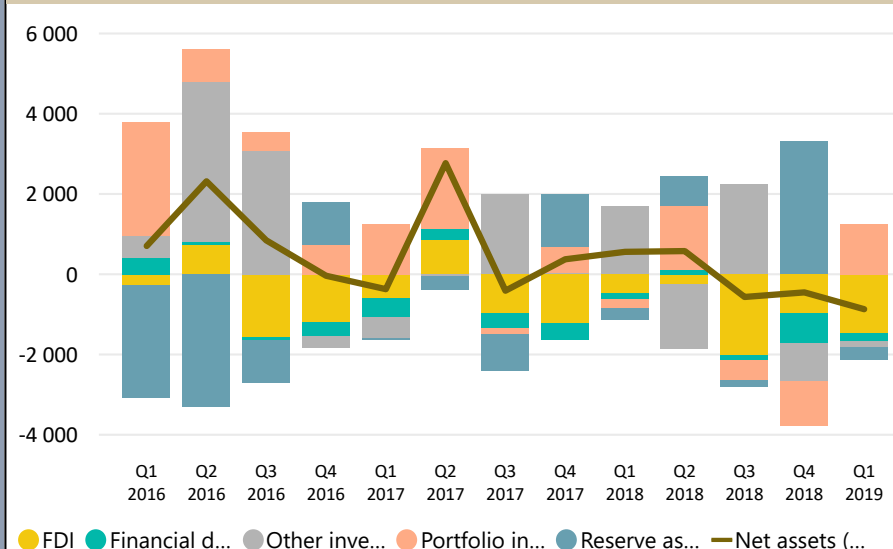
Resident sector

All

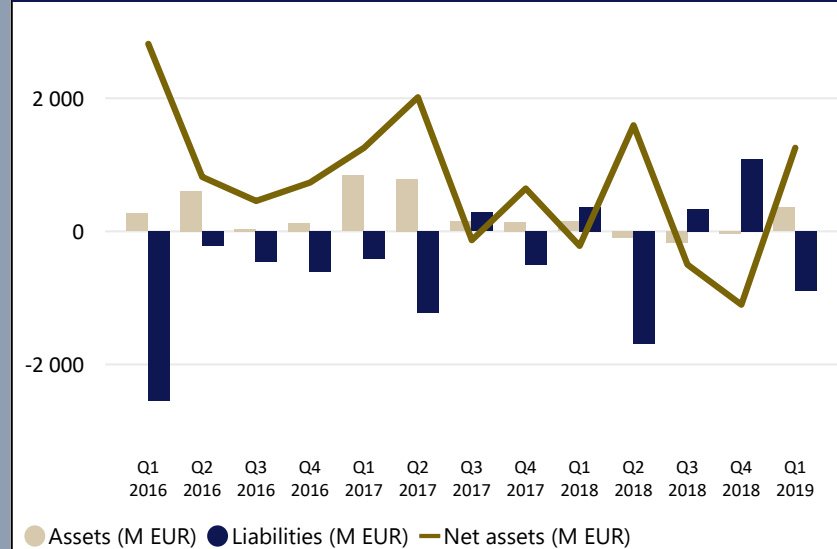
### Foreign direct investment (M EUR)



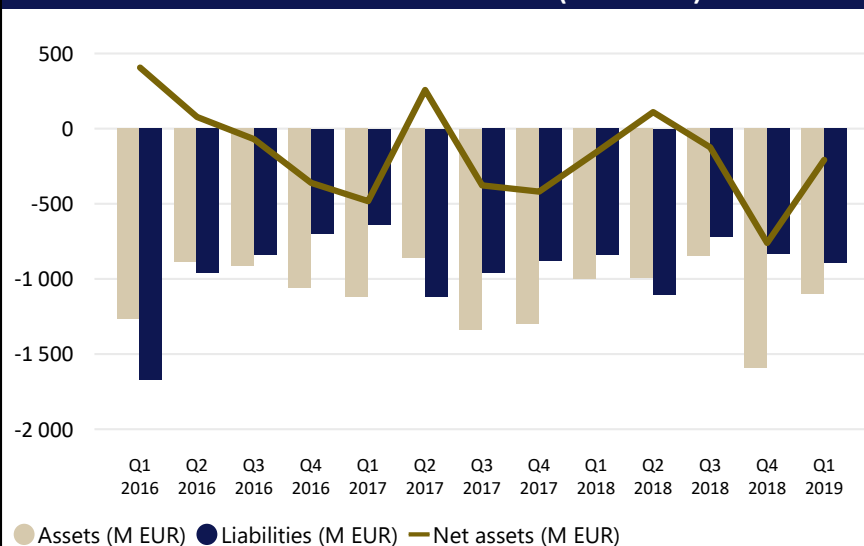
### Financial account (M EUR)



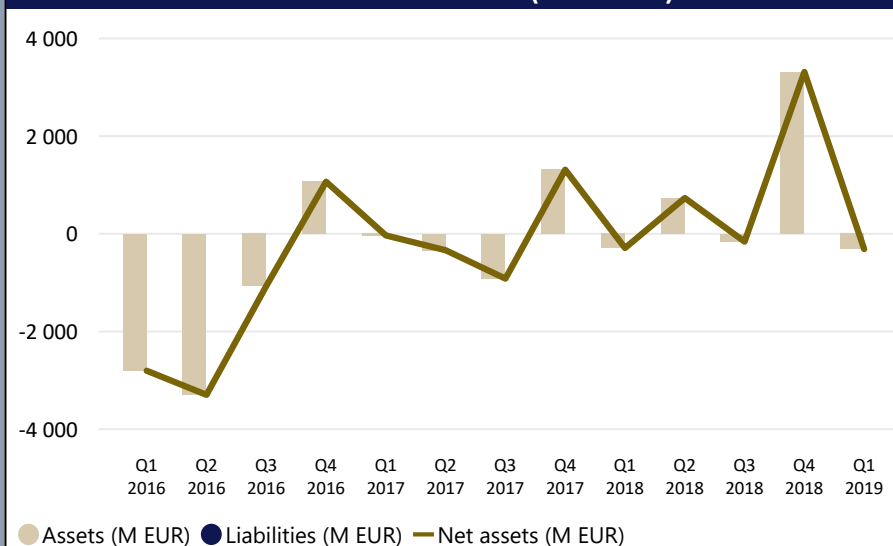
### Portfolio investment (M EUR)



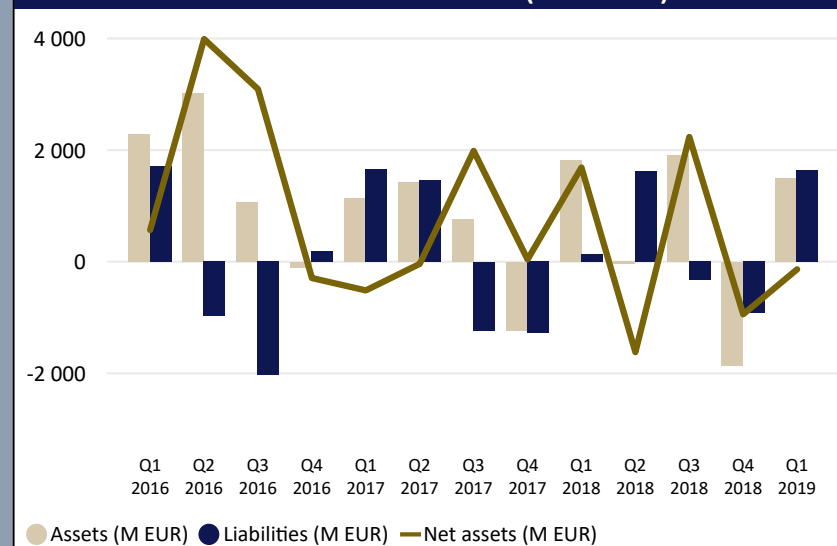
### Financial derivatives (M EUR)



