**MNB identification code: E20, E21, E45**

**Completion instructions for the report**

**Securities (issued by residents or non-residents) owned by or deposited with custodian investment firms, not qualifying as credit institutions, broken down by owner**

**Securities (issued by residents or non-residents) owned by and deposited with credit institutions, broken down by owner**

**Securities owned by or deposited with the Hungarian State Treasury, broken down by owner**

**I. General instructions**

**1. Range of securities to be reported in the data supply**

a) The data supplies include the closing stocks of securities owned by or deposited with the data provider for custody, safe custody or responsible custody on the last day of the month (as reference day), broken down by owners, with the exception of the securities accepted by the data provider from KELER Zrt. for custody, which shall not be included in the data supply.

b) Data supplies with MNB identification code E20 and E21 shall contain all securities issued in series (government bonds, MNB discount bills, treasury bills , other bonds, shares, including those circulated in the form of depository receipts, mutual fund shares, compensation notes, mortgage bonds), regardless of whether they were issued by residents or non-residents, in Hungary or abroad, and whether they are held in custody in Hungary or abroad. (Depository receipts are classified as issued by residents or non-residents based on whether the underlying shares are securities issued by residents or non-residents).

Data supply with MNB identification code E45 shall contain all securities that may be held on the securities custody account listed in the Securities General Terms and Conditions of the Hungarian State Treasury.

The tables shall contain the reported securities broken down by series.

c) the report shall include all securities, whether issued publicly or privately.

d) The report shall contain the total volume of the securities portfolio owned by the data provider, regardless of the physical location of the securities (with KELER Zrt., with a third party, or in the data provider’s own vault). Securities placed with the data provider for custody, safe custody or responsible custody shall also be reported in full, even if the data provider has placed the securities in custody or safe custody elsewhere (for more details see subpoint b) of point II. 1: Secondary custody). Securities portfolios deposited with the data provider by other reporting custodians shall not be reported in Table 01.

Expired securities shall not be included in the data supply.

e) The stock of foreign mutual fund shares without ISIN code and the stock of foreign shares representing an ownership interest below 10 percent, held by the data provider, shall be also reported in aggregate. In the case of credit institutions the stock shall be reported in the (detailed) data supply of MNB identification code M02 and M03 – depending on the sector of the issuer – under instrument of code E531, at net book value. In the case of data providers not qualifying as a credit institution the aggregate stock shall be reported in the BEFK4-DE table of the data supply of MNB identification code R08 under the ERESZK code when designated for monthly balance of payments data supply, and in the BEFK4-DE table of the quarterly data supply of MNB identification code R17 under the ERESZK code, when not designated for monthly data supply.

**2. Identification of securities and other issues**

Specify the ISIN code assigned to the specific securities, or in the absence of an ISIN code, use code 111 as the securities identification code.

At the precise name of securities also indicate type (ADR, EDR, GRD, etc.) for depository receipts. The data should be separated from each other by space.

Securities reported by the data provider under the collective code of 111 shall have the same name in each table of the data supply. Different names shall be used for each securities series reported under code 111.

In the data supply of MNB identification code E20 and E21 the depository receipts’ (ADR, EDR, GDR, etc.) own ISIN code shall be indicated (rather than the identifier of the underlying securities).

**3. Reckoning of securities stocks**

a) Securities stocks shall be reported uniformly in all tables of the data supply as follows:

Government bonds, treasury bills, MNB discount bills, other bonds, mortgage bonds and compensation bonds shall be reported at nominal value in units of thousands, the original denomination of the securities, subject to the provisions of subpoint c) hereof.

