

Communications

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Interim results of the Swiss National Bank as at 30 September 2014

The Swiss National Bank (SNB) reports a profit of CHF 28.5 billion for the first three quarters of 2014.

The profit on foreign currency positions amounted to CHF 25.2 billion. A valuation gain of CHF 3.3 billion was recorded on gold holdings.

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 net result on foreign currency positions amounted to CHF 25.2 billion.

Interest income accounted for CHF 5.7 billion and dividends for CHF 1.4 billion. The generally lower interest rate level resulted in price gains of CHF 6.2 billion on interest-bearing paper and instruments. Equity securities and instruments benefited from the favourable stock market environment and contributed CHF 2.3 billion to the result.

Overall, exchange rate-related gains amounted to CHF 9.7 billion. Exchange rate-related losses on the euro were more than offset by gains on other investment currencies, in particular the US dollar and the pound sterling.

Press release

Valuation gain on gold holdings

A valuation gain of CHF 3.3 billion was achieved on gold holdings, which were unchanged in volume terms. Gold was trading at CHF 37,395 per kilogram at end-September 2014 (end-2013: CHF 34,195).

Profit on Swiss franc positions

The Swiss franc positions recorded a net profit of CHF 185 million, essentially comprising price gains of CHF 141 million and interest income of CHF 57 million.

Provisions for currency reserves

As at the end of September 2014, the SNB recorded a profit of CHF 28.5 billion, before the allocation to the provisions for currency reserves.

In accordance with art. 30 para. 1 of the National Bank Act, the SNB sets aside provisions permitting it to maintain the currency reserves at the level necessary for monetary policy. The allocation for 2014 will be determined at the end of the year.

Press release

Income statement, 1 January–30 September 2014¹

In CHF millions

	Item no. in Notes	Q1-Q3 2014	Q1-Q3 2013	Change
Net result from gold		3 328.6	- 10 663.1	+ 13 991.7
Net result from foreign currency positions	1	25 242.8	4 053.1	+ 21 189.7
Net result from Swiss franc positions	2	185.3	- 75.5	+ 260.8
Net result, other		7.7	9.8	- 2.1
Gross income		28 764.4	- 6 675.7	+ 35 440.1
Banknote expenses		- 19.2	- 15.4	- 3.8
Personnel expenses ²		- 114.1	- 135.1	+ 21.0
General overheads		- 73.5	- 62.7	- 10.8
Depreciation on tangible assets		- 27.9	- 28.6	+ 0.7
Interim result		28 529.8	- 6 917.5	+ 35 447.3

1 Unaudited. The external auditors only audit the annual financial statements.

2 With effect from 1 January 2014, the SNB pension fund changed from a defined benefit to a defined contribution system. While the major portion of the associated costs was covered from the pension fund reserves, a one-off provision of CHF 30 million was created for the remaining sum in the second quarter of 2013.

Press release

Income statement for the third quarter of 2014¹

In CHF millions

	Q3 2014	Q3 2013	Change
Net result from gold	-217.8	2 490.4	-2 708.2
Net result from foreign currency positions	12 631.1	-1 758.7	+ 14 389.8
Net result from Swiss franc positions	48.1	15.7	+ 32.4
Net result, other	5.1	-1.0	+ 6.1
Gross income	12 466.5	746.4	+ 11 720.1
Banknote expenses	-6.8	-5.5	-1.3
Personnel expenses	-37.4	-35.0	-2.4
General overheads	-24.0	-18.4	-5.6
Depreciation on tangible assets	-8.8	-9.5	+ 0.7
Interim result	12 389.4	677.9	+ 11 711.5

¹ Unaudited. The external auditors only audit the annual financial statements.

Press release

Balance sheet as at 30 September 2014¹**Assets**

In CHF millions

	30.09.2014	31.12.2013	Change
Gold holdings	38 890.8	35 565.0	+ 3 325.8
Foreign currency investments	471 452.3	443 274.5	+ 28 177.8
Reserve position in the IMF	2 233.0	2 295.4	- 62.4
International payment instruments	4 353.6	4 293.9	+ 59.7
Monetary assistance loans	231.4	244.2	- 12.8
Claims from Swiss franc repo transactions	-	-	-
Swiss franc securities	3 848.6	3 689.9	+ 158.7
Banknote stocks	182.4	156.7	+ 25.7
Tangible assets	416.4	433.1	- 16.7
Participations	133.6	134.4	- 0.8
Other assets	304.1	294.9	+ 9.2
Total assets	522 046.1	490 382.0	+ 31 664.1

¹ Unaudited. The external auditors only audit the annual financial statements.