### Reserve assets (M EUR)



### Other investment (M EUR)





## International Investment Position by resident sectors

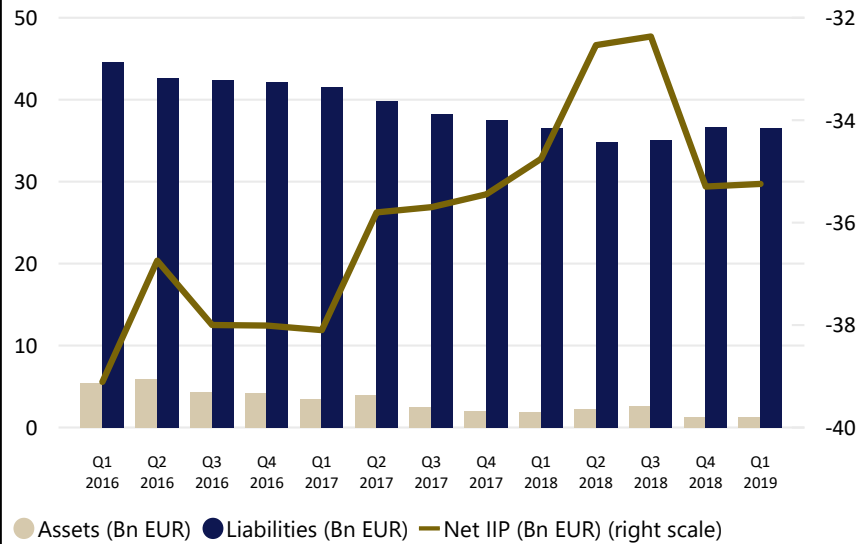
Időszak/Period

All

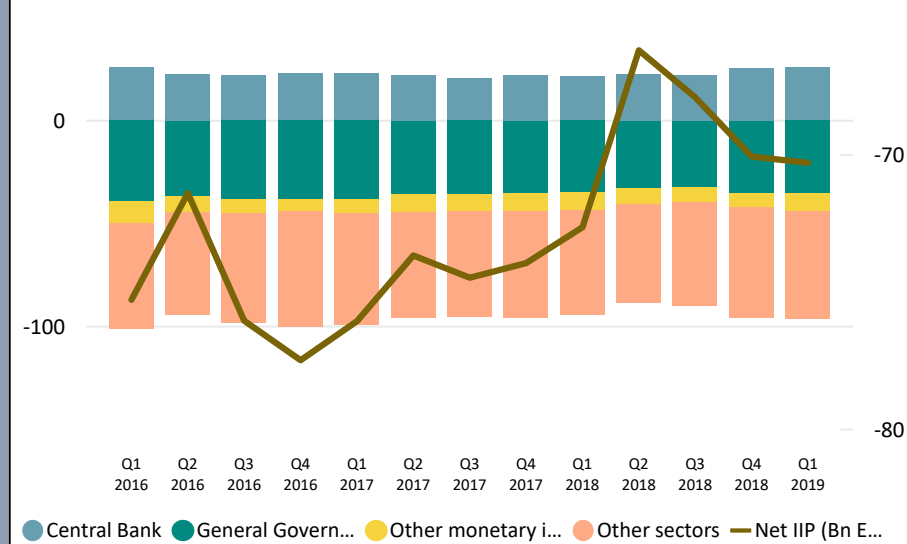
Instrument IIP

All

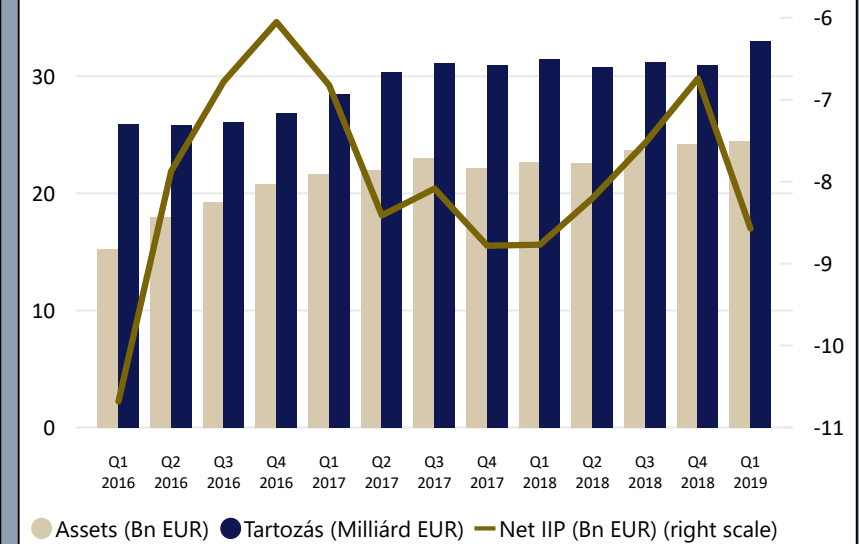
### General government (Bn EUR)



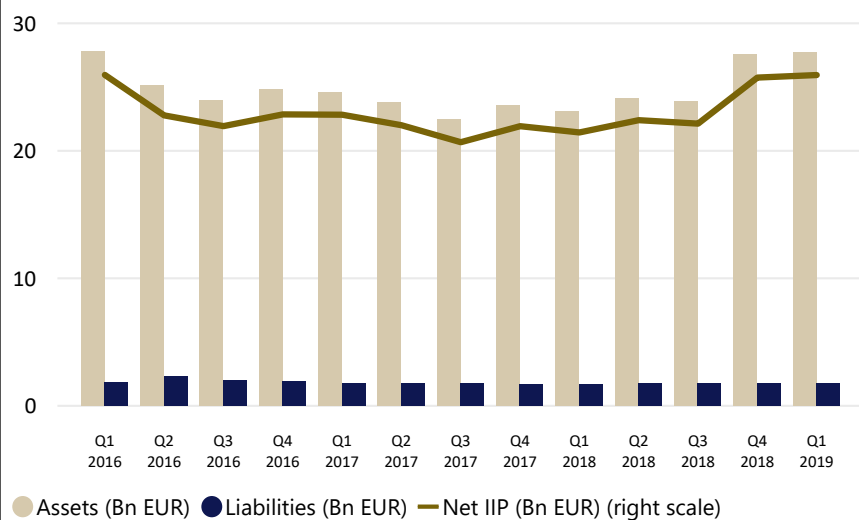
### Net IIP (Bn EUR)



### Other monetary institutions (Bn EUR)



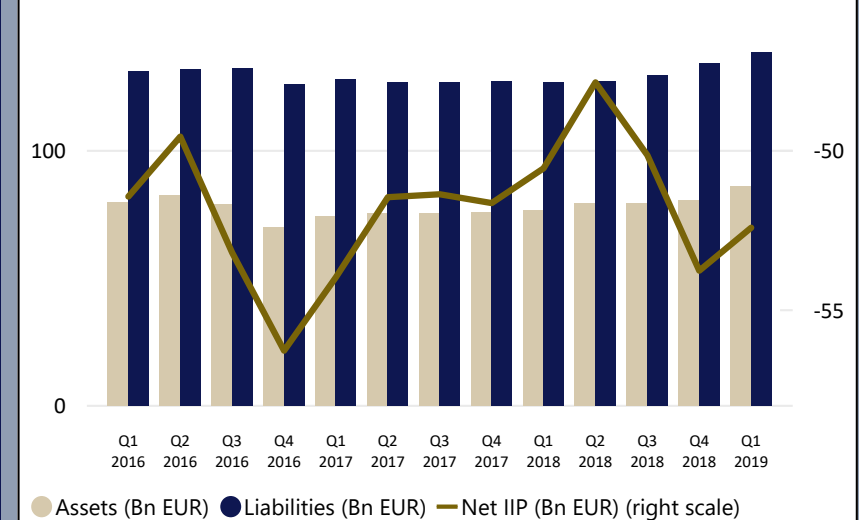
### Central Bank (Bn EUR)



In Q1 2019, the net IIP was EUR -70.3 billion, i.e. the value of external liabilities exceeded the value of external assets by EUR 70.3 billion.

