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## PRESS RELEASE

### Preliminary statistical balance sheet of the MNB: July 2013

*In July 2013, forint liquidity of the domestic banking sector fell relative to the previous month. The average stock of external assets and the average stock of central government deposits both declined, reflecting the carry-over effect of the IMF loan repayments at the end of the previous month.*

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

**Table 1 Statistical balance sheet of the MNB – monthly average stocks<sup>1</sup>**

							HUF billions
Assets	Jun 2013	Jul 2013	Monthly changes	Liabilities	Jun 2013	Jul 2013	Monthly changes
External assets	10668,4	10454,3	-214,2	Currency in circulation	2828,3	2888,9	60,6
Two-week and Six-month loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	445,1	439,3	-5,8
Two-year loans of credit institutions	122,0	112,6	-9,4	Overnight deposits of other MFIs	103,5	122,2	18,6
Swap claims on foreign currency with credit institutions <sup>1</sup>	0,9	0,0	-0,9	Other deposits of other MFIs	0,2	1,0	0,8
Swap claims on foreign currency related to Pillar 3 of the Funding for Growth Scheme with credit institutions <sup>1</sup>	1,5	42,3	40,8	Deposits of central government	1635,9	1426,9	-209,0
Remaining assets	351,6	356,2	4,6	Two-week MNB bills held by residents <sup>2</sup>	4068,8	4009,2	-59,7
				Two-week MNB bills held by non residents <sup>2</sup>	378,0	337,7	-40,3
				Foreign liabilities	735,0	831,8	96,8
				Swap liabilities to HUF with credit institutions <sup>1</sup>	0,9	0,0	-0,9
				Swap liabilities to HUF related to Pillar 3 of the Funding for Growth Scheme with credit institutions <sup>1</sup>	1,5	42,3	40,8
				Remaining liabilities	947,2	866,2	-81,0
Total assets	11144,5	10965,4	-179,1	Total liabilities	11144,5	10965,4	-179,1

<sup>1</sup> 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.)

<sup>2</sup> 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 July, forint liquidity of the banking sector fell slightly, as reflected in a decline in average holdings of two-week MNB bills, which was only partly offset by an increase in the average stock of credit institutions' overnight deposits. The fall in average holdings of MNB bills was mainly accounted for by a decline in resident holdings and, to a lesser extent, by a drop in non-resident holdings.

<sup>1</sup> See the Methodological notes.

The average of credit institutions' current account balances with the central bank fell slightly and the average stock of currency in circulation rose further relative to the previous month (see Table 1 and Chart 5 of the chart-pack). The increases in the stocks of currency in circulation and outstanding swaps under the Funding for Growth Scheme (FGS) both led to a decline in the banking sector's forint liquidity.

The average and end-of-month stocks of external assets fell in July, reflecting the carry-over effect of the IMF loan repayments at the end of the previous month. The average and end-of-month stocks of central government deposits also fell.

Under Pillar 3 of the Funding for Growth Scheme launched on 4 April 2013, the Magyar Nemzeti Bank introduced a new FX swap tender providing euro liquidity on 3 June 2013.<sup>2</sup> The monthly average stocks of FX swaps under the FGS are shown in Table 1.

The average of credit institutions' current account balances with the MNB slightly exceeded reserve requirements.<sup>3</sup> Excess reserves amounted to HUF 5.8 billion, which continued to be insignificant compared with the sector's total reserve requirements of HUF 433.5 billion (see Charts 1 and 2 of the chart-pack). The overnight interbank rate fluctuated near the lower bound of the interest rate corridor, except in the second week of July, when it approached the level of the central bank base rate (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 - July 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	10371,4	142,6	-123,9	10390,1	Currency in circulation	2850,7	0,0	91,2	2941,8
Remaining assets	474,3	0,1	29,0	503,4	Deposits of other MFIs	521,0	0,0	140,9	661,9
					Deposits of central government	1531,7	13,3	-87,6	1457,3
					Two-week MNB bills held by residents <sup>1</sup>	4045,1	0,0	-346,3	3698,8
					Two-week MNB bills held by non residents <sup>1</sup>	374,5	0,0	-3,7	370,7
					External liabilities <sup>2</sup>	623,2	6,3	108,9	738,4
					Remaining liabilities	899,5	123,2	1,8	1024,5
Total assets	10845,7	142,8	-94,9	10893,5	Total liabilities	10845,7	142,8	-94,9	10893,5

<sup>1</sup> 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.

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

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<sup>2</sup> 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\\_eszkozatar/mnben\\_eszkozatar\\_ten\\_derek/nhp\\_swap\\_tajekoztato\\_20130529\\_EN.pdf](http://english.mnb.hu/Root/Dokumentumtar/ENMNB/Monetaris_politika/mnben_jegybanki_eszkozatar/mnben_eszkozatar_ten_derek/nhp_swap_tajekoztato_20130529_EN.pdf)

<sup>3</sup> 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.

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](http://www.mnb.hu).*

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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