



# Preliminary financial accounts of General government and Households

2020 Q2



17 August 2020

Summary data

General government

Households

Other information

Net lending of general government\*

**-4.9%**



\*data of last four quarters, in percent of GDP

Net lending of households\*

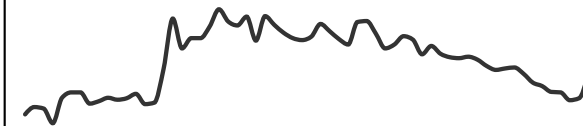
**5.8%**



\*data of last four quarters, in percent of GDP

Consolidated gross debt of general government\*

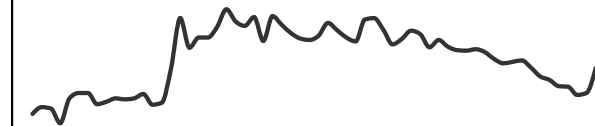
**70.2%**



\*exclude Eximbank, in percent of GDP

Consolidated gross debt of general government\*

**71.9%**



\*include Eximbank, in percent of GDP

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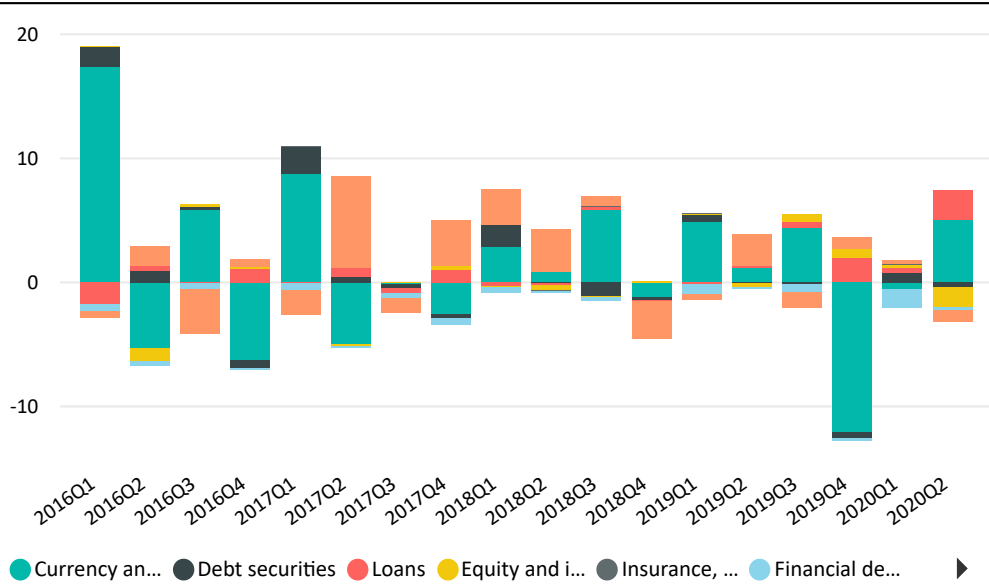




