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PRESS RELEASE

Preliminary statistical balance sheet of the MNB: August 2009

In August 2009, the rise in average holdings of two-week MNB bills was the largest, continuing the trend of the previous four months. The increase in average holdings of two-week MNB bills was due to the change in deposits of the central government, in addition to declines in overnight deposits and the average stock of credit institutions' FX swaps with the central bank.

1 Balance sheet of the MNB containing monthly average stocks

Table 1 Statistical balance sheet of the MNB – monthly average stocks¹

HUF billions

Assets	July 2009	August 2009	Monthly changes	Liabilities	July 2009	August 2009	Monthly changes
External assets	7858,7	8145,7	286,9	Currency in circulation	2209,9	2197,7	-12,2
Two-week loans of credit institutions	0,9	0,4	-0,5	Current account balances of other MFIs	340,9	342,4	1,5
Six-month loans of credit institutions	221,0	198,4	-22,6	Overnight deposits of other MFIs	413,8	354,0	-59,8
Remaining assets	815,8	756,8	-59,1	Deposits of central government	1233,5	1223,2	-10,3
				Two-week MNB bills	2907,5	3299,0	391,5
				Foreign currency debt securities issued	100,8	98,4	-2,4
				Swaps with credit institutions*	252,5	200,9	-51,6
				Remaining liabilities	1437,7	1385,6	-52,0
Total assets	8896,5	9101,3	204,7	Total liabilities	8896,5	9101,3	204,7

* This item includes one-week CHF/EUR, three-month EUR/HUF and six-month EUR/HUF central bank FX-swaps.

Credit institutions' surplus liquidity continued to rise in August, as reflected by a significant increase in holdings of two-week MNB bills (Chart 8 of the chart-pack). The smaller part of this was caused by declines in the average stock of overnight deposits and the average stock of FX swaps of credit institutions with the central bank (Charts 7 and 8 of the chart-pack). However, the larger part of the increase in surplus liquidity was caused by a sharp fall in deposits of the central government from their high level at the beginning of the month (Table 1). This phenomenon was also observable in the previous three months. On the asset side, the average stock of assets vis-à-vis non-residents rose, mainly as a result of the allotment of SDR by the IMF to the MNB. The effect of this was also reflected in the change in external liabilities (Table 2).

As usual, the average of the banking sector's current account balances with the MNB was only slightly different from its reserve requirements, with the amount of surplus reserves being HUF 1.6 billion (Chart 2 of the chart-pack). Overnight interbank lending rates remained close to the bottom of the interest rate corridor throughout August (Chart 12 of the chart-pack). The average stock of currency in circulation fell compared with July.

¹ See the Methodological notes.

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 end-of-month data – August 2009

HUF billions

Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	8044,6	160,1	248,1	8452,8	Currency in circulation	2193,9	0,0	-27,6	2166,4
Remaining assets	837,3	-8,5	-112,2	716,6	Deposits of other MFIs	785,3	0,4	98,6	884,3
					Deposits of central government	1468,1	8,7	-357,9	1119,0
					Two-week MNB bills	2998,3	0,0	217,5	3215,8
					External liabilities	1096,9	20,6	231,9	1349,4
					Remaining liabilities	339,3	121,9	-26,7	434,5
Total assets	8881,9	151,6	135,9	9169,4	Total liabilities	8881,9	151,6	135,9	9169,4

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The statistical press release aims to help the reader understand the latest published data. The Quarterly Report on Inflation and the Report on Financial Stability, published periodically, contain the Bank's analyses of underlying economic processes and are accessible at www.mnb.hu.

MAGYAR NEMZETI BANK STATISTICS

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Charts: [Chart pack](#)

Notes: [Methodological notes](#)

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