



# Balance of payments and International Investment Position

2020 Q4

Text information



Summary data



Main balance of payments  
statistical aggregates



Net lending (CA+KA)



Net lending (FA) by resident  
sectors



Net lending (FA) by instruments



External positions by resident  
sectors



External positions by  
instruments



External debt positions



External debt positions by  
maturity



FDI flows according to  
directional principle



EU transfers



Revisions (vs previous  
publication)



FDI income and positions  
(annual)



FDI positions: country  
breakdown (annual)



FDI positions: activity  
breakdown (annual)



FDI income: COPC  
(annual)

Current account balance (M EUR)

184,6

Net lending (CA+KA) SA/GDP SA

2,5%

Net international investment position/GDP

-48,2%



## Text information

*In this publication, the quarterly balance of payments and related stock statistics for Q4 2020 are published first with the revisions for years 2017-2019 and quarters Q1- Q3 2020.*

### Summary data

In Q4 2020, Hungary's seasonally adjusted net lending (i.e. the combined surplus on its current and capital accounts) amounted to EUR 861.5 million, equal to 2.5 % of quarterly GDP. The unadjusted value reached EUR 967.7 million. The seasonally adjusted current account surplus is EUR 570.3 million, while the unadjusted value reached EUR 184.6 million. The seasonally adjusted capital account balance is EUR 498.3 million, while the unadjusted value is amounted to EUR 783.1 million.

Hungary's net foreign debt, excluding FDI debt instruments, amounted to EUR 10.8 billion at the end of December 2020 (8.0 % as a percentage of GDP in the last four quarters). The net external debt increased by EUR 0.7 billion compared to the previous quarter.

The Central Bank's reserve assets amounted to EUR 33.7 billion at the end of December 2020. In the fourth quarter, the level of the reserves increased by EUR 1.5 billion compared to the previous quarter.

### Seasonally adjusted net lending (CA+KA)

In Q4 2020 of the components of net lending the exports and imports of goods increased further and reached a surplus. Exports amounted to EUR 24.4 billion, imports to EUR 24 billion, and the trade surplus reached to EUR 364.9 million in the fourth quarter, seasonally adjusted. The seasonally adjusted surplus of services slightly decreased with travel reaching EUR 374.1 million and non-travel services reaching EUR 516.6 million. The seasonally adjusted deficit of primary income was EUR 545.3 million. The deficit of secondary income was EUR 114.6 million, however, seasonality couldn't be identified in the times series.

The seasonally adjusted capital account balance is EUR 498.3 million. The bulk of the capital account comes from capital transfers from the EU.

### Net lending (FA)

#### By resident sectors

In Q4 2020, financial account balance showed an increase of EUR 719.2 million in net assets (net outflow). General government sector (EUR 2185.6 million) has recorded an increase in net external assets, while Central Bank (EUR 1107.3 million), other monetary institutions (EUR 955.7 million) and other sectors (EUR 841.8 million) have decreased their net external assets.

#### By instruments

In terms of instruments, net assets increased in FDI by EUR 1221.2 million, with the decrease of assets by EUR 264.2 million and of liabilities by EUR 1485.4 million. In portfolio investment net assets decreased by EUR 2487.5 million with the increase of assets EUR 490.0 million and liabilities of EUR 2977.5 million. There was a decrease in net assets in financial derivatives by EUR 79.8 million. In other investment net assets increased by EUR 160.1 million with the decrease of assets by EUR 1173.3 million and of liabilities by EUR 1333.3 million. Reserve assets transactions increased by EUR 1905.2 million in Q4 2020.

## Text information

### FDI flows according to directional principle

In the fourth quarter of 2020 the net outflows of direct investments was EUR 1221.2 million: FDI abroad increased by EUR 2827.7 million and FDI in Hungary by EUR 1606.5 million, of which capital in transit and asset portfolio restructuring increased the value of investments in both directions by EUR 1247.4 million.

Within FDI abroad, equity investment increased by EUR 2518.2 million, and the reinvested earnings by EUR 250.0 million. Debt instruments showed a net increase in claims of EUR 59.6 million.

In the case of FDI in Hungary, the equity decreased by EUR 289.2 million, while reinvested earnings increased by EUR 1153.6 million, and debt instruments increased the value of foreign investments by EUR 742.2 million.

### International investments positions

In Q4 2020, the value of the net international investment position was EUR -65.2 billion: total assets amounted to EUR 137.9 billion and total liabilities to EUR 203.2 billion. Compared to the end of the previous quarter, the level of assets increased by EUR 0.6 billion and that of liabilities by EUR 1.9 billion.

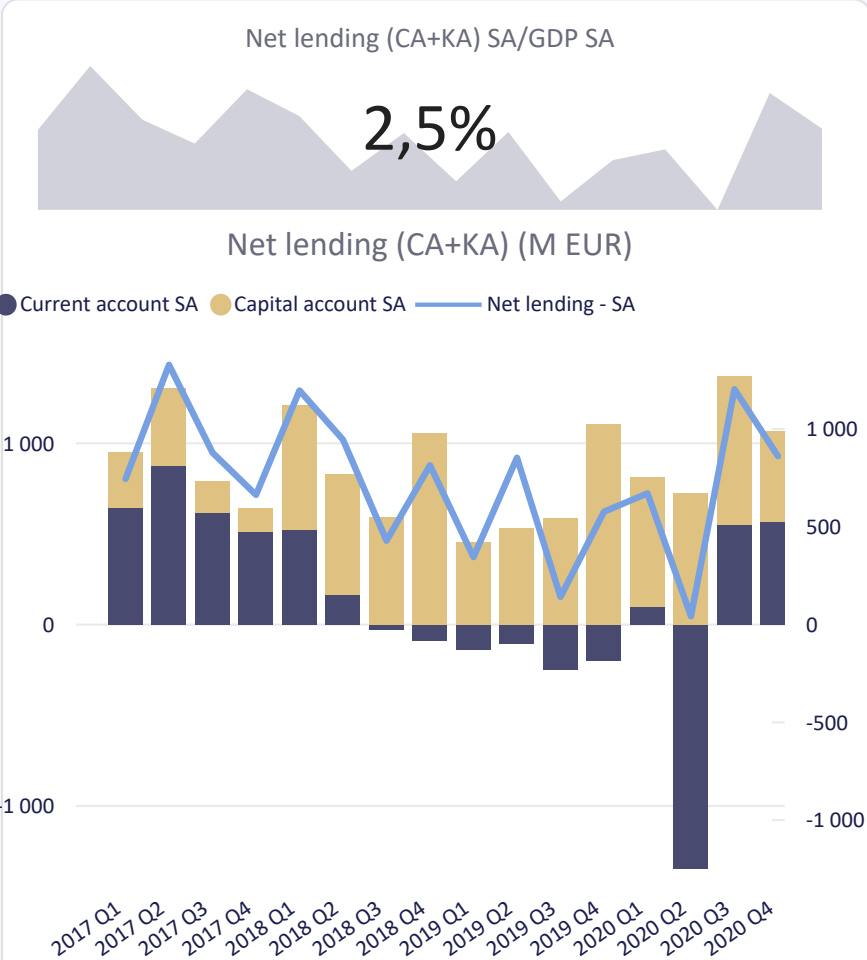
### Revisions (vs previous publication)

Data revisions are based on modified, corrected reports of respondents on the one hand and on data revision of the statistics provided for the compilation of BOP from the HCSO (mainly on goods and services). As from 2018, EU-transfers recorded in primary and secondary income, capital transfers, the related receivables and payables in other investments and the stock of receivables and payables in the IIP have been revised due to new available information.

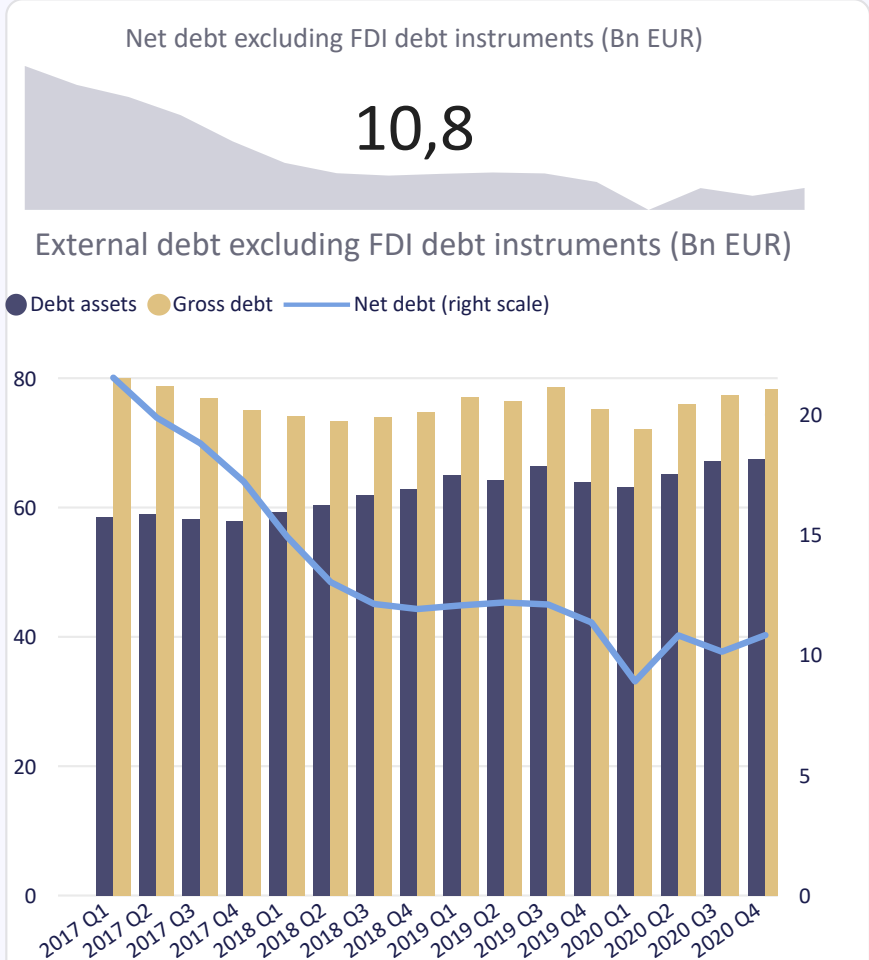
Besides, revisions are due to the reclassifications in line with the new, broader definition of special purpose entities (SPEs) (IMF recommendation). The change in 2017 data in the normal balance of payments is due to the SPE reclassifications. The reclassifications also affected data of other revised periods as well. In addition, newly formed SPEs from 2019 have caused significant shifts in published turnover and stocks including SPEs data. (As SPEs are resident companies that operate mainly abroad, their connection to the domestic economy is minimal, the MNB uses data without SPEs in its statistical releases and analyses.)



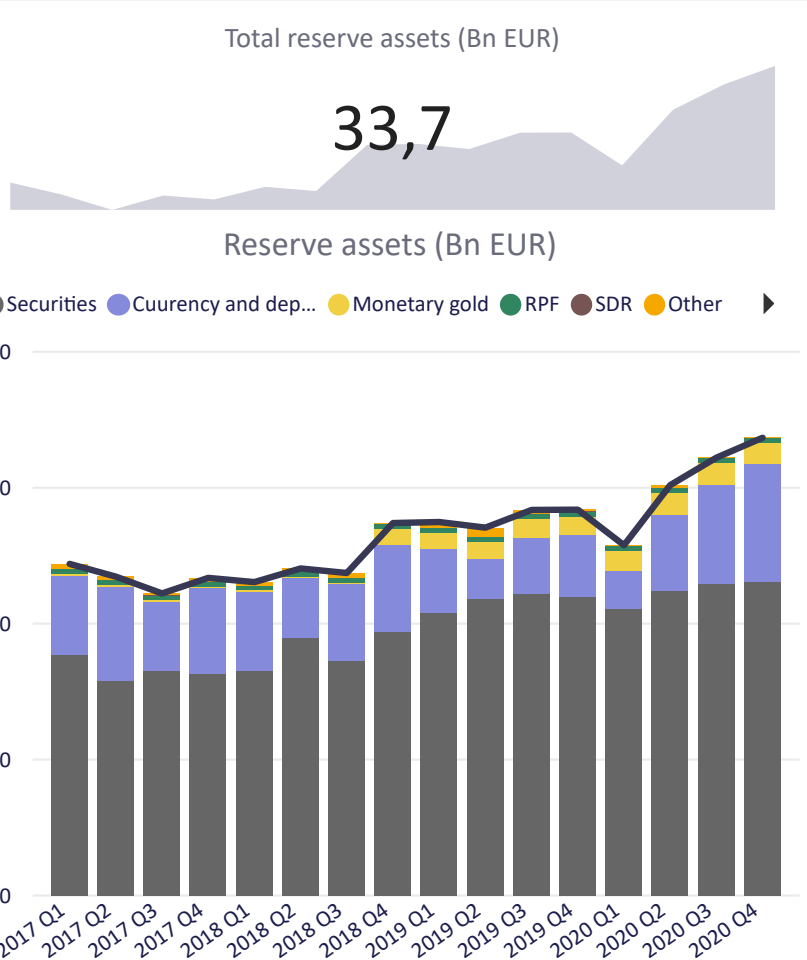
Summary data



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Hungary's net foreign debt, excluding FDI debt instruments, amounted to EUR 10.8 billion at the end of December 2020 (8.0 as a percentage of GDP in the last four quarters). The net external debt increased by EUR 0.7 billion compared to the previous quarter.



The Central Bank's reserve assets amounted to EUR 33.7 billion at the end of December 2020. In the fourth quarter, the level of the reserves increased by EUR 1.5 billion compared to the previous quarter.



