

Communications

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Interim results of the Swiss National Bank as at 30 September 2023

The Swiss National Bank reports a profit of CHF 1.7 billion for the first three quarters of 2023.

The profit on foreign currency positions amounted to CHF 7.0 billion. A valuation gain of CHF 1.1 billion was recorded on gold holdings. The loss on Swiss franc positions was CHF 6.1 billion.

The SNB's financial result depends largely on developments in the gold, foreign exchange and capital markets. Strong fluctuations are therefore to be expected, and only provisional conclusions are possible as regards the annual result.

Profit on foreign currency positions

The profit on foreign currency positions totalled CHF 7.0 billion.

Interest and dividend income amounted to CHF 7.7 billion and CHF 2.9 billion respectively, while interest expenses stood at CHF 0.8 billion. Price losses of CHF 4.2 billion were recorded on interest-bearing paper and instruments, whereas price gains on equity securities and instruments amounted to CHF 20.5 billion. Exchange rate-related losses totalled CHF 19.2 billion.

Valuation gain on gold holdings

A valuation gain of CHF 1.1 billion was recorded on gold holdings, which remained unchanged in volume terms. Gold was trading at CHF 54,972 per kilogram at the end of September 2023 (end-2022: CHF 53,941).

Ad hoc announcement pursuant to Art. 53 LR

Loss on Swiss franc positions

The loss on Swiss franc positions totalled CHF 6.1 billion.

This largely resulted from the CHF 5.4 billion in remuneration of sight deposit account balances. Additional interest expenses of CHF 1.9 billion arose from liquidity-absorbing operations. The SNB absorbs liquidity with repo transactions and SNB debt certificates. The interest income on secured loans and on the loans under emergency law existing until August amounted to CHF 1.2 billion.

Provisions for currency reserves

As at end-September 2023, the SNB recorded a profit of CHF 1.7 billion before the allocation to the provisions for currency reserves.

In accordance with art. 30 para. 1 of the National Bank Act (NBA), the SNB is required to set aside provisions permitting it to maintain the currency reserves at the level necessary for monetary policy. The allocation for the current financial year is determined at the end of the year.

Ad hoc announcement pursuant to Art. 53 LR

Income statement, 1 January–30 September 2023¹

In CHF millions

	Item in Notes	Q1–Q3 2023	Q1–Q3 2022	Change
Net result from gold		1 071.8	–1 063.8	+2 135.6
Net result from foreign currency positions	1	7 010.5	–140 990.2	+148 000.7
Net result from Swiss franc positions	2	–6 088.7	–24.1	–6 064.6
Net result, other		7.8	6.4	+1.4
Gross income		2 001.4	–142 071.7	+144 073.1
Banknote expenses		–27.6	–26.3	–1.3
Personnel expenses		–146.3	–140.4	–5.9
General overheads		–113.5	–102.0	–11.5
Depreciation on tangible assets		–26.5	–28.8	+2.3
Interim result		1 687.6	–142 369.1	+144 056.7

1 Unaudited. The External Auditor only audits the annual financial statements.

Ad hoc announcement pursuant to Art. 53 LR

Income statement for the third quarter of 2023¹

In CHF millions

	Q3 2023	Q3 2022	Change
Net result from gold	-131.9	-3 443.5	+3 311.6
Net result from foreign currency positions	-9 156.2	-43 611.7	+34 455.5
Net result from Swiss franc positions	-2 657.8	-59.2	-2 598.6
Net result, other	7.9	2.5	+5.4
Gross income	-11 938.0	-47 111.9	+35 173.9
Banknote expenses	-8.6	-7.8	-0.8
Personnel expenses	-48.7	-47.4	-1.3
General overheads	-32.0	-28.5	-3.5
Depreciation on tangible assets	-8.7	-9.4	+0.7
Interim result	-12 036.0	-47 205.0	+35 169.0

¹ Unaudited. The External Auditor only audits the annual financial statements.

Ad hoc announcement pursuant to Art. 53 LR

Balance sheet as at 30 September 2023¹**Assets**

In CHF millions

	30.09.2023	31.12.2022	Change
Gold holdings	57 171.0	56 099.3	+ 1 071.7
Foreign currency investments ²	703 263.7	800 566.2	–97 302.5
Reserve position in the IMF	1 991.0	2 136.6	– 145.6
International payment instruments	11 271.3	11 380.7	– 109.4
Monetary assistance loans	844.0	877.5	– 33.5
Claims from US dollar repo transactions	9.1	–	+ 9.1
Claims from Swiss franc repo transactions	–	–	–
Swiss franc securities	3 710.6	3 564.8	+ 145.8
Secured loans ³	41 578.0	4 430.5	+ 37 147.5
Tangible assets	438.7	440.5	– 1.8
Participations	130.4	132.3	– 1.9
Other assets	1 401.1	1 748.5	– 347.4
Total assets	821 808.9	881 376.8	– 59 567.9

1 Unaudited. The External Auditor only audits the annual financial statements.

2 Includes, as at end-September 2023, cash received from repo transactions relating to the management of foreign currency investments amounting to CHF 23.8 billion (end-2022: CHF 16.7 billion). The associated liabilities are included in the balance sheet under foreign currency liabilities and result in a balance sheet expansion.

