



16 March 2016

PRESS RELEASE

Preliminary statistical balance sheet of the MNB: February 2016

In February 2016, forint liquidity of the domestic banking sector increased, which was mainly reflected in rises in overnight and three-month deposits and a decline in two-week deposits. The average stock of external assets and liabilities rose due to the IMF quota increase; however, the quota increase did not affect the level of international reserves. The average stock of currency in circulation fell. The overnight interbank interest rate fluctuated in the lower half of the interest rate corridor throughout February.

1 Balance sheet of the MNB containing monthly average stocks

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

HUF billions							
Assets	Jan. 2016	Feb. 2016	Monthly changes	Liabilities	Jan. 2016	Feb. 2016	Monthly changes
External assets	10 112,8	10 330,9	218,1	Currency in circulation	4 309,7	4 281,7	-28,0
One-week and Two and Six-month loans of credit institutions ⁵	104,4	167,0	62,6	Current account balances of other MFIs	363,7	362,7	-1,0
Swap claims on foreign currency with credit institutions ¹	22,8	0,0	-22,8	Overnight deposits of other MFIs	108,2	147,0	38,8
Swap claims on foreign currency related to Pillar 3 of the Funding for Growth Scheme with credit institutions ^{1,2}	114,4	80,6	-33,7	Two-week deposits of other MFIs	951,5	895,7	-55,8
Swap claims on HUF related to foreign currency sale tender for the settlement and conversation of FX loans with credit institutions ^{1,3}	1 844,6	1 817,2	-27,4	Three-month deposits of other MFIs ⁶	3 016,2	3 057,4	41,2
Remaining assets ⁴	1 592,4	1 608,8	16,3	Other deposits of other MFIs	70,3	99,4	29,1
				Deposits of central government	1 138,7	1 220,9	82,2
				Foreign liabilities	525,6	819,2	293,6
				Swap liabilities to HUF with credit institutions ¹	22,8	0,0	-22,8
				Swap liabilities to HUF related to Pillar 3 of the Funding for Growth Scheme with credit institutions ^{1,2}	114,4	80,6	-33,7
				Swap liabilities to foreign currency related to euro sale tender for the settlement and conversation of FX loans with credit institutions ^{1,3}	1 844,6	1 817,2	-27,4
				Remaining liabilities	1 325,7	1 222,7	-103,0
Total assets	13 791,4	14 004,5	213,0	Total liabilities	13 791,4	14 004,5	213,0

¹ 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, and swaps related to euro sale tender for the settlement and conversation of FX loans on a gross basis. (See the Methodological notes.)

² The euro liquidity-providing FX swap tender, introduced under Pillar 3 of the Funding for Growth Scheme, was terminated on 1 July 2014. The monthly average amounts of FX swaps outstanding are shown in the table.

³ Includes the average stocks of Swiss franc sale tenders, in addition to those of euro sale tenders. A notice on EUR and CHF sale tenders related to the settlement and conversation of foreign currency loans is available on the MNB's website at <http://www.mnb.hu/en/monetary-policy/monetary-policy-instruments/tenders-quick-tenders/fx-spot-tenders>.

⁴ Includes loans offered to credit institutions under the Funding for Growth Scheme. <http://www.mnb.hu/en/monetary-policy/funding-for-growth-scheme-fgs>.

⁵ In September 2015, loans allotted at one-week and three-month loan tenders were introduced, replacing two-week and six-month loans. In the case of six-month loans, the Table contains the outstanding amounts of loans extended earlier.

⁶ From 23 September, the three-month deposit has been the MNB's new policy instrument.

In February, **forint liquidity of the banking sector** increased, which was reflected in rises in the average stocks of credit institutions' overnight and three-month deposits as well as a smaller decline in the average stock of two-week deposits.

The **average stock of currency in circulation** fell (Table 1 and Chart 5 of the chart-pack).

The average stock of swap transactions related to the settlement and forint conversion of household foreign currency loans is shown in Table 1 and Chart 8 of the chart-pack.¹

The end-of-month stock of **external assets** increased in February. This reflected the fact that the decision on an increase in IMF quotas came into effect at the end of January, according to which Hungary's quota was increased by SDR 901.6 million² to 1,940 on 2 February 2016. Under the rules of the IMF, 25 per cent of the increase (the so-called reserve tranche) must be paid in SDRs or in the reserve currencies designated by the IMF and 75 per cent must be paid in the country's own currency, i.e. in forints. Although the reserve tranche is part of international reserves, the level of reserves did not change only their composition, as the part of quota increase paid in reserve currencies was made available using international reserves. Although the part of quota paid in forints increases foreign assets, it does not constitute part of international reserves.

The end-of-month stock of international reserves increased in February, mainly as a result of transfers received from the EU Commission.

The average stock of **foreign liabilities** also rose due to the quota increase.

The average stock of **other assets** rose, in part as a result of the increase in the outstanding amount of lending extended under the FGS.

The average stock of **central government deposits** rose in February compared with the previous month, mainly reflecting deposits by the GDMA.

The monthly average of the banking sector's **current account balances** with the MNB slightly exceeded reserve requirements. Excess reserves amounted to HUF 2.09 billion, which was moderate compared with the sector's total reserve requirements of HUF 360.62 billion (Charts 1 and 2 of the chart-pack).

The **overnight interbank rate** fluctuated in the lower half of the interest rate corridor throughout February (Chart 12 of the chart-pack).

¹ Includes the stock of FX swaps entered into at the Swiss franc sale tender, in addition to the euro sale tender.

² This is equal to HUF 354.4 billion at exchange rate effective on 2 February 2016.

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 – February 2016

HUF billions

Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	10120,6	43,6	300,0	10464,2	Currency in circulation	4290,8	0,0	-40,4	4250,4
Remaining assets	1772,8	26,4	38,4	1837,6	Three-month deposits of other MFIs	3015,6	0,0	63,2	3078,8
					Two-week deposits of other MFIs	741,1	0,0	252,7	993,8
					Other deposits of other MFIs	602,8	-0,1	-56,0	546,7
					Deposits of central government	1495,5	-1,2	-142,9	1351,5
					External liabilities	548,9	-0,8	291,5	839,6
					Remaining liabilities	1198,6	72,1	-29,7	1241,0
Total assets	11893,3	70,1	338,4	12301,8	Total liabilities	11893,3	70,1	338,4	12301,8

* * * * *

MAGYAR NEMZETI BANK DIRECTORATE STATISTICS

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

Contact information:

Phone: + 36 (1) 428-2750

Fax: + 36 (1) 429-8000

Email: sajto@mnbb.hu