# Main balance of payments aggregates

Main balance of payments aggregates (M EUR)							
-	2017	2018	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
1. Current account, net (1.1.+1.2.+1.3.)	2 536	408	-658	201	-953	667	185
1.1. Goods and Services, net	8 659	6 003	4 125	1 106	-259	1 321	932
1.1.1. Goods, net	1 712	-1 684	-3 043	-241	-848	-85	308
1.1.1.A Export	85 285	88 662	93 054	23 318	18 190	22 630	24 568
1.1.1.B Import	83 573	90 346	96 097	23 559	19 037	22 716	24 260
1.1.2. Services, net	6 947	7 687	7 168	1 347	588	1 407	624
1.1.2.A Export	23 817	25 359	27 112	5 650	4 120	5 221	4 635
1.1.2.B Import	16 870	17 671	19 944	4 303	3 532	3 814	4 011
1.2. Primary income, net	-5 021	-5 049	-3 927	-526	-486	-615	-633
1.2.1. Compensation of employees, net	2 627	2 422	2 572	523	447	427	368
1.2.2. Investment income, net	-8 869	-8 670	-7 641	-1 338	-1 255	-1 278	-1 356
1.2.2.1. Direct investment income, net	-7 344	-7 345	-6 435	-1 152	-1 046	-1 092	-1 175
1.2.2.2. Portfolio investment income, net	-1 469	-1 315	-1 249	-199	-206	-188	-179
1.2.2.3. Other investment income, net	-244	-203	-201	-48	-60	-50	-52
1.2.2.4. Reserve assets, net	187	192	244	61	57	53	50
1.2.3. Other primary income, net	1 221	1 200	1 142	289	323	236	356
1.2.3.1. of which: EU transfers	1 221	1 200	1 142	289	323	236	356



Net lending (CA+KA)

Text information

Filter

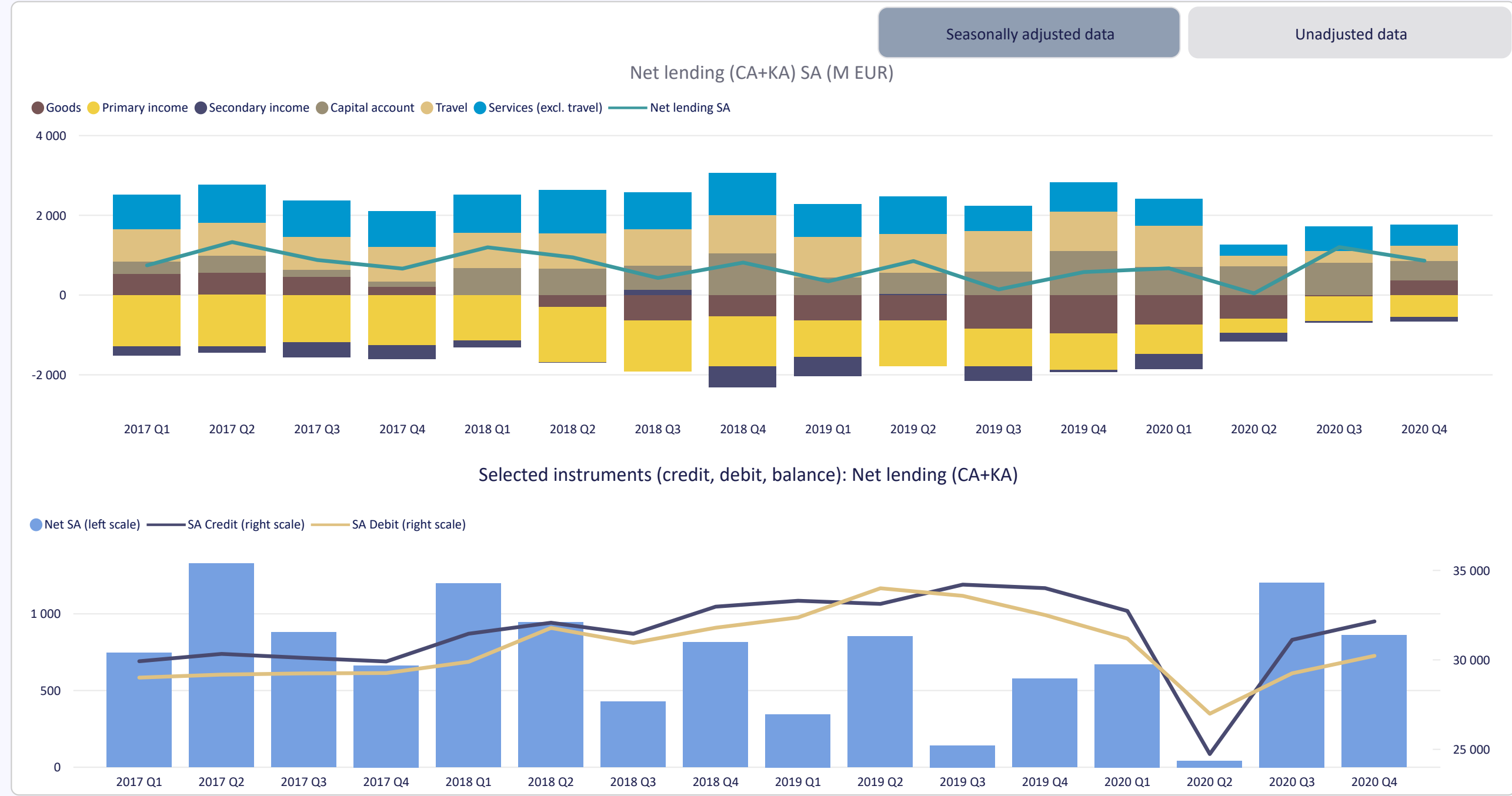
Instruments

All



Seasonally adjusted data

Unadjusted data





Net lending (CA+KA)

Filter

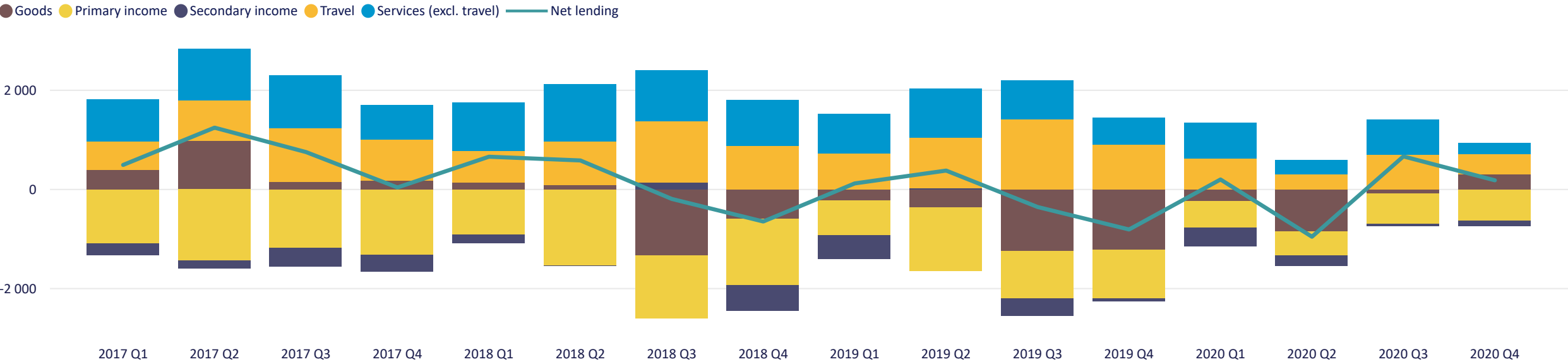
Instruments

All

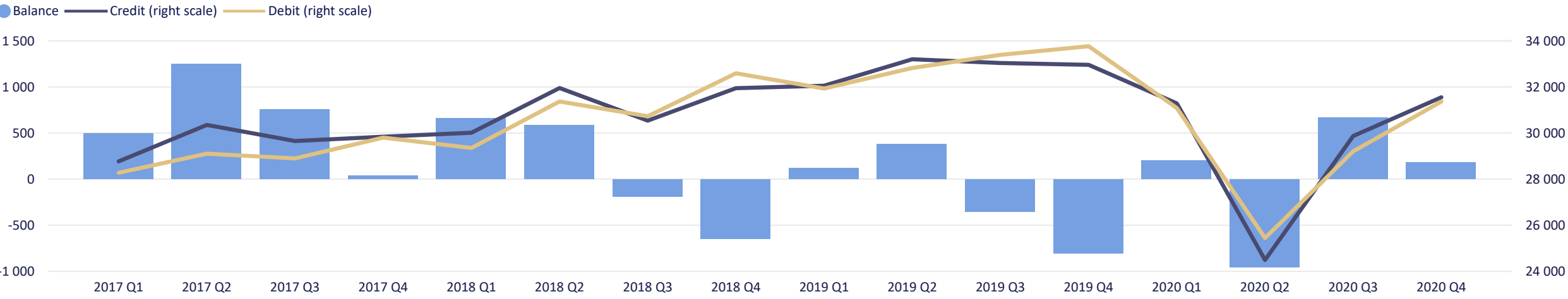
Seasonally adjusted data

Unadjusted data

Net lending (CA+KA) (M EUR)



Selected instruments (credit, debit, balance): All (Net lending (CA+KA))





