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PRESS RELEASE

Preliminary statistical balance sheet of the MNB: January 2009

In January 2009, credit institutions placed their surplus liquidity arising from the significant reduction in the average stock of overnight deposits in two-week MNB bills. Despite this, the average stock of overnight deposits remained high. On the assets side, external assets rose sharply.

1 Balance sheet of the MNB containing monthly average stocks

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

				Forint billions			
Assets	Dec 2008	Jan 2009	Monthly changes	Liabilities	Dec 2008	Jan 2009	Monthly changes
External assets	6529,2	6978,4	449,1	Currency in circulation	2404,2	2271,3	-132,8
Remaining assets	693,8	719,7	25,9	Current account balances of other MFIs	328,6	331,1	2,6
				Overnight deposits of other MFIs	918,4	523,6	-394,8
				Deposits of central government	1585,1	1831,1	246,0
				Two-week MNB bills	1152,0	1571,3	419,3
				Foreign currency debt securities issued	105,2	113,3	8,2
				Remaining liabilities	729,7	1056,3	326,6
Total assets	7223,1	7698,1	475,0	Total liabilities	7223,1	7698,1	475,0

Within the average stock of other assets, recourse to two-week and six-month central bank loans barely changed compared with December. Showing increased caution, credit institutions placed the greater part of their surplus liquidity in overnight central bank deposits; however, they also increased their holdings of two-week MNB bills significantly, by nearly HUF 400 billion compared with December. They placed their surplus liquidity arising from the significant reduction in overnight deposits in two-week MNB bills (Chart 2).

The value of assets vis-à-vis non-residents increased significantly, due to depreciation of the forint (Tables 1 and 2). On the liabilities side, there were increases mainly in deposits of the central government sub-sector and in other liabilities (Table 1).

The average of the banking sector's current account balances exceeded its reserve requirements by HUF 1.5 billion (Chart 1 and Chart 2 of the chart-pack). Overnight interbank interest rates moved slightly below the MNB's key interest rate throughout January. As an effect of the reduction in the central bank base rate, the average overnight interbank interest rate, weighted by volume, also fell (Chart 3). The average stock of currency in circulation fell as usual around this time of the year.

