

The effective rate of the countercyclical capital buffer rate for exposures in Hungary and its justification

The Financial Stability Board (FSB) of the Magyar Nemzeti Bank has decided to keep the rate of the Countercyclical Capital Buffer (CCyB) unchanged. Based on the positive neutral CCyB rate of 1 percent prescribed in a neutral risk environment, the benchmark CCyB rate determined on the basis of cyclical systemic risks and other relevant information, the FSB set the CCyB rate applicable to exposures to counterparties in Hungary from 1 July 2026 at the 1 percent rate applicable from 1 July 2025.

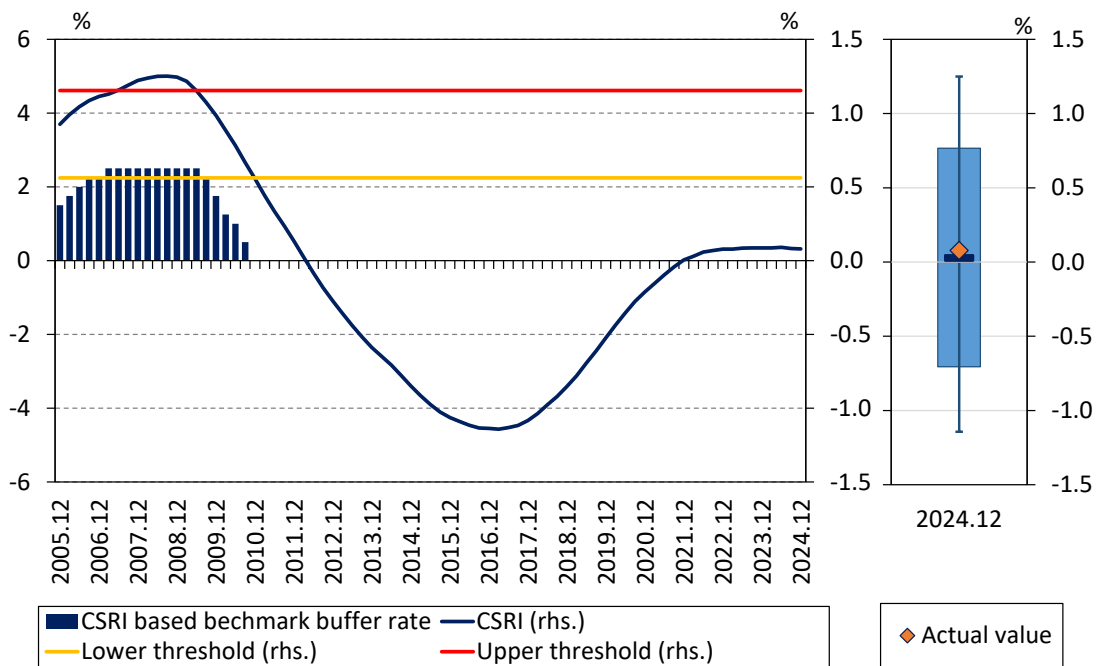
Countercyclical Capital Buffer rate for exposures to counterparties in Hungary	
From 1 July 2025 (percent)	1.0
From 1 April 2026 (percent)	1.0
<i>Related information</i>	<i>31.12.2024</i>
Targeted rate in a „neutral” risk environment, i.e., the positive neutral CCyB-rate	1.0
Cyclical Systemic Risk Index	0.1
CCyB-rate based on the Cyclical Systemic Risk Index	0.0
CCyB-rate based on the Cyclical Systemic Risk Index and the indicators of the Cyclical Systemic Risk Map (buffer guide)	0.0
Additional credit-to-GDP ratio (percent)	34.7
Additional credit-to-GDP gap (percentage point)	-3.4
CCyB rate based on the additional credit-to-GDP gap (percent)	0.0
Standardised credit-to-GDP ratio (percent)	90.1
Standardised credit-to-GDP gap (percentage point)	-8.1
CCyB-rate based on the standardised credit-to-GDP gap (percent)	0.0

