



# Hungary's financial accounts

2019 Q4



Summary data

Non-financial corporations

Financial corporations

General government

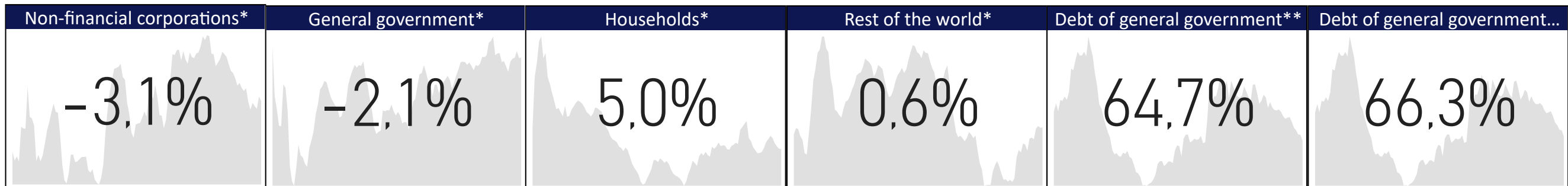
Households

Non-profit institutions

Rest of the world

Other informations

Revisions to past data



\*data of last four quarters of net lending, in percent of GDP, \*\*consolidated gross debt exclude Eximbank, in percent of GDP, \*\*\*consolidated gross debt include Eximbank, in percent of GDP

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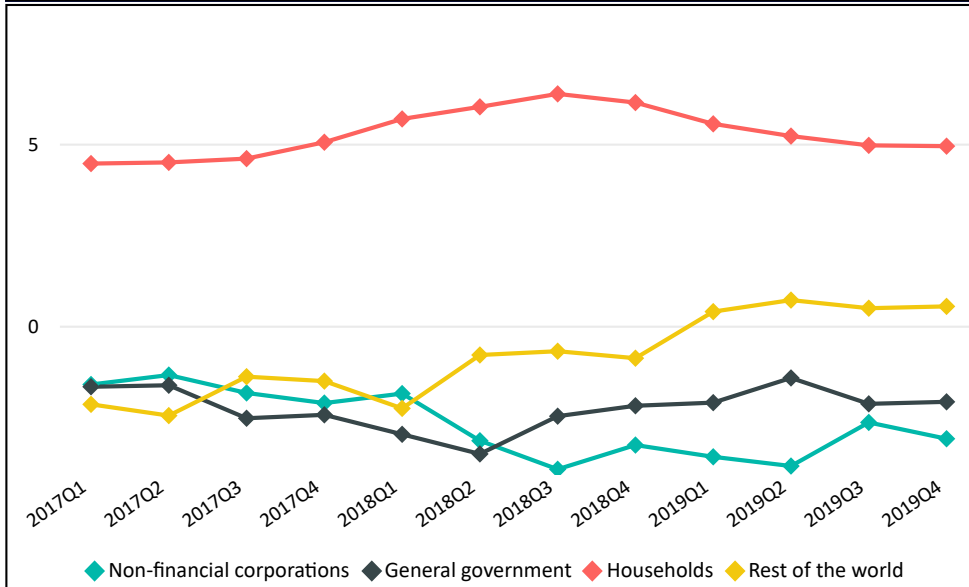
Postal address: Magyar Nemzeti Bank, 1850 Budapest



# Hungary's financial accounts

## 2019 Q4 - Summary data

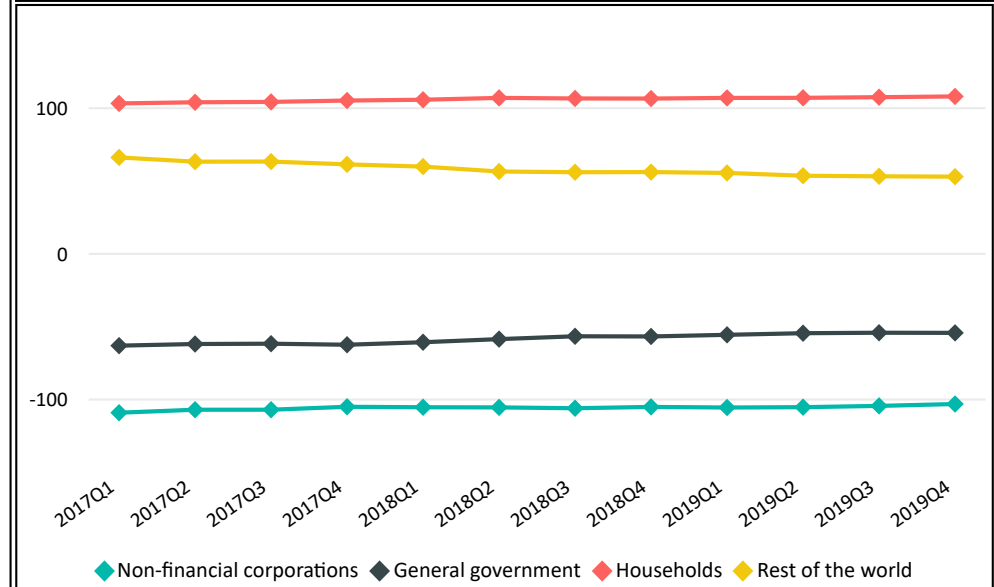
Net lending of main sectors, data of last four quarters in percent of GDP



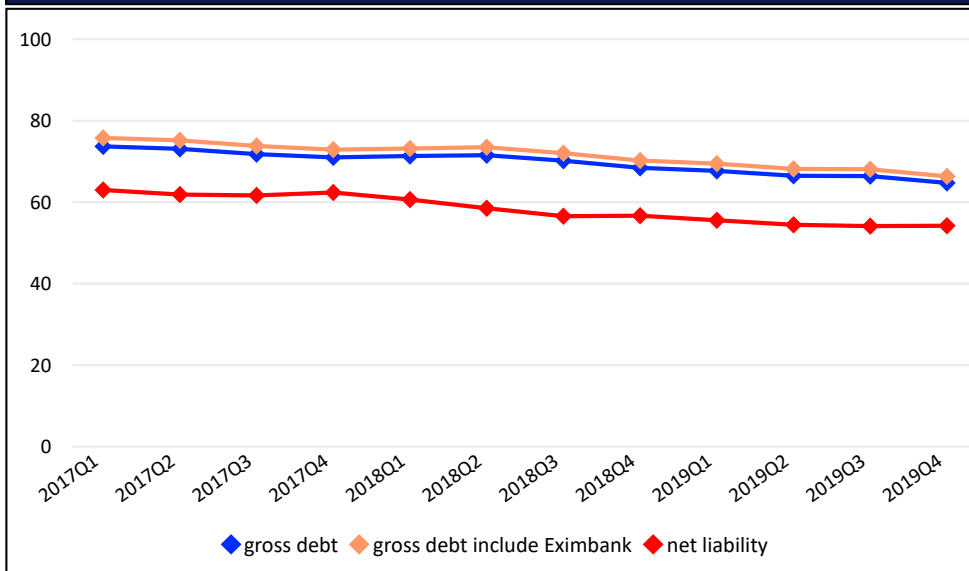
Net lending of non-financial corporations amounted to -3.1 per cent of GDP (HUF -1440 billion) in 2019. General government net lending was -2.1 per cent (HUF -965 billion), including Eximbank it was -2.0 per cent of GDP (HUF -921 billion). Net lending of households amounted to 5.0 per cent of GDP (HUF 2320 billion) and the net lending of the rest of the world was 0.6 per cent (HUF 261 billion) in the four quarters to 2019 Q4.

**General government consolidated gross debt** at nominal value was 64.7 per cent of GDP at the end of 2019 Q4 (HUF 30287 billion). Including the debt of Eximbank, the sector's debt amounted to 66.3 per cent of GDP (HUF 31040 billion).

