



PRESS RELEASE

10 November 2018

Securities issued by Hungarian residents and breakdown by holding sectors

September 2018

According to securities statistics, the amount outstanding of equity securities and debt securities issued by Hungarian residents¹ was HUF 45,562 billion at market value at the end of September 2018, reflecting an increase of HUF 108 billion relative to the end of August. Within this, stocks of debt securities declined by HUF 51 billion and those of equity securities by HUF 57 billion. Stocks of securities by households and the holdings of financial corporations rose by HUF 61 billion and HUF 109 billion, respectively, while non-residents' securities holdings decreased by HUF 28 billion.

Developments in outstanding amount of securities by types of security

Table 1

Outstanding amount of securities issued by residents and components of changes by main types of security; at market value; HUF billions; September 2018

Securities	Opening positions	Transactions	Price changes	Foreign exchange rate changes	Other volume changes	Closing positions	Ratio %	Change
Debt securities								
Government securities	28 610	-13	-59	-32	0	28 507	62,6%	-104
Mortgage bonds	1 034	164	-4	0	0	1 194	2,6%	160
Other bonds	1 804	5	-2	-9	0	1 799	3,9%	-5
total	31 448	157	-64	-42	0	31 499	69,1%	51
Equity and investment fund shares								
Investment fund shares	6 603	15	2	-7	0	6 614	14,5%	11
Quoted shares	7 402	33	-3	0	17	7 449	16,3%	47
total	14 005	48	0	-7	17	14 063	30,9%	57
Total securities	45 454	205	-65	-49	17	45 562	100,0%	108

The market value of securities issued by the central government fell by HUF 104 billion in September. The stock of forint-denominated securities amounted to HUF 22,680 billion and that of foreign currency-denominated securities to HUF 5,827 billion at the end of the month. Within all the holdings the stock of securities classified into government

¹ In the press release, equity securities include mutual fund shares and quoted shares issued by residents. For more details about the types of securities presented in the press release, see the methodological notes at the following link: <http://www.mnb.hu/letoltes/ertekpapir-modszertan-hu.pdf>.

securities was HUF 28,109 billion, the end-of-month stock of bonds, not classified into government securities, and issued by other organisations classified into the government sector² was HUF 398 billion.

There was one new issuance in the market of *long-term forint-denominated* government securities in September in the value of HUF 22 billion and there was no maturity. At the auctions, tap issues amounted to HUF 230 billion and redemptions to HUF 97 billion at nominal value. Net sales of bonds to households, sold outside of auctions, resulted in a rise in total holdings by HUF 67 billion. In the market of *short-term forint-denominated* government securities, new issues and tap issues of discount Treasury bills amounted to HUF 293 billion and maturities to HUF 470 billion. The amount of interest-bearing instruments (securities issued to households) was lower than that of maturities: sales and maturities reached HUF 308 billion and HUF 350 billion, respectively, at nominal value. Yields on forint-denominated securities increased slightly, the price change was HUF -68 billion.

There was no issuance in the market of foreign currency-denominated securities issued by central government in September, one bond matured in a total value of HUF 38 billion. Price changes increased the market value of securities by HUF 9 billion, while exchange rate changes led to a decrease of HUF 33 billion.

The market value of mortgage bonds issued by resident credit institutions rose by HUF 160 billion in the month under review. In September, the amounts of issues and tap issues were HUF 185 billion, redemptions amounted to HUF 21 billion. The stock of forint-denominated mortgage bonds amounted to HUF 1,184 billion and that of foreign currency-denominated mortgage bonds to HUF 10 billion at the end of September.

The market value of other bonds, issued by other than the central government, fell by HUF 5 billion. The stock of bonds issued by credit institutions was HUF 1,168 billion, while that of bonds issued by other sectors was HUF 630 billion at the end of the month. In September, the amounts of new issues were HUF 8 billion; maturities amounted to HUF 2 billion. Issues were related to credit institutions. Exchange rate changes reduced the value of holdings by HUF 9 billion.

In September, the market value of mutual fund shares issued by Hungarian residents rose by HUF 11 billion. Shares issued by money market funds amounted to HUF 431 billion and those issued by other funds to HUF 6,182 billion at the end of the period. The value of new issues was HUF 4 billion and that of maturities was HUF 16 billion. Price changes increased the value of holdings by HUF 2 billion, while exchange rate changes reduced it by HUF 7 billion.