Press release

Liabilities

In CHF millions

	30.09.2014	31.12.2013	Change
Banknotes in circulation	62 897.0	65 766.4	-2 869.4
Sight deposits of domestic banks	307 459.3	317 131.7	-9 672.4
Liabilities towards the Confederation	11 866.3	10 481.8	+ 1 384.5
Sight deposits of foreign banks and institutions	13 492.6	11 523.2	+ 1 969.4
Other sight liabilities	35 641.3	24 773.7	+ 10 867.6
Liabilities from Swiss franc repo transactions	13.0	-	+ 13.0
SNB debt certificates	-	-	-
Foreign currency liabilities	9 336.6	8 074.0	+ 1 262.6
Counterpart of SDRs allocated by the IMF	4 660.1	4 510.5	+ 149.6
Other liabilities	155.3	97.9	+ 57.4
Operating provisions ¹	2.9	31.0	- 28.1
Equity			
Provisions for currency reserves ²	54 787.0	51 783.6	+ 3 003.4
Share capital	25.0	25.0	-
Distribution reserve ³	- 6 820.2	5 259.8	- 12 080.0
Annual result 2013		- 9 076.6	+ 9 076.6
Interim result	28 529.8		+ 28 529.8
Total liabilities	522 046.1	490 382.0	+ 31 664.1

1 With effect from 1 January 2014, the SNB pension fund changed from a defined benefit to a defined contribution system. While the major portion of the associated costs was covered from the pension fund reserves, a one-off provision of CHF 30 million was created for the remaining sum and allocated to the 2013 financial year. The payment of the costs assumed by the SNB is to be made from this provision in 2014 without this affecting the SNB's net income.

2 The allocation to the provisions for currency reserves forms part of the profit appropriation. The increase of CHF 3.0 billion represents the allocation for the 2013 financial year.

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

Press release

Valuation rates

	Year under review			Previous year		Change In percent
	30.09.2014 CHF	31.12.2013 CHF	Change In percent	30.09.2013 CHF	31.12.2012 CHF	
1 EUR	1.2065	1.2268	-1.7	1.2239	1.2074	+1.4
1 USD	0.9560	0.8908	+7.3	0.9043	0.9129	-0.9
100 JPY	0.8721	0.8489	+2.7	0.9255	1.0576	-12.5
1 CAD	0.8549	0.8384	+2.0	0.8792	0.9171	-4.1
1 GBP	1.5505	1.4736	+5.2	1.4604	1.4839	-1.6
1 kilogram of gold	37 395.09	34 194.73	+9.4	38 562.77	48 815.02	-21.0

Press release

Notes to the interim results

Item no. 1: Net result from foreign currency positions

Breakdown by origin in CHF millions

	Q1-Q3 2014	Q1-Q3 2013	Change
Foreign currency investments	25 167.8	3 990.0	+ 21 177.8
Reserve position in the IMF	75.9	-17.5	+ 93.4
International payment instruments	-8.9	1.7	- 10.6
Monetary assistance loans	7.9	-2.2	+ 10.1
Other foreign currency positions	-	81.1	- 81.1
Total	25 242.8	4 053.1	+ 21 189.7

Breakdown by type in CHF millions

	Q1-Q3 2014	Q1-Q3 2013	Change
Interest income	5 699.3	5 190.4	+ 508.9
Price gain/loss on interest-bearing paper and instruments	6 201.5	-6 753.0	+ 12 954.5
Interest expenses	-14.1	-7.7	- 6.4
Dividend income	1 423.4	1 345.7	+ 77.7
Price gain/loss on equity securities and instruments	2 283.4	9 260.5	- 6 977.1
Exchange rate gain/loss	9 660.4	-4 974.7	+ 14 635.1
Asset management, safe custody and other fees	-11.0	-8.1	- 2.9
Total	25 242.8	4 053.1	+ 21 189.7

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

	Q1-Q3 2014	Q1-Q3 2013	Change
Swiss franc securities	192.2	-70.1	+262.3
Liquidity-providing Swiss franc repo transactions	-	-	-
Liquidity-absorbing Swiss franc repo transactions	-	-	-
Other assets	0.0	0.0	+0.0
Liabilities towards the Confederation	-	-	-
SNB debt certificates	-	-	-
Other sight liabilities	-6.9	-5.3	-1.6
Total	185.3	-75.5	+260.8

Breakdown by type in CHF millions

	Q1-Q3 2014	Q1-Q3 2013	Change
Interest income	56.7	59.8	-3.1
Price gain/loss on interest-bearing paper and instruments	140.9	-125.1	+266.0
Interest expenses	-6.9	-5.3	-1.6
Trading, safe custody and other fees	-5.4	-4.8	-0.6
Total	185.3	-75.5	+260.8