Net financial worth of main sectors, in percent of GDP



Gross debt and net liability of the general government, in percent of GDP



Net lending of main sectors, consolidated gross debt of general government, billion HUF

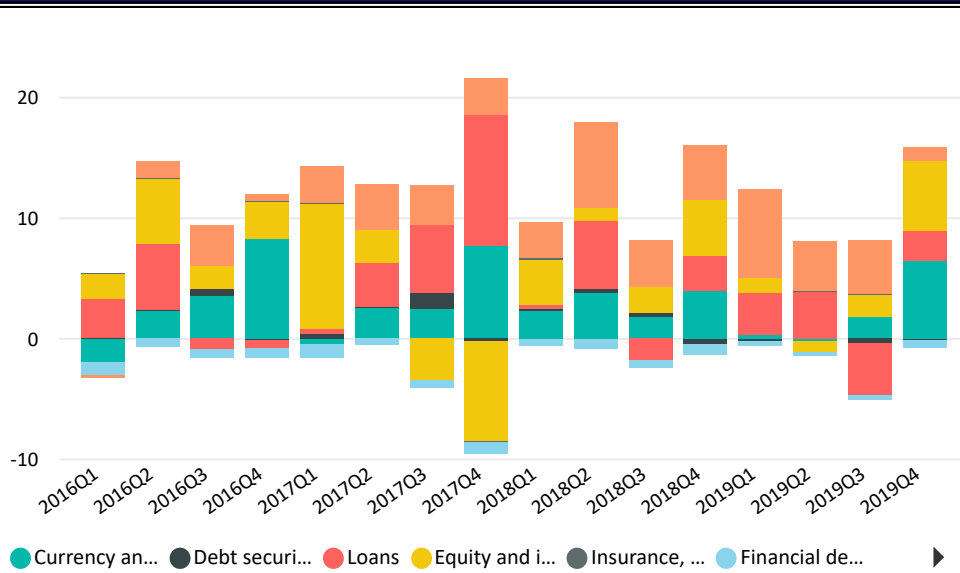
Indicator	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4	2019Q1	2019Q2	2019Q3	2019Q4
Gross debt of general government exclude Eximbank	26 884	27 127	27 183	27 576	28 263	28 979	29 173	29 198	29 517	29 717	30 373	30 287
Original data of non-financial corporations	-738	284	-301	-59	-651	-257	-660	181	-823	-409	-152	-56
Original data of financial corporations	40	45	117	-95	149	47	-128	-131	-12	-72	-156	67
Original data of general government	258	-24	-295	-878	27	-269	98	-783	44	12	-242	-780
Original data of households	310	507	350	801	603	692	561	769	406	603	499	812
Original data of rest of the world	123	-829	146	-21	-185	-255	181	-110	365	-109	87	-82
Data of last four quarters of non-financial corporations	-579	-493	-689	-814	-727	-1 268	-1 627	-1 387	-1 558	-1 710	-1 202	-1 440
Data of last four quarters of financial corporations	90	85	183	107	217	219	-26	-63	-224	-343	-371	-173
Data of last four quarters of general government	-602	-597	-952	-940	-1 171	-1 415	-1 021	-926	-909	-629	-969	-965
Data of last four quarters of households	1 634	1 674	1 747	1 967	2 261	2 446	2 657	2 626	2 429	2 340	2 278	2 320
Data of last four quarters of rest of the world	-778	-906	-520	-580	-888	-315	-280	-369	180	327	232	261



# Hungary's financial accounts

## 2019 Q4 - Non-financial corporations

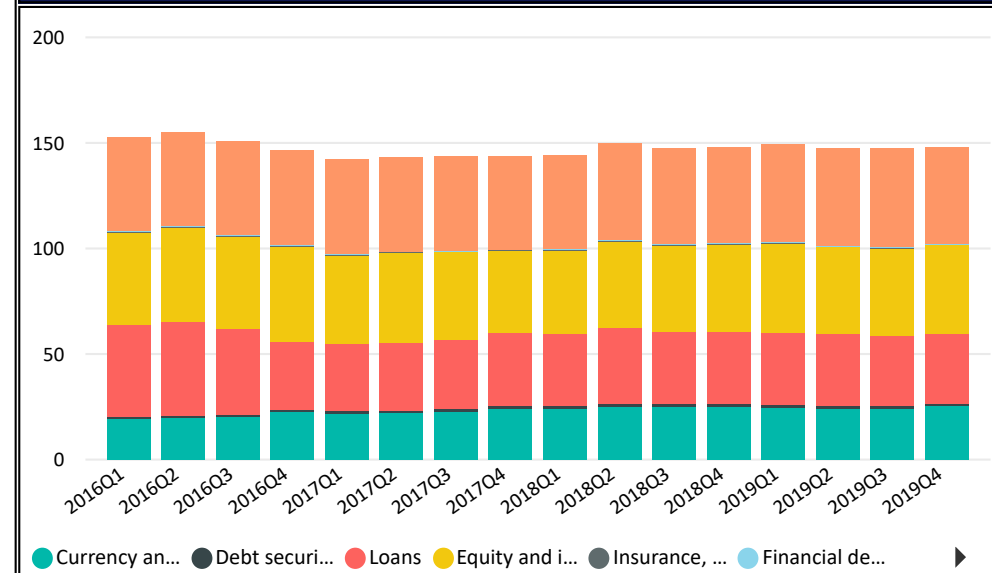
Non-financial corporations transactions in financial assets, percent of GDP



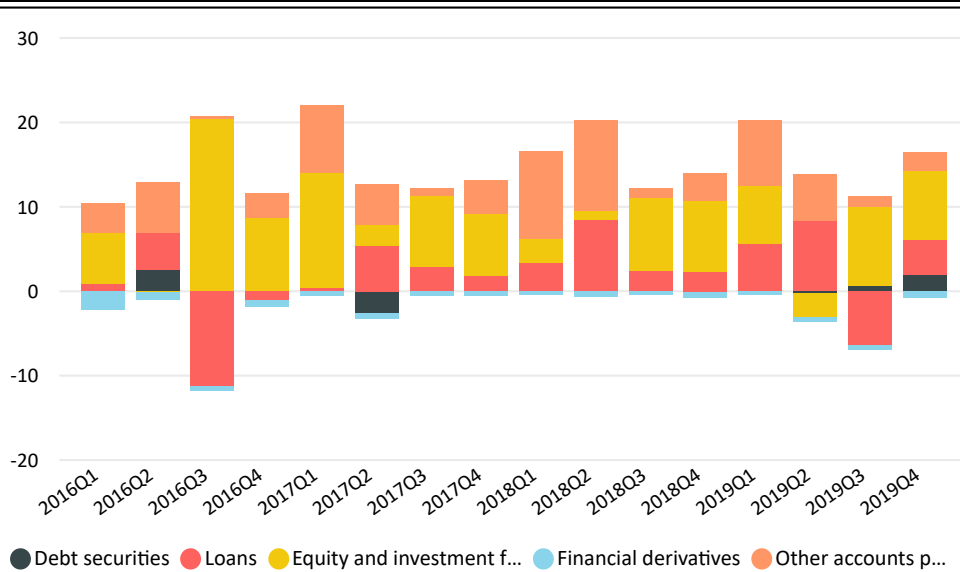
**Net lending** of non-financial corporations was equivalent to -0.4 per cent (HUF -56 billion) of quarterly GDP in 2019 Q4. At the end of 2019 Q4, the stocks of non-financial corporations' non-consolidated financial assets and liabilities amounted to 147.9 per cent and 251.0 per cent of GDP, respectively. As a result, their net financial worth amounted to -103.1 per cent of GDP.

Within non-financial corporations' **financial assets** there were significant increases in deposits, loans, shares and other equity and other accounts receivable due to transactions in 2019 Q4.