Justification

The FSB sets the level of the Countercyclical Capital Buffer rate applicable to Hungarian exposures effective from 1 July 2026 at 1 percent, considering the positive neutral rate targeted in a neutral risk environment. Based on the value of the Cyclical Systemic Risk Index (CSRI) in the fourth quarter of 2024, which is the basis for determining the benchmark CCyB rate established based on cyclical systemic risks, an overall low, neutral level of cyclical systemic risks can be seen. In addition, the indicators of the Cyclical Systemic Risk Map (CSRM), as well as the development of the fundamentals underlying their changes, also indicate an unchanged level of cyclical systemic risks that does not justify intervention beyond the positive neutral rate. The applicable level of the CCyB rate, which may differ from the targeted 1 percent in a neutral risk environment, will continue to be decided by the FSB in its quarterly decisions, depending on the development of risks.

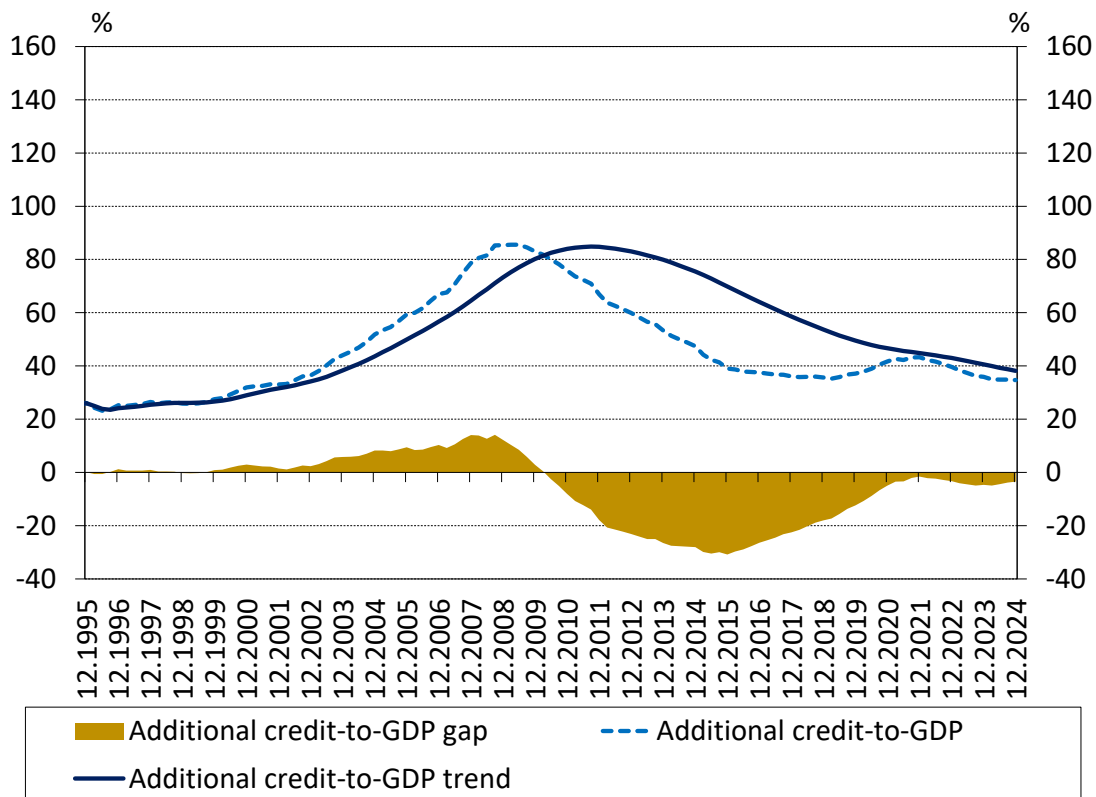
See the methodological information on determination of the applicable countercyclical capital buffer rate and the other monitored indicators, and the indicators supporting the CCyB-rate decision on the [countercyclical capital buffer site](#).

