

Communications

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Interim results of the Swiss National Bank as at 31 March 2023

The Swiss National Bank reports a profit of CHF 26.9 billion for the first quarter of 2023.

The profit on foreign currency positions amounted to CHF 24.2 billion. A valuation gain of CHF 4.3 billion was recorded on gold holdings. The loss on Swiss franc positions was CHF 1.6 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 24.2 billion.

Interest and dividend income amounted to CHF 2.5 billion and CHF 0.9 billion respectively. Price gains of CHF 8.5 billion were recorded on interest-bearing paper and instruments, and CHF 14.7 billion in price gains were recorded on equity securities and instruments. Exchange rate-related losses totalled CHF 2.0 billion.

Valuation gain on gold holdings

A valuation gain of CHF 4.3 billion was recorded on gold holdings, which remained unchanged in volume terms. Gold was trading at CHF 58,122 per kilogram at the end of March 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 1.6 billion. This largely resulted from remuneration of sight deposit account balances.

Provisions for currency reserves

As at end-March 2023, the SNB recorded a profit of CHF 26.9 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–31 March 2023¹

In CHF millions

	Item in Notes	Q1 2023	Q1 2022	Change
Net result from gold		4 348.5	4 161.8	+ 186.7
Net result from foreign currency positions	1	24 244.2	-36 841.3	+61 085.5
Net result from Swiss franc positions	2	-1 551.8	10.6	-1 562.4
Net result, other		-0.3	-2.8	+ 2.5
Gross income		27 040.7	-32 671.7	+ 59 712.4
Banknote expenses		-7.8	-7.8	-
Personnel expenses		-49.8	-47.2	-2.6
General overheads		-48.1	-44.1	-4.0
Depreciation on tangible assets		-9.0	-9.6	+0.6
Interim result		26 926.0	-32 780.4	+ 59 706.4

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

Ad hoc announcement pursuant to Art. 53 LR

Balance sheet as at 31 March 2023¹**Assets**

In CHF millions

	31.03.2023	31.12.2022	Change
Gold holdings	60 447.8	56 099.3	+ 4 348.5
Foreign currency investments ²	761 271.8	800 566.2	- 39 294.4
Reserve position in the IMF	2 182.9	2 136.6	+ 46.3
International payment instruments	11 239.8	11 380.7	- 140.9
Monetary assistance loans	873.6	877.5	- 3.9
Claims from US dollar repo transactions	91.3	-	+ 91.3
Claims from Swiss franc repo transactions	-	-	-
Swiss franc securities	3 619.3	3 564.8	+ 54.5
Secured loans and loans under emergency law ³	112 421.7	4 430.5	+ 107 991.2
Tangible assets	433.1	440.5	- 7.4
Participations	131.1	132.3	- 1.2
Other assets	1 885.1	1 748.5	+ 136.6
Total assets	954 597.8	881 376.8	+ 73 221.0

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

2 Includes, as at end-March 2023, cash received from repo transactions relating to the management of foreign currency investments amounting to CHF 18.3 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 are 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 are based on the Federal Council's emergency ordinance of 16 March 2023.

Ad hoc announcement pursuant to Art. 53 LR

Liabilities

In CHF millions

	31.03.2023	31.12.2022	Change
Banknotes in circulation	78 157.6	81 696.8	-3 539.2
Sight deposits of domestic banks	481 296.1	466 922.7	+ 14 373.4
Liabilities towards the Confederation	10 626.5	16 667.9	-6 041.4
Sight deposits of foreign banks and institutions	33 279.2	27 584.2	+ 5 695.0
Other sight liabilities	11 618.8	27 803.9	- 16 185.1
Liabilities from Swiss franc repo transactions	71 015.9	67 144.8	+ 3 871.1
SNB debt certificates	103 579.2	98 168.8	+ 5 410.4
Other term liabilities	91.8	-	+ 91.8
Foreign currency liabilities	59 355.4	16 739.7	+ 42 615.7
Counterpart of SDRs allocated by the IMF	10 883.6	10 919.1	- 35.5
Other liabilities	1 999.9	1 960.9	+ 39.0
Equity			
Provisions for currency reserves ^{1, 2}	95 679.1	95 679.1	-
Share capital	25.0	25.0	-
Distribution reserve ^{1, 3}	102 543.5	102 543.5	-
Annual result 2022	- 132 479.5	- 132 479.5	-
Interim result	26 926.0		+ 26 926.0
Total equity	92 694.0	65 768.0	+ 26 926.0
Total liabilities	954 597.8	881 376.8	+ 73 221.0

1 Before appropriation of profit (cf. Annual Report 2022, p. 176).

2 The allocation to the provisions for currency reserves is made as part of the profit appropriation (i.e. after the General Meeting of Shareholders on 28 April 2023). After the allocation for 2022, which will amount to CHF 9.6 billion, the provisions for currency reserves will increase to CHF 105.2 billion.