Non-financial corporations stocks of financial assets, percent of GDP

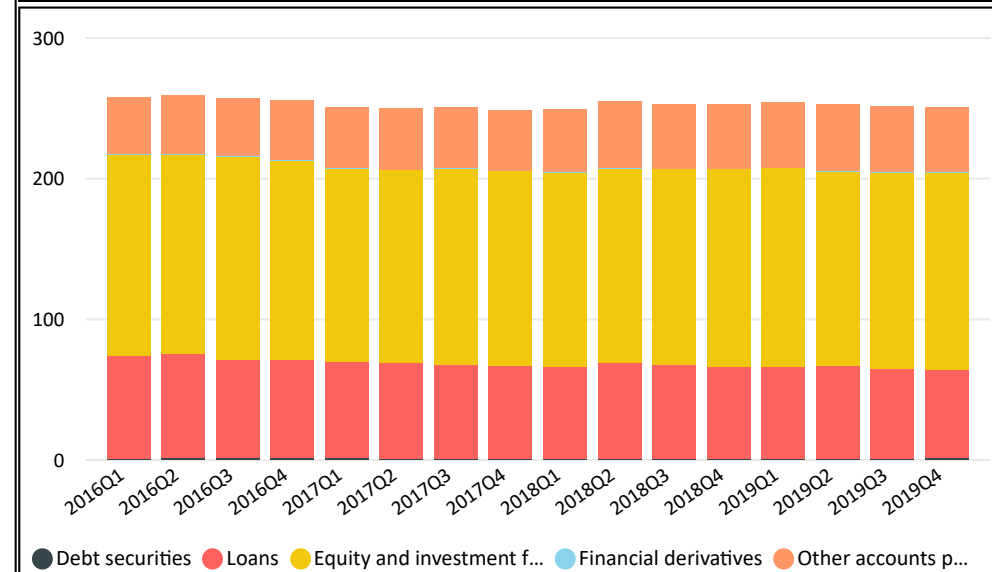


Non-financial corporations transactions in liabilities, percent of GDP



Within non-financial corporations' **financial liabilities**, there were significant increases in debt securities, loans, shares and other equity and other accounts payable; however there was a decline in financial derivatives.