The value of outstanding stock of net external assets in Q1 2019 is nearly unchanged compared to the end-2018 positions.

### Other sectors (Bn EUR)





# International Investment Position by instruments

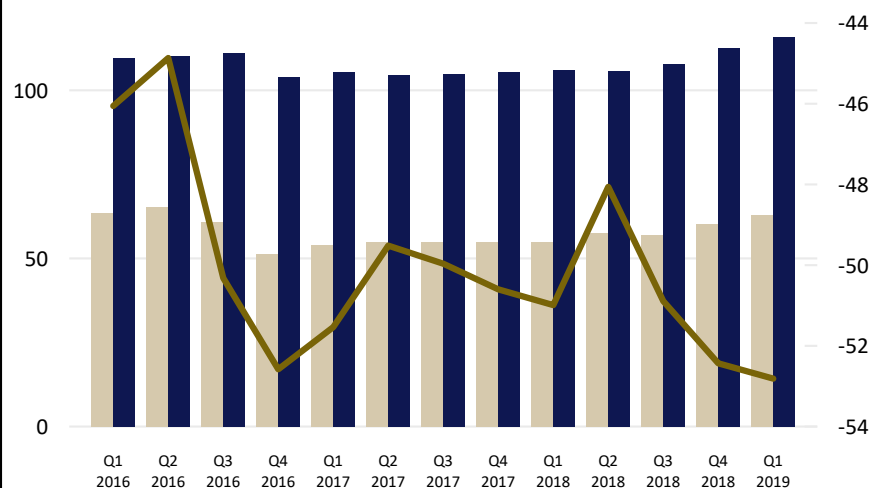
Időszak/Period

All

Resident sector

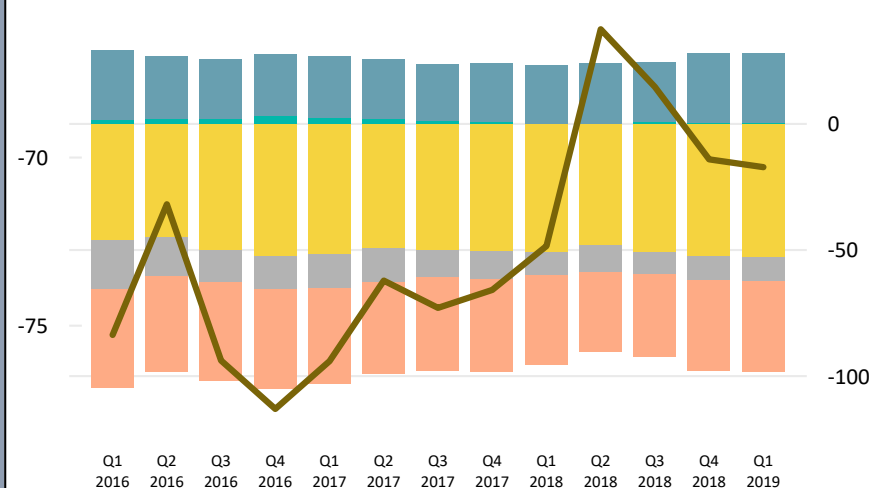
All

## Foreign direct investment (Bn EUR)



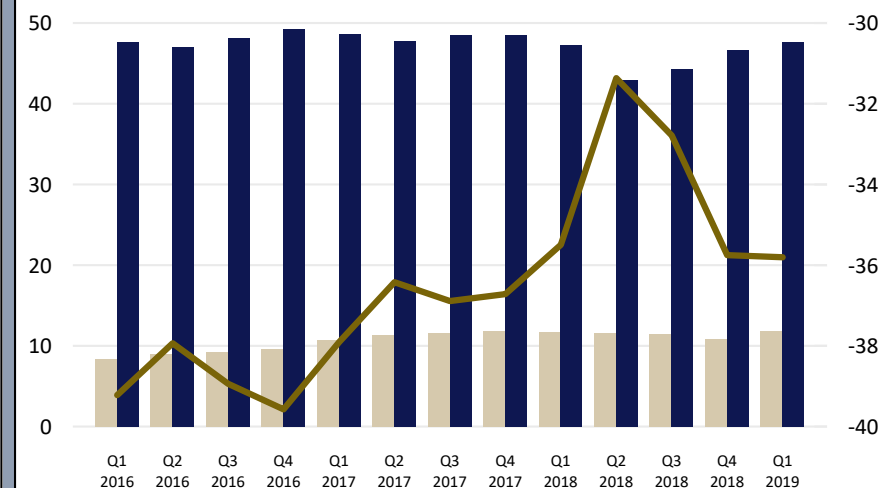
Assets (Bn EUR) Liabilities (Bn EUR) Net IIP (Bn EUR) (right scale)

## Net IIP (Bn EUR)



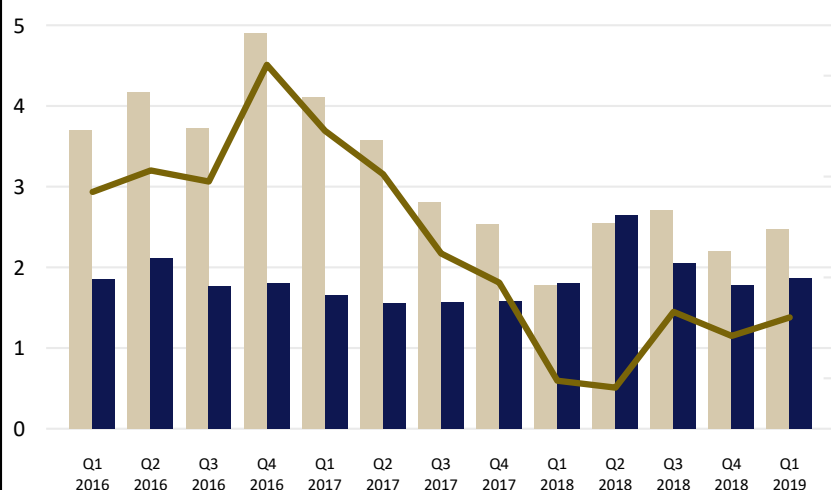
FDI Financial d... Other inve... Portfolio in... Reserve as... Net IIP (Bn...)

## Portfolio investment (Bn EUR)



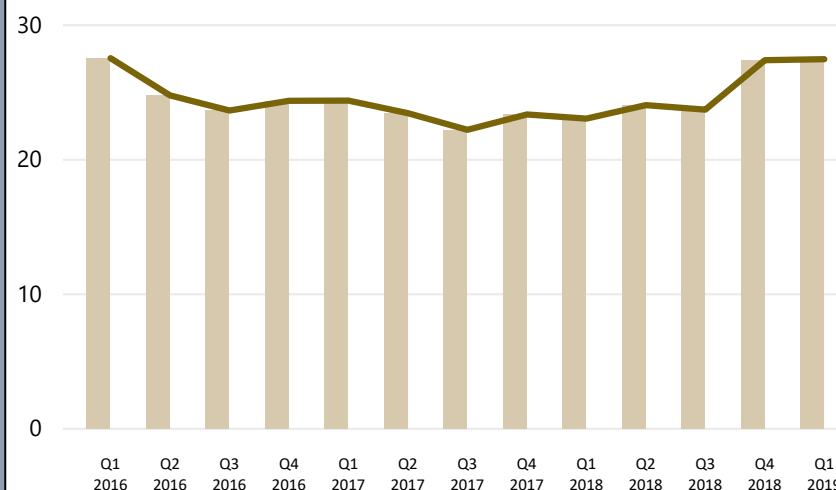
Assets (Bn EUR) Liabilities (Bn EUR) Net IIP (Bn EUR) (right scale)