Net lending (FA) by resident sectors

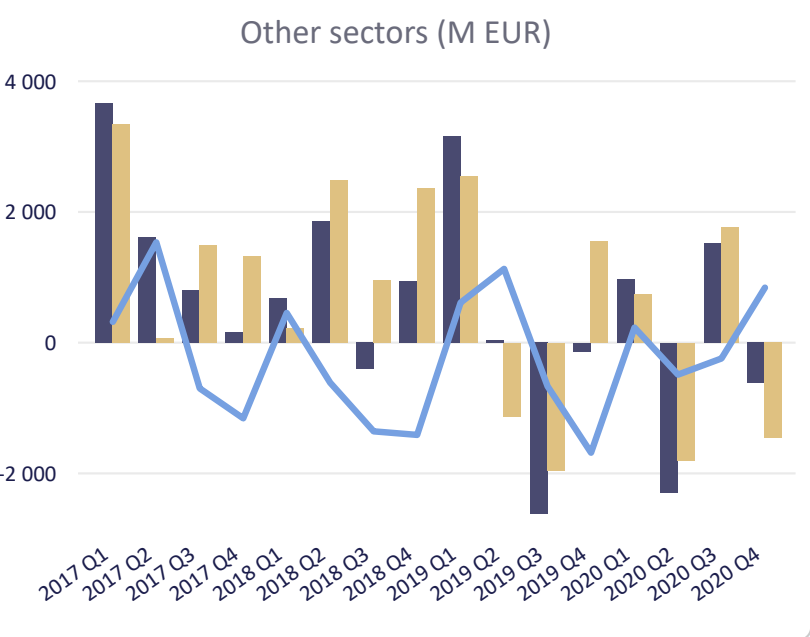
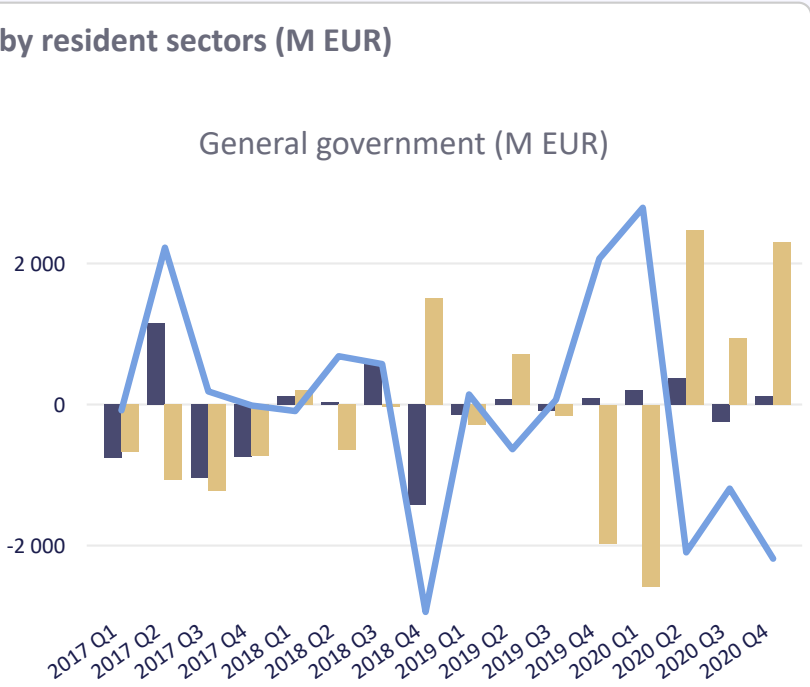
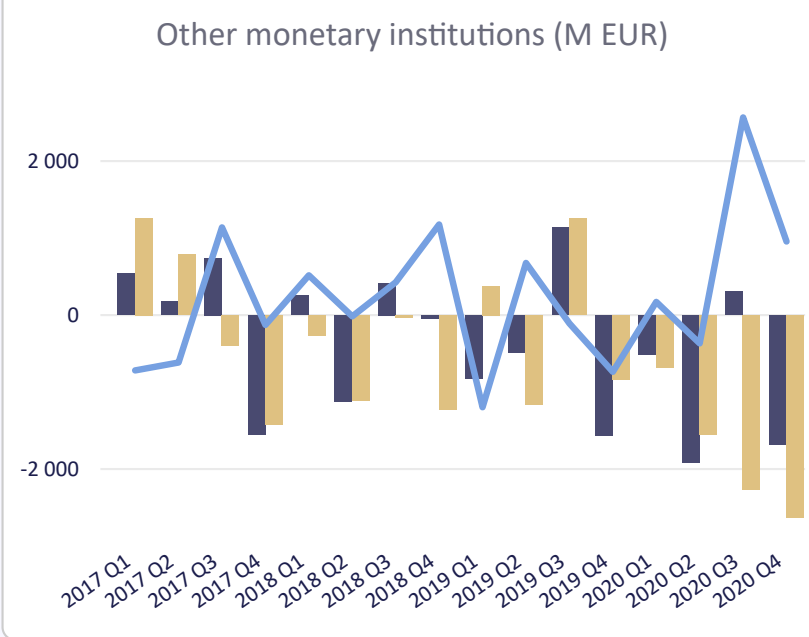
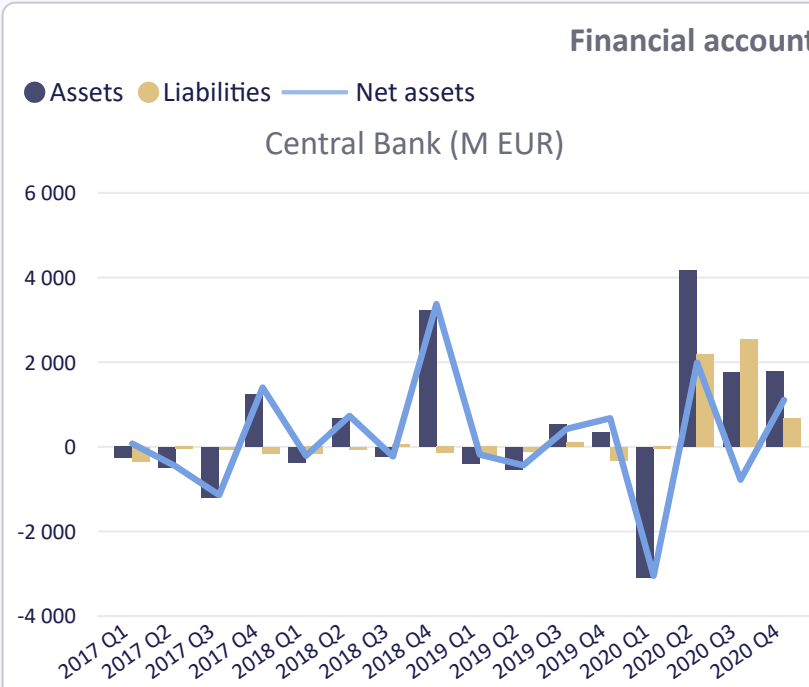
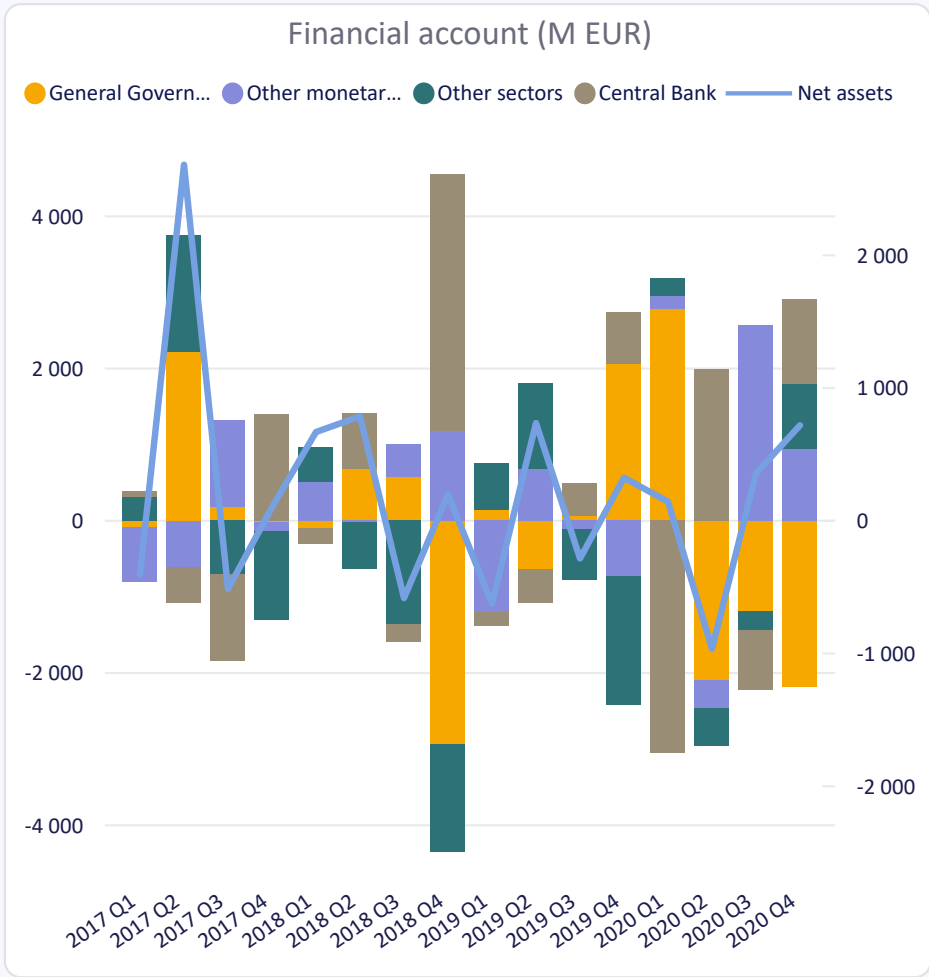
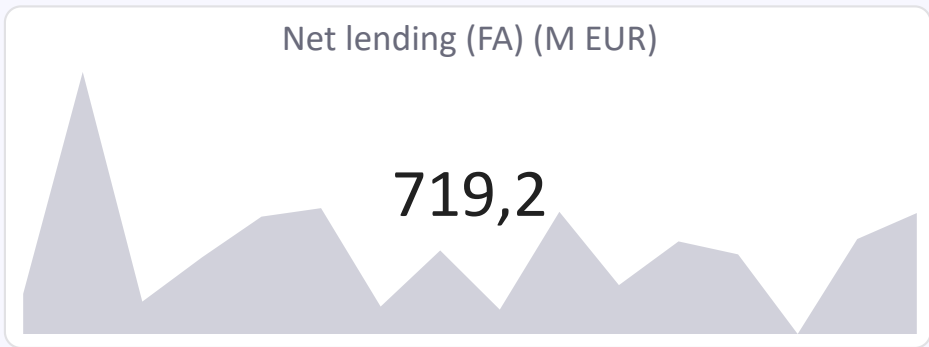
Text information

Filter

2017 Q1 - 2020 Q4

Instrument

All







Net lending (FA) by instruments

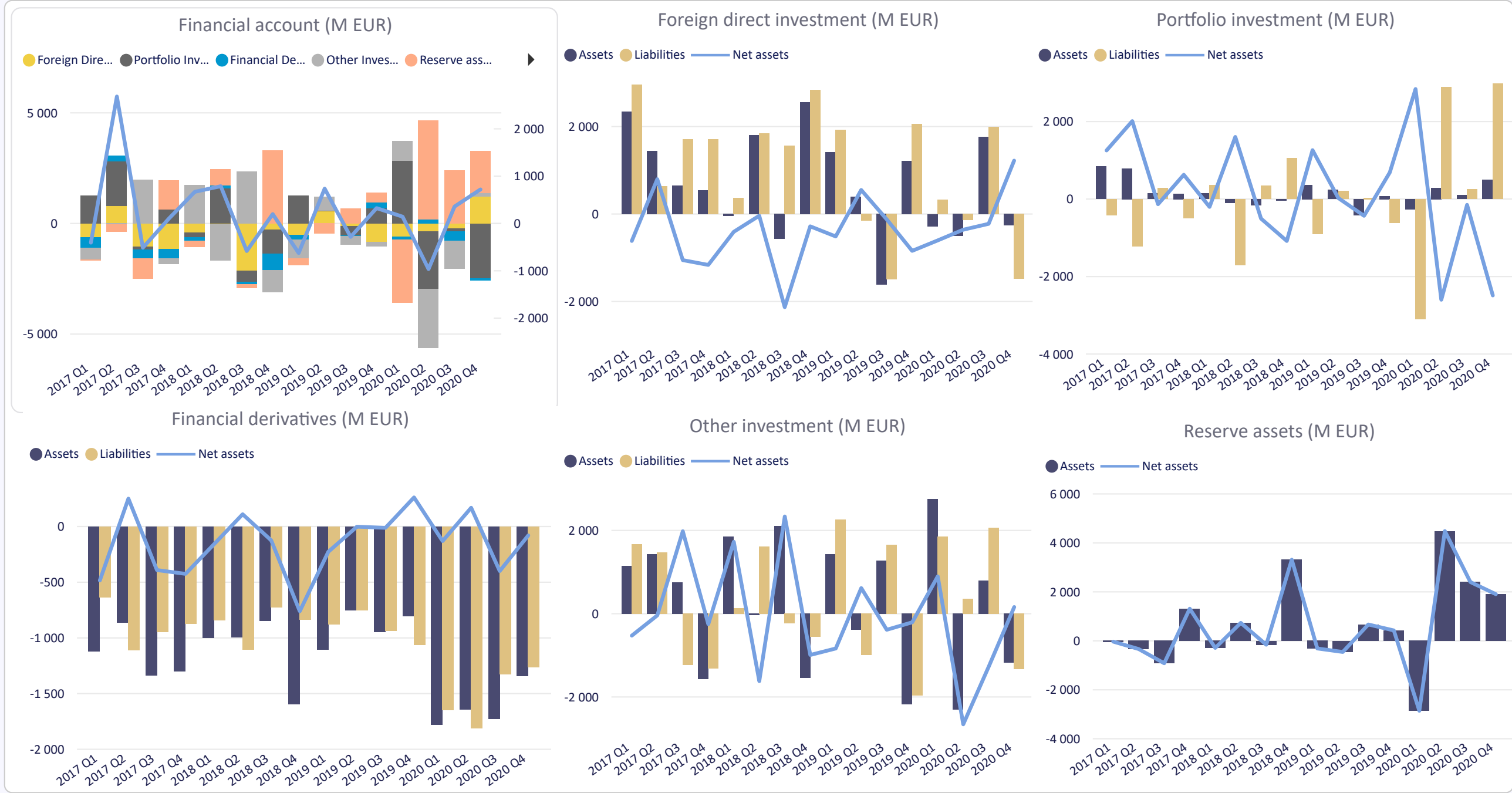
Text information

Filter

2017 Q1 - 2020 Q4

Resident sector

All

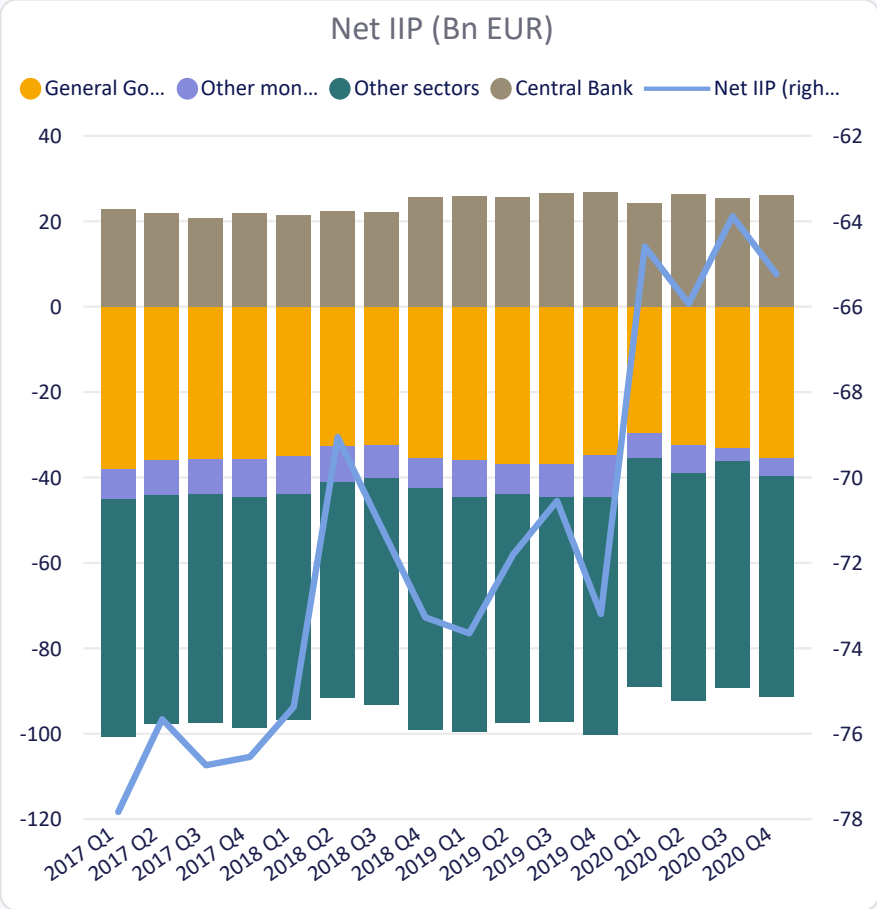
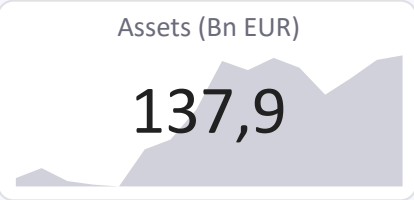
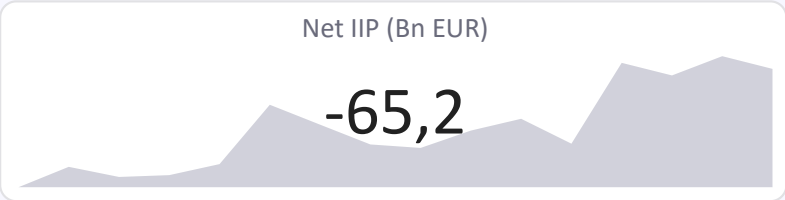




