



## PRESS RELEASE

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### Preliminary statistical balance sheet of the MNB: November 2010

*In November 2010, surplus liquidity of the banking sector fell slightly, due mainly to an increase in the average of credit institutions' outstanding FX swaps with the central bank. The overnight interbank rate fluctuated near the lower bound of the interest rate corridor, except for a brief period in the middle of the month. Reserve surpluses of the banking sector remained at a low level even after the introduction of optional reserve ratios.<sup>1</sup>*

#### 1 Balance sheet of the MNB containing monthly average stocks

Table 1 Statistical balance sheet of the MNB - monthly average stocks<sup>2</sup>

							HUF billions
Assets	Oct 2010	Nov 2010	Monthly changes	Liabilities	Oct 2010	Nov 2010	Monthly changes
External assets	9427,6	9437,1	9,5	Currency in circulation	2335,0	2352,1	17,0
Two-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other	361,5	445,8	84,3
Six-month loans of credit institutions	0,0	0,0	0,0	Overnight deposits of other MFIs	193,3	116,1	-77,3
Swap claims with credit institutions*	236,4	360,0	123,5	Other deposits of other MFIs	33,9	47,4	13,6
Remaining assets	478,8	487,3	8,5	Deposits of central government	1060,1	1013,6	-46,5
				Two-week MNB bills	4056,6	3944,6	-112,0
				Foreign liabilities	1100,7	1233,1	132,4
				Swap liabilities with credit	236,4	360,0	123,5
				Remaining liabilities	765,3	771,8	6,5
<b>Total assets</b>	<b>10142,9</b>	<b>10284,4</b>	<b>141,5</b>	<b>Total liabilities</b>	<b>10142,9</b>	<b>10284,4</b>	<b>141,5</b>

\* 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 November relative to the previous month, due mainly to an increase in the average of credit institutions' outstanding HUF/EUR swaps with the central bank. The averages of overnight deposits and two-week MNB bills fell, while current account balances of credit institutions rose by less than the fall in deposits and bills (see Table 1 and Chart 8 of the chart-pack). On the assets side, the average stock of external assets barely changed. On the liabilities side, the average stock of external liabilities rose.

<sup>1</sup> 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.

<sup>2</sup> See the Methodological notes.

As a result of the introduction of optional reserve ratios, about one-quarter of credit institutions chose a reserve ratio of higher than 2%. Higher reserve requirements led to a significant increase in the average of the banking sector's current account balances with the MNB; however, it continued to deviate only slightly from the amount of reserve requirements, with excess reserves amounting to HUF 0.9 billion (see Chart 2 of the chart-pack). The overnight interbank rate fluctuated near the lower bound of the interest rate corridor throughout most of the period (see Chart 12 of the chart-pack); however, it rose above the base rate temporarily in the middle of the month. The average stock of currency in circulation rose slightly relative to October (see Chart 5 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 - November 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	9336,9	417,4	-28,5	9725,8	Currency in circulation	2342,7	0,0	33,6	2376,3
Remaining assets	480,7	12,4	21,4	514,5	Deposits of other MFIs	588,5	1,6	159,3	749,3
					Deposits of central government	1074,3	46,4	54,0	1174,6
					Two-week MNB bills held by residents	3550,9	0,0	-307,8	3243,1
					External liabilities	1545,1	79,3	79,9	1704,3
					Remaining liabilities	716,1	302,6	-26,1	992,6
<b>Total assets</b>	<b>9817,6</b>	<b>429,8</b>	<b>-7,1</b>	<b>10240,3</b>	<b>Total liabilities</b>	<b>9817,6</b>	<b>429,8</b>	<b>-7,1</b>	<b>10240,3</b>

\* \* \* \* \*

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

## MAGYAR NEMZETI BANK STATISTICS

*The primary statutory duty of the Magyar Nemzeti Bank is to deliver and maintain price stability. The MNB ensures the safe operation of the payment and settlement systems, as well as the uninterrupted flow of payments, safeguards the financial stability of the banking sector, manages the country's foreign currency reserves, collects and publishes statistical data, and issues the forint, Hungary's national legal tender.*

Detailed tables: [Time series](#)  
Charts: [Chart pack](#)  
Notes: [Methodological notes](#)

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