# Preliminary financial accounts of General government and Households

## 2020 Q2 - General government

General government transactions in financial assets, percent of GDP

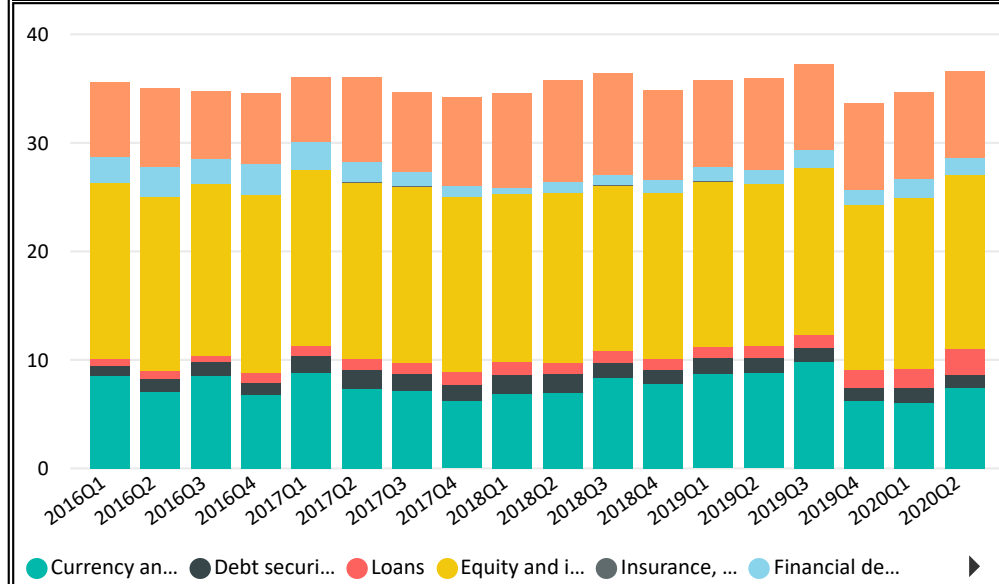


General government **net lending** amounted to HUF -1094 billion or -10.6 per cent of quarterly GDP in 2020 Q2. Of the sub-sectors of general government, net lending of central government, local governments and the social security funds was HUF -693 billion, HUF -175 billion and HUF -225 billion, respectively. At the end of 2020 Q2, the non-consolidated stocks of general government's assets and liabilities amounted to 36.6 per cent and 93.3 per cent, respectively, of GDP. As a result, the sector's net financial worth amounted to -56.8 per cent of GDP.

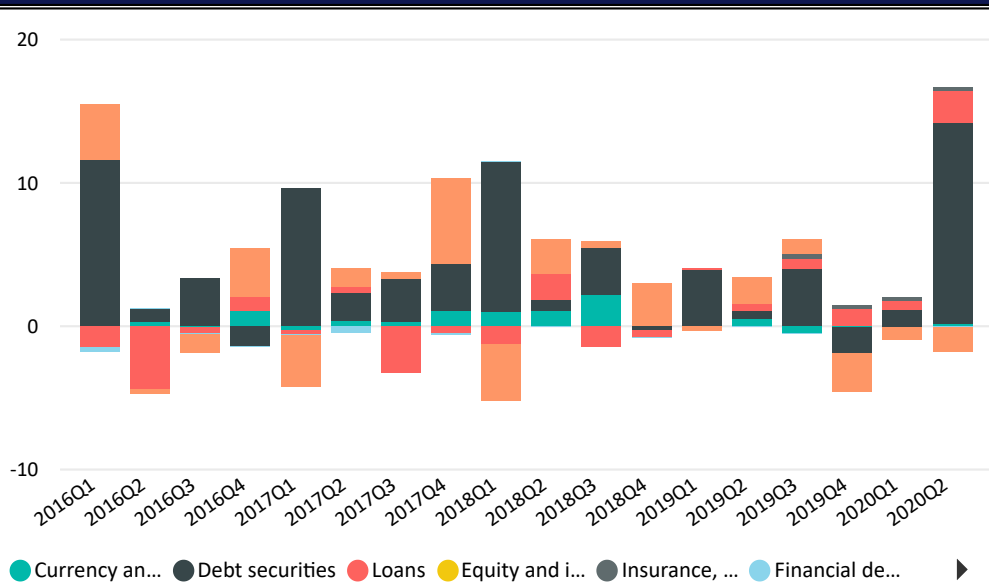
Within **financial assets** of general government, there was a significant increase in deposits with the MNB due to transactions. In addition, the stock of long-term loans rose modestly. However, a significant decline occurred in equities due to transactions, and other receivables also fell.

Within **liabilities** of general government, long-term securities rose sharply due to transactions, primarily as a result of purchases of government bonds made by financial corporations, households and the rest of the world. Short-term securities continued to fall significantly due to transactions, resulting from net sales by financial corporations and households. In addition, the stock of other liabilities, in particular tax liabilities fell sharply.