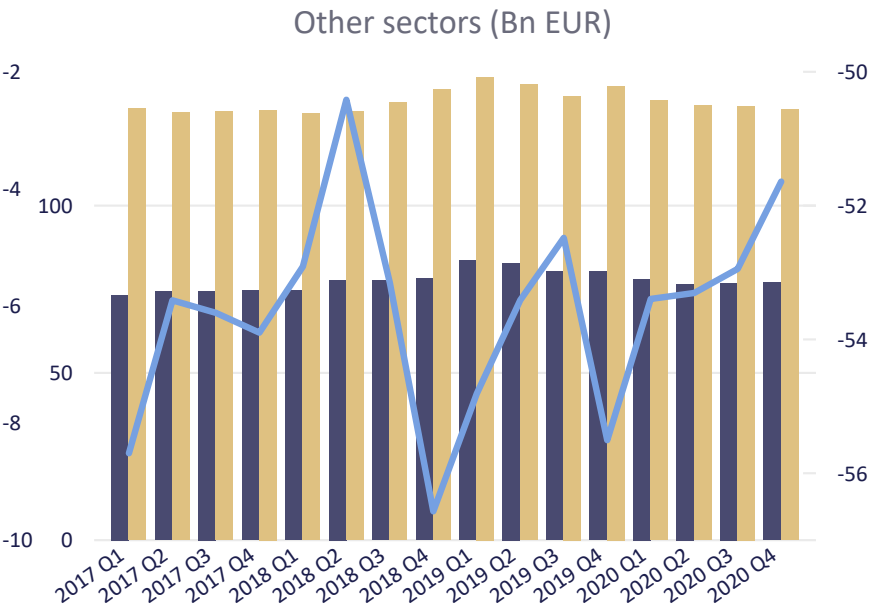
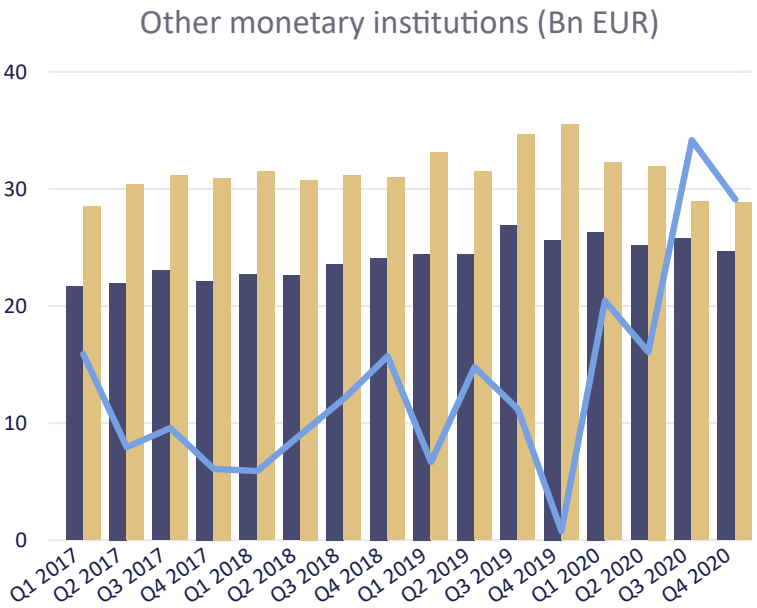
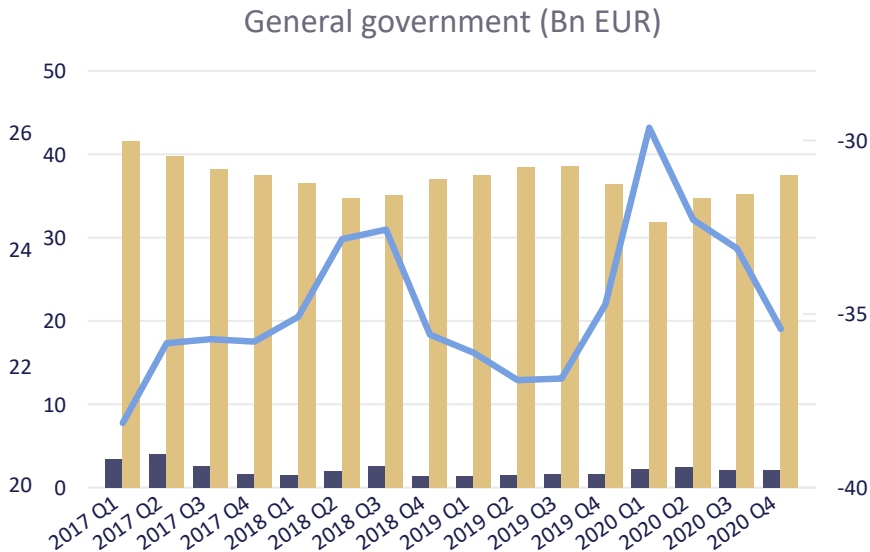
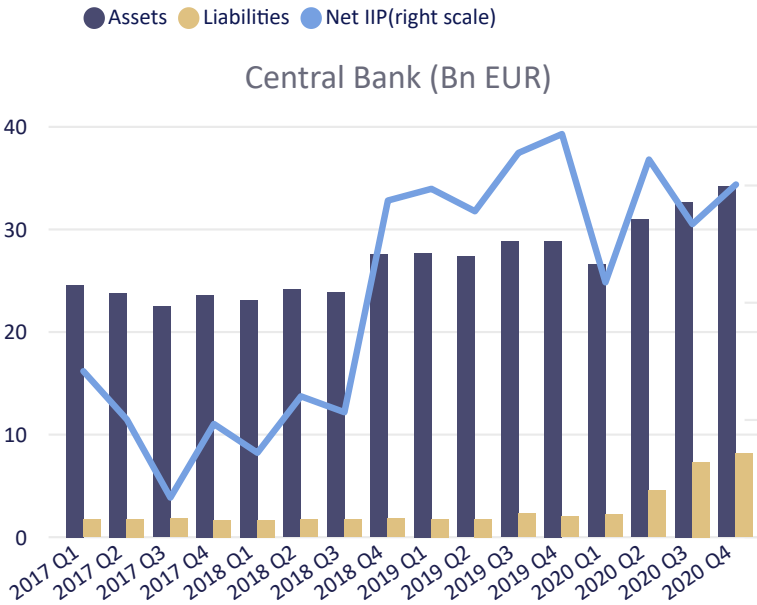
International Investment Position by resident sectors

Text information

Filter2017 Q1 - 2020 Q4InstrumentAll



Net IIP by resident sectors





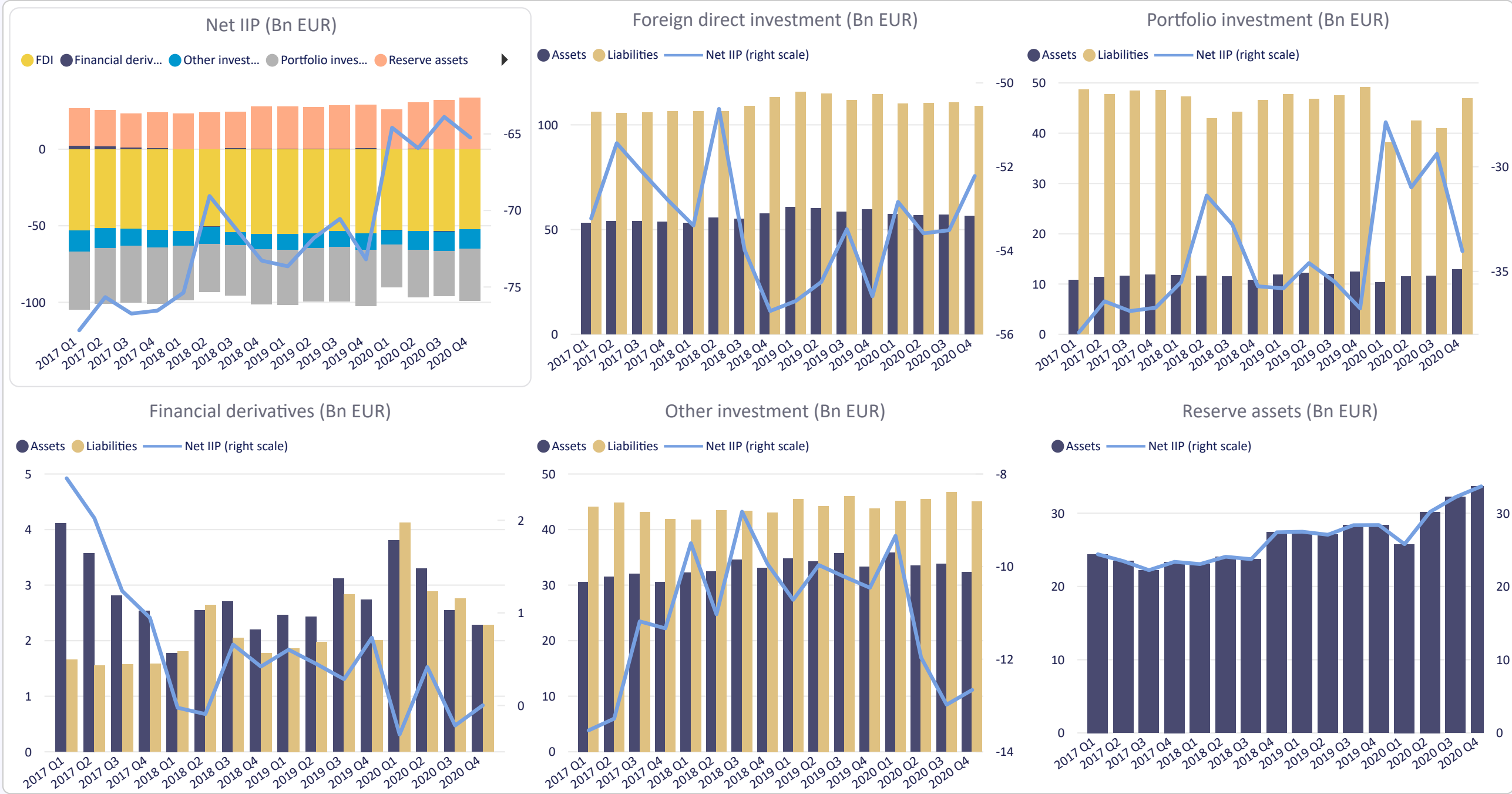
International Investment Position by instruments