Chart 1 - The evolution of the Cyclical Systemic Risk Index (CSRI)



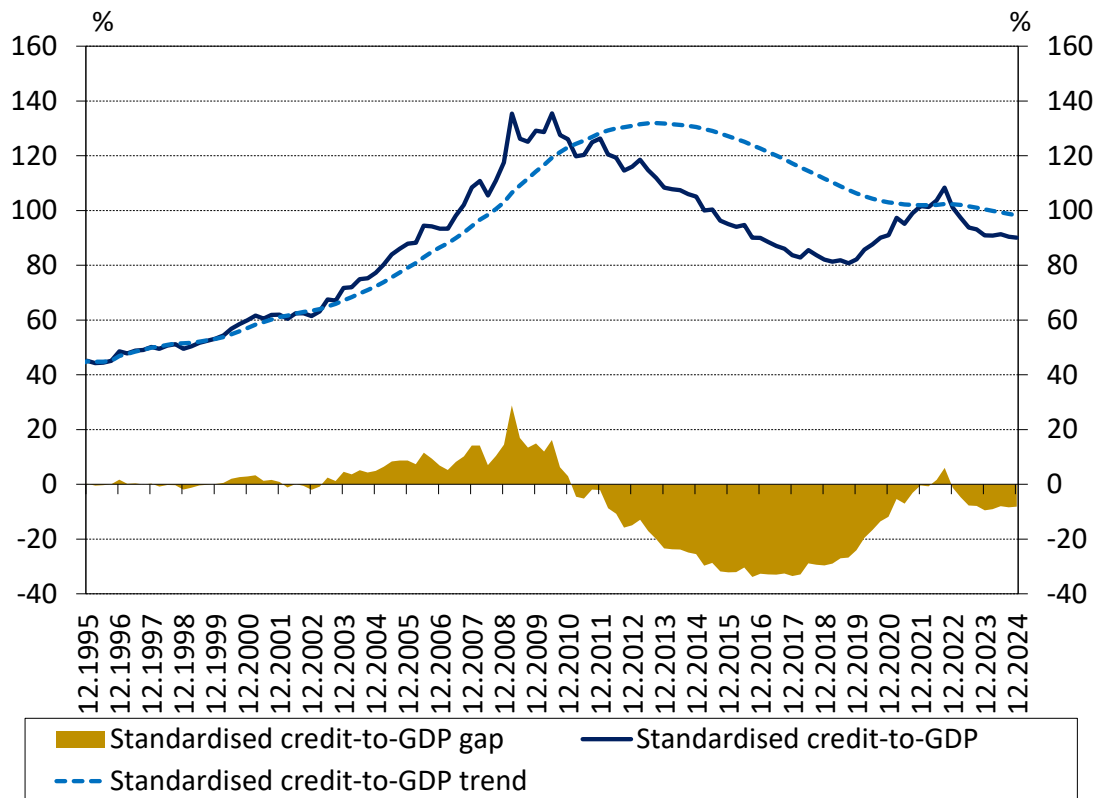
Note: The lower and upper thresholds are the 7th and 9th deciles of the CSRI values. The boxplot chart displayed on the right panel shows the minimum, maximum, interquartile and median values of the historical distribution of the CSRI. Source: MNB

Chart 2 - Development of the additional credit-to-GDP gap



Note: The additional credit-to-GDP gap based on country-specific methodology calculated on 31 December 2024 data. Source: MNB.

Chart 3 - Development of the standardised credit-to-GDP gap



Note: standardised credit-to-GDP gap based on the European Systemic Risk Board's recommendation calculated on 31 December 2024 data. Source: MNB.

Chart 4 – The average risk indications of risk categories of the cyclical systemic risk map, 2000-2024

		2000 - 2004	2005 - 2008	2009 - 2013	2014 - 2024
Credit institutions	Loan portfolio				
	Asset-liability mismatch				
	Concentration of assets and				
	Excessive, harmful competition				
Debtors' repayment capacity					
Asset overvaluation					
External imbalances					

Note: Date of the latest observations: Q4 2024. Source: MNB