Data supplies of MNB identification code E20 and E21 shall include the shares, investment fund shares and rights portfolios in the tables by number of pieces. In the case of hybrid products (e.g. certificates), the method or reporting the stock depends on the basis on which the price for the respective securities is quoted: if the price applies to one piece of securities it shall be reported in number of pieces (observation unit: DRB), while if the price is determined as a percentage of the nominal value, the portfolio shall be reported in thousand currency (observation unit: ISO code of the currency).

b) In the case of amortised bonds, report in the tables the nominal value adjusted for the repayment in accordance with the financial settlements made until the last day of the month. Accordingly, if there is repayment on the last day of the month, report already the reduced principal amount. However, if the principal repayment due is not executed by the last day of the month, the data supply shall contain the actual outstanding amount not reduced by the repayment due, but not yet executed. If the data supply returns an error message entitled ‘securities portfolio does not correspond to the KELER account’ for amortised securities, the data provider shall inform the MNB in writing on the reason for the discrepancy. In the case of overdue principal debt, late payment, change in the securities instrument or reference to bank holiday, the information shall be sent to [statadatszolg@mnb.hu](mailto:statadatszolg@mnb.hu). The MNB shall accept differences presumably resulting from rounding without explanation.

c) securities denominated in the currencies of EMU states shall be included in the data supply as if they were denominated in EUR, and the amounts have to be calculated on the basis of the exchange rates of the euro member currencies, linked to the euro. For the availability of the exchange rates see the technical guide referred to in point 2 of Annex 3, published on the MNB website.

d) For reporting securities portfolios of the reference day, events occurring between the date on which the data supply is prepared and the reference day shall be taken into account.

4. For an explanation of the terms used in the tables and these completion instructions, please, see point I. F. 2. of this Annex.

5. The individual correlations and aspects of checking between the tables are given in the technical guidelines as per point 5 of Annex 3, which are available on the website of the MNB.

**II. Cases requiring special treatment**

**1. Including certain special securities transactions in the data supply**

a) **Repo transactions and securities lending agreements**

aa) Repo transactions: sales and repurchase agreements that has two types: held-in custody and delivery repo transactions (the latter also includes specialised delivery repo transactions).

* In the case of held-in custody repo transactions the buyer of the securities acquires only limited right of disposal, and cannot dispose over the security freely during the term of the transaction (e.g. in the case of transactions executed through KELER Zrt. it is not removed from the seller’s account, only blocked); accordingly, the securities shall be reported as the property of the seller.
* In the case of a delivery repo the buyer of the securities has full right of disposal over the purchased securities, the buyer acquires ownership and proprietary right over the securities (e.g. in the case of transactions executed through KELER Zrt. the securities are transferred from the seller’s securities account with KELER Zrt. to the buyer’s securities account simultaneously with the financial settlement); accordingly it shall be reported by the buyer of the securities, while the seller shall not include it in the data supply. (It may happen that the custodian concludes a delivery repo transaction with its own client, and thus the transaction has no direct impact on its KELER account; nevertheless, the procedure shall be the same as mentioned above, i.e. the data provider in its capacity as seller shall not report the securities as its own property, while it shall report it in its capacity as the buyer’s custodian in the buyer’s sector).

ab) Loan agreements: securities transferred within the framework of a loan agreement shall always be reported as the property of the borrower, and shall not be reported in the lender’s portfolio while it is lent.

* If the reporting custodian borrows a specific and predetermined number of securities from another reporting custodian, the lender custodian shall reduce in the data supply its own securities portfolio with the volume of securities lent, while the borrower custodian shall report this volume of securities as its own property in the data supply.
* If the custodian lends a specific volume of securities to its own client, the lender custodian shall reduce its own property by the volume of securities lent. If the borrower of the securities keeps the securities on the account held with the lender custodian, the custodian shall report the securities in the sector that the borrower client belongs to. On the other hand, if the client has already sold the securities (or had it transferred to an account held with another custodian), the securities lent shall no longer be included in the data supply of the lender custodian.
* The data supply shall be prepared in accordance with the foregoing also when the stock exchange member custodian (data provider) sells the listed securities of its client based on the client’s order, but the listed securities to be sold fails to arrive (due to the client’s late securities settlement) on the account held by KELER Zrt. by the settlement date prescribed by the clearing house, and the custodian – based on the contract with the client – bridges its client’s late securities delivery (account transfer) by its own portfolio. In this case the data provider’s own portfolio shall be reduced by the volume of securities it has provided, while there will be no change in the portfolio in the client’s sector.

