

Communications

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Annual result of the Swiss National Bank for 2023

**The Swiss National Bank reports a loss of CHF 3.2 billion for 2023
(2022: loss of CHF 132.5 billion).**

The profit on foreign currency positions amounted to CHF 4.0 billion. A valuation gain of CHF 1.7 billion was recorded on gold holdings. The loss on Swiss franc positions was CHF 8.5 billion. Operating expenses came to CHF 0.4 billion.

For the financial year just ended, the SNB has set the allocation to the provisions for currency reserves at CHF 10.5 billion. After taking into account the negative distribution reserve of CHF 39.5 billion, the net loss comes to CHF 53.2 billion. Pursuant to the provisions of the National Bank Act and the profit distribution agreement between the Federal Department of Finance and the SNB, this net loss precludes a distribution for the 2023 financial year. This affects both dividend payments to the SNB shareholders and the profit distribution to the Confederation and the cantons.

Profit on foreign currency positions

The profit on foreign currency positions totalled CHF 4.0 billion (2022: loss of CHF 131.5 billion).

Interest and dividend income amounted to CHF 10.1 billion and CHF 3.6 billion respectively, while interest expenses stood at CHF 1.0 billion. Price gains of CHF 14.8 billion were recorded on interest-bearing paper and instruments, and CHF 34.6 billion in price gains were recorded on equity securities and instruments. Exchange rate-related losses totalled CHF 58.0 billion.

Ad hoc announcement pursuant to Art. 53 LR

Valuation gain on gold holdings

At the end of 2023, the price of gold stood at CHF 55,593 per kilogram, 3.1% higher than at the end of 2022 (CHF 53,941). This gave rise to a valuation gain of CHF 1.7 billion on the unchanged holdings of 1,040 tonnes of gold (2022: valuation gain of CHF 0.4 billion).

Loss on Swiss franc positions

The loss on Swiss franc positions totalled CHF 8.5 billion (2022: loss of CHF 1.0 billion). This largely resulted from the CHF 7.4 billion in remuneration of sight deposit account balances. Additional interest expenses of CHF 2.5 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 granted under emergency law that were outstanding until August 2023 amounted to CHF 1.4 billion.

Provisions for currency reserves

The SNB aims for a robust balance sheet with sufficient equity capital, to ensure that it can also absorb high losses. Annual allocations to the provisions for currency reserves are therefore necessary. The allocation in a given year is determined on the basis of double the average nominal GDP growth rate over the previous five years. To ensure that sufficient allocations are made to the provisions for currency reserves even in periods of low nominal GDP growth, the minimum annual allocation is currently set at 10% of the provisions at the end of the previous year.

Since nominal GDP growth over the last five years has averaged just 1.9%, the minimum allocation of 10% will be applied for the 2023 financial year. This corresponds to CHF 10.5 billion (2022: CHF 9.6 billion). As a result, the provisions for currency reserves will grow from CHF 105.2 billion to CHF 115.8 billion.

Ad hoc announcement pursuant to Art. 53 LR

Income statement for 2023

In CHF millions

	Item in Notes	2023	2022	Change
Net result from gold		1 718.4	408.5	+ 1 309.9
Net result from foreign currency positions	1	4 012.9	- 131 458.5	+ 135 471.4
Net result from Swiss franc positions	2	- 8 505.4	- 1 038.5	- 7 466.9
Net result, other		8.6	6.7	+ 1.9
Gross income		- 2 765.5	- 132 081.8	+ 129 316.3
Banknote expenses		- 36.9	- 36.5	- 0.4
Personnel expenses		- 195.3	- 188.3	- 7.0
General overheads		- 150.2	- 134.0	- 16.2
Depreciation on tangible assets		- 36.2	- 38.9	+ 2.7
Annual result		- 3 184.1	- 132 479.5	+ 129 295.4

Ad hoc announcement pursuant to Art. 53 LR

Appropriation of profit for 2023¹

In CHF millions

	2023	2022	Change
Annual result	- 3 184.1	- 132 479.5	+ 129 295.4
- Allocation to provisions for currency reserves	- 10 524.7	- 9 567.9	- 956.8
= Distributable annual result	- 13 708.8	- 142 047.4	+ 128 338.6
+ Profit/loss carried forward (distribution reserve before appropriation of profit)	- 39 504.0	102 543.5	- 142 047.5
= Net loss	- 53 212.8	- 39 504.0	- 13 708.8
- Payment of a dividend of 6%	-	-	-
- Profit distribution to Confederation and cantons ²	-	-	-
= Balance carried forward to following year's financial statements (distribution reserve after appropriation of profit)	- 53 212.8	- 39 504.0	- 13 708.8

1 The determination and distribution of profits are governed by arts. 30 and 31 NBA. The portion of the annual result remaining after the allocation to the provisions for currency reserves is the distributable annual result. Together with the distribution reserve, this makes up the net profit/net loss. If a net profit is achieved, this is used for distributions. In the event of a net loss, no distribution is made.

2 Profit distribution agreement of 29 January 2021 between the Federal Department of Finance and the Swiss National Bank.