Filter

2017 Q1 - 2020 Q4

Resident sector

All





Stock of external debt

Filter

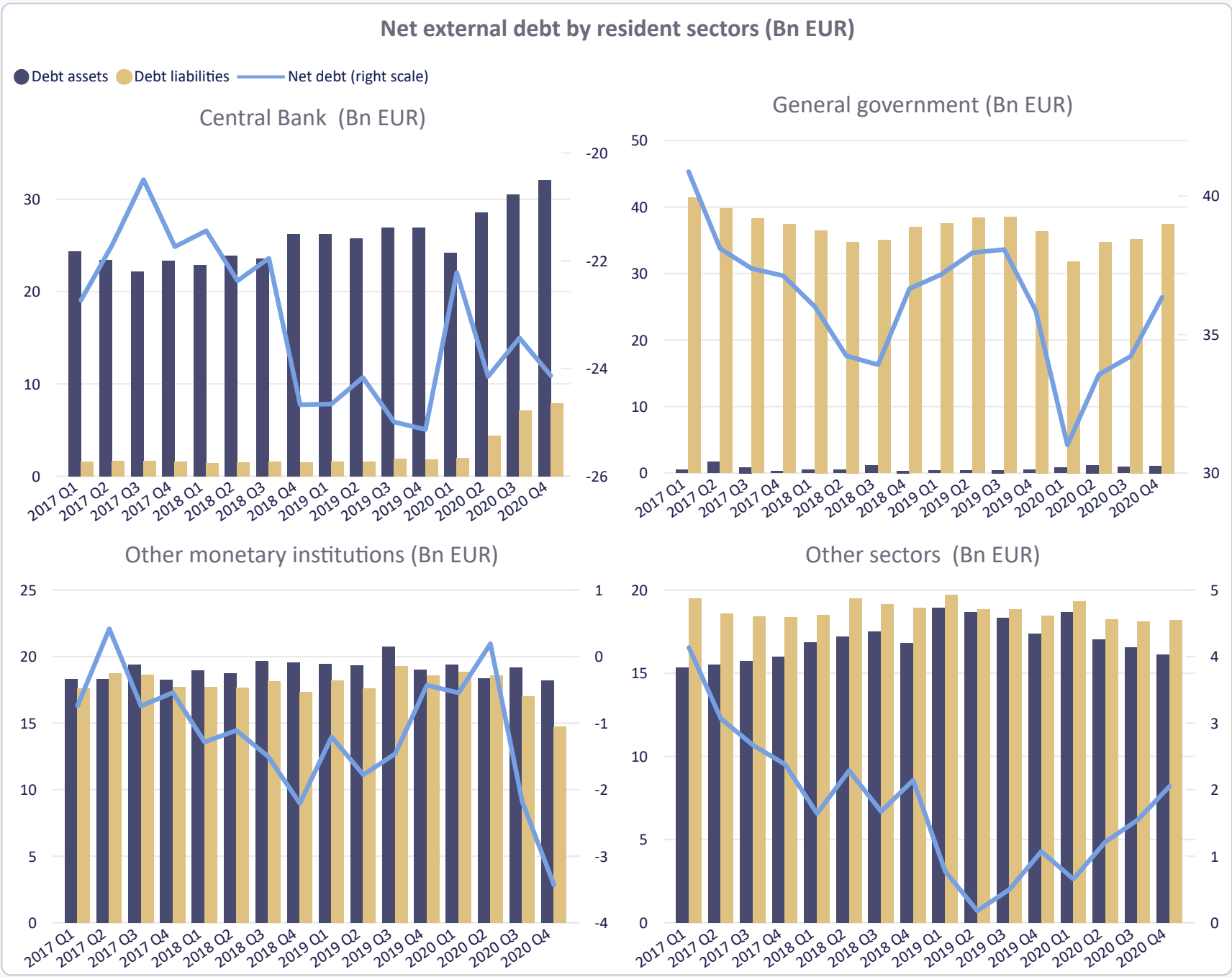
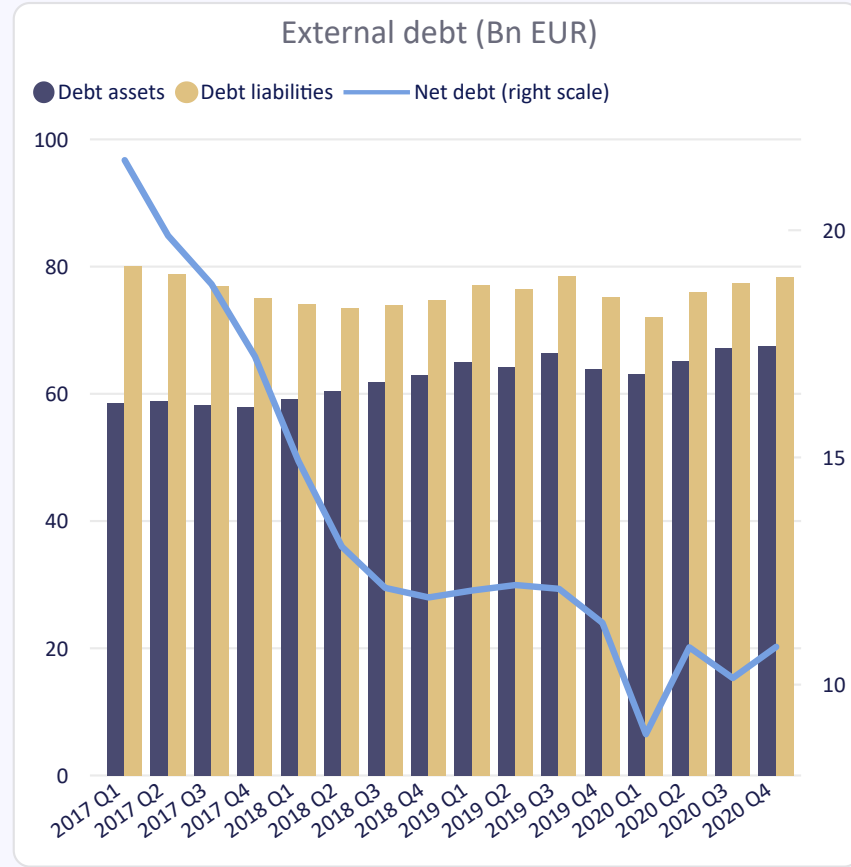
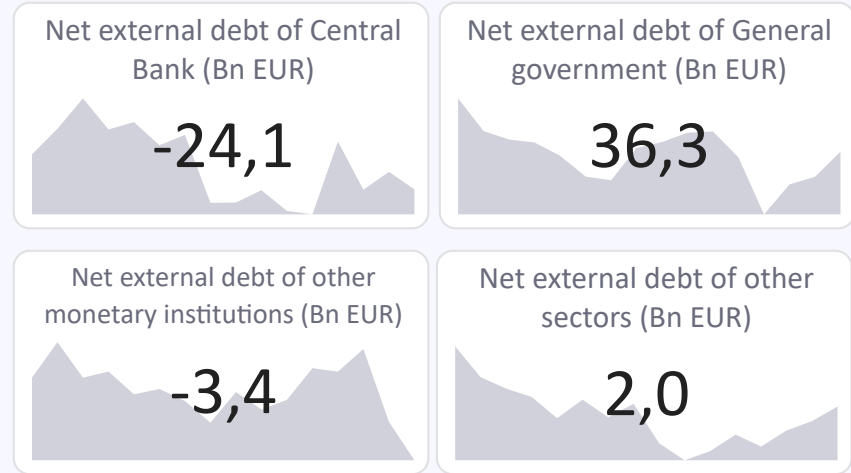
2017 Q1 - 2020 Q4

Indicators

FDI debt

All

Debt excluding FDI...





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

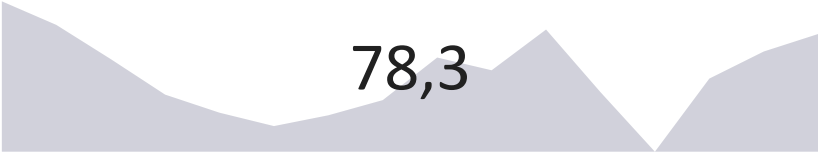
Filter

2017 Q1 - 2020 Q4

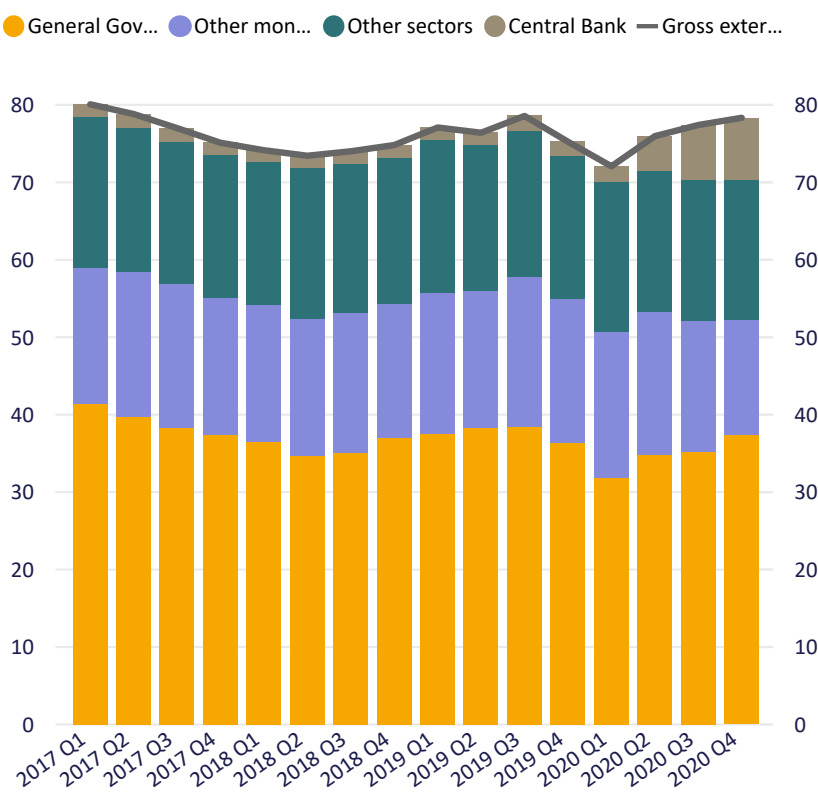
Resident sector

All

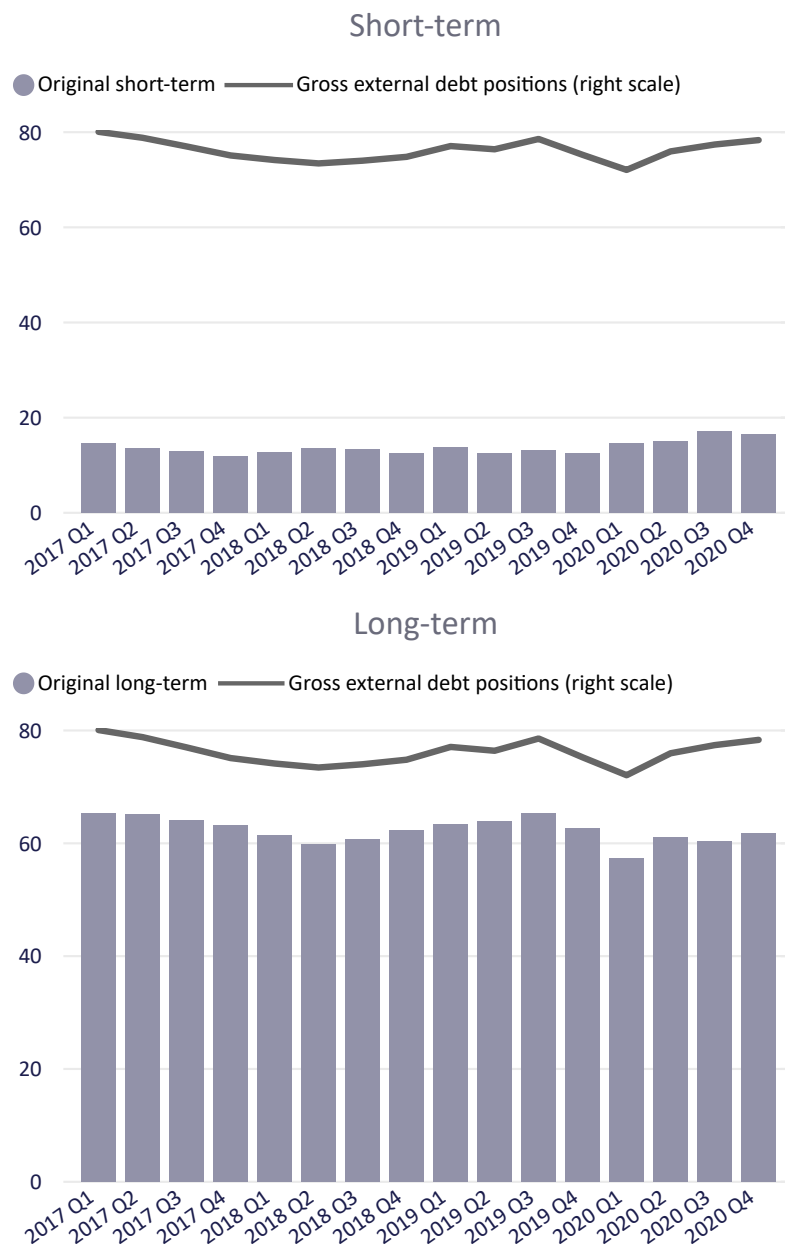
Gross external debt position (Bn EUR)



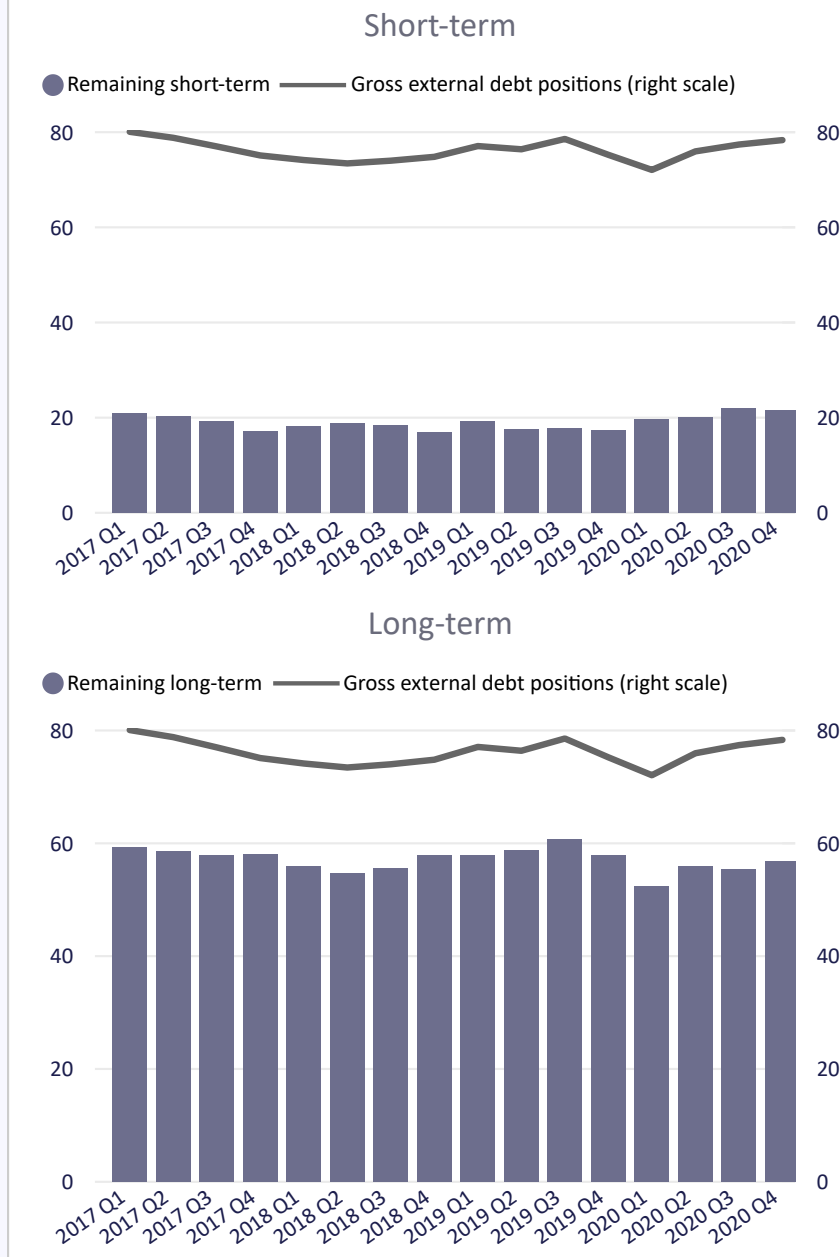
Gross external debt position by resident sectors (Bn EUR)



Debt by original maturity (Bn EUR)



Debt by remaining maturity (Bn EUR)

