



MAGYAR NEMZETI BANK

12 July 2013

PRESS RELEASE

Preliminary statistical balance sheet of the MNB: June 2013

In June 2013, forint liquidity of the domestic banking sector fell slightly relative to the previous month. The average stock of external assets and the average stock of central government deposits both fell. The new euro liquidity-providing FX swap tender under the MNB's Funding for Growth Scheme was launched on 3 June.

1 Balance sheet of the MNB containing monthly average stocks

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

							HUF billions
Assets	May 2013	Jun 2013	Monthly changes	Liabilities	May 2013	Jun 2013	Monthly changes
External assets	10781,0	10668,6	-112,4	Currency in circulation	2794,1	2828,3	34,2
Two-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	459,0	445,1	-13,8
Six-month loans of credit institutions	0,0	0,0	0,0	Overnight deposits of other MFIs	106,1	103,5	-2,5
Two-year loans of credit institutions	122,0	122,0	0,0	Other deposits of other MFIs	0,3	0,2	-0,1
Swap claims on foreign currency with credit institutions ¹	0,0	0,9	0,9	Deposits of central government	1683,9	1635,9	-48,0
Swap claims on foreign currency related to Pillar 3 of the Funding for Growth Scheme with credit institutions ¹	0,0	1,5	1,5	Two-week MNB bills held by residents ²	4050,7	4068,8	18,1
Remaining assets	364,3	351,6	-12,7	Two-week MNB bills held by non residents ²	406,1	378,0	-28,1
				Foreign liabilities	888,4	735,1	-153,2
				Swap liabilities to HUF with credit institutions ¹	0,0	0,9	0,9
				Swap liabilities to HUF related to Pillar 3 of the Funding for Growth Scheme with credit institutions ¹	0,0	1,5	1,5
				Remaining liabilities	878,8	947,2	68,4
Total assets	11267,3	11144,6	-122,6	Total liabilities	11267,3	11144,6	-122,6

¹ This item includes the overnight, one-week, two-week, three-month- and EUR/HUF central bank FX-swaps with credit institutions related to Pillar 3 of the Funding for Growth Scheme on a gross basis. (See the Methodological notes.)

² In case of the two-week MNB bills the identification of the owners' residence is based on the securities accounts' information. For more information see the Methodological notes.

In June, forint liquidity of the banking sector fell slightly, reflecting declines in average holdings of two-week MNB bills and the average stock of credit institutions' overnight deposits. The fall in average holdings of MNB bills was accounted for by a decline in non-resident holdings. By contrast, resident holdings rose slightly, according to average data.

¹ See the Methodological notes.

The average of credit institutions' current account balances with the central bank fell and the average stock of currency in circulation rose further slightly relative to the previous month (see Table 1 and Chart 5 of the chart-pack).

The average and end-of-month stocks of external assets fell in June. The change in foreign exchange reserves reflected the inflow of EU funds, on the one hand, and the repayment of HUF 140.7 billion of an IMF loan to central government and the central bank during the last days of June, on the other.

The average and end-of-month stocks of central government deposits both fell in the month.

Under Pillar 3 of the Funding for Growth Scheme (FGS) launched on 4 April 2013, the Magyar Nemzeti Bank introduced a new FX swap tender providing euro liquidity on 3 June 2013.² The monthly average stocks of FX swaps are shown in Table 1.

The average of credit institutions' current account balances with the MNB slightly exceeded reserve requirements.³ Excess reserves amounted to HUF 5.9 billion, which continued to be insignificant compared with the sector's total reserve requirements of HUF 439 billion (see Charts 1 and 2 of the chart-pack). The overnight interbank rate fluctuated around the central bank base rate in the first half of June, then it fell to levels close to the lower bound of the interest rate corridor in the second half (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 preliminary end-of-month data - June 2013

HUF billions									
Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	10720,0	-78,4	-270,0	10371,6	Currency in circulation	2795,6	0,0	55,1	2850,7
Remaining assets	475,1	-3,4	2,2	473,9	Deposits of other MFIs	615,7	0,0	-94,7	521,0
					Deposits of central government	1747,6	-6,1	-209,8	1531,7
					Two-week MNB bills held by residents ¹	3989,3	0,0	62,9	4052,2
					Two-week MNB bills held by non residents ¹	394,7	0,0	-27,3	367,4
					External liabilities ²	673,0	-2,0	-47,5	623,4
					Remaining liabilities	979,3	-73,7	-6,4	899,2
Total assets	11195,1	-81,8	-267,8	10845,5	Total liabilities	11195,1	-81,8	-267,8	10845,5

¹ In case of the two-week MNB bills the identification of the owners' residence is based on the securities accounts' information. For more information see the Methodological notes.

² This item does not include the two-week MNB bills held by non residents

² For more details of the MNB's FX swap and CIRS tenders related to Pillar 3 of the Funding for Growth Scheme, see: http://english.mnb.hu/Root/Dokumentumtar/ENMNB/Monetaris_politika/mnben_jegybanki_eszkoztar/mnben_eszkoztar_ten_derek/nhp_swap_tajekoztato_20130529_EN.pdf

³ 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 1 (2) at most semi-annually. In the absence of such a choice, the lowest ratio will apply to required reserves, as specified in the Decree.

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The seasonally adjusted data, published simultaneously with this press release in the [chart pack](#) and in the tables entitled '[Balance sheets of MFIs and the monetary aggregates](#)', 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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