

Communications

P.O. Box, CH-8022 Zurich
Telephone +41 58 631 00 00
communications@snb.ch

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Interim results of the Swiss National Bank as at 30 September 2021

The Swiss National Bank reports a profit of CHF 41.4 billion for the first three quarters of 2021.

The profit on foreign currency positions amounted to CHF 42.2 billion. A valuation loss of CHF 1.3 billion was recorded on gold holdings. The profit on Swiss franc positions amounted to CHF 0.8 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 42.2 billion.

Interest and dividend income amounted to CHF 5.5 billion and CHF 2.9 billion respectively. While price losses of CHF 13.7 billion were recorded on interest-bearing paper and instruments, equity securities and instruments registered price gains of CHF 22.2 billion. Exchange rate-related gains totalled CHF 25.3 billion.

Valuation loss on gold holdings

A valuation loss of CHF 1.3 billion was recorded on gold holdings, which remained unchanged in volume terms. Gold was trading at CHF 52,373 per kilogram at the end of September 2021 (end-2020: CHF 53,603).

Ad hoc announcement pursuant to Art. 53 LR

Profit on Swiss franc positions

The profit on Swiss franc positions totalled CHF 0.8 billion. It largely resulted from negative interest charged on sight deposit account balances.

Provisions for currency reserves

As at end-September 2021, the SNB recorded a profit of CHF 41.4 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 2021¹

In CHF millions

	Item in Notes	Q1–Q3 2021	Q1–Q3 2020	Change
Net result from gold		– 1 278.9	9 118.4	– 10 397.3
Net result from foreign currency positions	1	42 170.3	5 252.0	+ 36 918.3
Net result from Swiss franc positions	2	801.8	988.3	– 186.5
Net result, other		16.1	– 6.2	+ 22.3
Gross income		41 709.2	15 352.4	+ 26 356.8
Banknote expenses		– 27.8	– 19.7	– 8.1
Personnel expenses		– 136.3	– 135.4	– 0.9
General overheads		– 92.6	– 88.3	– 4.3
Depreciation on tangible assets		– 27.5	– 28.8	+ 1.3
Interim result		41 425.1	15 080.2	+ 26 344.9

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 2021¹

In CHF millions

	Q3 2021	Q3 2020	Change
Net result from gold	109.5	1 997.3	-1 887.8
Net result from foreign currency positions	-2 353.7	12 035.7	-14 389.4
Net result from Swiss franc positions	250.2	354.7	-104.5
Net result, other	14.2	2.0	+12.2
Gross income	-1 979.7	14 389.8	-16 369.5
Banknote expenses	-15.0	-	-15.0
Personnel expenses	-45.4	-44.9	-0.5
General overheads	-25.9	-23.2	-2.7
Depreciation on tangible assets	-9.1	-9.5	+0.4
Interim result	-2 075.1	14 312.2	-16 387.3

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 2021¹**Assets**

In CHF millions

	30.09.2021	31.12.2020	Change
Gold holdings	54 468.2	55 747.1	-1 278.9
Foreign currency investments ²	965 459.6	910 001.0	+ 55 458.6
Reserve position in the IMF	1 960.7	1 849.6	+ 111.1
International payment instruments	11 864.2	4 363.9	+ 7 500.3
Monetary assistance loans	932.5	907.6	+ 24.9
Claims from US dollar repo transactions	–	8 841.7	–8 841.7
Claims from Swiss franc repo transactions	–	549.9	–549.9
Swiss franc securities	3 981.8	4 072.9	–91.1
Secured loans ³	10 040.8	11 176.4	–1 135.6
Tangible assets	429.4	438.0	–8.6
Participations	135.6	134.0	+ 1.6
Other assets	747.7	945.6	–197.9
Total assets	1 050 020.6	999 027.9	+ 50 992.7

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

2 Includes, as at end-September 2021, cash received from repo transactions relating to the management of foreign currency investments amounting to CHF 15.6 billion (end-2020: CHF 9.6 billion). The associated liabilities are included in the balance sheet under foreign currency liabilities and result in a balance sheet expansion.

3 The SNB COVID-19 refinancing facility (CRF) for banks based in Switzerland and the Principality of Liechtenstein. The CRF allows banks to obtain liquidity from the SNB by assigning as collateral loans that have been granted under surety and loan guarantee programmes provided by the Confederation or the cantons.