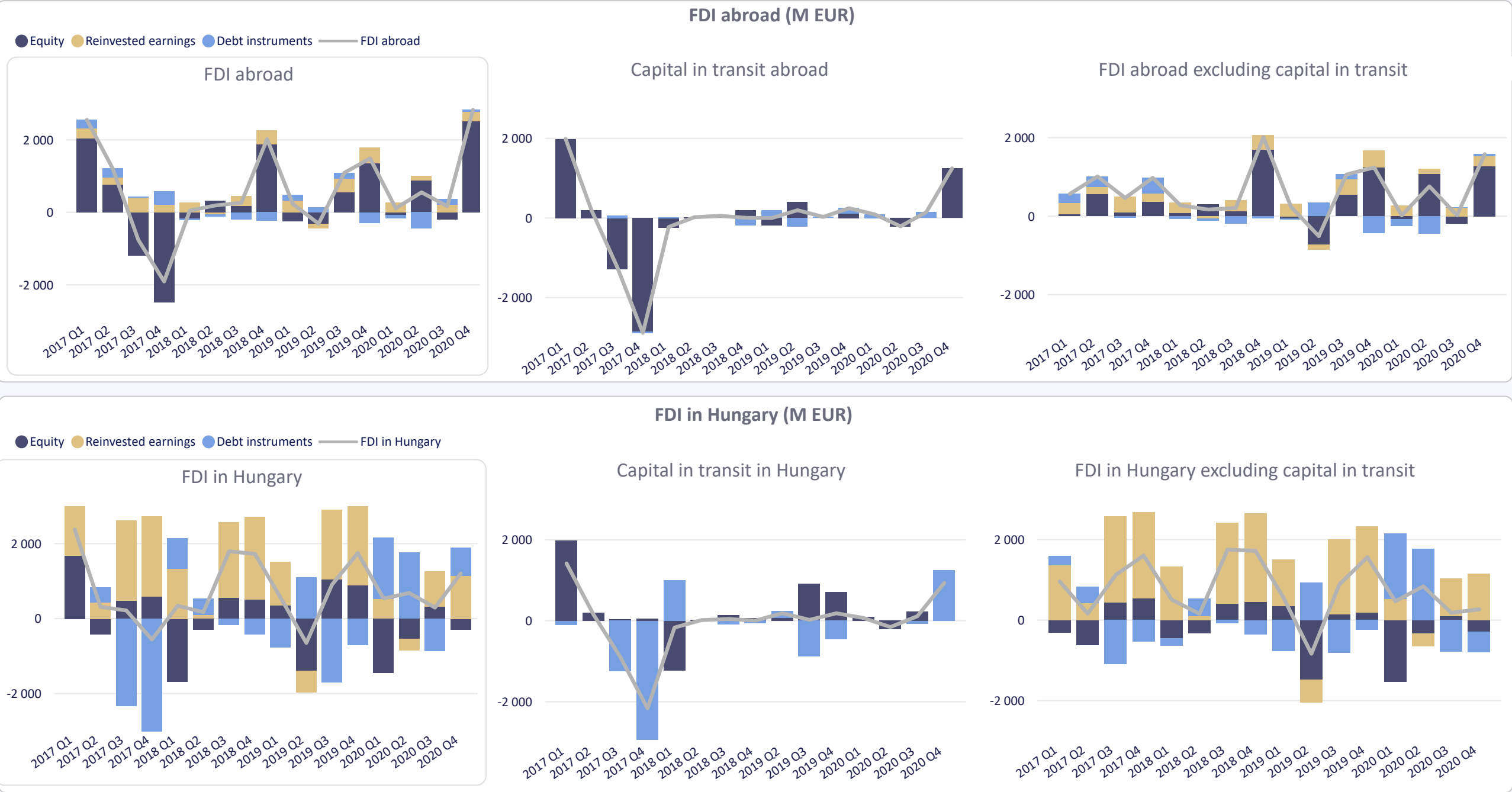




FDI flows according to the directional principle

Text information

Filter2017 Q1 - 2020 Q4



● Equity ● Reinvested earnings ● Debt instruments — FDI in Hungary

FDI in Hungary

Capital in transit in Hungary

FDI in Hungary excluding capital in transit





EU transfers

Filter

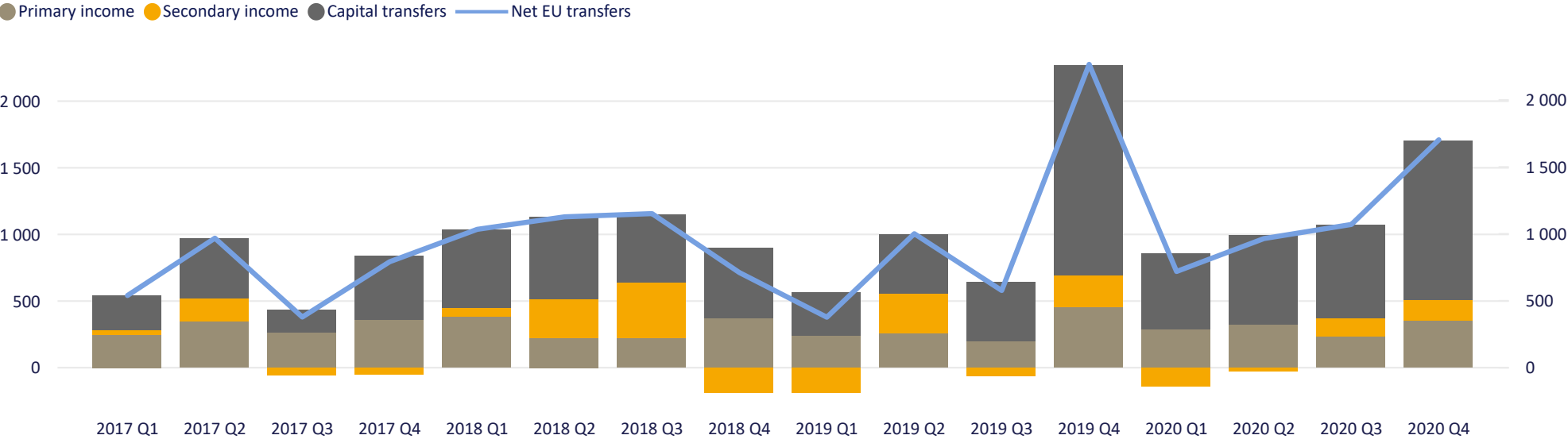
2017 Q1 - 2020 Q4



Net EU transfers (M EUR)

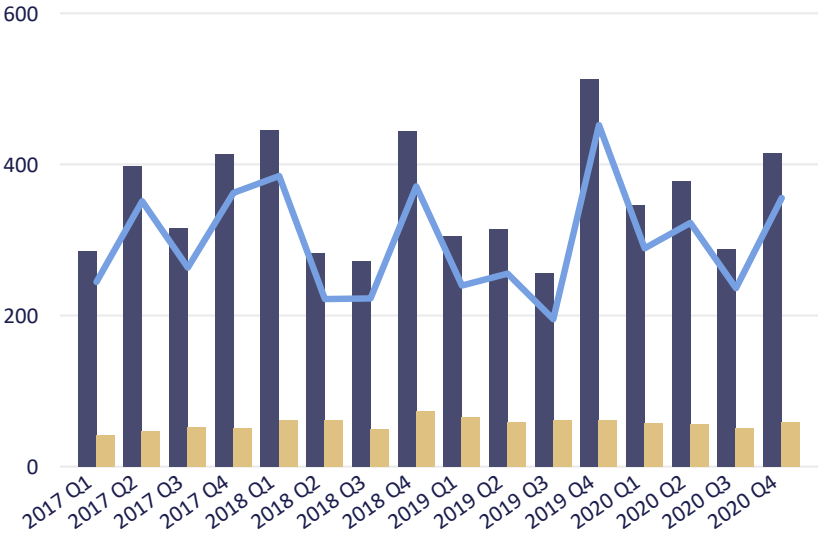
1 703,3

Current and capital account items (M EUR)



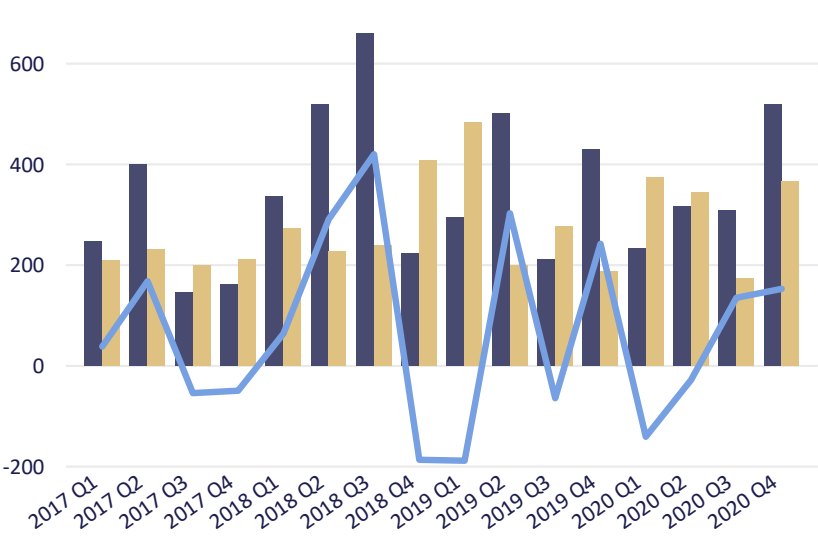
Primary income (M EUR)

Primary income credit, Primary income debit, Net primary income



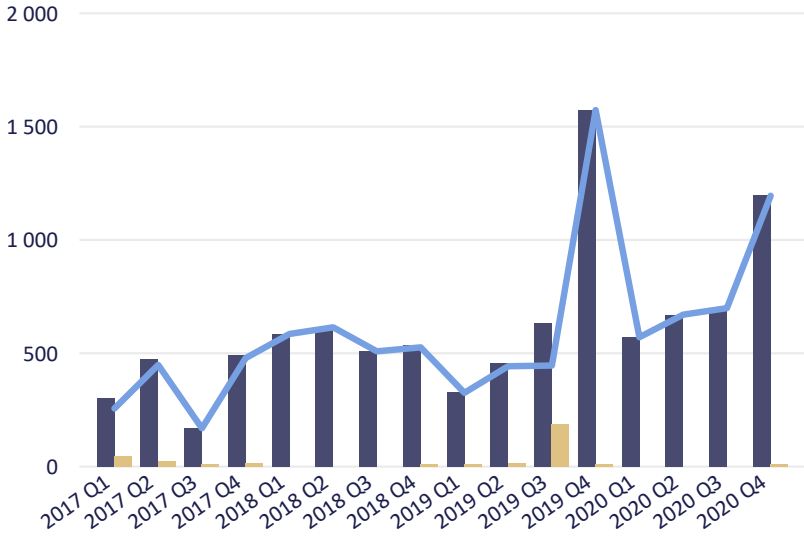
Secondary income (M EUR)

Secondary income credit, Secondary income debit, Net secondary income



Capital transfers (M EUR)

Capital transfers credit, Capital transfers debit, Net capital transfers



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

Main items	2017	2018	2019	Q1-Q3 2020
1. Current account balance (1.1+1.2+1.3+1.4)	46	31	-295	-452
1.1 Goods	0	0	-51	-167
1.2 Services	0	0	-396	-353
1.3 Primary income	42	-71	-35	25
1.4 Secondary income	4	101	187	43
2. Capital account	0	75	81	-192
3. Financial account	1	-116	-763	50
3.1 Foreign direct investment (net assets)	10	-123	-1 023	109
3.1.1 Foreign direct investment abroad (net assets)	-2	-1 817	1 368	269
3.1.1.1 Equity	-3	-1 814	1 461	162
3.1.1.2 Debt instruments	1	-3	-93	107
3.1.2 Foreign direct investment in Hungary (net liabilities)	-12	-1 694	2 391	160
3.1.2.1 Equity	-52	-1 686	1 962	472
3.1.2.2 Debt instruments	40	-8	430	-312
3.2 Portfolio investments (net assets)	0	0	5	0
3.2.1 Assets	0	0	5	0
3.2.2 Liabilities	0	0	0	0
3.3 Financial derivatives (net assets)	0	0	-2	-2
3.4 Other investments (net assets)	-9	8	257	-57
3.4.1 Assets	0	-29	88	422
3.4.2 Liabilities	9	-37	-169	479
4. Net errors and omissions	-45	-221	-549	694

#### Closing balance (revisions, M EUR)

Main items	2017	2018	2019	Q3 2020
1. Foreign direct investment (net assets)	356	1 090	-938	-1 737
1.1 Foreign direct investment abroad (net assets)	-462	-2 227	-5 147	-5 105
1.1.1 Equity	-465	-2 176	-5 017	-5 055
1.1.2. Debt	3	-51	-131	-50
1.1.2.1 Debt assets	3	-215	-133	-43
1.1.2.2 Debt liabilities	0	-164	-2	7
1.2 Foreign direct investment in Hungary (net liabilities)	-819	-3 317	-4 210	-3 368
1.2.1 Equity	-1 237	-3 649	-4 203	-2 962
1.2.2. Debt	418	332	-7	-406
1.2.2.1 Debt assets	-494	-949	-893	-787
1.2.2.2 Debt liabilities	-76	-618	-900	-1 194
2. Portfolio investments (net assets)	0	0	1	0
2.1 Assets	0	0	1	0
2.2 Liabilities	0	0	0	0
3. Financial derivatives (net assets)	0	0	0	-13
4. Other investments (net assets)	-19	-10	302	45
4.1 Assets	-19	-49	32	309
4.2 Liabilities	-1	-39	-271	264
5. Gross external debt (excl. FDI debt)	-1	-39	-271	264
6. Net external debt (excl. FDI debt)	19	10	-304	-45





FDI income and positions (annual)



New annual data are first published in September following the reference year. Data are revised in March and September.