3 Includes claims from the facilities for drawing emergency liquidity assistance (ELA) against collateral as set out in the 'Guidelines on monetary policy instruments' and claims from the SNB COVID-19 refinancing facility (CRF). Also included under this item were claims from additional liquidity assistance loans with preferential rights in bankruptcy proceedings (ELA+) and claims from liquidity assistance loans with preferential rights in bankruptcy proceedings as well as a federal default guarantee (public liquidity backstop, PLB), both of which were based on the Federal Council's emergency ordinance of 16 March 2023. The loans under emergency law were repaid in full by 10 August 2023.

Ad hoc announcement pursuant to Art. 53 LR

Liabilities

In CHF millions

	30.09.2023	31.12.2022	Change
Banknotes in circulation	74 438.0	81 696.8	-7 258.8
Sight deposits of domestic banks	460 394.1	466 922.7	-6 528.6
Liabilities towards the Confederation	19 013.9	16 667.9	+2 346.0
Sight deposits of foreign banks and institutions	6 700.1	27 584.2	-20 884.1
Other sight liabilities	2 379.9	27 803.9	-25 424.0
Liabilities from Swiss franc repo transactions	64 011.8	67 144.8	-3 133.0
SNB debt certificates	91 146.5	98 168.8	-7 022.3
Other term liabilities	9.2	-	+9.2
Foreign currency liabilities	23 839.2	16 739.7	+7 099.5
Counterpart of SDRs allocated by the IMF	10 566.3	10 919.1	-352.8
Other liabilities	1 854.4	1 960.9	-106.5
Equity			
Provisions for currency reserves ¹	105 247.0	95 679.1	+9 567.9
Share capital	25.0	25.0	-
Distribution reserve ²	-39 504.0	102 543.5	-142 047.5
Annual result 2022	-	-132 479.5	+132 479.5
Interim result	1 687.6		+1 687.6
Total equity	67 455.6	65 768.0	+1 687.6
Total liabilities	821 808.9	881 376.8	-59 567.9

1 The allocation to the provisions for currency reserves is made as part of the profit appropriation. The increase of around CHF 9.6 billion represents the allocation for the 2022 financial year.

2 The distribution reserve only changes once a year, as part of the profit appropriation.

Ad hoc announcement pursuant to Art. 53 LR

Condensed changes in equity

In CHF millions

	Q1–Q3 2023	Q1–Q3 2022
Equity at beginning of period¹	65 768.0	204 249.1
Distribution of dividends to shareholders ²	–	– 1.5
Profit distribution to Confederation and cantons ²	–	– 6 000.0
Interim result	1 687.6	– 142 369.1
Equity at end of period	67 455.6	55 878.4

1 At the beginning of the period, equity is composed of share capital, provisions for currency reserves, the distribution reserve and the annual result.

2 There will be no dividend payment or profit distribution in the current year due to the net loss as at 31 December 2022.

Valuation rates

	Year under review			Previous year		
	30.09.2023 CHF	31.12.2022 CHF	Change In percent	30.09.2022 CHF	31.12.2021 CHF	Change In percent
1 EUR	0.9668	0.9860	– 1.9	0.9561	1.0366	– 7.8
1 USD	0.9138	0.9223	– 0.9	0.9783	0.9137	+ 7.1
100 JPY	0.6123	0.6998	– 12.5	0.6770	0.7939	– 14.7
1 GBP	1.1163	1.1140	+ 0.2	1.0885	1.2351	– 11.9
1 CAD	0.6784	0.6810	– 0.4	0.7139	0.7202	– 0.9
1 kilogram of gold	54 971.63	53 941.10	+ 1.9	52 525.37	53 548.29	– 1.9

Ad hoc announcement pursuant to Art. 53 LR

Appendix

Accounting and valuation principles

The SNB is a special-statute joint-stock company with head offices in Berne and Zurich. These interim results have been drawn up in accordance with the provisions of the NBA and the Swiss Code of Obligations (CO) as well as the accounting principles detailed in the notes to the annual financial statements as at 31 December 2022. These results present a true and fair view of the financial position and the results of operations of the SNB. Unless otherwise stated, the accounting principles are based on the Swiss GAAP FER standards (Accounting and Reporting Recommendations). Departures from Swiss GAAP FER occur only if an accounting principle runs counter to the provisions of the NBA or if the special nature of the SNB needs to be taken into account. In a departure from Swiss GAAP FER, no cash flow statement has been prepared. The structure and designation of the items in the balance sheet and the income statement take into consideration the special character of the business conducted at a central bank.

