

PRESS RELEASE

Preliminary statistical balance sheet of the MNB:
December 2010

In December 2010, surplus liquidity of the banking sector fell slightly, mainly reflecting an increase in credit institutions' outstanding FX swaps with the central bank. The overnight interbank rate fluctuated near the lower bound of the interest rate corridor throughout the month. Reserve surpluses of the banking sector were marginally higher than usual.¹

1 Balance sheet of the MNB containing monthly average stocks

Table 1 Statistical balance sheet of the MNB - monthly average stocks²

HUF billions							
Assets	Nov 2010	Dec 2010	Monthly changes	Liabilities	Nov 2010	Dec 2010	Monthly changes
External assets	9437,1	9553,0	115,8	Currency in circulation	2352,1	2464,4	112,4
Two-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	445,8	447,9	2,1
Six-month loans of credit institutions	0,0	0,0	0,0	Overnight deposits of other MFIs	116,1	293,2	177,2
Swap claims with credit institutions*	360,0	432,6	72,7	Other deposits of other MFIs	47,4	54,2	6,8
Remaining assets	487,3	499,1	11,8	Deposits of central government	1013,6	998,7	-14,9
				Two-week MNB bills	3944,6	3648,8	-295,8
				Foreign liabilities	1233,1	1378,0	144,9
				Swap liabilities with credit institutions*	360,0	432,6	72,7
				Remaining liabilities	771,8	766,8	-5,1
Total assets	10284,4	10484,8	200,3	Total liabilities	10284,4	10484,8	200,3

* This item includes three-month EUR/HUF and six-month EUR/HUF central bank FX-swaps on a gross basis. [See the Methodological notes.]

Forint liquidity of the banking sector fell in December relative to the previous month, as an effect of a further increase in the average of credit institutions' outstanding HUF/EUR swaps with the central bank. The increase in currency in circulation, reflecting seasonal effects associated with the end of the year, had the same effect (see Chart 5 of the chart-pack). Current account balances of credit institutions barely changed, while the average of overnight deposits rose significantly. By contrast, holdings of two-week MNB bills fell sharply (see Table 1 and Chart 8 of the chart-pack). On the assets side, the average stock of external assets were little changed compared with the previous month. On the assets and liabilities sides, respectively, the average stocks of external assets and external liabilities rose.

¹ Decree 13/2010. (IX.6.) MNB of the Magyar Nemzeti Bank took effect on 1 October 2010. This allows credit institutions subject to reserve requirements to choose, on a semi-annual basis, one of the reserve ratios specified in Article 1 (2) of the Decree. In the absence of such a choice, a credit institution must satisfy its reserve requirements at the lowest reserve ratio specified in the Decree.

² See the Methodological notes.

The average of the banking sector's current account balances with the MNB barely rose relative to the previous month; however, it deviated from the amount of reserve requirements by a greater-than-usual amount, with excess reserves amounting to HUF 4.1 billion (see Chart 2 of the chart-pack). The overnight interbank rate fluctuated near the lower bound of the interest rate corridor throughout the period (see Chart 12 of the chart-pack).

2 Balance sheet of the MNB compiled from end-of-month data

Table 2 Transactions and revaluations in the balance sheet of the MNB compiled from end-of-month data - December 2010

HUF billions									
Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	9725,8	-248,2	120,7	9598,3	Currency in circulation	2376,3	0,0	1,7	2378,1
Remaining assets	514,7	-1,8	-16,2	496,7	Deposits of other MFIs	749,3	-0,7	113,0	861,6
					Deposits of central government	1174,6	-19,4	-78,4	1076,8
					Two-week MNB bills held by residents	3242,9	0,0	-328,2	2914,7
					External liabilities	1704,5	-43,2	402,7	2064,0
					Remaining liabilities	992,8	-186,6	-6,4	799,8
Total assets	10240,5	-250,0	104,5	10095,0	Total liabilities	10240,5	-250,0	104,5	10095,0

* * * * *

The seasonally adjusted data are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

MAGYAR NEMZETI BANK STATISTICS

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The statistical press release aims to help the reader understand the latest published data. The Quarterly Report on Inflation and the Report on Financial Stability, published periodically, contain the Bank's analyses of underlying economic processes and are accessible at www.mnb.hu.

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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