

PRESS RELEASE

Preliminary statistical balance sheet of the MNB: October 2010

In October 2010, surplus liquidity of the banking sector rose slightly, due mainly to a decline 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 during the month. As usual, reserve surpluses of the banking sector in October were at low levels.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	Sept 2010	Oct 2010	Monthly changes	Liabilities	Sept 2010	Oct 2010	Monthly changes	
External assets	10105,5	9428,5	-677,0	Currency in circulation	2355,9	2335,0	-20,9	
Two-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other	358,0	361,5	3,5	
Six-month loans of credit institutions	0,0	0,0	0,0	Overnight deposits of other MFIs	136,4	193,3	56,9	
Swap claims with credit institutions*	400,1	236,4	-163,7	Other deposits of other MFIs	39,5	33,9	-5,6	
Remaining assets	501,1	478,8	-22,3	Deposits of central government	1346,8	1060,1	-286,7	
				Two-week MNB bills	4042,1	4056,6	14,5	
				Foreign liabilities	1285,6	1101,5	-184,1	
				Swap liabilities with credit	400,1	236,4	-163,7	
				Remaining liabilities	1042,2	765,3	-276,9	
Total assets	11006,7	10143,7	-862,9	Total liabilities	11006,7	10143,7	-862,9	

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

According to average data, forint liquidity of the banking sector rose slightly in October relative to the previous month, due mainly to a decline in the average of credit institutions' outstanding FX swaps with the central bank. This reflected in part a rise in holdings of two-week MNB bills and in larger part a rise in overnight deposits (see Table 1 and Chart 8 of the chart-pack). On the assets side, the average stock of external assets declined sharply. On the liabilities side, the average stock of external liabilities fell modestly.

The average of the banking sector's current account balances with the MNB only slightly deviated from its 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 the month (see Chart 12 of the chart-pack). The average stock of currency in circulation fell slightly relative to September (see Chart 5 of the chart-pack).

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.

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 – October 2010

HUF billion									
Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	9542,3	-164,1	-40,3	9337,9	Currency in circulation	2335,4	0,0	7,3	2342,7
Remaining assets	500,9	19,5	-39,8	480,6	Deposits of other MFIs	475,2	-0,4	113,7	588,5
					Deposits of central government	1271,1	-12,1	-184,8	1074,3
					Two-week MNB bills held by residents	3571,0	0,0	-19,6	3551,4
					External liabilities	1528,2	-17,3	34,6	1545,5
					Remaining liabilities	862,3	-114,9	-31,3	716,1
Total assets	10043,2	-144,6	-80,1	9818,5	Total liabilities	10043,2	-144,6	-80,1	9818,5

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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](#)
 Charts: [Chart pack](#)
 Notes: [Methodological notes](#)