Chart 1 Reserve requirements of credit institutions

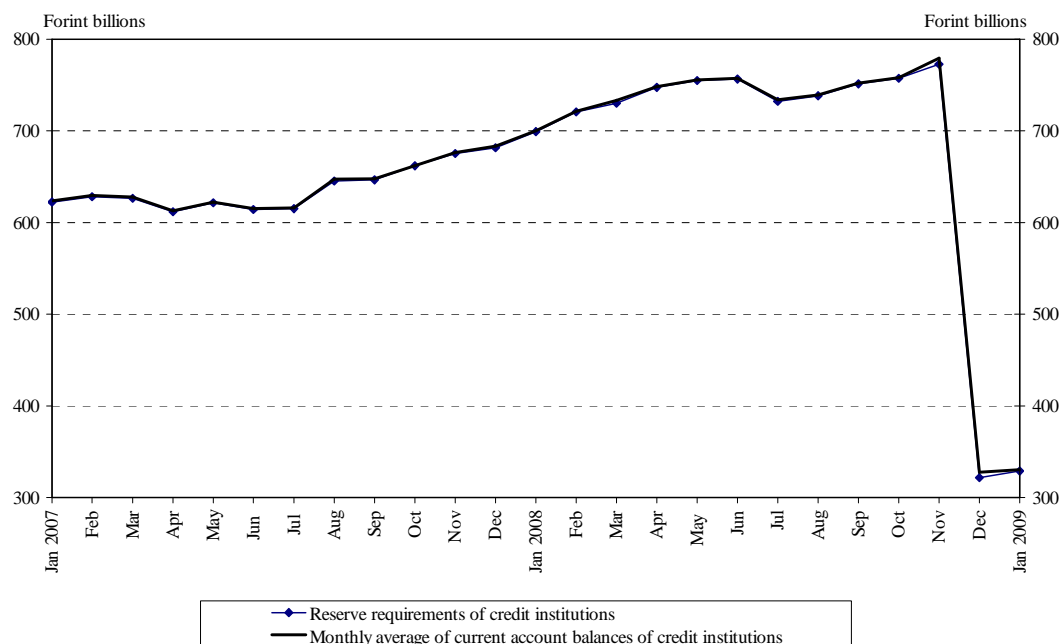


Chart 2 Monthly average overnight deposits of credit institutions

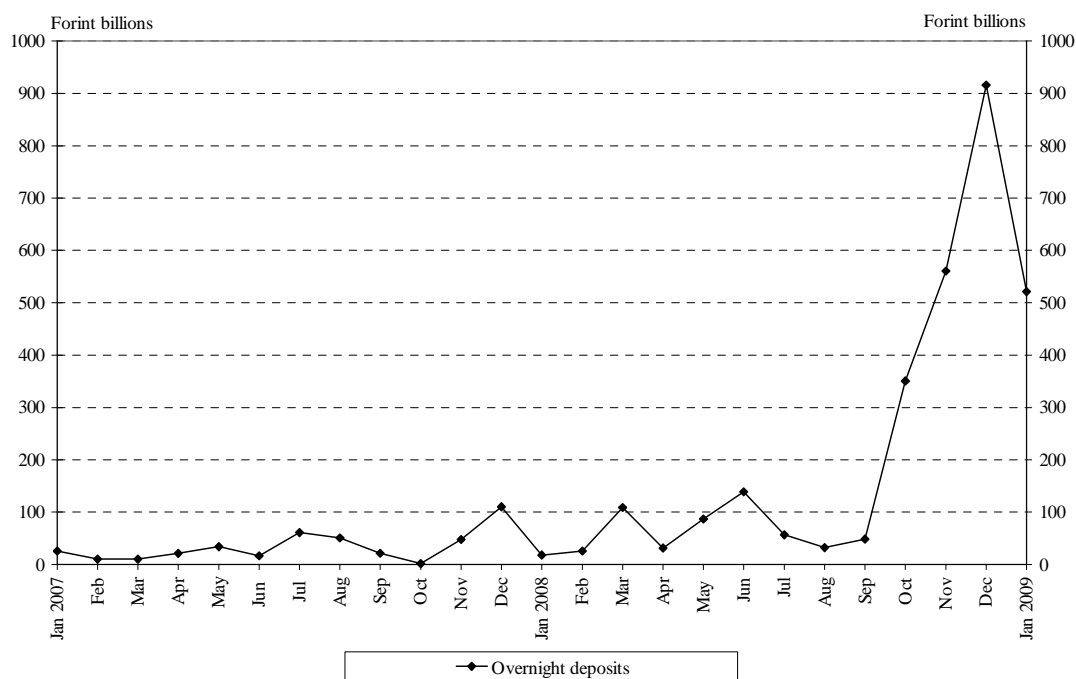
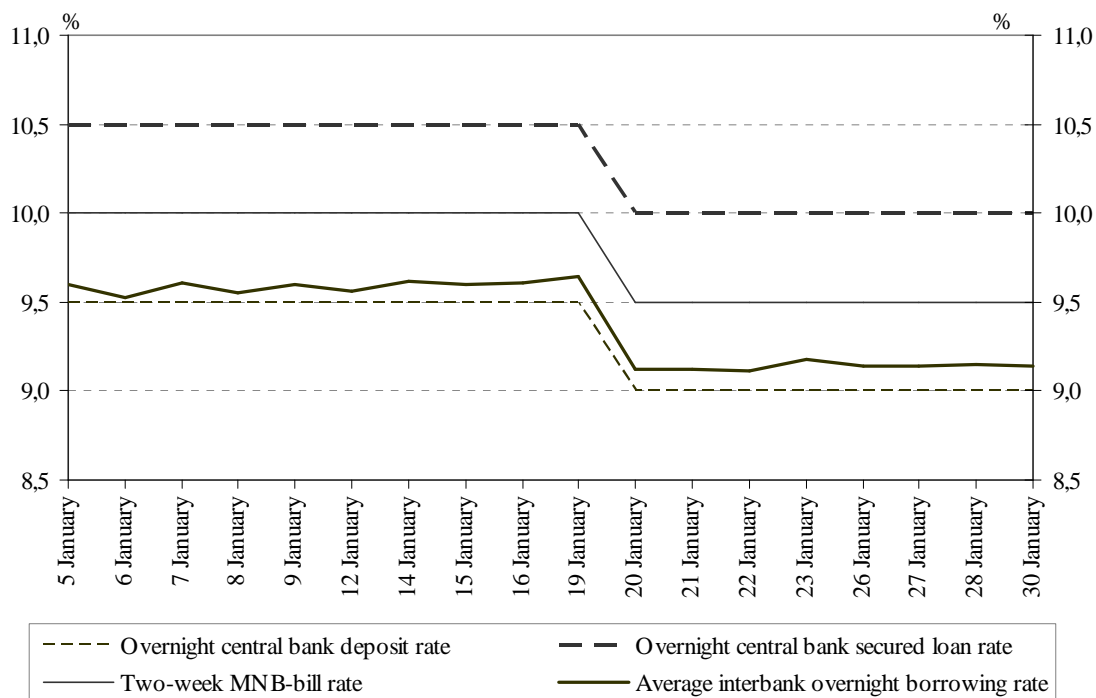