3 The distribution reserve only changes once a year, as part of the profit appropriation. After the profit appropriation for 2022, it will amount to CHF -39.5 billion.

Ad hoc announcement pursuant to Art. 53 LR

Condensed changes in equity

In CHF millions

	Q1 2023	Q1 2022
Equity at beginning of period¹	65 768.0	204 249.1
Distribution of dividends to shareholders ²	–	–
Profit distribution to Confederation and cantons ²	–	–
Interim result	26 926.0	–32 780.4
Equity at end of period	92 694.0	171 468.7

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 Any dividend and profit distributions take place in the second quarter. 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		
	31.03.2023 CHF	31.12.2022 CHF	Change In percent	31.03.2022 CHF	31.12.2021 CHF	Change In percent
1 EUR	0.9944	0.9860	+0.9	1.0239	1.0366	–1.2
1 USD	0.9129	0.9223	–1.0	0.9231	0.9137	+1.0
100 JPY	0.6863	0.6998	–1.9	0.7595	0.7939	–4.3
1 GBP	1.1311	1.1140	+1.5	1.2124	1.2351	–1.8
1 CAD	0.6746	0.6810	–0.9	0.7376	0.7202	+2.4
1 kilogram of gold	58 122.33	53 941.10	+7.8	57 550.03	53 548.29	+7.5

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 has been renamed 'secured loans and loans under emergency law'. Additional explanations can be found in the footnotes to the balance sheet.

The SNB interim results as at 31 March 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.

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Notes to the balance sheet and income statement

Item 1: Net result from foreign currency positions

Breakdown by origin in CHF millions

	Q1 2023	Q1 2022	Change
Foreign currency investments	24 229.3	-36 832.5	+61 061.8
Reserve position in the IMF	8.6	-7.1	+15.7
International payment instruments	2.0	1.2	+0.8
Monetary assistance loans	4.3	-2.9	+7.2
Total	24 244.2	-36 841.3	+61 085.5

Breakdown by type in CHF millions

	Q1 2023	Q1 2022	Change
Interest income	2 513.7	1 580.1	+933.6
Price gain/loss on interest-bearing paper and instruments	8 454.4	-25 138.8	+33 593.2
Interest expenses	-268.2	19.0	-287.2
Dividend income	871.4	808.5	+62.9
Price gain/loss on equity securities and instruments	14 703.4	-10 741.4	+25 444.8
Exchange rate gain/loss	-2 021.1	-3 356.6	+1 335.5
Asset management, safe custody and other fees	-9.4	-12.1	+2.7
Total	24 244.2	-36 841.3	+61 085.5

Ad hoc announcement pursuant to Art. 53 LR

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

	Q1 2023	Q1 2022	Change
Sight deposit account balances	-1 337.3	289.2	-1 626.5
Swiss franc securities	53.7	-259.7	+ 313.4
Liquidity-providing Swiss franc repo transactions	2.5	-1.3	+ 3.8
Liquidity-absorbing Swiss franc repo transactions	-162.4	-	-162.4
Secured loans and loans under emergency law	160.7	-17.0	+177.7
Liabilities towards the Confederation	-24.4	-	-24.4
SNB debt certificates	-242.6	-	-242.6
Other Swiss franc positions	-1.8	-0.6	-1.2
Total	-1 551.8	10.6	-1 562.4

Breakdown by type in CHF millions

	Q1 2023	Q1 2022	Change
Interest income	172.2	-9.9	+182.1
Price gain/loss on interest-bearing paper and instruments	49.2	-265.9	+315.1
Interest expenses	-1 768.6	288.6	-2 057.2
Trading, safe custody and other fees	-4.6	-2.2	-2.4
Total	-1 551.8	10.6	-1 562.4