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## PRESS RELEASE

### *Preliminary statistical balance sheet of the MNB: August 2019*

*In August, forint liquidity of the domestic banking sector fell, which was particularly reflected in a decrease in the average stock of credit institutions' overnight deposits. The average stock of currency in circulation continued to rise in the month. The average stocks of external assets rose. The overnight interbank interest rate fluctuated at the bottom of the interest rate corridor throughout the month.*

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

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

| HUF billions  |                 |                 |                 |   |                 |                 |                 |
|---|-----------------|-----------------|-----------------|---|-----------------|-----------------|-----------------|
| Assets  | July 2019       | August 2019     | Monthly changes | Liabilities   | July 2019       | August 2019     | Monthly changes |
| External assets   | 9 480,6         | 9 763,9         | 283,3           | Currency in circulation   | 6 225,1         | 6 283,8         | 58,7            |
| One-week loans of credit institutions   | 0,0             | 0,0             | 0,0             | Current account balances of other MFIs  | 280,5           | 277,5           | -2,9            |
| Swap claims on HUF related to forint liquidity providing EUR/HUF FX swap <sup>1,2</sup> | 1 726,3         | 1 883,2         | 157,0           | Overnight deposits of other MFIs <sup>6</sup>   | 436,5           | 380,8           | -55,7           |
| Other swap claims on foreign currency with credit institutions <sup>1</sup>             | 0,0             | 0,0             | 0,0             | Other deposits of other MFIs <sup>8</sup>   | 143,1           | 154,8           | 11,7            |
| Remaining assets <sup>3,5,7</sup>   | 1 845,9         | 1 900,8         | 54,9            | Deposits of central government  | 1 653,3         | 1 777,5         | 124,2           |
|   |                 |                 |                 | External liabilities  | 816,9           | 864,3           | 47,4            |
|   |                 |                 |                 | Swap liabilities to foreign currency related to forint liquidity providing EUR/HUF FX swap <sup>1,2</sup> | 1 726,3         | 1 883,2         | 157,0           |
|   |                 |                 |                 | Other swap liabilities to HUF with credit institutions <sup>1</sup>                                       | 0,0             | 0,0             | 0,0             |
|   |                 |                 |                 | Remaining liabilities <sup>5</sup>  | 1 771,1         | 1 925,9         | 154,8           |
| <b>Total assets</b>   | <b>13 052,8</b> | <b>13 547,9</b> | <b>495,1</b>    | <b>Total liabilities</b>  | <b>13 052,8</b> | <b>13 547,9</b> | <b>495,1</b>    |

<sup>1</sup> This item includes FX-swaps with credit institutions on a gross basis. (See the Methodological notes.)

<sup>2</sup> A notice on Forint liquidity providing EUR/HUF FX swap is available on the MNB's website at <http://www.mnb.hu/letoltes/t-c-forint-liquidity-providing-swap-en.pdf>

<sup>3</sup> Includes loans offered to credit institutions within Funding for Growth Scheme.

<http://www.mnb.hu/en/monetary-policy/funding-for-growth-scheme-fgs>

<sup>4</sup> From 19 December 2018 the minimum reserves is the key policy instrument of the MNB.

<sup>5</sup> From March 2016, other items on both the assets and liabilities sides include swaps outstanding under Phase 3 of Pillar 2 of the Funding for Growth Scheme as well.

<sup>6</sup> The stock of overnight deposits also includes the stock of preferential deposits.

<sup>7</sup> Includes the stock of mortgage bonds, held by the MNB, which were issued by domestic mortgage banks.

<sup>8</sup> Includes the stock of margin accounts linked to credit institutions' derivative transactions with the MNB.

The average and end-of-month stocks of **external assets** rose slightly in the month. The increase reflected a growth in the stock of EUR/HUF FX swaps providing forint liquidity on the one hand and transfers received from the European Commission, on the other. However, a decline in average forint exchange rates in August also pointed to an increase.

No new contracts were concluded at the **one-week loan tender** in August.

The MNB concluded one, three, six and twelve-month transactions with credit institutions at the **EUR/HUF FX swap tenders providing forint liquidity**. (Table 1 and Chart 5 of the chart-pack).

The **average stock of currency in circulation** continued to rise in July (see Table 1 and Chart 4 of the chart-pack).

The monthly average of the banking sector's **current account** balances with the MNB exceeded reserve requirements by HUF 53.4 billion, which is a similar amount as in the previous month. In August, reserve requirements amounted to HUF 224.1 billion (see Chart 1 of the chart-pack).

In the reference month, **forint liquidity of the domestic banking sector** decreased: the average stock of credit institutions' overnight deposits fell and the average stocks of other deposits increased to a lesser degree.

The average stock of **central government deposits** rose during the month.

The average stocks of **external liabilities** also rose in August.

The **average interest rate on overnight interbank loans** fluctuated at the bottom of the interest rate corridor throughout the month.

## II. 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 – August 2019**

| HUF billions     |                |                                |              |                |                                |                |                                |              |                |
|------------------|----------------|--------------------------------|--------------|----------------|--------------------------------|----------------|--------------------------------|--------------|----------------|
| Assets           | Opening stocks | Revaluations and other changes | Transactions | Closing stocks | Liabilities                    | Opening stocks | Revaluations and other changes | Transactions | Closing stocks |
| External assets  | 9 519,1        | 256,1                          | 412,0        | 10 187,2       | Currency in circulation        | 6 233,5        | 0,0                            | 79,8         | 6 313,2        |
| Remaining assets | 1 761,6        | 78,8                           | -13,9        | 1 826,5        | Deposits of other MFIs         | 803,6          | 0,1                            | 100,9        | 904,5          |
|                  |                |                                |              |                | Deposits of central government | 1 756,0        | 5,2                            | 193,7        | 1 954,9        |
|                  |                |                                |              |                | External liabilities           | 817,1          | 13,4                           | 49,7         | 880,3          |
|                  |                |                                |              |                | Remaining liabilities          | 1 670,6        | 316,1                          | -25,9        | 1 960,8        |
| Total assets     | 11 280,7       | 334,8                          | 398,1        | 12 013,7       | Total liabilities              | 11 280,7       | 334,8                          | 398,1        | 12 013,7       |

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**MAGYAR NEMZETI BANK**  
DIRECTORATE STATISTICS

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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