The loan transactions shall be stated in the data supplies from the settlement date. The settlement date is usually the date of the credit entry on the borrower’s account held with KELER Zrt.

b) Secondary custody: in Table 01 the securities shall be reported always by the entity that acts as custodian for the original owner. Accordingly, in the case of multiple custody the following procedure shall be applied:

The reporting custodian with whom the securities have been placed originally by the owner, shall report the securities in Tables 01 and 05. Securities placed with the data provider by another reporting custodian shall not be included in Table 01; those shall be reported in Table 06. It may happen that a data provider transfers the securities received from another reporting custodian to yet another reporting custodian for custody. In this case, the transferred securities stock shall be reported in both Tables 06 and 05 (while it shall not be reported in Table 01).

c) Securities placed with the data provider as collateral for loan or other agreements: if within the framework of any loan or other agreement (e.g. Lombard loan, securities lending transaction, securities futures) a client places securities with the data provider, these securities shall also be reported in the appropriate client sector. However, if the data provider’s client temporarily (for the term of the transaction) places its securities serving as collateral for a loan or other agreement with a custodian other than the data provider, during the term these securities shall be reported in the relevant client sector by the other custodian.

d) Asset management, portfolio management (only in the case of data supply with MNB identification code E20 and E21): If the data provider is engaged in asset management (portfolio management) in the case of which the custodian is a different institution, it is not necessary to report the securities portfolio in Table 01. However, for the securities temporarily transferred to it within the framework of its commission agent activities relating to the asset managed securities (in KELER account) the reporting method applicable to secondary custody shall apply, i.e., the securities shall be reported in Table 06.

The data supply obligation of the custodian of the asset managed securities exists from the date of purchase of the securities transferred for asset management until the reference date of the sale of the securities. (The information applicable to the reference day of the data supply shall be corrected during the period available until the submission of the data supply.)

**III. Detailed instructions for the completion of the tables Detailed instructions for the completion of the tables**

1. The definition of sectors shall be governed by the provisions of point I. A. 4 of this Annex and of the technical guide included in point 1 of Annex 3, published on the MNB’s website.

2. The codes to be used for determining the denomination of the securities are included the technical guide referred to in point 4.1 of Annex 3, published on the MNB’s website.

3. The country codes to be used in the tables are listed in point 4.2 of Annex 3, published on the MNB’s website.

4. The additional codes to be used in the tables are listed in the technical guidelines referred to in point 4.5 of Annex 3, published on the MNB’s website (hereinafter: ‘code list’).

5. Dates shall be entered in YYYYMMDD format. Where other information is included in the column, the date shall be separated from this other information by a space.

**Table 01: Securities portfolio in a breakdown by the owners’ sectors**

In all three data supplies, Table 01 contains the month-end closing stocks of securities owned by or deposited with the data provider for custody, safe custody or responsible custody, issued by residents and non-residents (in Hungary or abroad), broken down by owner.

The securities issued in Hungary and traded abroad in the form of depository receipts (ADR, EDR, GDR etc.) shall also be reported in the data supply with MNB identification code E20 and E21. (Depository receipts shall be reported under their own ISIN codes, in the owner’s sector). In addition, if the data provider is a domestic place of conversion place (i.e., it keeps the account of the issuer of the depository receipt), the securities underlying the depository receipts shall also be included in the data supply, specifically in the sector of the issuer of the depository receipt (usually this is the non-resident sector).

Contents of the fields of individual columns:

**b)** The exact name of the securities shall be provided. For depository receipts (data supply with MNB identification code E20 and E21), their type (ADR, EDR, GDR, etc.) shall also be reported.

**c)** For shares, investment fund shares and rights, the code ‘DRB’ (number of pieces) shall be used. In the case of hybrid products (e.g. certificates) report DRB or the ISO code of the currency depending on the type of quote. Depository receipts shall be reported in the number of pieces (DRB) of the underlying securities.