Non-financial corporations stocks of liabilities, percent of GDP

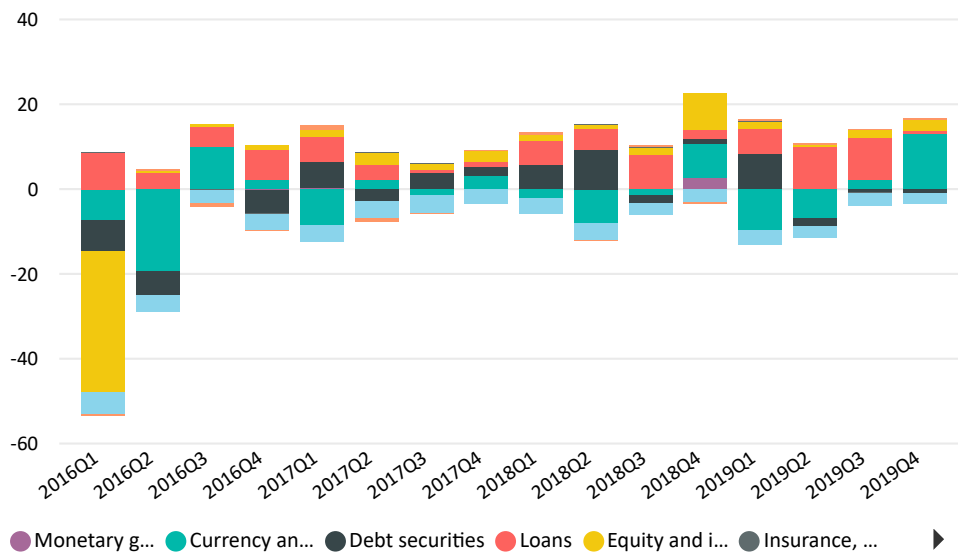




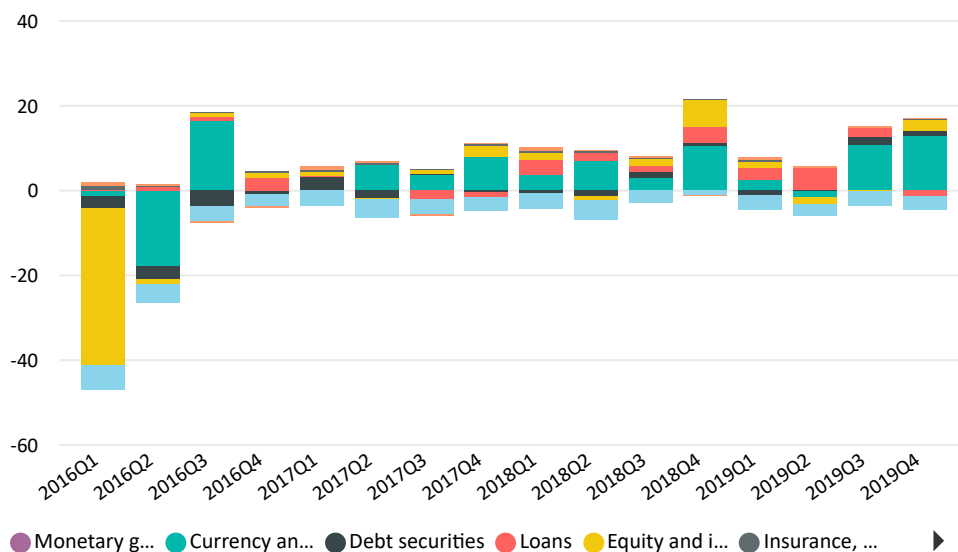
# Hungary's financial accounts

## 2019 Q4 - Financial corporations

Financial corporations transactions in financial assets, percent of GDP

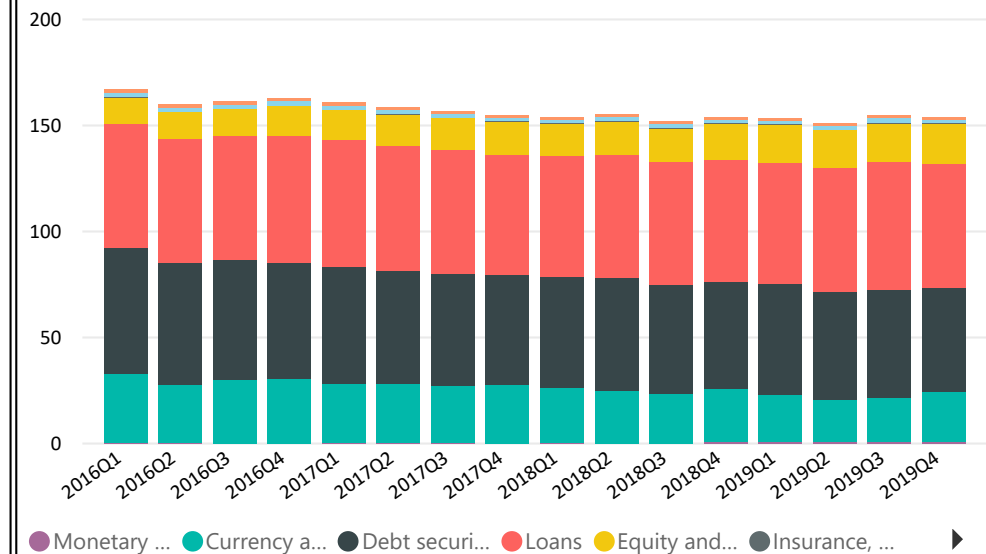


Financial corporations transactions in liabilities, percent of GDP

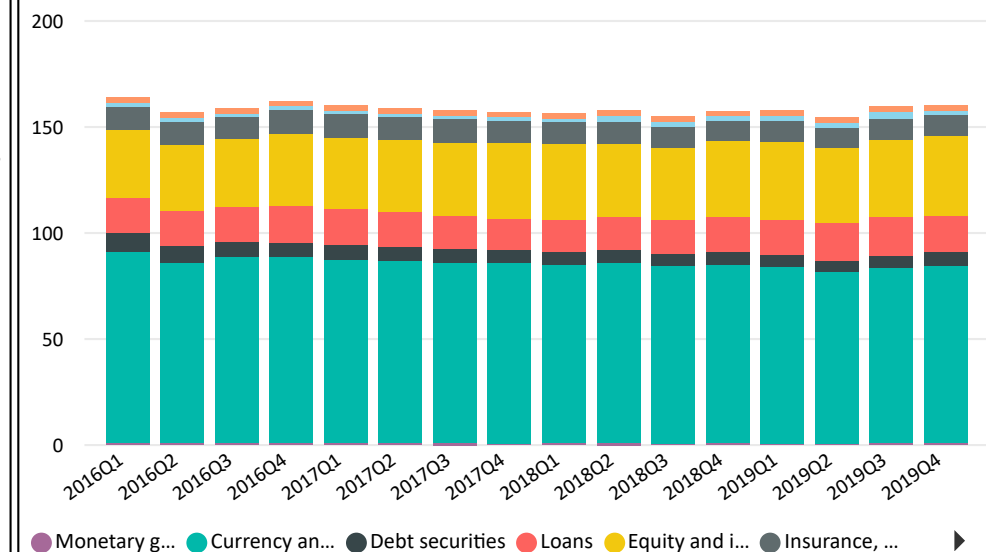


According to financial accounts data, **net lending** of financial corporations was equivalent to 0.5 per cent (HUF 67 billion) of quarterly GDP in 2019 Q4. At the end of 2019 Q4, the stocks of financial corporations' non-consolidated financial assets and liabilities amounted to 154.2 per cent and 160.4 per cent of GDP, respectively. As a result, their net financial worth amounted to -6.2 per cent of GDP. The stocks of the sub-sectors' non-consolidated assets as a percentage of GDP were the following: central bank 25.4 per cent; credit institutions 93.5 per cent; mutual investment funds 13.7 per cent; insurance companies and pension funds 10.8 per cent; other financial institutions 10.8 per cent. Within financial corporations' **financial assets**, there was a sharp increase in deposits, the increase was significant in bonds of non-financial corporations, loans to households and shares and equity due to transactions; however, there was a substantial decline in government securities, foreign loans and financial derivatives. Within financial corporations' **financial liabilities**, there was a sharp increase in deposits and there were significant rises in currency, debt securities and mutual fund shares due to transactions. By contrast, there was a significant decline in loans and financial derivatives.

Financial corporations stocks of financial assets, percent of GDP



Financial corporations stocks of liabilities, percent of GDP

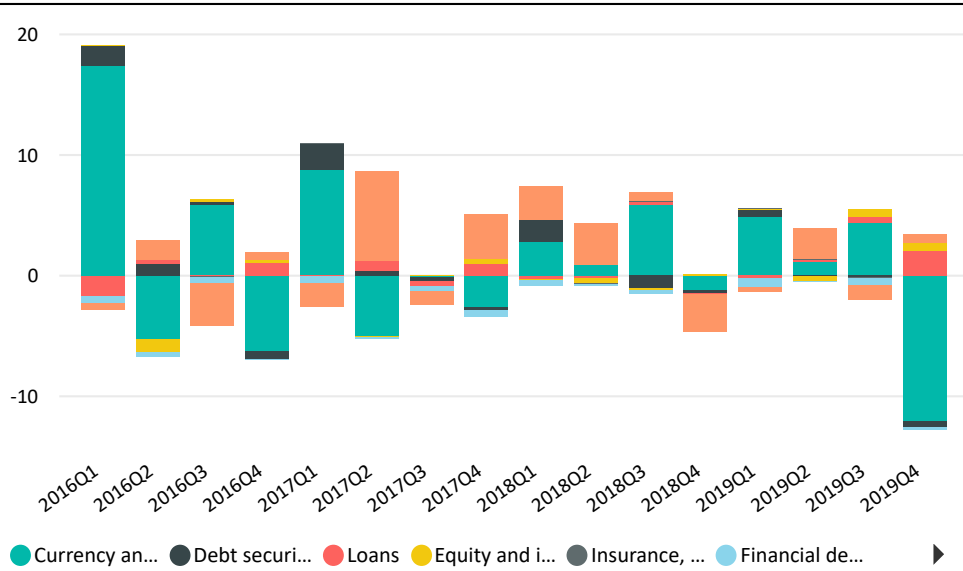




# Hungary's financial accounts

## 2019 Q4 - General government

General government transactions in financial assets, percent of GDP

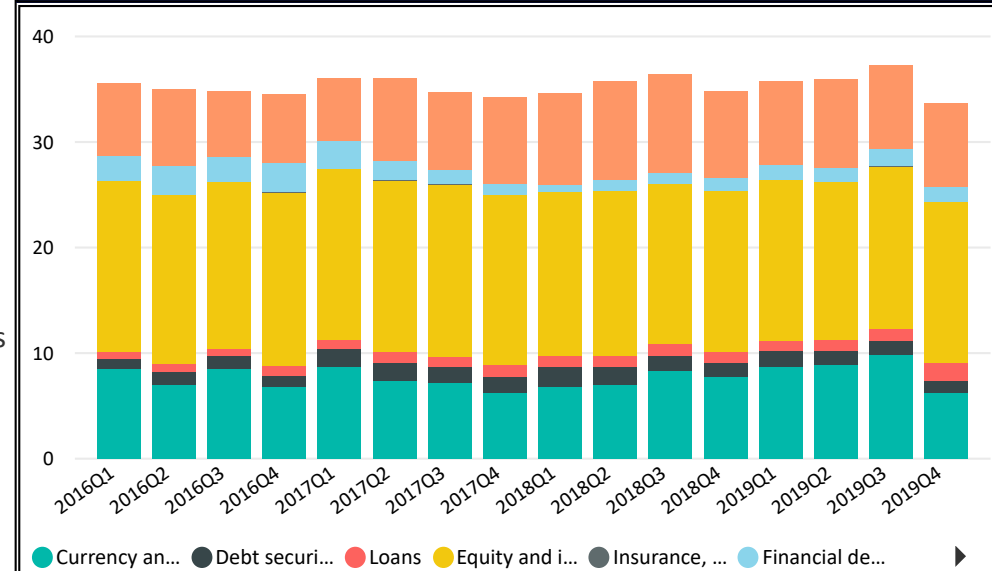


General government **net lending** amounted to HUF -780 billion or -6.0 per cent of quarterly GDP in 2019 Q4. Of the sub-sectors of general government, net lending of central government, local governments and the social security funds amounted to HUF -549 billion, HUF -197 billion and HUF -34 billion, respectively. At the end of 2019 Q4, the non-consolidated stock of general government's assets and liabilities amounted to 33.6 per cent and 87.9 per cent, respectively, of GDP. As a result, the sector's net financial worth amounted to -54.2 per cent of GDP.

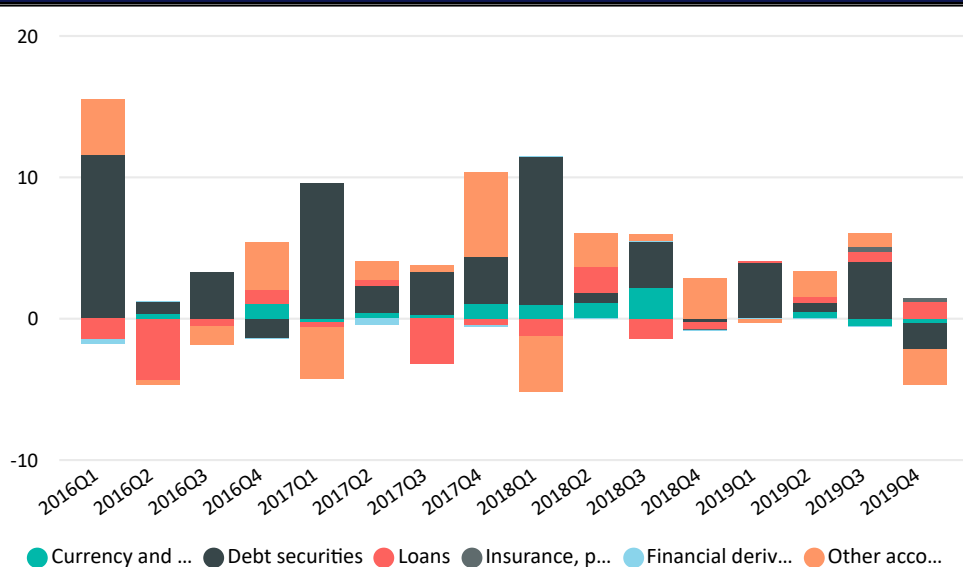
Within **financial assets** of general government, the stock of deposits placed with the central bank and credit institutions declined sharply due to transactions. There were significant rises in loans granted, share and other equity and other accounts receivable; however, overall financial assets of the general government declined substantially.