## Financial derivatives (Bn EUR)



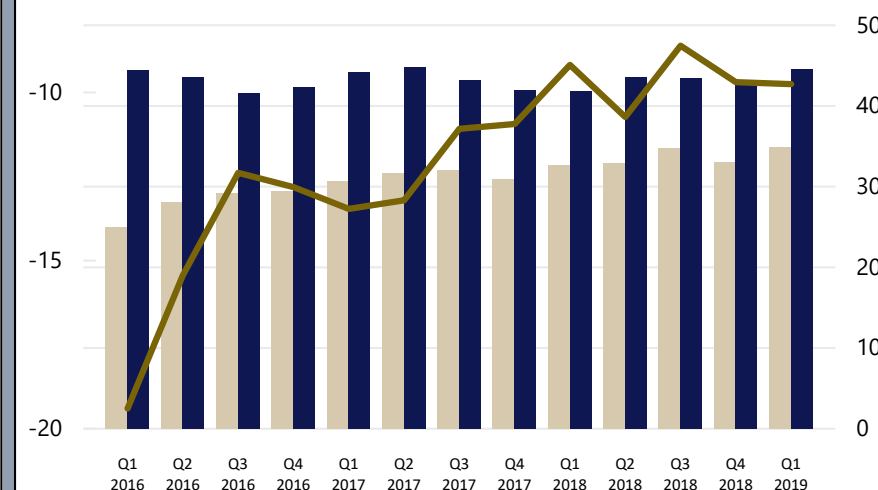
Assets (Bn EUR) Liabilities (Bn EUR) Net IIP (Bn EUR) (right scale)

## Reserve assets (Bn EUR)



Assets (Bn EUR) Liabilities (Bn EUR) Net IIP (Bn EUR) (right scale)

## Other investment (Bn EUR)



Assets (Bn EUR) Tartozás (Milliárd EUR) Net IIP (Bn EUR) (right scale)





# Stock of external debt

Időszak/Peri...

All

Indicators

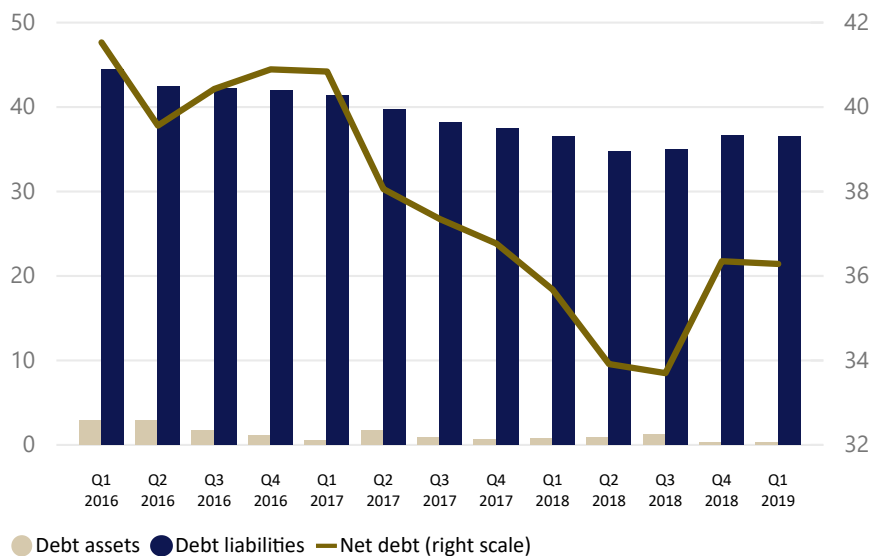
All

FDI debt (filter)

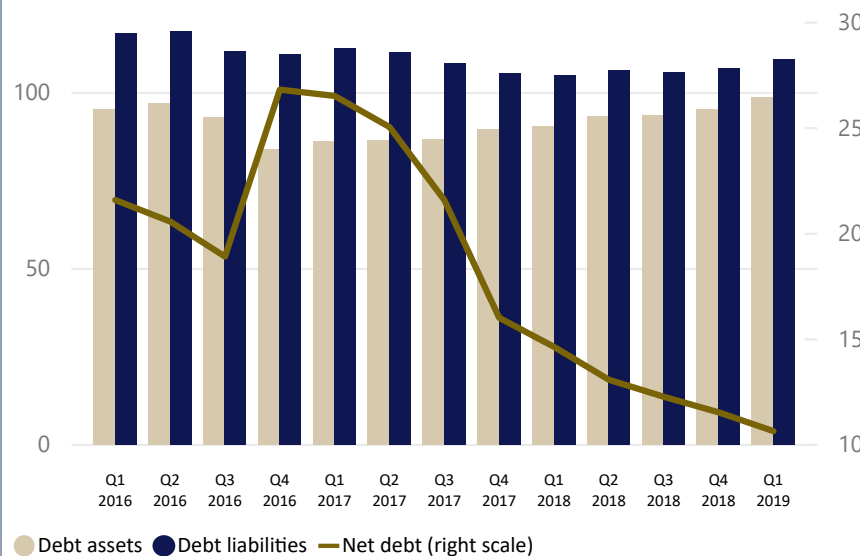
All

## External debt by maturity

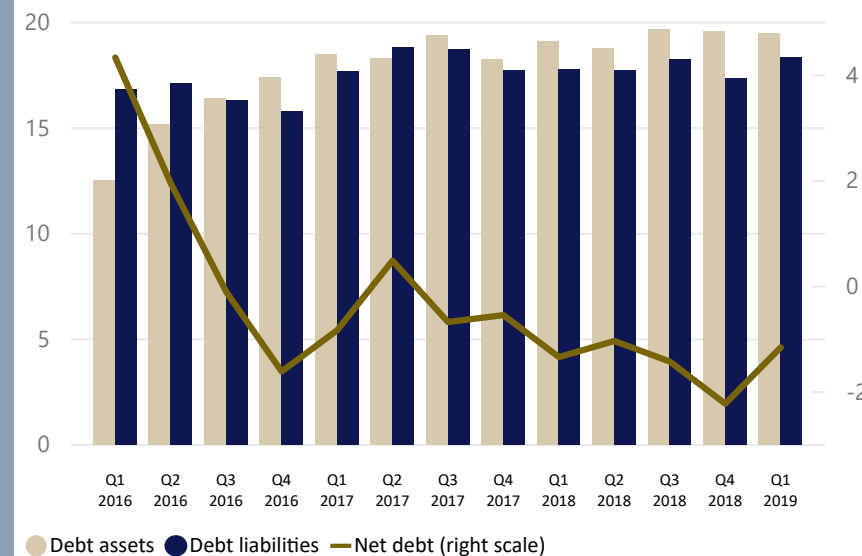
### General government (Bn EUR)



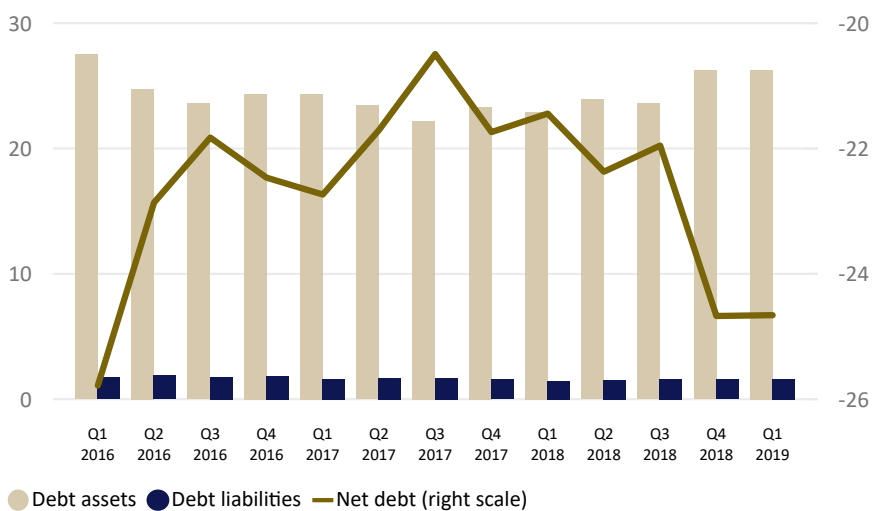
### External debt (Bn EUR)