**e**) The column indicates the stock of securities held by the data provider. This column shall not contain the securities possessed and issued by the data provider (which should be reported in column r/).

**g–r**) Securities owned by the clients of the data provider, broken down by the sectors of the owners. Of the ‘Other monetary financial institutions’ column h) shall contain only the money market funds. Securities owned by their issuers shall not be reported in these columns (those shall be reported in column s)).

**s)** This column shall be used for reporting the securities portfolio possessed and issued by the issuer. Accordingly, this column shall include the securities portfolio owned and issued by the data provider, and the securities portfolio owned by the data provider’s client in its capacity as issuer. (e.g. this is where it shall reported when Issuer Ltd. holds 1,000 pieces of Issuer Ltd. shares, or Broker Ltd., submitting the data supply, holds Broker Ltd. bonds of nominal value HUF 1,500,000 or Broker Ltd. bonds of nominal value USD 200,000.) On the other hand, in the case of redemption of investment fund shares, securities held by the issuer itself shall be reported in the ownership sector of the fund manager managing the investment fund [(D) Other financial intermediaries column i/].

**Table 02: Securities portfolio owned by non-residents broken down by the sector of owners**

The instructions related to Table 02 apply only to the data providers of the data supplies with MNB identification code E20 and E21. Contents of the fields of individual columns:

**d**) This column shall contain the ISO code of the securities owner’s country of origin. For securities deposits underlying the depository receipts provide the country code of the business site of the institution issuing the depository receipt.

The completion of the columns not specifically mentioned above shall be governed by the provisions applicable to Table 01, except that in columns f)–o) in the sectoral breakdown of ‘Other monetary financial institutions’ it is not necessary to depart from the provisions of point I. A. 4 of this Annex applicable to this sector.

**Table 05: Securities portfolio placed by the data provider on accounts other than KELER accounts**

Table 05 is used for reporting securities portfolios placed by the data provider on accounts (including its own depository) other than its accounts held with KELER Zrt (aggregate securities account, stock exchange settlement securities account, collateral securities deposit account).

Contents of the fields of individual columns:

**e**) shall be completed on the basis of the code list.

**f)** Name of the institution where the securities have been deposited. (If the securities have been deposited in the data provider’s own depository, the report the name of the data provider.)

**g**) Indicate the registration number of the company specified in column f) or ‘00000001’ for non-residents.

Completion instructions with respect to the columns not mentioned above are identical with those listed for Table 01.

**Table 06: Securities deposited with the data provider by other reporting custodian**

Table 06 shall list the securities placed with the data provider by another reporting custodian (resident bank, specialised credit institution, investment firm). These securities may appear on the data provider’s KELER account, in its own depository, or – if the data provider has transferred those to e.g. tertiary custody – on the accounts of a different reporting custodian also (in the latter case the data provider shall report the securities concerned also in Table 05).

Do not report these stocks in Table 01.

Contents of the fields of individual columns:

**e**) shall be completed on the basis of the code list.

**f**) Provide the name of the reporting custodian that placed the securities with the data provider.

**g**) Provide the registration number of the company specified in column f).

Completion instructions with respect to the columns not mentioned above are identical with those listed for Table 01.

**Table 07: Securities stocks by clients broken down by the sectors of owners**

Detail in this table by client the stocks reported in columns ‘(A) Non-financial corporations’, ‘(D) Other financial intermediaries’,‘(E) Financial auxiliaries’,‘From (F) Insurers’, ‘From (F) Funds’, ‘(G) Central government’, ‘(H) Local governments’ and ‘(I) Social security funds’ of Table 01.

The breakdown by counterparty of the stock of column ‘(D) Other financial intermediaries’ is to be reported excluding the stock of investment funds (D3).

Contents of the fields of individual columns:

**d**) The official name of the client.

**e**) The registration number of the client reported in column ‘d’.

**f**) The client's one-character sector code as specified in the requirements referred to in point III.1.

Completion instructions with respect to the columns not mentioned above are identical with those listed for Table 01.