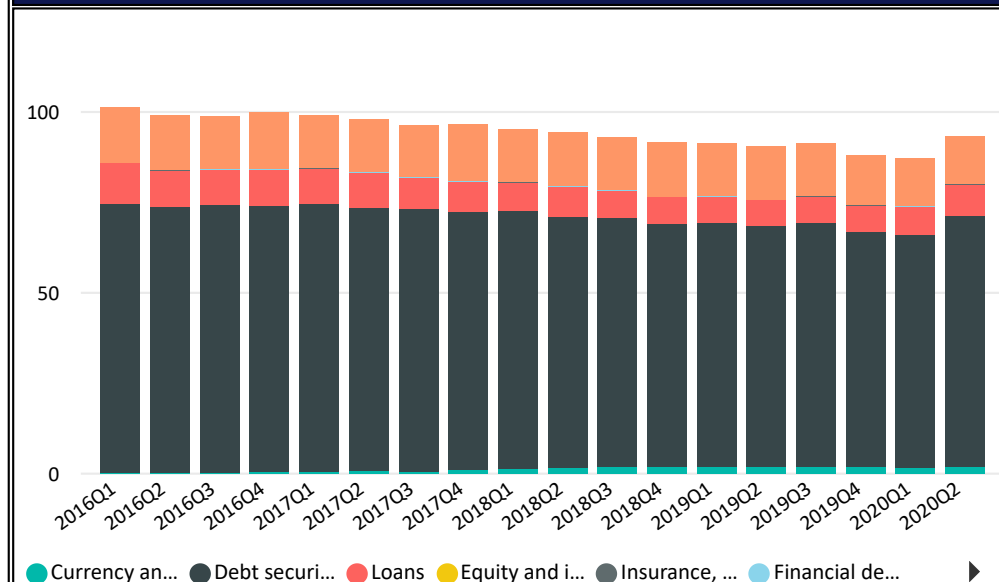
General government stocks of financial assets, percent of GDP