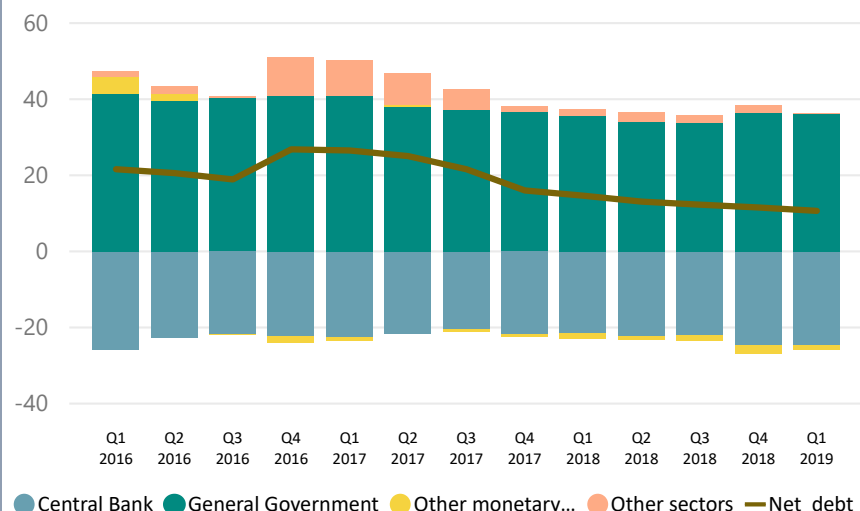
### Other monetary institutions (Bn EUR)



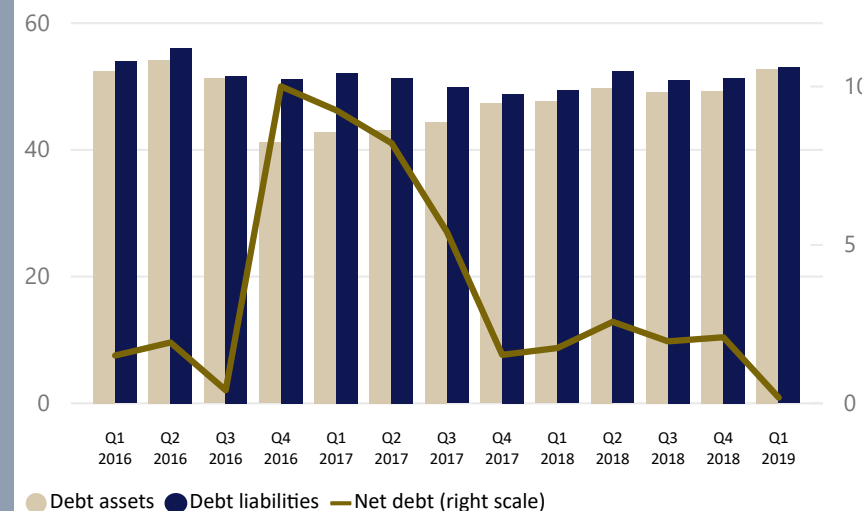
### Central Bank (Bn EUR)



### Net external debt by resident sectors (Bn EUR)



### Other sectors (Bn EUR)





## Stock of gross external debt by maturity (excl. FDI debt)

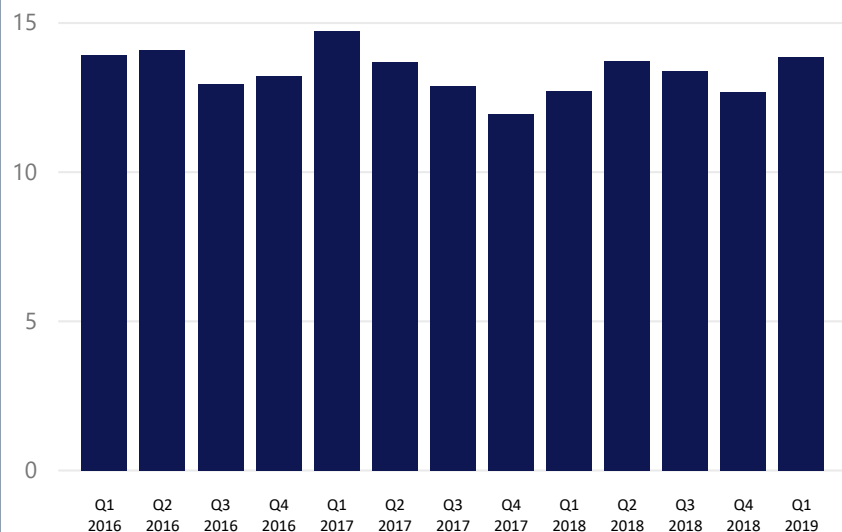
Időszak/Period

All

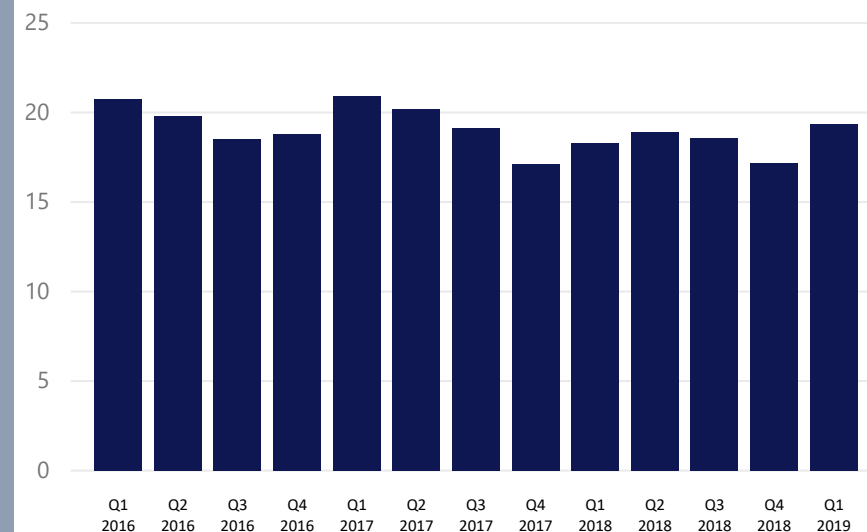
Resident sector

All

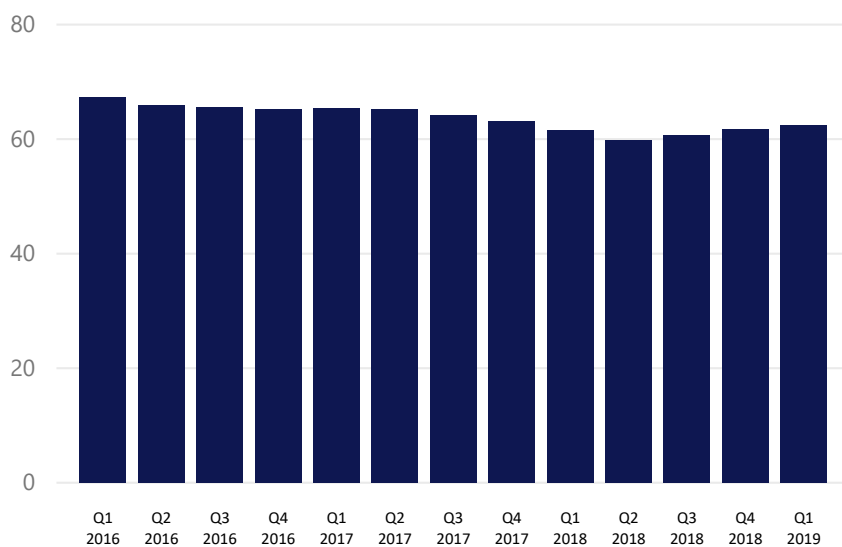
Original maturity: short-term (Bn EUR)