**On the liabilities side** of the general government the stock of long-term securities continued to rise sharply due to transactions. By contrast, there was a bigger decline in the stock of treasury bills due to transactions. There was a sharp decline in the stock of other accounts payable, and although there was a slight net increase in loans drawn by the general government and insurance technical reserves, general government's liabilities fell significantly.

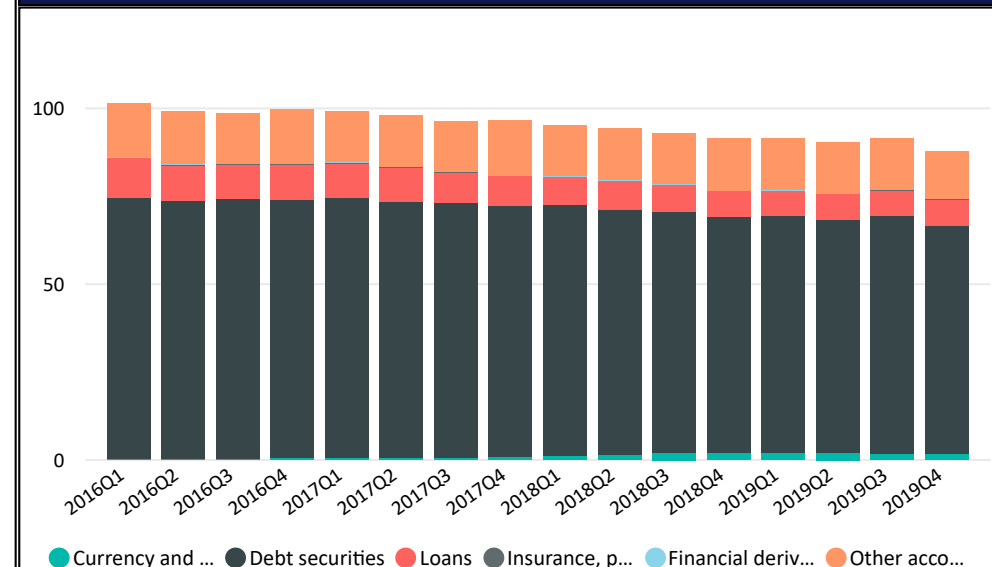
General government stocks of financial assets, percent of GDP



General government transactions in liabilities, percent of GDP



General government stocks of liabilities, percent of GDP

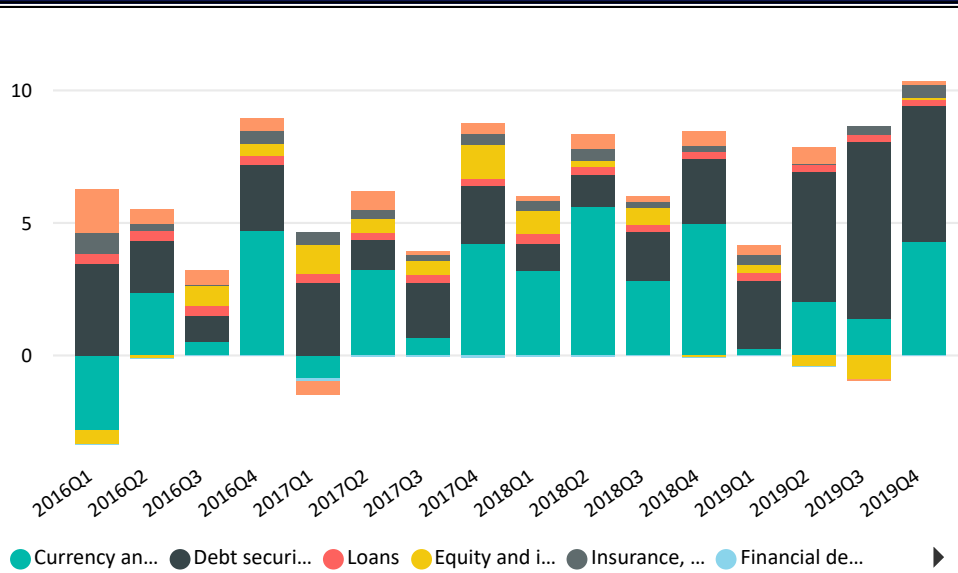




# Hungary's financial accounts

## 2019 Q4 - Households

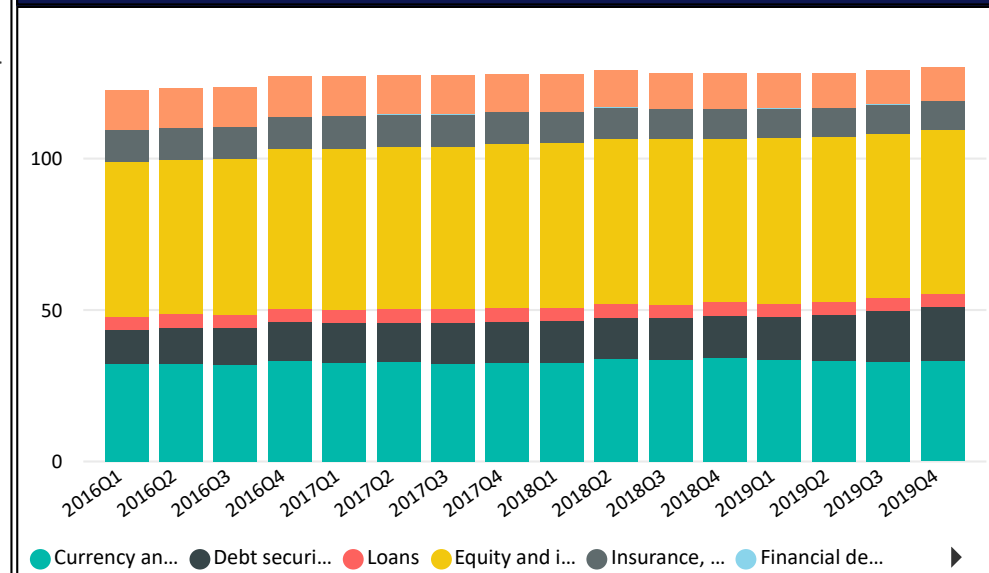
Households transactions in financial assets, percent of GDP



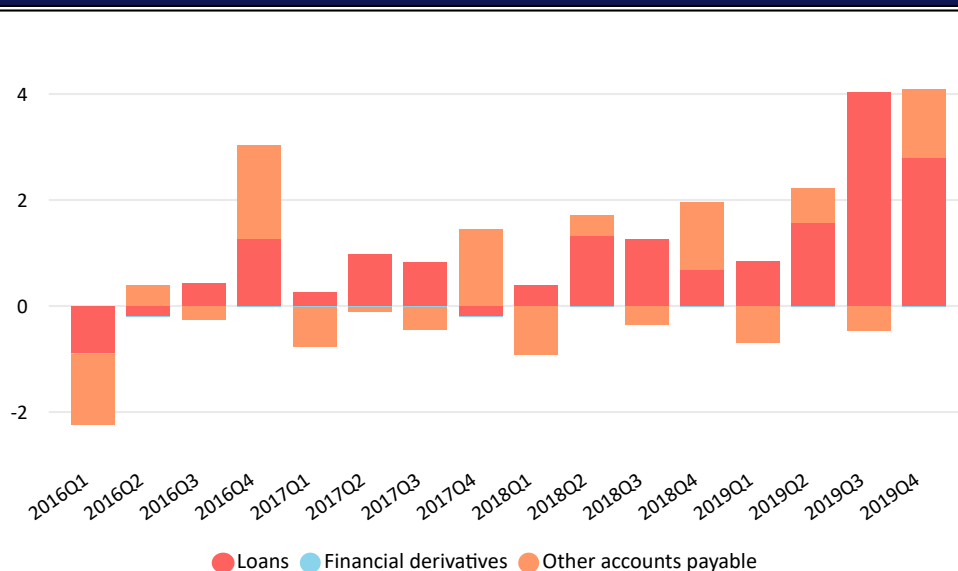
**Net lending** of households was equivalent to 6.3 per cent (HUF 812 billion) of quarterly GDP in 2019 Q4. At the end of 2019 Q4, the non-consolidated stocks of households' financial assets and liabilities amounted to 130.2 per cent and 22.1 per cent, respectively, of GDP. As a result, the sector's net financial worth amounted to 108.1 per cent of GDP.