Filter

2000

2019



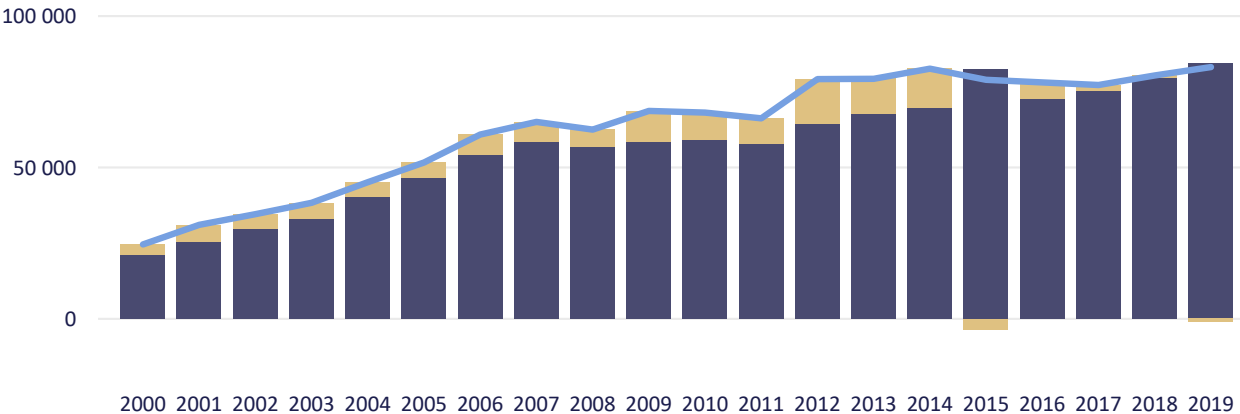
Hungary

FDI position in Hungary (M EUR)

83 162,7

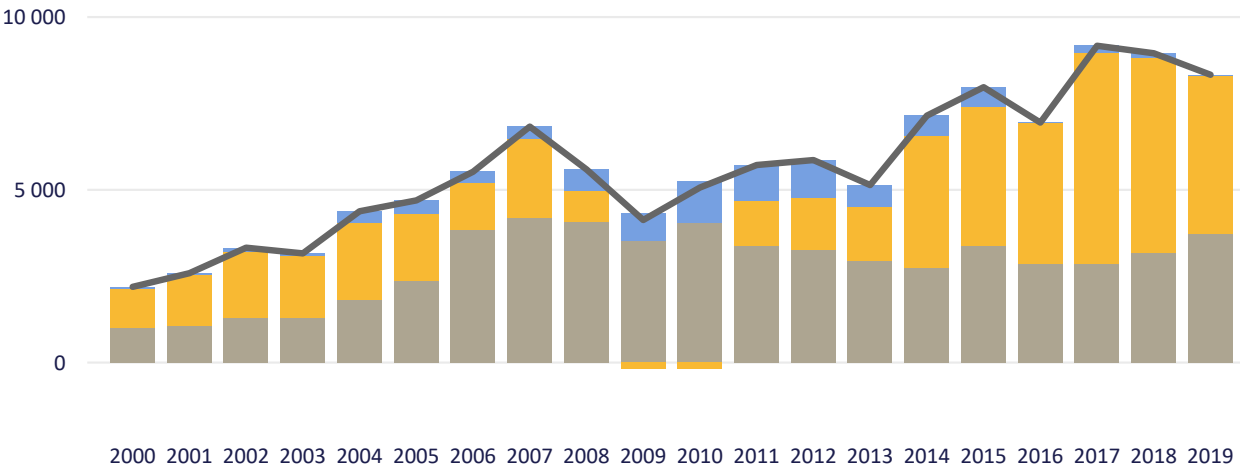
FDI position in Hungary (M EUR)

● Inward equity position ● Inward debt instruments position — FDI in Hungary position



FDI income in Hungary (M EUR)

● Dividends in Hungary ● Reinvested earnings in Hungary ● Interests in Hungary — FDI income in Hungary



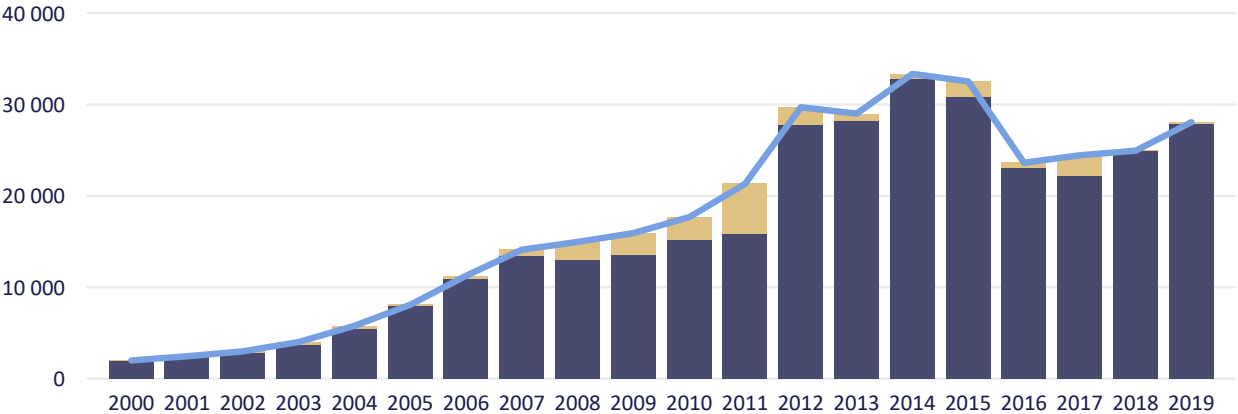
Abroad

FDI position abroad (M EUR)

28 070,0

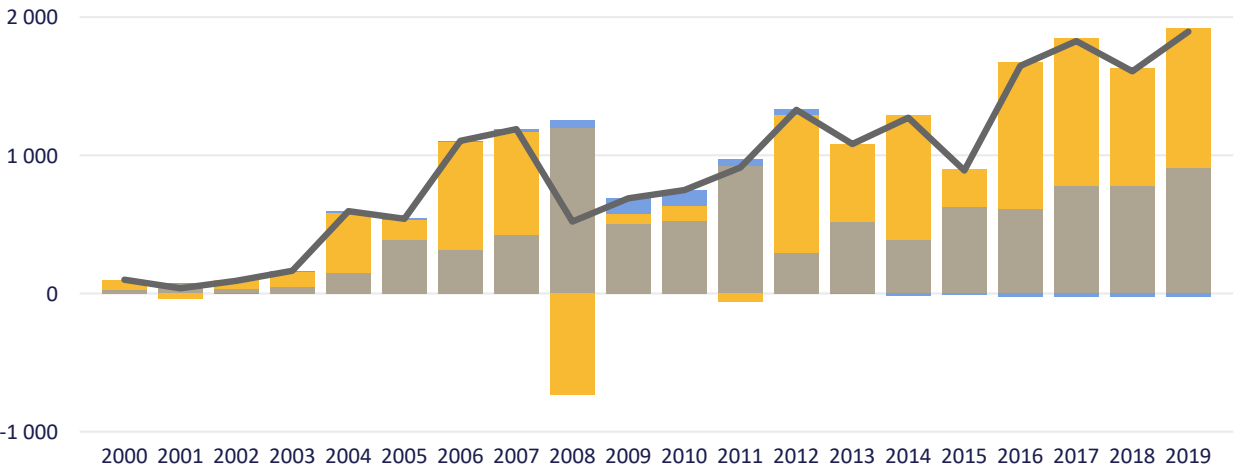
FDI position abroad (M EUR)

● Outward equity position ● Outward debt instruments position — FDI abroad position



FDI income abroad (M EUR)

● Dividends abroad ● Reinvested earnings abroad ● Interests abroad — FDI income abroad





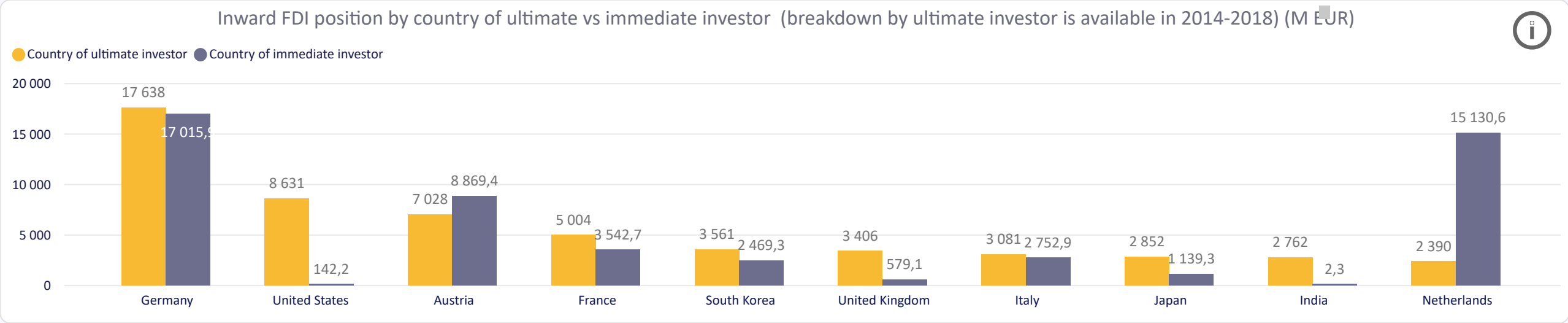
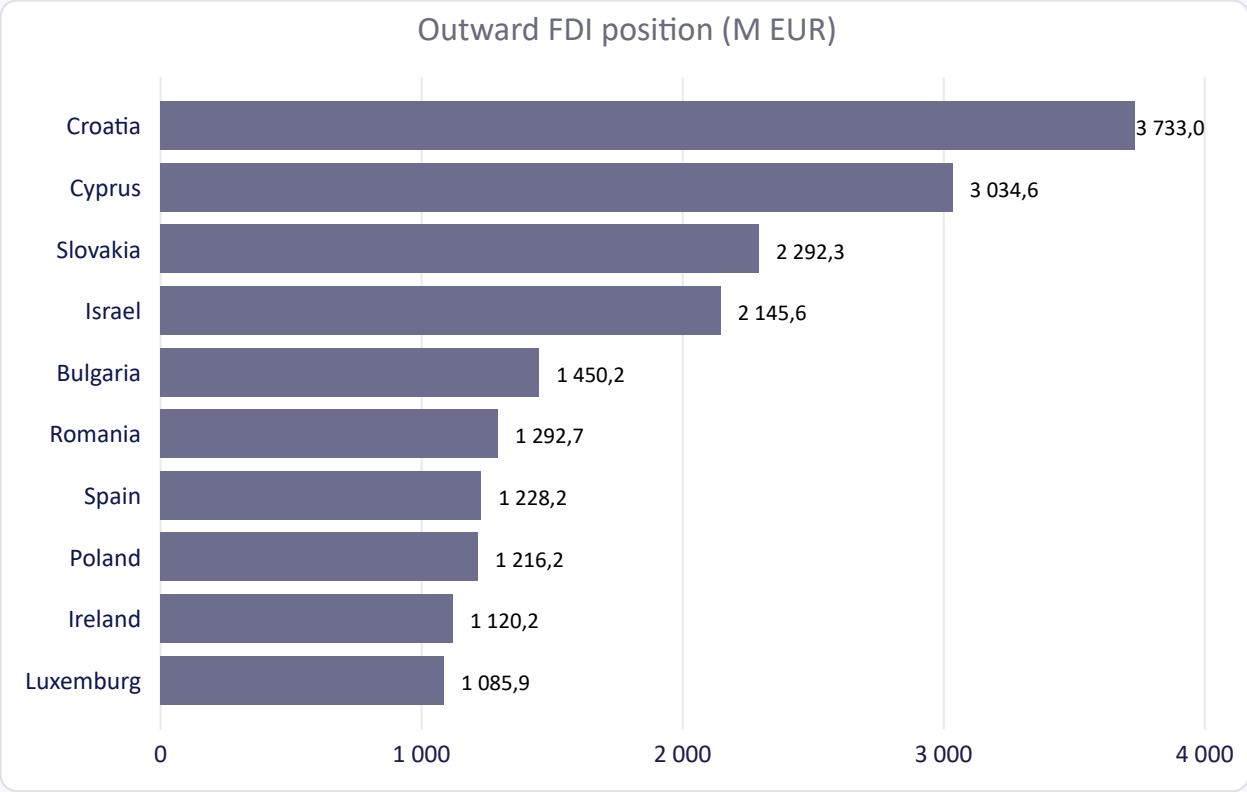
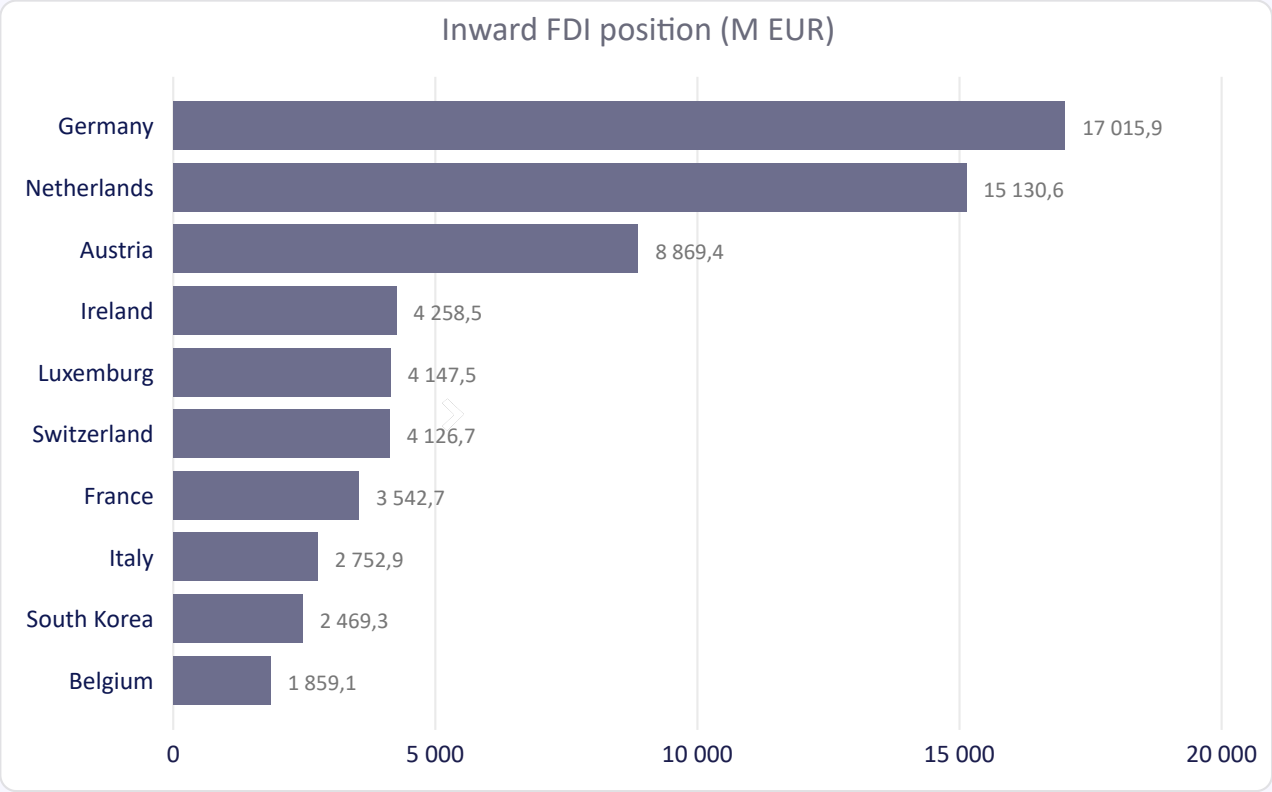
FDI positions: country breakdown (top 10; annual data)