General government transactions in liabilities, percent of GDP



General government stocks of liabilities, percent of GDP

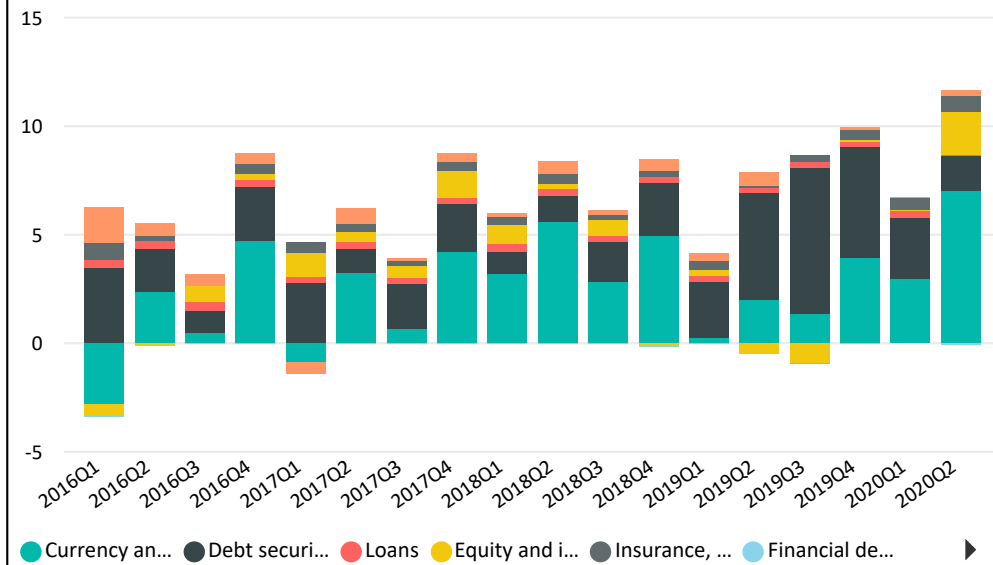




# Preliminary financial accounts of General government and Households

## 2020 Q2 - Households

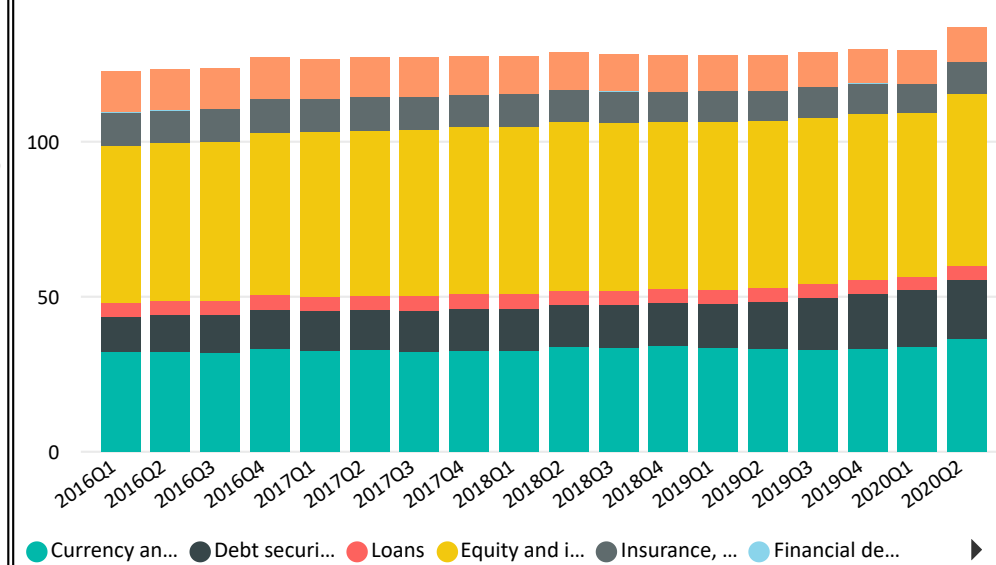
Households transactions in financial assets, percent of GDP



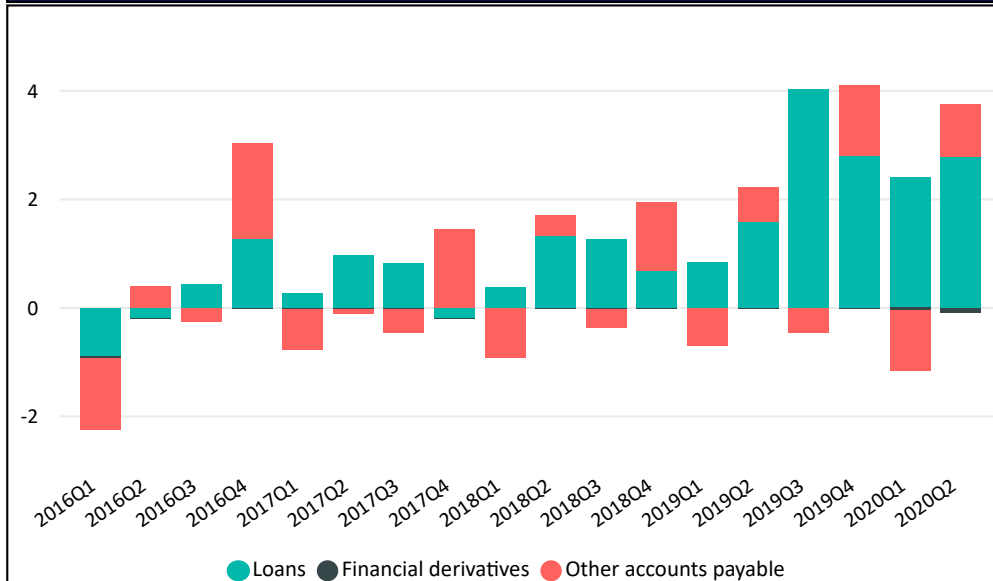
**Net lending** of households was equivalent to 7.9 per cent (HUF 819 billion) of quarterly GDP in 2020 Q2. At the end of 2020 Q2, the non-consolidated stock of households' financial assets and liabilities amounted to 136.9 per cent and 23.5 per cent, respectively, of GDP. As a result, the sector's net financial worth amounted to 113.4 per cent of GDP.

Within households' **financial assets**, there was an outstanding increase in deposits and long-term government securities in 2020 Q2 due to transactions, the rise was considerable in cash, shares and other equity and the insurance technical reserves. By contrast, the stock of short-term government securities declined significantly.