Stock of quoted shares issued by resident companies, at market level, rose by HUF 47 billion in the month and amounted to HUF 7,449 billion at the end of September. Within this, shares issued by credit institutions, non-financial corporations and the other sectors amounted to HUF 2,924 billion, HUF 4,475 billion and HUF 50 billion, respectively. The prices of blue chips mostly fell; however, market capitalisation rose by 0.6 per cent relative to the previous month due to capital increases and the introduction of a new quoted share series. The price change caused a decline in the value of holdings in the amount of HUF 3 billion in the month.

² Non-financial corporations and guarantee organisations, classified into the central government sector.

Securities holdings in a breakdown by holding sector

Table 2

Holdings of securities issued by residents and components of changes in holdings in a breakdown by holding sector; at market value; HUF billions; September 2018

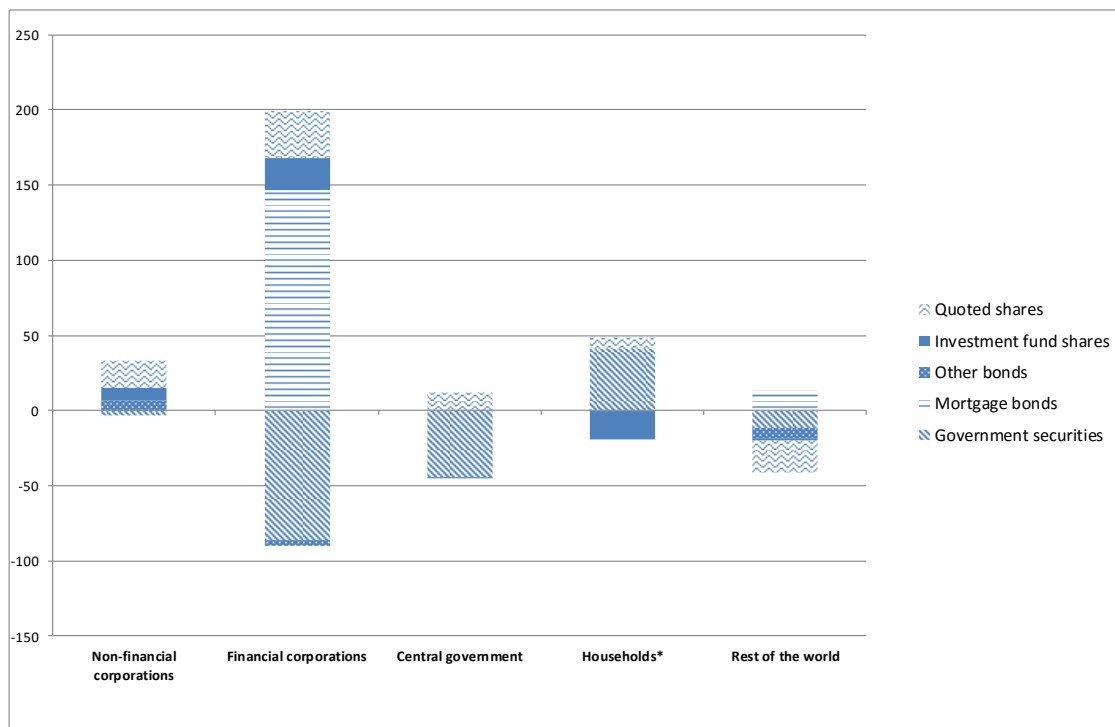
Holding sectors	Opening positions	Transactions	Price changes	Foreign exchange rate changes	Other volume changes	Closing positions	Ratio %	Change
Non-financial corporations	1 828	31	0	-1	0	1 858	4,1%	30
Financial corporations total	16 796	163	-46	-8	0	16 905	37,1%	109
<i>of which Credit institutions</i>	10 152	67	-30	-4	0	10 185	22,4%	33
Central government	1 502	-44	12	0	0	1 470	3,2%	-33
Households*	10 536	39	-4	-6	0	10 566	23,2%	29
Rest of the world	14 791	15	-27	-34	17	14 763	32,4%	-28
Total	45 454	205	-65	-49	17	45 562	100,0%	108

* Including stock of non-profit institutions serving households.

The total market value of securities stocks amounted to HUF 45,562 billion at the end of September. Here, *residents* and *non-residents* held HUF 30,799 billion (or 67.6%) and HUF 14,763 billion (or 32.4%), respectively.