New annual data are first published in September following the reference year. Data are revised in March and September.

Filter

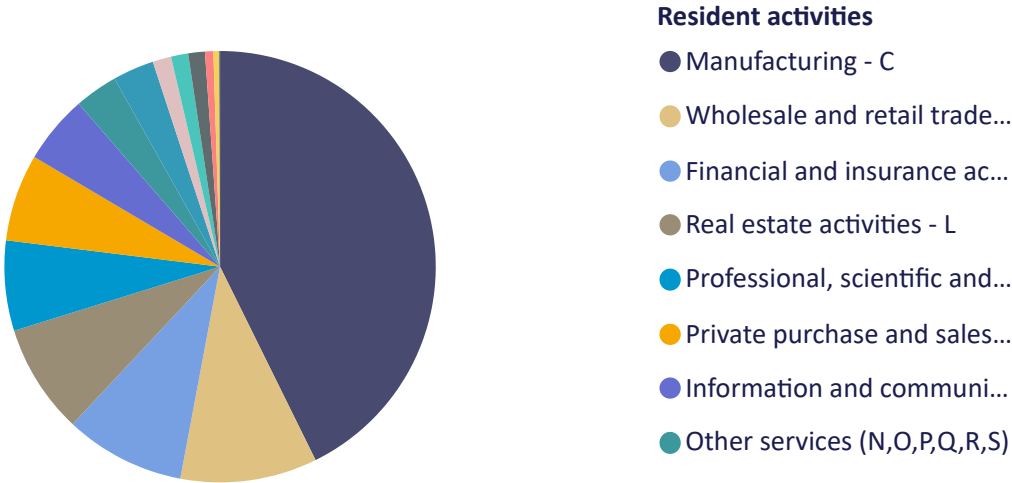
Period

2018

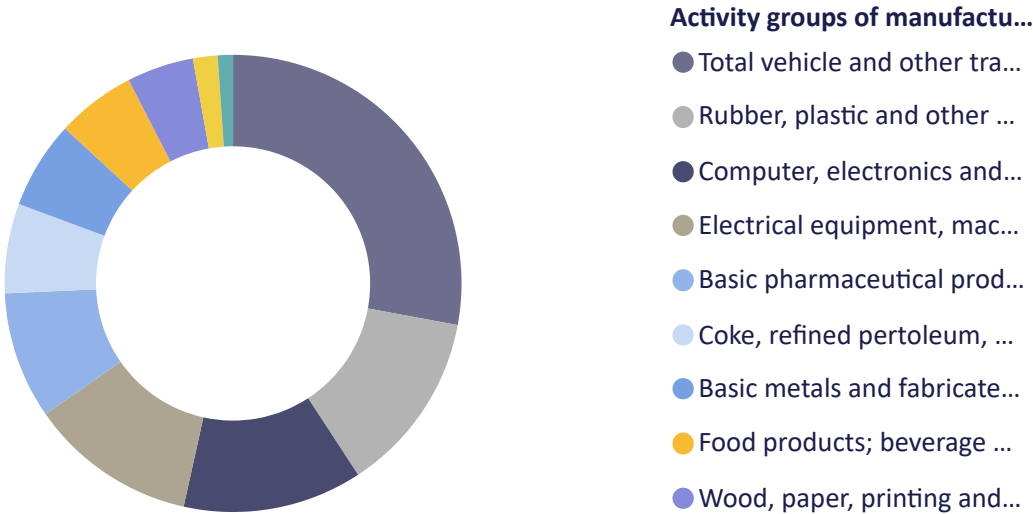


Inward FDI position

By the activity of the resident investment (M EUR)

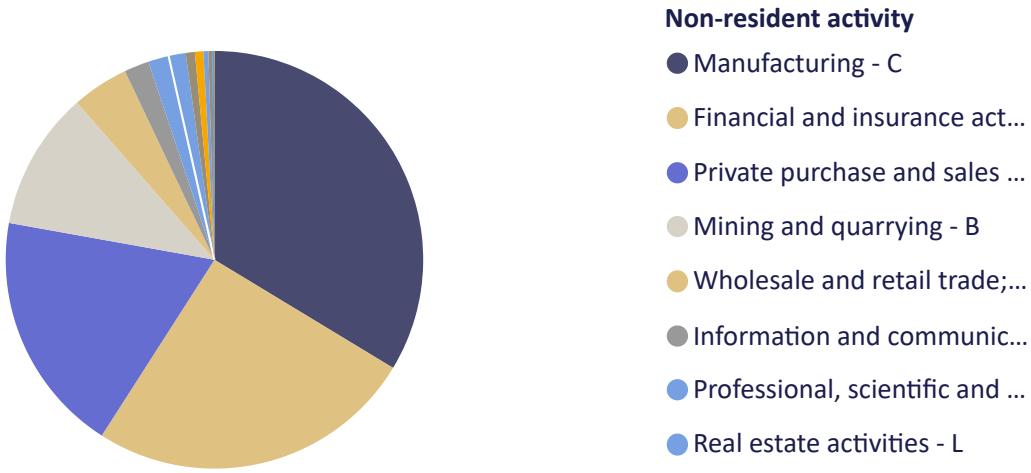


.....of which the main activity groups of manufacturing (M EUR)

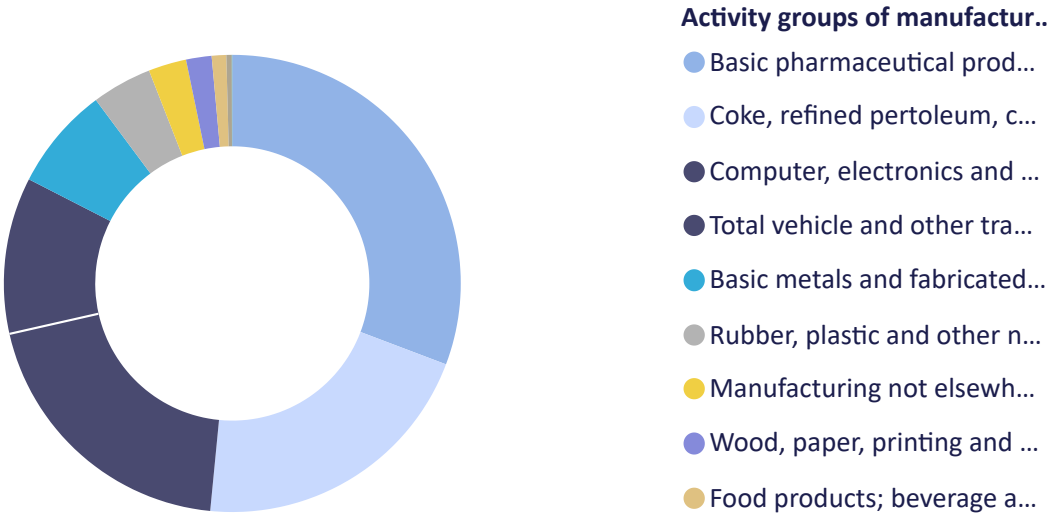


Outward FDI position

By the activity of the non-resident investment (M EUR)




... of which the main activity groups of manufacturing (M EUR)







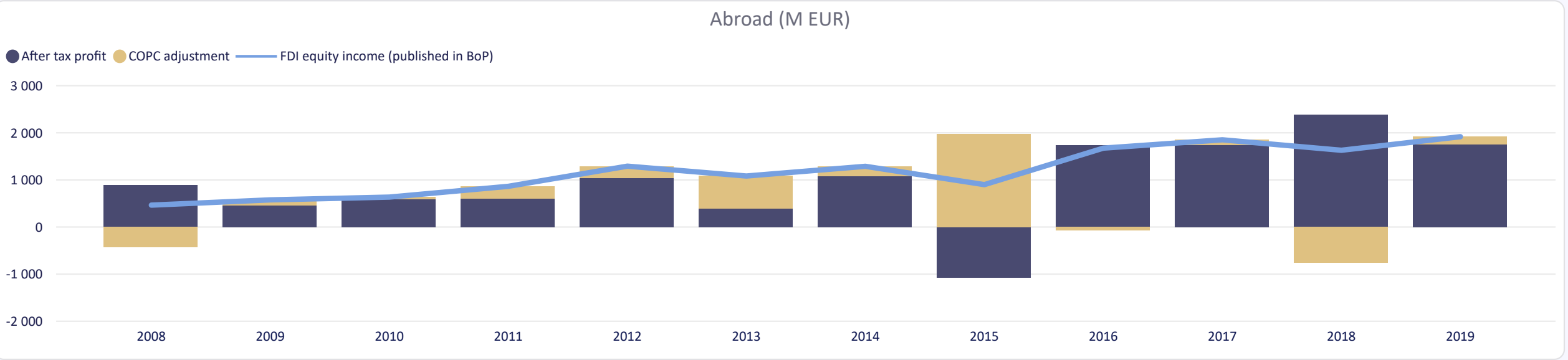
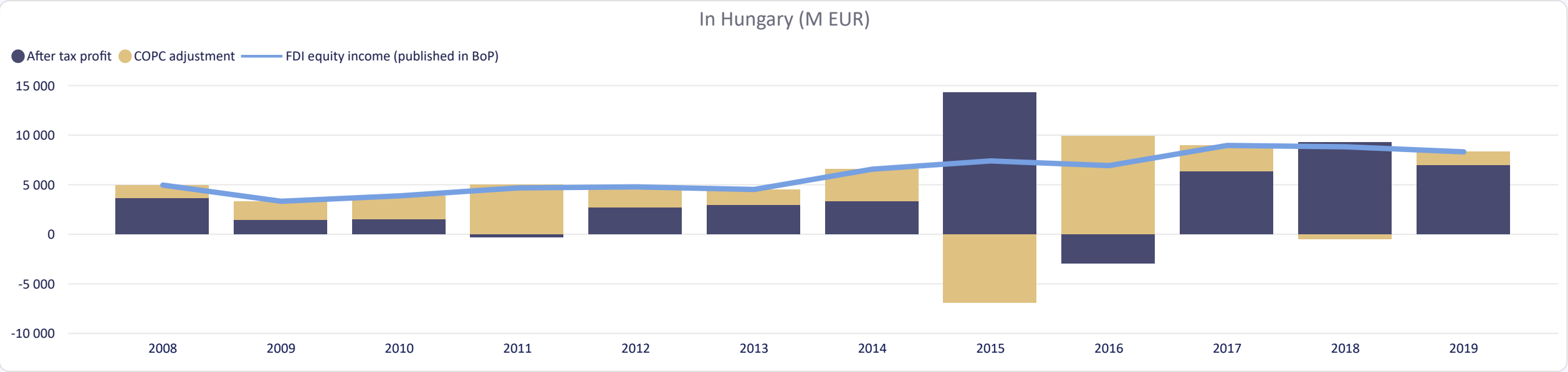
FDI income: COPC adjustment (annual data)

 New annual data are first published in September following the reference year. Data are revised in March and September.

Filter

Sector 

Total economy 



In the balance of payments, data are shown under Direct investment income, Income on equity, credit (FDI abroad), and debit (FDI in Hungary). Data in excel format are available [here](#).





Other information and notes

Related links

- Statistical tables >
- Methodological notes >
- Sesonally adjusted graphs >
- Interactive graphs >

Information about the next publication

Next time on 21 June 2021 the MNB will release Hungary’s balance of payments and international investment position data for Q1 2021 and will revise quarterly data for Q1-Q4 2020.

Publication calendar >

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, applies **JDemetra+** as the standard software for seasonal adjustment. 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.

**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).

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