Ad hoc announcement pursuant to Art. 53 LR

Balance sheet as at 31 December 2023

Assets

In CHF millions

	31.12.2023	31.12.2022	Change
Gold holdings	57 817.7	56 099.3	+ 1 718.4
Foreign currency investments ¹	677 395.8	800 566.2	- 123 170.4
Reserve position in the IMF	1 885.2	2 136.6	- 251.4
International payment instruments	10 901.8	11 380.7	- 478.9
Monetary assistance loans	745.3	877.5	- 132.2
Claims from Swiss franc repo transactions	-	-	-
Swiss franc securities	3 852.3	3 564.8	+ 287.5
Secured loans ²	40 306.5	4 430.5	+ 35 876.0
Tangible assets	450.6	440.5	+ 10.1
Participations	130.4	132.3	- 1.9
Other assets	1 158.6	1 748.5	- 589.9
Total assets	794 644.1	881 376.8	- 86 732.7

1 Includes, as at end-December 2023, cash received from repo transactions relating to the management of foreign currency investments amounting to CHF 22.8 billion (end-2022: CHF 16.7 billion). The associated liabilities are included in the balance sheet under foreign currency liabilities and result in an increase in the balance sheet total.

2 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

	31.12.2023	31.12.2022	Change
Banknotes in circulation	76 321.4	81 696.8	-5 375.4
Sight deposits of domestic banks	449 439.5	466 922.7	-17 483.2
Liabilities towards the Confederation	15 398.3	16 667.9	-1 269.6
Sight deposits of foreign banks and institutions	5 944.8	27 584.2	-21 639.4
Other sight liabilities	2 142.6	27 803.9	-25 661.3
Liabilities from Swiss franc repo transactions	61 667.8	67 144.8	-5 477.0
SNB debt certificates	86 699.7	98 168.8	-11 469.1
Foreign currency liabilities	22 858.5	16 739.7	+6 118.8
Counterpart of SDRs allocated by the IMF	10 100.5	10 919.1	-818.6
Other liabilities	1 487.1	1 960.9	-473.8

Equity

Provisions for currency reserves ¹	105 247.0	95 679.1	+9 567.9
Share capital	25.0	25.0	-
Distribution reserve ¹	-39 504.0	102 543.5	-142 047.5
Annual result	-3 184.1	-132 479.5	+129 295.4
Total equity	62 583.9	65 768.0	-3 184.1
Total liabilities	794 644.1	881 376.8	-86 732.7

1 Before appropriation of profit.

Ad hoc announcement pursuant to Art. 53 LR

Valuation rates

	31.12.2023 In CHF	31.12.2022 In CHF	Change In percent	31.12.2022 In CHF	31.12.2021 In CHF	Change In percent
1 EUR	0.9276	0.9860	-5.9	0.9860	1.0366	-4.9
1 USD	0.8382	0.9223	-9.1	0.9223	0.9137	0.9
100 JPY	0.5923	0.6998	-15.4	0.6998	0.7939	-11.9
1 GBP	1.0674	1.1140	-4.2	1.1140	1.2351	-9.8
1 CAD	0.6338	0.6810	-6.9	0.6810	0.7202	-5.4
1 kg gold	55 593.39	53 941.10	+3.1	53 941.10	53 548.29	0.7

Ad hoc announcement pursuant to Art. 53 LR

Notes to the annual financial statements

Item 1: Net result from foreign currency positions

Breakdown by origin in CHF millions

	2023	2022	Change
Foreign currency investments	4 152.1	-131 377.2	+135 529.3
Reserve position in the IMF	-87.7	-54.0	-33.7
International payment instruments	-19.9	-6.2	-13.7
Monetary assistance loans	-31.7	-21.1	-10.6
Total	4 012.9	-131 458.5	+135 471.4

Breakdown by type in CHF millions

	2023	2022	Change
Interest income	10 060.3	7 408.0	+2 652.3
Price gain/loss on interest-bearing paper and instruments	14 828.1	-71 998.0	+86 826.1
Interest expenses	-1 047.7	-135.4	-912.3
Dividend income	3 619.4	4 361.7	-742.3
Price gain/loss on equity securities and instruments	34 606.2	-41 310.7	+75 916.9
Exchange rate gain/loss	-58 023.9	-29 750.0	-28 273.9
Asset management, safe custody and other fees	-29.4	-34.0	+4.6
Total	4 012.9	-131 458.5	+135 471.4

Ad hoc announcement pursuant to Art. 53 LR

Item 2: Net result from Swiss franc positions**Breakdown by origin** in CHF millions

	2023	2022	Change
Sight deposit account balances	-7 442.2	-197.7	-7 244.5
Swiss franc securities	264.0	-538.9	+ 802.9
Liquidity-providing Swiss franc repo transactions	2.5	-38.5	+41.0
Liquidity-absorbing Swiss franc repo transactions	-994.5	-84.6	-909.9
Secured loans and loans under emergency law	1 407.4	-27.9	+ 1 435.3
Liabilities towards the Confederation	-250.4	-24.8	-225.6
SNB debt certificates	-1 485.1	-120.8	-1 364.3
Other Swiss franc positions	-7.1	-5.2	-1.9
Total	-8 505.4	-1 038.5	-7 466.9

Breakdown by type in CHF millions

	2023	2022	Change
Interest income	1 447.8	-32.5	+ 1 480.3
Price gain/loss on interest-bearing paper and instruments	243.4	-560.5	+ 803.9
Interest expenses	-10 179.4	-433.2	-9 746.2
Trading, safe custody and other fees	-17.2	-12.2	-5.0
Total	-8 505.4	-1 038.5	-7 466.9