Chart 1

Change in the distribution of securities holdings issued by residents by holding sector in September 2018; HUF billions



* Including stock of non-profit institutions serving households.

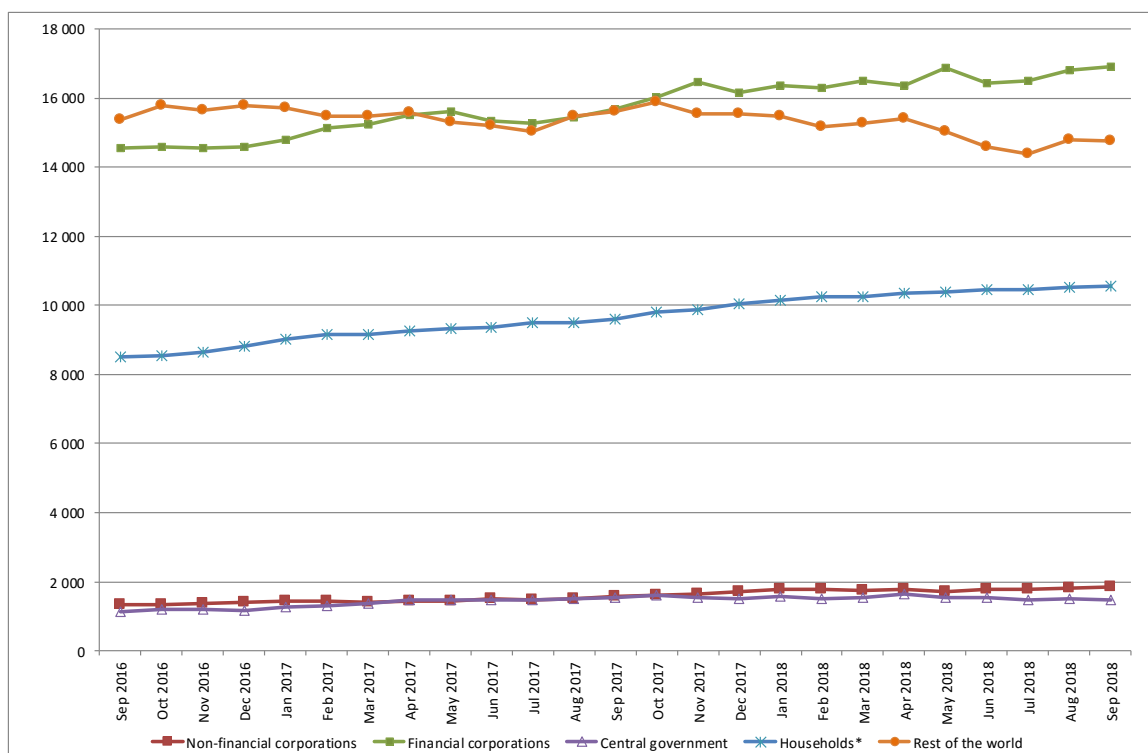
The increase in holdings by non-residents due to transactions accounted for HUF 15 billion in the month. Here, the sector's stocks in the market of securities issued by the government sector rose by HUF 28 billion, primarily reflecting the effect of an increase in holdings of long-term forint-denominated bonds. They increased their holdings of mortgage bonds by HUF 13 billion, while there was a decline in their stocks of quoted shares, mutual fund shares and other bonds HUF 22 billion, HUF 3 billion and HUF 1 billion, respectively.

In September, credit institutions' securities' stocks rose by HUF 67 billion due to transactions. Within this their stocks of securities issued by the government sector fell by HUF 59 billion, while those of mortgage bonds rose by HUF 124 billion; there was an increase in their stocks of other bonds and quoted shares by HUF 1 billion.

Holdings of securities by households (including non-profit institutions serving households) increased by HUF 39 billion, due to transactions, in the period under review. Households raised their stocks of government securities by HUF 75 billion. Here, their holdings of short- and long-term forint-denominated government securities increased by HUF 41 billion and HUF 45 billion, while their holdings of foreign currency-denominated securities by HUF 11 billion. In addition, their savings in quoted shares increased by HUF 9 billion and their holdings of mutual fund shares fell by HUF 13 billion in the month. Holdings of securities by non-profit institutions serving households fell in the month.

In September, the increase in securities held by households continued. Holdings of securities by financial corporations rose relative to the previous month, non-residents' share of total holdings declined.