Within households' **financial assets**, there was a significant increase in long-term securities due to transactions in 2019 Q4. By contrast, there was a significant decline in short-term government securities. Currency and current account deposits and insurance technical reserves increased considerably.

Households stocks of financial assets, percent of GDP

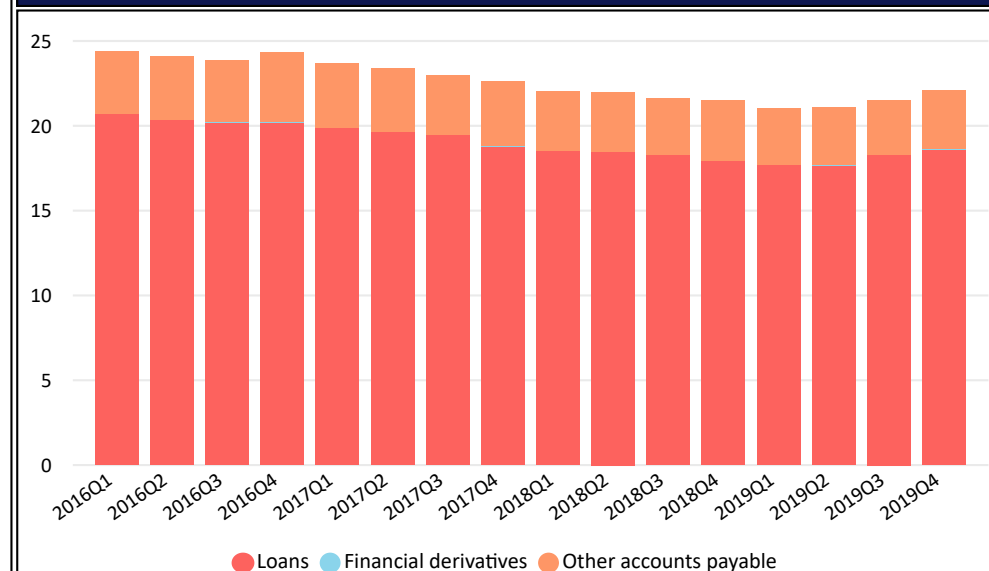


Households transactions in liabilities, percent of GDP



Within households' **liabilities**, there were significant increases in the stocks of consumer loans and other loans within forint loans taken from credit institutions due to transactions. There was also an increase, albeit smaller, in the stock of forint housing loans. Households' other liabilities rose substantially as a result of the advances linked to social transfers and other payments typical at the end of the year.

Households stocks of liabilities, percent of GDP

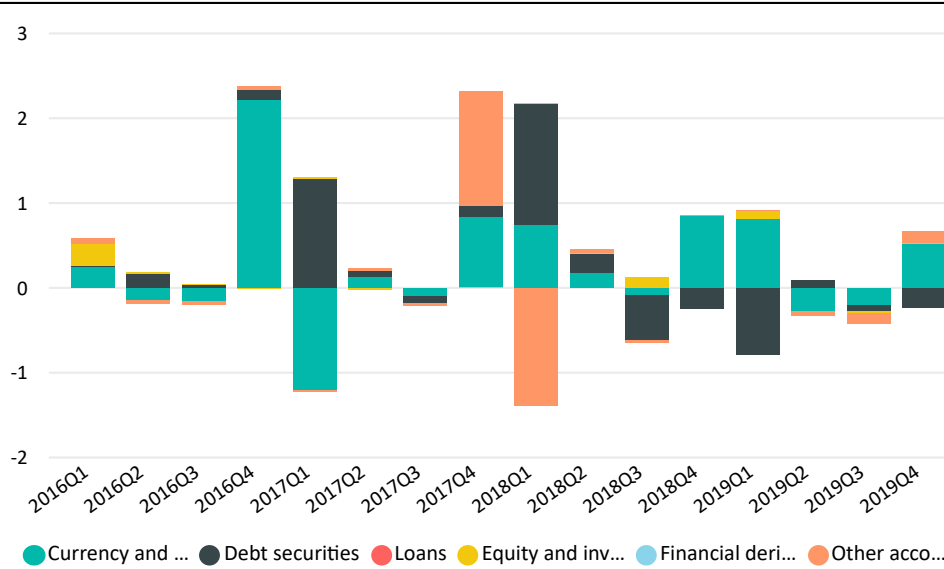




# Hungary's financial accounts

## 2019 Q4 - Non-profit institutions

Non-profit institutions transactions in financial assets, percent of GDP

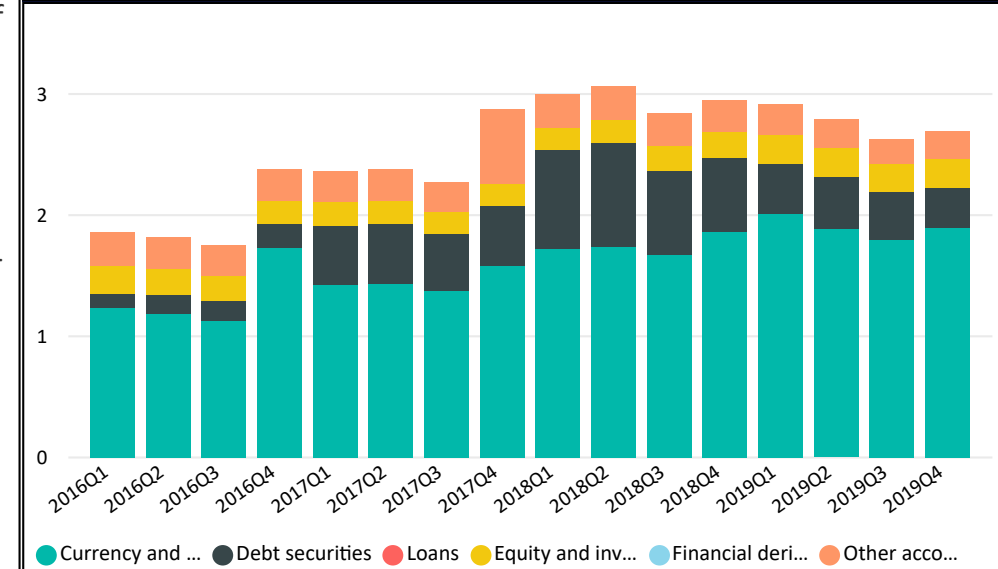


**Net lending** of non-profit institutions serving households was HUF 38 billion or 0.3 per cent of quarterly GDP in 2019 Q4. The stocks of non-consolidated financial assets and liabilities of non-profit institutions serving households accounted for 2.7 per cent and 0.3 per cent, respectively, of GDP at the end of 2019 Q4. As a result, their net financial worth amounted to 2.4 per cent of GDP.