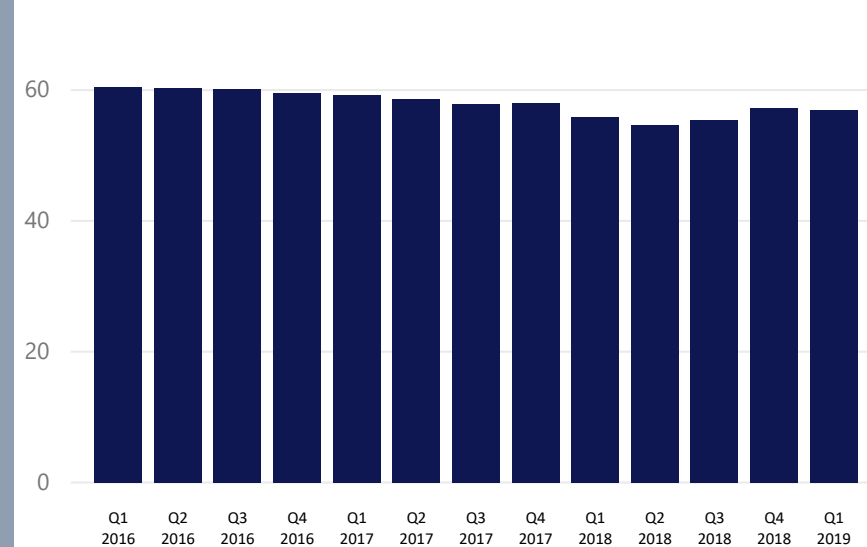
Remaining maturity: short-term (Bn EUR)



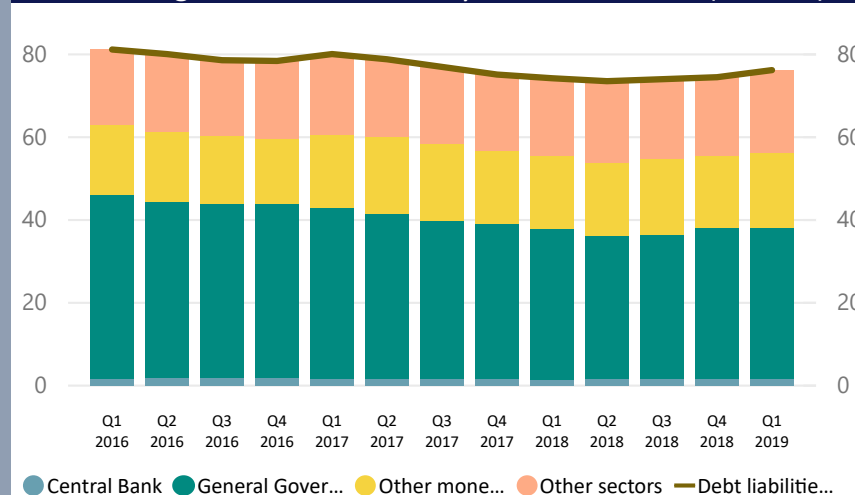
Original maturity: long-term (Bn EUR)



Remaining maturity: long-term (Bn EUR)



Stock of gross external debt by resident sectors (Bn EUR)



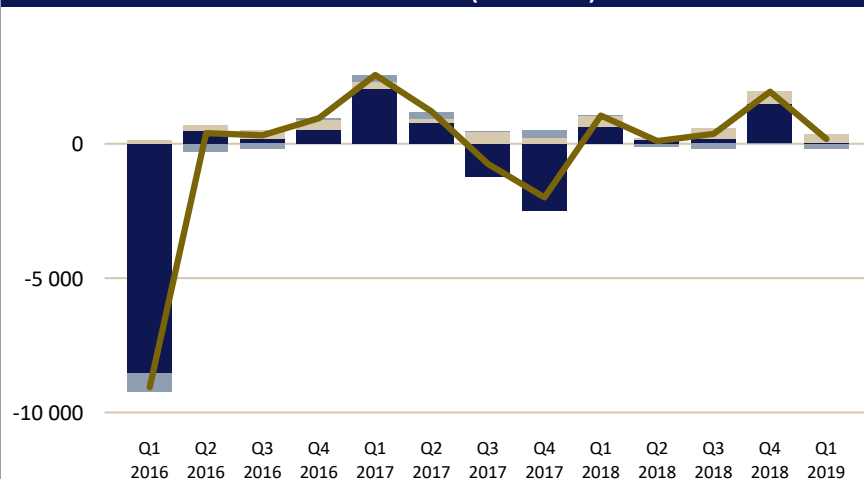


## FDI flows according to the directional principle

Időszak/Period

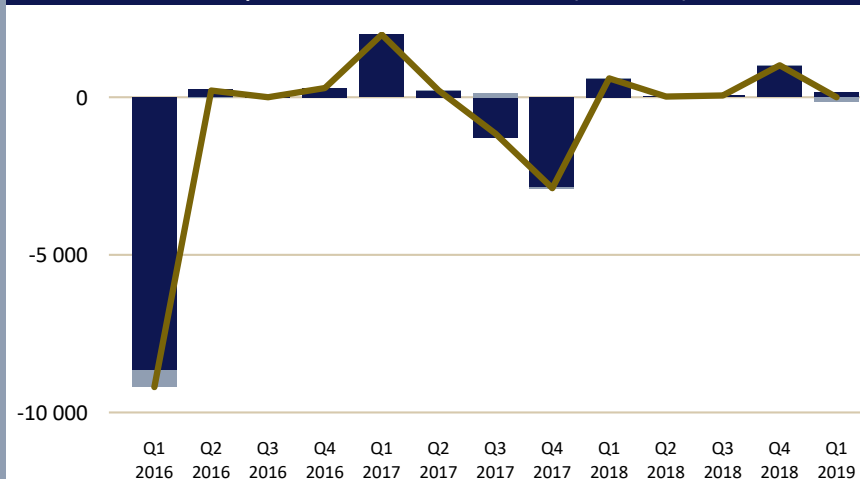
All

### FDI abroad (M EUR)



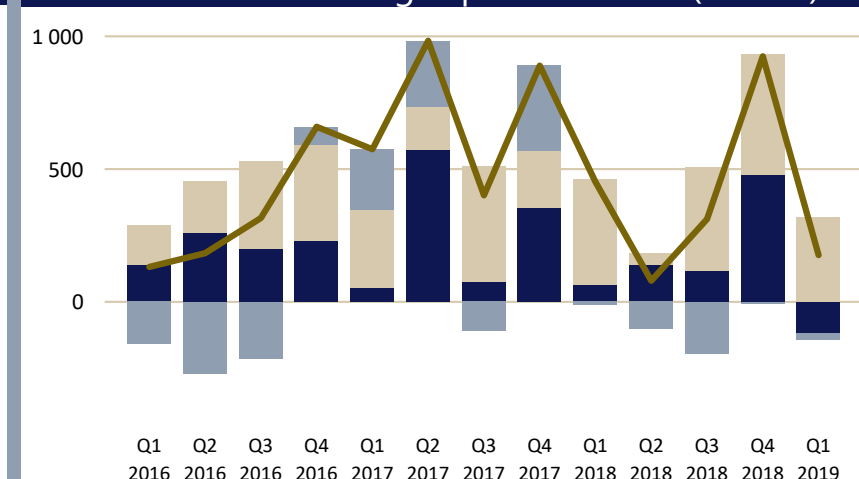
● Equity abroad (...) ● Reinvested ear... ● Debt instru... — FDI abroa...