Chart 2
Distribution of securities holdings issued by residents in a breakdown by holding sector; at market value; HUF billions



* Including stock of non-profit institutions serving households.

Distribution of securities issued by central government by holding sector

Within the distribution of stocks of securities issued by the central government, recorded at market value, *financial corporations*, *general government's*, *non-residents* and *non-financial corporations* holdings declined by HUF 86 billion, HUF 44 billion, HUF 12 billion and HUF 3 billion, respectively. The combined stocks of *households and non-profit institutions serving households* increased by HUF 41 billion.

Table 3

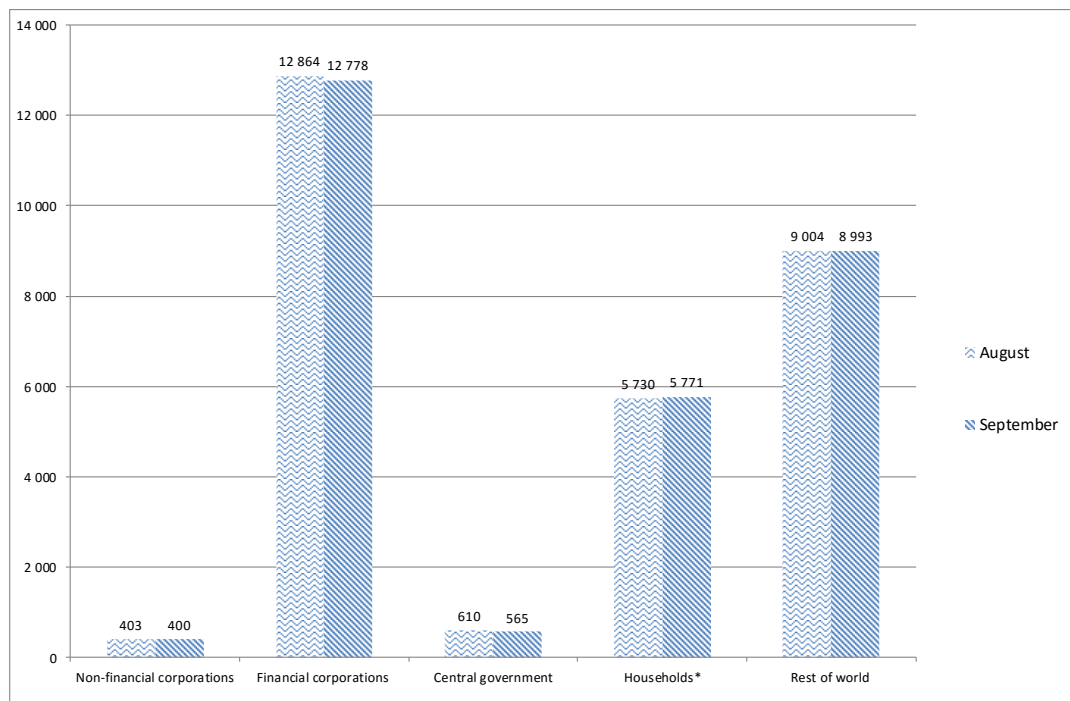
Distribution of securities holdings issued by central government in a breakdown by holding sector; at market value; HUF billions; September 2018

Holding sectors	Opening positions	Transactions	Price changes	Foreign exchange rate changes	Other volume changes	Closing positions	Ratio %	Change
Non-financial corporations	403	-2	-1	0	0	400	1,4%	-3
Financial corporations total	12 864	-36	-47	-4	0	12 778	44,8%	-86
<i>of which Credit institutions</i>	8 959	-59	-30	-3	0	8 866	31,1%	-92
Central government	610	-44	0	0	0	565	2,0%	-44
Households*	5 730	43	0	-1	0	5 771	20,2%	41
Rest of the world	9 004	28	-12	-27	0	8 993	31,5%	-12
Total	28 610	-13	-59	-32	0	28 507	100,0%	-104

* Including stock of non-profit institutions serving households.

Chart 3

Distribution of central government securities holdings issued by sector recorded at market level; HUF billions



* Including stock of non-profit institutions serving households.

Detailed tables: [Time series](#)

Methodological notes: [Methodological notes](#)

MAGYAR NEMZETI BANK

DIRECTORATE STATISTICS

Contact information:

Phone: + 36 (1) 428-2751

Fax: + 36 (1) 429-8000

Email: sajto@mnbb.hu