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## PRESS RELEASE

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

*In October 2013, forint liquidity of the domestic banking sector increased relative to the previous month. The average and end-of-month stocks of external assets and the average stock of central government deposits increased, reflecting the receipt of EU transfers in the 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	Sept 2013	Oct 2013	Monthly changes	Liabilities	Sept 2013	Oct 2013	Monthly changes
External assets	9615,4	9940,7	325,3	Currency in circulation	3039,9	3036,5	-3,4
Two-week and Six-month loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	431,5	430,1	-1,4
Two-year loans of credit institutions	112,0	112,0	0,0	Overnight deposits of other MFIs	196,1	214,0	17,9
Swap claims on foreign currency with credit institutions <sup>1</sup>	0,0	0,0	0,0	Other deposits of other MFIs	4,2	1,5	-2,7
Swap claims on foreign currency related to Pillar 3 of the Funding for Growth Scheme with credit institutions <sup>1</sup>	137,3	146,1	8,8	Deposits of central government	890,9	1311,0	420,1
Remaining assets	774,0	983,5	209,5	Two-week MNB bills held by residents <sup>2</sup>	3910,9	4207,7	296,7
				Two-week MNB bills held by non residents <sup>2</sup>	407,6	405,4	-2,2
				Foreign liabilities	636,5	611,6	-24,9
				Swap liabilities to HUF with credit institutions <sup>1</sup>	0,0	0,0	0,0
				Swap liabilities to HUF related to Pillar 3 of the Funding for Growth Scheme with credit institutions <sup>1</sup>	137,3	146,1	8,8
				Remaining liabilities	984,0	818,4	-165,5
<b>Total assets</b>	<b>10638,7</b>	<b>11182,2</b>	<b>543,6</b>	<b>Total liabilities</b>	<b>10638,7</b>	<b>11182,2</b>	<b>543,6</b>

<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 October, forint liquidity of the banking sector increased. The rise in average holdings of two-week MNB bills accounted for the larger part of the increase and that in the average stock of credit institutions' overnight deposits for the smaller part. Resident holdings of two-week MNB bills increased, reflecting the liquidity-absorbing effect of loans granted to credit institutions under Pillars 1 and 2 of the MNB's Funding for Growth Scheme (FGS). Non-resident holdings of two-week MNB bills fell slightly.

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

The increase in the average stock of other assets reflected the carry-over effect of loans disbursed in Phase I of the FGS until September 2013.

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

In October, the average and end-of-month stocks of external assets as well as the average stock of central government deposits increased significantly, reflecting the receipt of EU transfers in October.

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 6.5 billion, which continued to be insignificant compared with the sector's total reserve requirements of HUF 423.66 billion (see Charts 1 and 2 of the chart-pack). In October, the overnight interbank rate fluctuated near the lower bound of the interest rate corridor, except on 22 October, when it moved up to a level close to 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 – October 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	9457,6	-172,0	615,9	9901,6	Currency in circulation	3039,3	0,0	8,9	3048,3
Remaining assets	1081,0	36,4	-21,1	1096,3	Deposits of other MFIs	784,1	0,0	-312,8	471,3
					Deposits of central government	939,6	-5,5	365,6	1299,7
					Two-week MNB bills held by residents <sup>1</sup>	3918,8	0,0	573,6	4492,4
					Two-week MNB bills held by non residents <sup>1</sup>	402,1	0,0	23,0	425,1
					External liabilities <sup>2</sup>	509,1	-11,6	-43,3	454,2
					Remaining liabilities	945,6	-118,5	-20,1	807,0
<b>Total assets</b>	<b>10538,7</b>	<b>-135,6</b>	<b>594,8</b>	<b>10997,9</b>	<b>Total liabilities</b>	<b>10538,7</b>	<b>-135,6</b>	<b>594,8</b>	<b>10997,9</b>

<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

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.

<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\\_tenderek/nhp\\_swap\\_tajekoztato\\_20130529\\_EN.pdf](http://english.mnb.hu/Root/Dokumentumtar/ENMNB/Monetaris_politika/mnben_jegybanki_eszkozatar/mnben_eszkozatar_tenderek/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.

**MAGYAR NEMZETI BANK**  
STATISTICS

*The primary statutory duty of the Magyar Nemzeti Bank is to deliver and maintain price stability. The MNB ensures the safe operation of the payment and settlement systems, as well as the uninterrupted flow of payments, safeguards the financial stability of the banking sector, manages the country's foreign currency reserves, collects and publishes statistical data, and issues the forint, Hungary's national legal tender.*

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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