

PRESS RELEASE

**Preliminary statistical balance sheet of the MNB:
September 2011**

In September 2011, surplus liquidity of the banking sector fell slightly relative to the previous month, as reflected in a decline in credit institutions' overnight deposits. On the assets side of the balance sheet, external assets rose significantly. On the liabilities side, deposits of central government and currency in circulation increased markedly.

1 Balance sheet of the MNB containing monthly average stocks

Table 1 Statistical balance sheet of the MNB – monthly average stocks¹

| | | | | | | | HUF billions | |
|--|-------------|-------------|--------------------|--|-------------|-------------|--------------------|--|
| Assets | Aug 2011 | Sep 2011 | Monthly changes | Liabilities | Aug 2011 | Sep 2011 | Monthly changes | |
| External assets | 10275,2 | 10970,3 | 695,2 | Currency in circulation | 2462,7 | 2507,7 | 45,0 | |
| Two-week loans of credit institutions | 0,0 | 0,0 | 0,0 | Current account balances of other MFIs | 455,1 | 465,3 | 10,2 | |
| Six-month loans of credit institutions | 0,0 | -3,2 | -3,2 | Overnight deposits of other MFIs | 259,4 | 122,7 | -136,7 | |
| Swap claims with credit institutions* | 337,4 | 363,7 | 26,3 | Other deposits of other MFIs | 37,6 | 46,2 | 8,6 | |
| Remaining assets | 426,2 | 456,1 | 29,9 | Deposits of central government | 1646,9 | 1901,7 | 254,8 | |
| | | | | Two-week MNB bills held by residents | 3653,3 | 3893,0 | 239,6 | |
| | | | | Two-week MNB bills held by non residents | 562,7 | 363,8 | -198,8 | |
| | | | | Foreign liabilities | 1073,7 | 1159,6 | 85,9 | |
| | | | | Swap liabilities with credit institutions* | 337,4 | 363,7 | 26,3 | |
| | | | | Remaining liabilities | 549,9 | 963,2 | 413,3 | |
| Total assets | 11038,8 | 11787,0 | 748,2 | Total liabilities | 11038,8 | 11787,0 | 748,2 | |

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

In September, forint liquidity of the banking sector fell slightly from the previous month, as reflected in a sharp decline in credit institutions' overnight deposits and a modest increase in total holdings of two-week MNB bills. Non-residents purchased nearly HUF 200 billion of MNB bills from residents. As in the previous month, transfers from the EU accounted for a significant part of the increases in external assets and deposits of central government. In addition, the depreciation of the forint also increased the domestic currency value of external assets, as reflected in the change in other items on the liabilities side of the balance sheet.

The monthly average value of outstanding HUF/EUR swaps with the central bank rose slightly (see Table 1 and Chart 8 of the chart-pack), mainly as a result of the use of the MNB's three-month FX swap facility.

¹ See the Methodological notes.

Currency in circulation rose more strongly than usual, presumably because households converted a larger amount of their foreign currency holdings into forints (see Table 5 of the chart-pack).

The average of credit institutions' current account balances with the MNB increased. Balances slightly exceeded reserve requirements,² with excess reserves, at HUF 5.4 billion, continuing to be insignificant compared with the sector's total reserve requirements of HUF 460 billion (see Charts 1 and 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).

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 – September 2011

| HUF billions | | | | | | | | | |
|------------------|----------------|--------------------------------|---------------|----------------|--|----------------|--------------------------------|---------------|----------------|
| Assets | Opening stocks | Revaluations and other changes | Trans-actions | Closing stocks | Liabilities | Opening stocks | Revaluations and other changes | Trans-actions | Closing stocks |
| External assets | 10368,3 | 889,4 | 265,4 | 11523,1 | Currency in circulation | 2461,2 | 0,0 | 86,6 | 2547,9 |
| Remaining assets | 434,9 | -0,1 | 56,0 | 490,9 | Deposits of other MFIs | 561,4 | 1,4 | 176,8 | 739,6 |
| | | | | | Deposits of central government | 1944,1 | 96,6 | 329,3 | 2369,9 |
| | | | | | Two-week MNB bills held by residents | 3637,3 | 0,0 | 195,3 | 3832,6 |
| | | | | | Two-week MNB bills held by non residents | 521,3 | 0,0 | -278,9 | 242,3 |
| | | | | | External liabilities * | 1120,9 | 115,0 | -173,3 | 1062,6 |
| | | | | | Remaining liabilities | 557,0 | 676,4 | -14,4 | 1219,0 |
| Total assets | 10803,2 | 889,4 | 321,4 | 12013,9 | Total liabilities | 10803,2 | 889,4 | 321,4 | 12013,9 |

* This item does not include the two-week MNB bills held by non residents

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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](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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² Decree 13/2010. (IX.6.) of the Magyar Nemzeti Bank entered into force on 1 October 2010. The Decree allows credit institutions subject to reserve requirements to choose one of the reserve ratios specified in Article at most semi-annually. In the absence of such a choice, the lowest ratio will apply to required reserves, as specified in the Decree.