### Capital in transit abroad (M EUR)



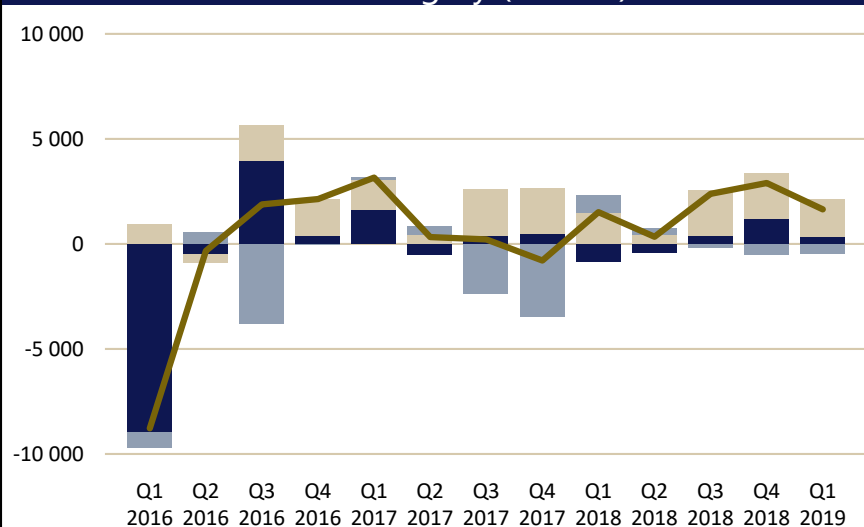
● Equity abroad (...) ● Reinvested ear... ● Debt instru... — FDI abroa...

### FDI abroad excluding capital in transit (M EUR)



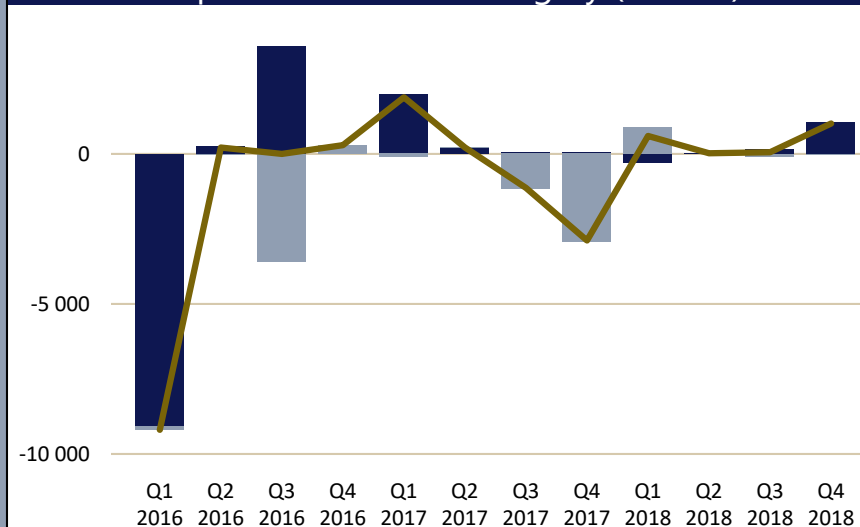
● Equity abroad (...) ● Reinvested e... ● Debt instru... — FDI abroa...

### FDI in Hungary (M EUR)



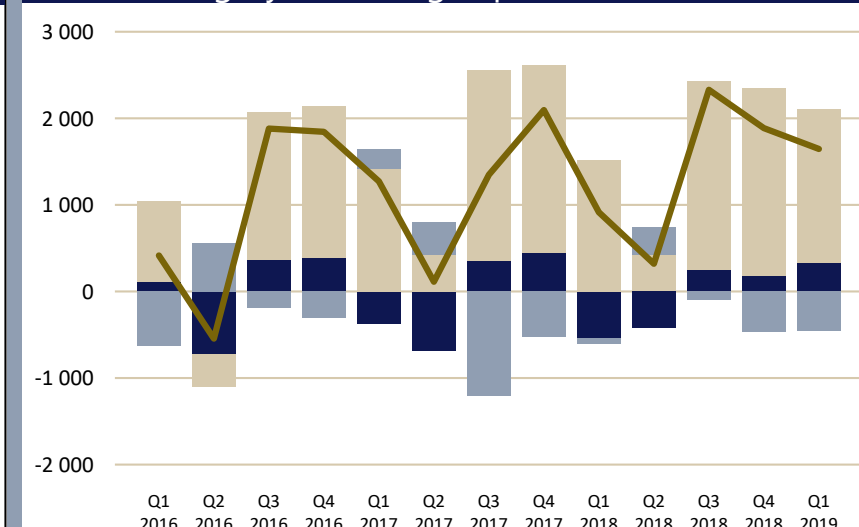
● Equity in Hun... ● Reinvested ear... ● Debt instru... — FDI in Hun...

### Capital in transit in Hungary (M EUR)



● Equity in Hun... ● Reinvested ear... ● Debt instru... — FDI in Hun...

### FDI in Hungary excluding capital in transit (M EUR)



● Equity in Hun... ● Reinvested ... ● Debt instru... — FDI in Hun...