Ad hoc announcement pursuant to Art. 53 LR

Liabilities

In CHF millions

	30.09.2021	31.12.2020	Change
Banknotes in circulation	88 032.5	89 013.6	-981.1
Sight deposits of domestic banks	637 446.6	628 825.2	+8 621.4
Liabilities towards the Confederation	21 444.5	13 755.3	+7 689.2
Sight deposits of foreign banks and institutions	22 751.7	28 120.2	-5 368.5
Other sight liabilities	33 391.7	32 160.9	+1 230.8
Liabilities from Swiss franc repo transactions	-	-	-
SNB debt certificates	-	-	-
Other term liabilities	-	9 027.1	-9 027.1
Foreign currency liabilities	15 625.7	9 573.0	+6 052.7
Counterpart of SDRs allocated by the IMF	11 635.8	4 214.0	+7 421.8
Other liabilities	318.1	387.9	-69.8
Equity			
Provisions for currency reserves ¹	86 981.0	79 073.6	+7 907.4
Share capital	25.0	25.0	-
Distribution reserve ²	90 943.1	83 982.4	+6 960.7
Annual result 2020		20 869.6	-20 869.6
Interim result	41 425.1		+41 425.1
Total equity	219 374.2	183 950.6	+35 423.6
Total liabilities	1 050 020.6	999 027.9	+50 992.7

1 The allocation to the provisions for currency reserves is made as part of the profit appropriation. The increase of around CHF 7.9 billion represents the allocation for the 2020 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 2021	Q1–Q3 2020
Equity at beginning of period¹	183 950.6	167 082.5
Distribution of dividends to shareholders	– 1.5	– 1.5
Profit distribution to Confederation and cantons	– 6 000.0	– 4 000.0
Interim result	41 425.1	15 080.2
Equity at end of period	219 374.2	178 161.2

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

Valuation rates

	Year under review			Previous year		
	30.09.2021 CHF	31.12.2020 CHF	Change In percent	30.09.2020 CHF	31.12.2019 CHF	Change In percent
1 EUR	1.0835	1.0803	+ 0.3	1.0805	1.0848	– 0.4
1 USD	0.9352	0.8806	+ 6.2	0.9239	0.9668	– 4.4
100 JPY	0.8366	0.8545	– 2.1	0.8739	0.8900	– 1.8
1 GBP	1.2608	1.2027	+ 4.8	1.1878	1.2776	– 7.0
1 CAD	0.7347	0.6921	+ 6.2	0.6906	0.7436	– 7.1
1 kilogram of gold	52 372.76	53 602.51	– 2.3	55 989.14	47 221.54	+ 18.6

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 2020. 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 2020.

The SNB interim results as at 30 September 2021 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 2021	Q1–Q3 2020	Change
Foreign currency investments	42 079.7	5 322.5	+ 36 757.2
Reserve position in the IMF	53.6	–47.2	+ 100.8
International payment instruments	5.0	–2.7	+ 7.7
Monetary assistance loans	32.0	–20.5	+ 52.5
Total	42 170.3	5 252.0	+ 36 918.3

Breakdown by type in CHF millions

	Q1–Q3 2021	Q1–Q3 2020	Change
Interest income	5 500.2	6 108.8	–608.6
Price gain/loss on interest-bearing paper and instruments	–13 725.7	11 749.6	–25 475.3
Interest expenses	21.3	–29.2	+ 50.5
Dividend income	2 933.9	2 594.1	+ 339.8
Price gain/loss on equity securities and instruments	22 206.9	7 132.7	+ 15 074.2
Exchange rate gain/loss	25 262.2	–22 278.8	+ 47 541.0
Asset management, safe custody and other fees	–28.6	–25.2	–3.4
Total	42 170.3	5 252.0	+ 36 918.3

Ad hoc announcement pursuant to Art. 53 LR

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

	Q1–Q3 2021	Q1–Q3 2020	Change
Negative interest on sight deposit account balances	968.0	1 017.3	–49.3
Swiss franc securities	–103.0	25.6	–128.6
Liquidity-providing Swiss franc repo transactions	–0.7	–18.1	+17.4
Liquidity-absorbing Swiss franc repo transactions	–	–	–
Secured loans	–61.4	–35.8	–25.6
Liabilities towards the Confederation	–	–	–
SNB debt certificates	–	–	–
Other Swiss franc positions	–1.1	–0.7	–0.4
Total	801.8	988.3	–186.5

Breakdown by type in CHF millions

	Q1–Q3 2021	Q1–Q3 2020	Change
Negative interest on sight deposit account balances	968.0	1 017.3	–49.3
Interest income	–35.2	–24.2	–11.0
Price gain/loss on interest-bearing paper and instruments	–123.1	2.0	–125.1
Interest expenses	–1.1	–0.7	–0.4
Trading, safe custody and other fees	–6.8	–6.0	–0.8
Total	801.8	988.3	–186.5