Households stocks of financial assets, percent of GDP

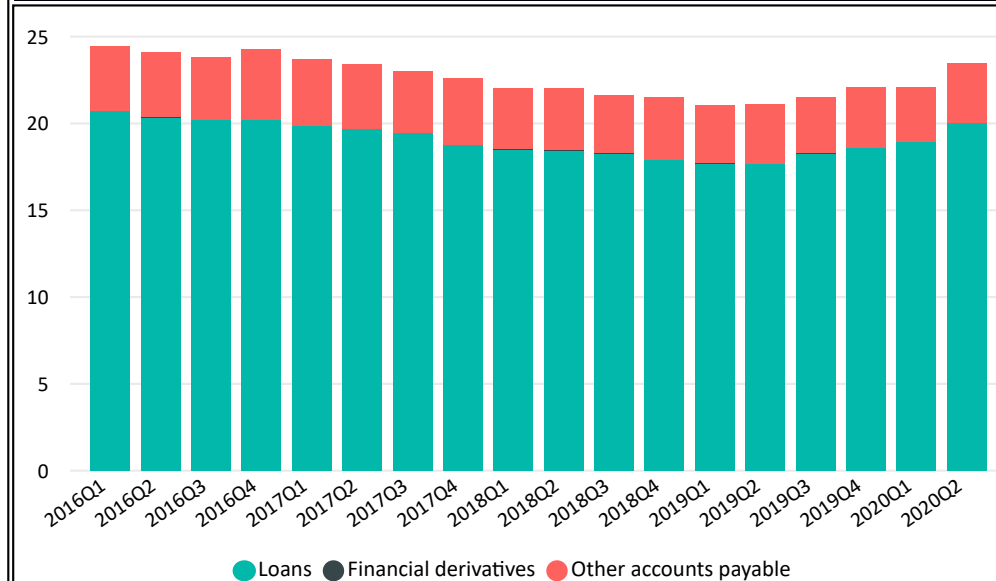


Households transactions in liabilities, percent of GDP



Within households' **liabilities**, the stock of consumer loans and other loans within forint loans taken from credit institutions increased significantly due to transactions. The stock of forint housing loans also rose, although more modestly. Households' other liabilities fell significantly.

Households stocks of liabilities, percent of GDP





# Preliminary financial accounts of General government and Households

2020 Q2 - other information, links, methodological notes

## Methodological notes

Detailed preliminary financial accounts data are available on the MNB's website at: [Statistics/Statistical Data and Information/Statistical Time Series/XII. Financial Accounts/Preliminary Financial Accounts of Households and General Government](#).

### 1. Taking account of Eximbank data in the compilation of general government statistics

Given that Hungarian Export-Import Bank Plc. (Eximbank) is a financial institution operating as a credit institution, its data are recorded in the financial corporate sector (S.12), and within that in deposit taking institutions sub-sector (S.122), in the statistical publications prepared by the MNB. However, within financial accounts statistics, the Maastricht debt of general government including Eximbank is also published as supplementary information. Due to the characteristics of financial intermediation, the inclusion of Eximbank's data does not significantly change the net financial worth (or net liabilities) or net lending of general government in the periods when there is no capital increase by the government recorded as transfers.

### 2. Uncertainties related to the use of general government sector data

Data on other assets and other liabilities of the general government sector related to transfers from the European Union for 2020 Q2 are based on estimates. Consequently, these values may change in later publications.

### 3. Uncertainties related to data for households

In compiling preliminary household sector data for 2020 Q2, estimates were used to calculate certain assets (primarily unquoted shares, other equity and wage claims) and the sector's liabilities to the general government sector. Foreign financial assets of households are not fully captured by the statistics; therefore, data on financial savings of the household sector contain uncertainties in the financial accounts. The estimated values may change in later publications or may be replaced by actual data as they become available.

### 4. The use of GDP ratios

For stocks (the stocks of financial instruments or liabilities, net financial worth, the stock of debt) and transactions in the four quarters, the values are compared to GDP in the four quarters to the specific quarter. Quarterly transactions and revaluations are compared to GDP in the given quarter. The value of GDP in the final quarter used in the preliminary financial accounts is based on the MNB's own estimate. The GDP estimate is surrounded by a higher amount of uncertainty than usual due to the economic effects brought about by the pandemic.

**The full set of financial accounts for the institutional sectors of the national economy for 2020 Q2 will be published on 1 October 2020.**