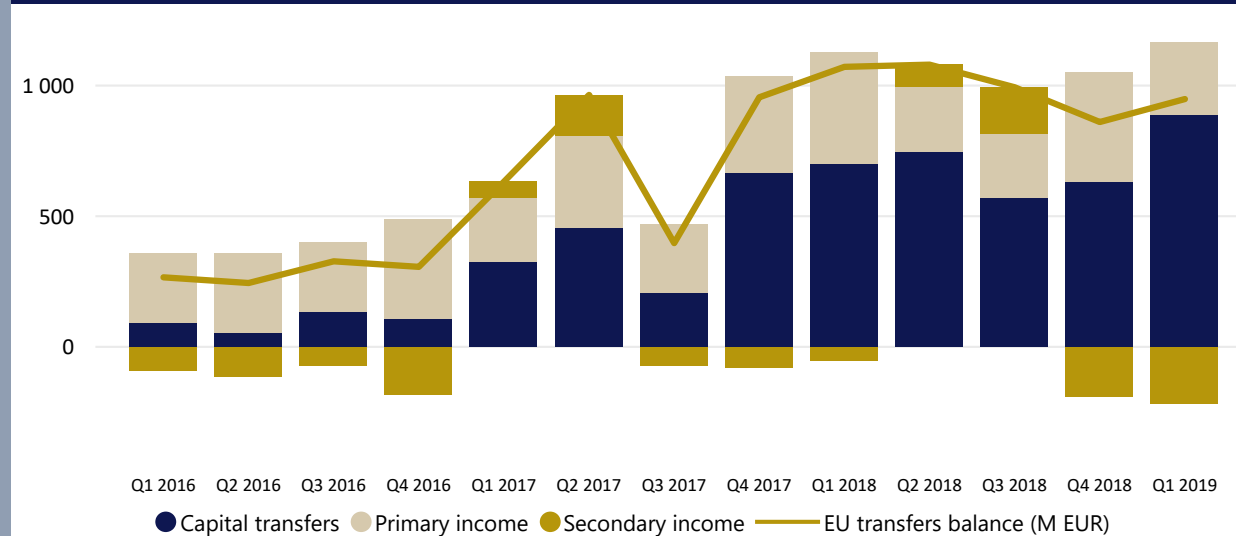


# EU transfers

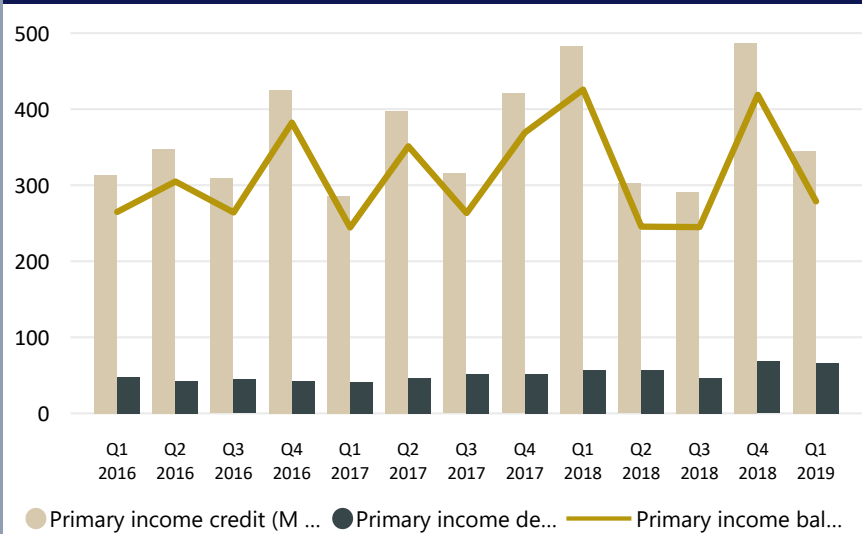
Időszak/Period

All

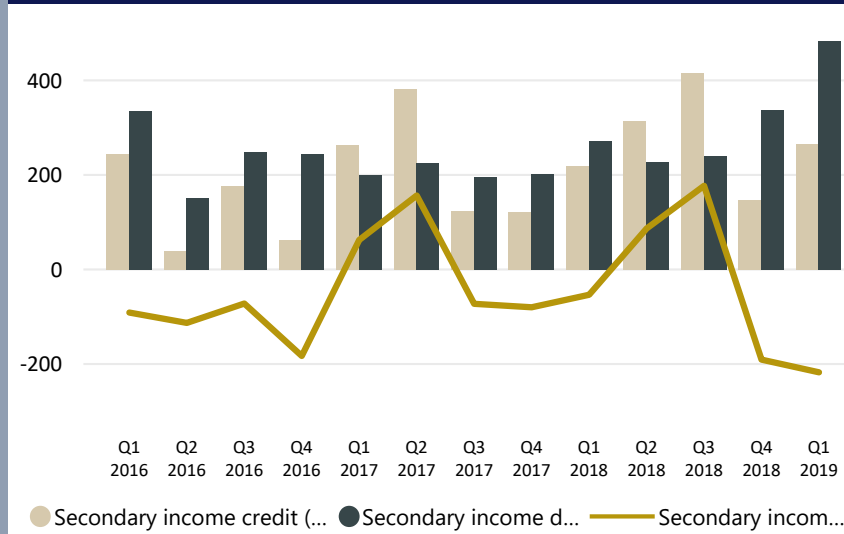
Current and capital account items (M EUR)



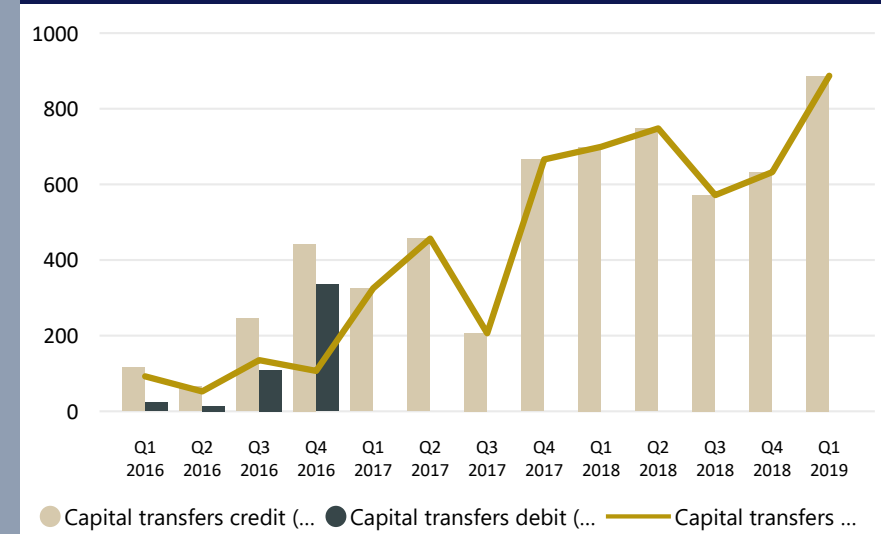
Primary income (M EUR)



Secondary income (M EUR)



Capital transfers (M EUR)





## Revisions (vs previous publication)

In case of June 2019 publication, the regular revision period of the balance of payments statistics goes back to Q1-Q4 2018. Tables give a summary of changes by major BoP and IIP items relative to the previous data vintage published in March 2019. The changes are explained by the reporting entities's revised data.

### Balance of payments (revisions, M EUR)

Instruments ▲	Q1-Q4 2018
1. Current account balance (1.1+1.2+1.3+1.4)	-152
1.1. Goods	0
1.2. Services	-23
1.3. Primary income	19
1.4. Secondary income	-147
2. Capital account	147
3. Financial account	-12
3.1 Foreign direct investment (net assets)	19
3.1.1 Foreign direct investment abroad (net assets)	1 788
3.1.1.1 Equity	1 773
3.1.1.2 Debt instruments	15
3.1.2 Foreign direct investment in Hungary (net liabilities)	1 769
3.1.2.1 Equity	2 052
3.1.2.2 Debt instruments	-282
3.2 Portfolio investments (net assets)	0
3.2.1 Assets	0
3.2.2 Liabilities	0
3.3 Financial derivatives (net assets)	-2
3.4 Other investments (net assets)	-29
3.4.1 Assets	-28
3.4.2 Liabilities	1
4. Net errors and omissions	-7

### Positions (revisions, M EUR)

Instruments	Q4 2018
1. Foreign direct investment (net assets)	-252
1.1 Foreign direct investment abroad (net assets)	1 800
1.1.1 Equity	1 773
1.1.2.1 Debt assets	154
1.1.2.2 Debt liabilities	128
1.2 Foreign direct investment in Hungary (net liabilities)	2 051
1.2.1 Equity	2 366
1.2.2.1 Debt assets	766
1.2.2.2 Debt liabilities	452
2. Portfolio investments (net assets)	0
2.1 Assets	0
2.2 Liabilities	0
3. Financial derivatives (net assets)	0
4. Other investments (net assets)	-96
4.1 Assets	-58
4.2 Liabilities	38
5. Gross external debt (excl. FDI debt)	38
6. Net external debt (excl. FDI debt)	96



## Other information and notes

### Useful links

[Statistical tables](#)

[Methodological notes](#)

[Seasonally adjusted graphs](#)

[Interactive graphs](#)

### Notes

In these interactive graphs, Hungary's balance of payments and international investment position are presented **excluding data on special purpose entities (SPEs)**, consistent with past practice. However, Hungary's BOP and IIP both excluding and including SPE data are available on the MNB's website.

Regarding the applied tool for seasonal adjustment, the MNB together with the HCSO, has switched from Demetra to **JDemetra+** as the new standard software for seasonal adjustment starting from the first publication of seasonally adjusted data for January 2017 and Q1 2017. JDemetra+ is the officially recommended software for seasonal adjustment of official statistics within the European System of Central Banks and the European Statistical System, in producing seasonally adjusted data. As a member of the European System of Central Banks, one of the key objectives of the MNB is to produce seasonally adjusted data of the best possible quality, which are comparable to those produced and published by other Member States. The software change does not influence the applicability, interpretation and the dissemination of seasonally adjusted data; TRAMO/SEATS will continue to be the seasonal adjustment method used. However, due to the many new statistical tests and diagnostics built into the new programme, we can provide higher quality seasonally adjusted data to users.

Seasonally adjusted balance time series are directly adjusted. Thus, seasonally adjusted balances cannot be reproduced from the seasonally adjusted credits and debits. The same applies to the aggregates. The seasonally adjusted aggregates cannot be reproduced from the seasonally adjusted subaccounts either (e.g. the seasonally adjusted current account balance does not equal to the sum of the seasonally adjusted data of the subaccounts).

### Information about the next publication

The MNB will release Hungary's balance of payments and international investment position data for Q2 2019 and will revise annual data for 2016, 2017 and 2018 as well as quarterly data for Q1 2019 on 20 September 2019.

### Contacts

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E-mail: [sajto@mnbb.hu](mailto:sajto@mnbb.hu)