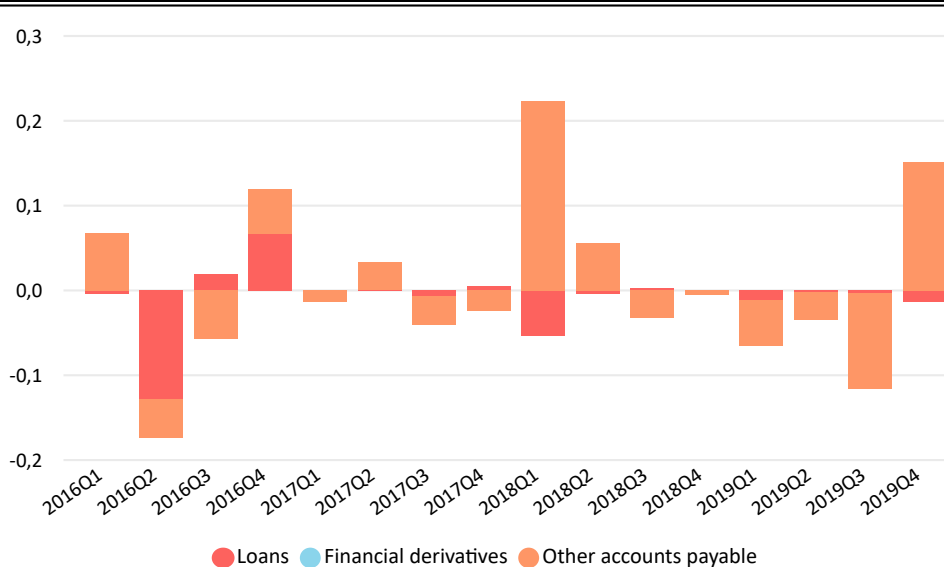
Within **financial assets** of non-profit institutions serving households the stock of deposits rose significantly and debt securities fell in 2019 Q4 due to transactions.

On their **liabilities** side, other liabilities rose slightly.

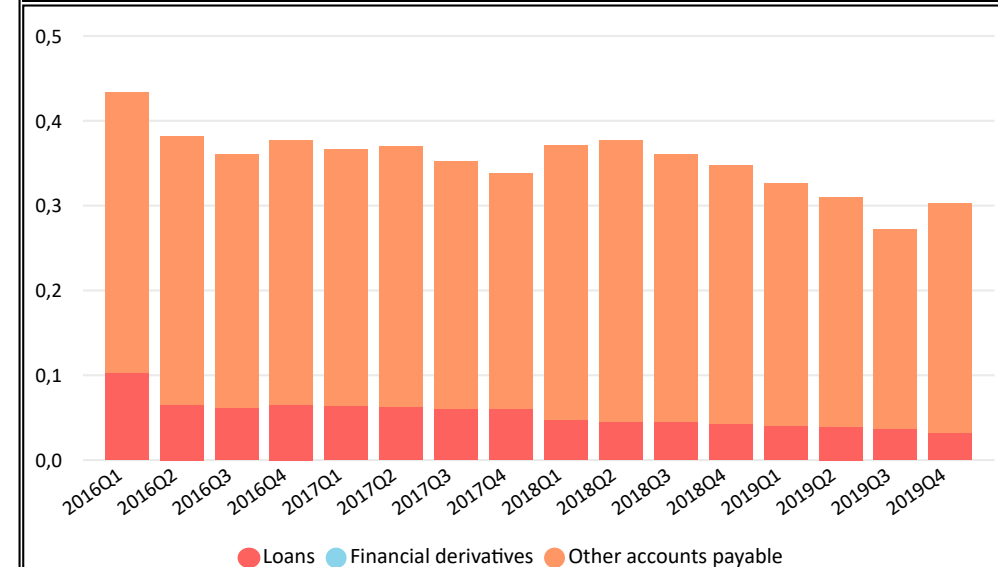
Non-profit institutions stocks of financial assets, percent of GDP



Non-profit institutions transactions in liabilities, percent of GDP



Non-profit institutions stocks of liabilities, percent of GDP

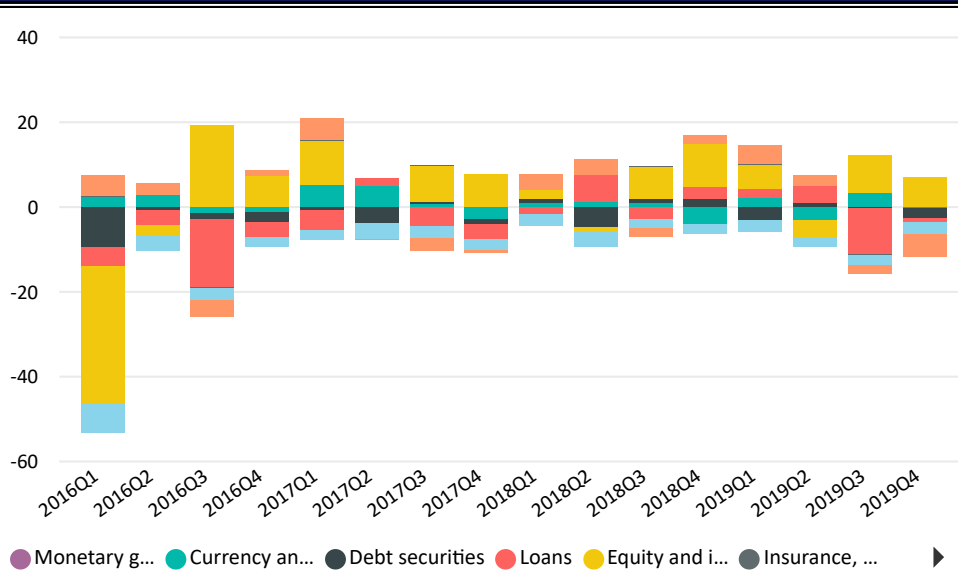




# Hungary's financial accounts

## 2019 Q4 - Rest of the world

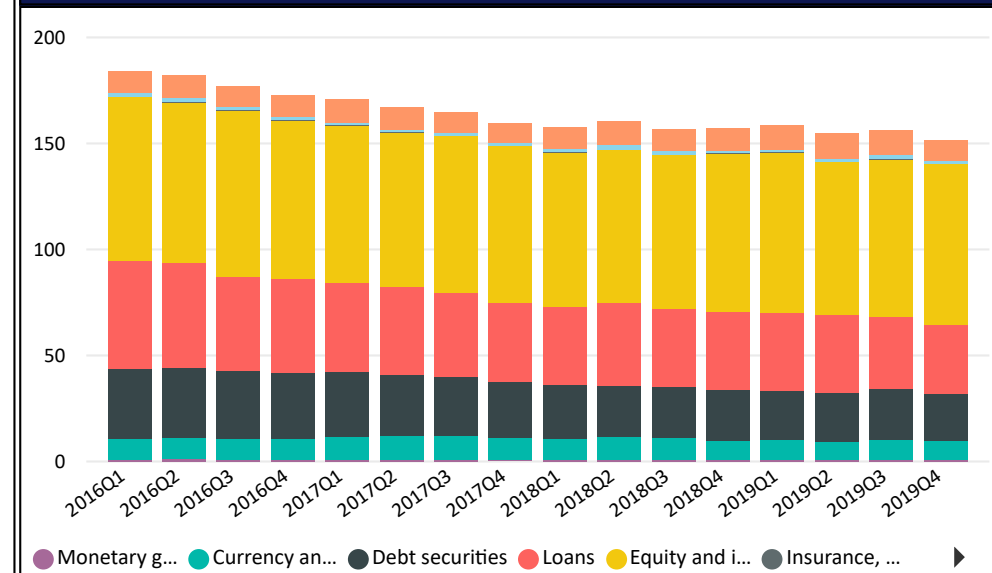
Rest of the world transactions in financial assets, percent of GDP