There were no changes to the accounting and valuation principles compared with the annual financial statements as at 31 December 2022. The ‘secured loans’ item includes claims from the facilities for drawing emergency liquidity assistance against collateral as set out in the ‘Guidelines on monetary policy instruments’ and claims from the SNB COVID-19 refinancing facility. The claims from additional liquidity assistance loans with preferential rights in bankruptcy proceedings and the claims from liquidity assistance loans with preferential rights in bankruptcy proceedings as well as a federal default guarantee, both of which were based on the Federal Council’s emergency ordinance of 16 March 2023, were repaid in full by 10 August 2023. During this period, the ‘secured loans’ item was renamed ‘secured loans and loans under emergency law’ in the ad hoc announcements on the SNB’s interim results as at 31 March 2023 and 30 June 2023.

The SNB interim results as at 30 September 2023 constitute an interim report in accordance with Swiss GAAP FER 31, with condensations in presentation and disclosures.

Swiss GAAP FER 31 requires the presentation of earnings per share. This has no informative value in view of the special statutory provisions for the SNB. Shareholders’ rights are determined by the NBA. Their dividends, in particular, may not exceed 6% of share capital (with a nominal value of CHF 250 per share, a maximum of CHF 15); the Confederation is entitled to one-third and the cantons to two-thirds of the remaining distributable profit. Therefore, no presentation of earnings per share is made.

Ad hoc announcement pursuant to Art. 53 LR

Notes to the balance sheet and income statement

Item no. 1: Net result from foreign currency positions

Breakdown by origin in CHF millions

	Q1–Q3 2023	Q1–Q3 2022	Change
Foreign currency investments	7 029.0	– 140 930.7	+ 147 959.7
Reserve position in the IMF	– 19.7	– 40.4	+ 20.7
International payment instruments	6.0	– 3.1	+ 9.1
Monetary assistance loans	– 4.8	– 16.0	+ 11.2
Total	7 010.5	– 140 990.2	+ 148 000.7

Breakdown by type in CHF millions

	Q1–Q3 2023	Q1–Q3 2022	Change
Interest income	7 677.0	5 113.8	+ 2 563.2
Price gain/loss on interest-bearing paper and instruments	– 4 159.8	– 70 866.9	+ 66 707.1
Interest expenses	– 787.0	– 1.3	– 785.7
Dividend income	2 933.9	3 418.5	– 484.6
Price gain/loss on equity securities and instruments	20 543.3	– 54 180.3	+ 74 723.6
Exchange rate gain/loss	– 19 174.3	– 24 447.2	+ 5 272.9
Asset management, safe custody and other fees	– 22.6	– 26.7	+ 4.1
Total	7 010.5	– 140 990.2	+ 148 000.7

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Item no. 2: Net result from Swiss franc positions**Breakdown by origin** in CHF millions

	Q1–Q3 2023	Q1–Q3 2022	Change
Sight deposit account balances	– 5 390.4	552.5	– 5 942.9
Swiss franc securities	124.6	– 494.9	+ 619.5
Liquidity-providing Swiss franc repo transactions	2.5	– 38.5	+ 41.0
Liquidity-absorbing Swiss franc repo transactions	– 741.2	– 3.0	– 738.2
Secured loans and loans under emergency law	1 228.5	– 34.7	+ 1 263.2
Liabilities towards the Confederation	– 180.6	– 1.2	– 179.4
SNB debt certificates	– 1 126.8	– 0.8	– 1 126.0
Other Swiss franc positions	– 5.2	– 3.4	– 1.8
Total	– 6 088.7	– 24.1	– 6 064.6

Breakdown by type in CHF millions

	Q1–Q3 2023	Q1–Q3 2022	Change
Interest income	1 259.0	– 48.2	+ 1 307.2
Price gain/loss on interest-bearing paper and instruments	110.7	– 512.6	+ 623.3
Interest expenses	– 7 444.4	544.1	– 7 988.5
Trading, safe custody and other fees	– 14.0	– 7.4	– 6.6
Total	– 6 088.7	– 24.1	– 6 064.6