Chart 3 Central bank interest rates and average interbank overnight borrowing rates



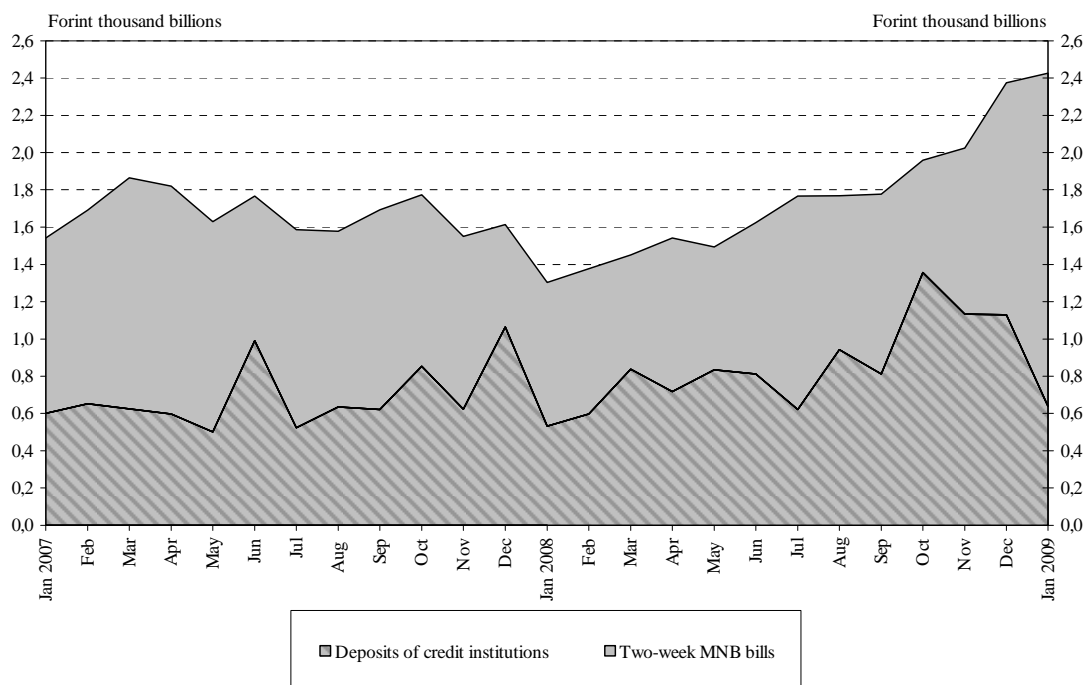
2 Transactions and revaluations in the balance sheet of the MNB compiled from end-of-month data

Table 2 Statistical balance sheet of the MNB – end-of-month stocks – January 2009

Forint billions

Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	6584,2	895,6	32,9	7512,7	Currency in circulation	2308,7	0,0	-54,2	2254,5
Remaining assets	726,7	3,3	-5,3	724,7	Deposits of other MFIs	1129,6	0,8	-492,4	637,9
					Deposits of central government	1645,9	234,6	139,6	2020,1
					Two-week MNB bills	1245,2	0,0	543,4	1788,6
					External liabilities	596,3	86,2	-86,4	596,1
					Remaining liabilities	385,3	577,2	-22,4	940,1
Total assets	7311,0	898,8	27,6	8237,4	Total liabilities	7311,0	898,8	27,6	8237,4

Chart 4 End-of-month stocks of credit institutions' deposits and two-week forint bills issued by the MNB



**MAGYAR NEMZETI BANK
STATISTICS**

Detailed tables: [Time series](#)
 Charts: [Chart pack](#)
 Notes: [Methodological notes](#)
 Q&A: [Questions and answers](#)