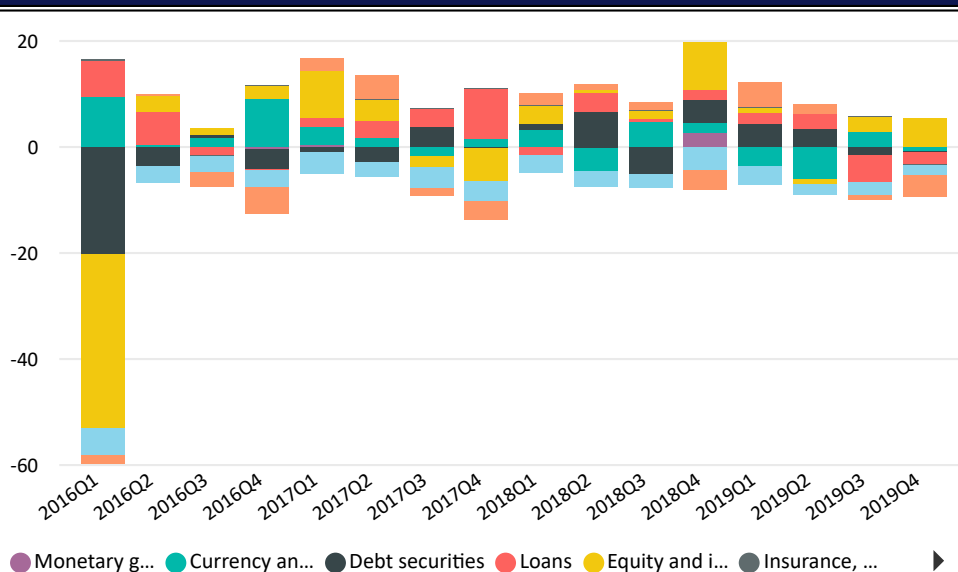
**Net lending** of the rest of the world was HUF -82 billion or -0.6 per cent of GDP in 2019 Q4. The stocks of financial assets and liabilities of the rest of the world amounted to 151.4 per cent and 98.4 per cent, respectively, of GDP at the end of 2019 Q4. As a result, the sector's net financial worth amounted to 53.0 per cent of GDP.

Within non-residents' **financial assets**, there were sharp increases in shares and other equity and deposits due to transactions. By contrast, there was a significant decline in debt securities, loans, financial derivatives and other accounts receivable.

Rest of the world stocks of financial assets, percent of GDP

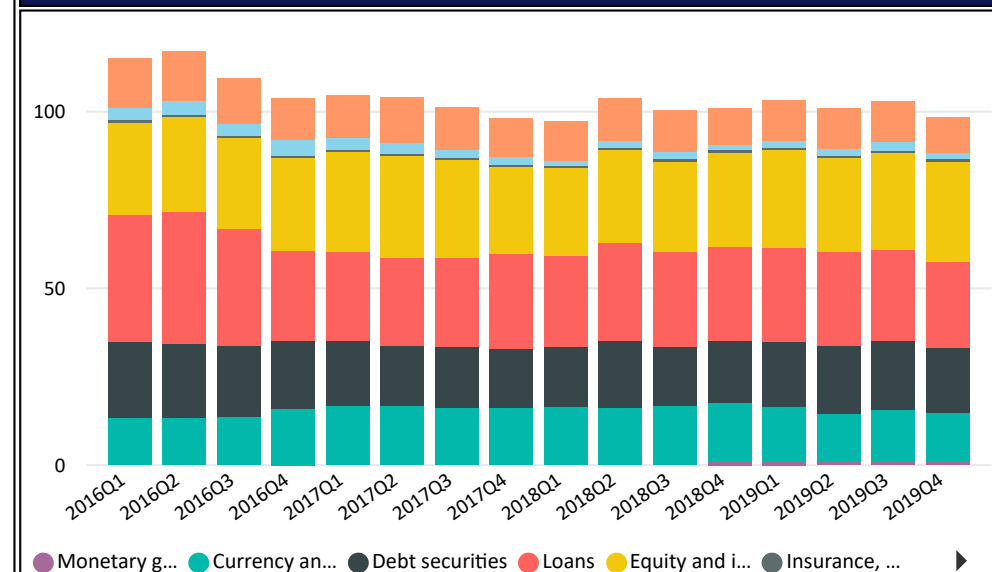


Rest of the world transactions in liabilities, percent of GDP



Within non-residents' **financial liabilities**, there were significant increases in shares and other equity due to transactions. By contrast, there were significant declines in deposits, loans, financial derivatives, and other accounts payable.

Rest of the world stocks of liabilities, percent of GDP







# Hungary's financial accounts

## 2019 Q4 - Other information, links, methodological notes

### Methodological notes

#### **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 corporations 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. Recording transfers related to prenatal baby support loans**

Due to the expected cancellation of part of prenatal baby support loans granted in the given quarter, a capital transfer, provided by central government to households, is recorded in the national accounts. In the financial accounts, this is considered as households obtain standardised guarantees receivable vis-à-vis central government.

#### **3. Treatment of amounts paid to the Central Nuclear Financial Fund in statistical terms**

The treatment of the amounts paid to the Central Nuclear Financial Fund, operating as a part of the central government, was changed retrospectively in line with Eurostat's guidance. The part of the amounts paid to fund dismantling nuclear facilities in the future cannot be registered as revenues, it must be recorded as advances. The change in methodology slightly reduced general government net lending retrospectively and raised its liabilities.

#### **4. Revision of the financial relationship between households and corporations**

The lending and ownership relations between households and non-financial corporations has been revised at the entire length of the time series based on the information from the corporate tax returns and annual reports. Net lending and the financial worth of the two sectors have been modified by the revision.

#### **5. Uncertainties related to 2019 Q4 data for households**

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.

#### **6. Use of ratios-to-GDP**

In the case of stock data (stocks of financial assets or liabilities, net financial worth, debt stock) and four-quarter transaction data, the values are related to GDP of the final four quarters ending with the reference quarter. In the case of quarterly transactions and revaluations, data are related to GDP of the reference quarter.

Detailed preliminary financial accounts data are available on the MNB's website at: [Statistics/Statistical Data and Information/Statistical Time Series/XII Financial Accounts/Full Set of Financial Accounts \(Including All Sectors\)](#). Key financial data for non-financial corporations classified into general government, as well as the tables presenting the differences between the financial accounts and balance of payments statistics and between the financial accounts and monetary balance sheet statistics are being disclosed in conjunction with this publication. Tables containing the financial accounts of companies in collective ownership (state and local government) are also presented here.



# Hungary's financial accounts

## 2019 Q4 - Revisions to past data

### Revisions to past data

Data revisions reflect the methodological changes in the data sources of the financial accounts and the effect of data corrections. As a result of the data revision of balance of payments statistics going back to 2017, data have changed for the rest of the world and the counterpart sectors. Reclassification of corporations owned by the state or local governments operating as non-market producers going back to 2011 affected the net financial worth and net lending of the general government and the non-financial corporations. The changes in the statistical treatment of the amounts paid to the Central Nuclear Financial Fund affected the balances of the general government and the non-financial corporations going back to 1998. The revision of the financial relations between non-financial corporations and households affected both sectors' balances at the entire length of the time series.

### Changing in net lending of sectors, billion HUF

Sector	2014Q4	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4	2019Q1	2019Q2	2019Q3
Non-financial corporations	-4	-8	-13	-12	-29	-1	-4	-7	-9	41	26	24	62	-9	22	30	-31	140	53	-75
Financial corporations	0	0	1	0	0	-3	-2	-1	-2	-9	-13	-13	-13	-22	-20	-18	-22	-47	-31	-40
General government	-2	-5	3	3	20	-8	-5	-3	0	-15	1	2	-27	40	6	10	-16	-31	17	92
Households	6	13	9	9	9	12	11	11	11	-10	-6	-6	-3	0	6	0	13	0	0	-17
NPISHs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
Rest of the world	0	0	0	0	0	0	0	0	0	-6	-8	-7	-19	-9	-13	-22	57	-63	-40	35

### Changing in net financial worth of sectors, billion HUF

Sector	2014Q4	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4	2019Q1	2019Q2	2019Q3
Non-financial corporations	128	121	110	99	71	91	108	122	130	98	106	110	123	126	225	315	222	351	456	404
Financial corporations	-1	-1	0	0	0	-3	-5	-5	-7	-21	-34	-47	-61	-79	-98	-115	-150	-192	-216	-252
General government	-247	-253	-252	-250	-232	-245	-254	-262	-263	-283	-280	-276	-262	-196	-164	-128	-118	-125	-91	16
Households	120	133	142	151	160	156	151	145	140	130	124	118	116	58	6	-51	-97	-155	-213	-288
NPISHs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	4
Rest of the world	0	0	0	0	0	0	0	0	0	76	83	94	84	92	31	-22	143	121	63	116

\*compared to the previous quarter of Hungary's financial accounts