

Communications

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Interim results of the Swiss National Bank as at 31 March 2022

The Swiss National Bank reports a loss of CHF 32.8 billion for the first quarter of 2022.

The loss on foreign currency positions amounted to CHF 36.8 billion. A valuation gain of CHF 4.2 billion was recorded on gold holdings. The profit on Swiss franc positions was CHF 10.6 million.

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.

Loss on foreign currency positions

The loss on foreign currency positions was CHF 36.8 billion.

Interest and dividend income amounted to CHF 1.6 billion and CHF 0.8 billion respectively. A price loss of CHF 25.1 billion was recorded on interest-bearing paper and instruments. In the case of equity securities and instruments, this loss came to CHF 10.7 billion. Exchange rate-related losses totalled CHF 3.4 billion.

Valuation gain on gold holdings

A valuation gain of CHF 4.2 billion was recorded on gold holdings, which remained unchanged in volume terms. Gold was trading at CHF 57,550 per kilogram at the end of March 2022 (end-2021: CHF 53,548).

Ad hoc announcement pursuant to Art. 53 LR

Profit on Swiss franc positions

The profit on Swiss franc positions totalled CHF 10.6 million. The negative interest charged on sight deposit account balances was countered in particular by price losses on interest-bearing paper and instruments.

Provisions for currency reserves

As at end-March 2022, the SNB recorded a loss of CHF 32.8 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 2022¹

In CHF millions

| | Item in Notes | Q1 2022 | Q1 2021 | Change |
|---|------------------|------------------|-----------------|------------------|
| Net result from gold | | 4 161.8 | -2 326.0 | +6 487.8 |
| Net result from foreign currency positions | 1 | -36 841.3 | 39 868.5 | -76 709.8 |
| Net result from Swiss franc positions | 2 | 10.6 | 266.8 | -256.2 |
| Net result, other | | -2.8 | 1.9 | -4.7 |
| Gross income | | -32 671.7 | 37 811.2 | -70 482.9 |
| Banknote expenses | | -7.8 | -9.3 | +1.5 |
| Personnel expenses | | -47.2 | -46.1 | -1.1 |
| General overheads | | -44.1 | -36.3 | -7.8 |
| Depreciation on tangible assets | | -9.6 | -9.1 | -0.5 |
| Interim result | | -32 780.4 | 37 710.4 | -70 490.8 |

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 2022¹**Assets**

In CHF millions

| | 31.03.2022 | 31.12.2021 | Change |
|---|--------------------|--------------------|------------------|
| Gold holdings | 59 852.6 | 55 690.7 | +4 161.9 |
| Foreign currency investments ² | 937 329.5 | 966 202.2 | -28 872.7 |
| Reserve position in the IMF | 2 130.9 | 2 000.8 | +130.1 |
| International payment instruments | 11 608.6 | 11 912.5 | -303.9 |
| Monetary assistance loans | 912.1 | 908.0 | +4.1 |
| Claims from US dollar repo transactions | - | 2 147.2 | -2 147.2 |
| Claims from Swiss franc repo transactions | 11 398.9 | 3 216.0 | +8 182.9 |
| Swiss franc securities | 3 788.4 | 4 031.7 | -243.3 |
| Secured loans | 8 671.8 | 9 202.4 | -530.6 |
| Tangible assets | 431.3 | 437.2 | -5.9 |
| Participations | 132.4 | 135.6 | -3.2 |
| Other assets | 1 614.2 | 891.9 | +722.3 |
| Total assets | 1 037 870.5 | 1 056 776.2 | -18 905.7 |

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

2 Includes, as at end-March 2022, cash received from repo transactions relating to the management of foreign currency investments amounting to CHF 23.0 billion (end-2021: CHF 20.9 billion). The associated liabilities are included in the balance sheet under foreign currency liabilities and result in a balance sheet expansion.

Ad hoc announcement pursuant to Art. 53 LR

Liabilities

In CHF millions

| | 31.03.2022 | 31.12.2021 | Change |
|--|--------------------|--------------------|-------------------|
| Banknotes in circulation | 90 436.3 | 90 685.3 | - 249.0 |
| Sight deposits of domestic banks | 664 675.6 | 651 091.0 | + 13 584.6 |
| Liabilities towards the Confederation | 14 497.5 | 12 617.1 | + 1 880.4 |
| Sight deposits of foreign banks and institutions | 21 238.9 | 28 156.2 | - 6 917.3 |
| Other sight liabilities | 40 154.9 | 35 297.9 | + 4 857.0 |
| Liabilities from Swiss franc repo transactions | - | - | - |
| SNB debt certificates | - | - | - |
| Other term liabilities | - | 2 173.8 | - 2 173.8 |
| Foreign currency liabilities | 23 036.5 | 20 888.5 | + 2 148.0 |
| Counterpart of SDRs allocated by the IMF | 11 278.7 | 11 325.1 | - 46.4 |
| Other liabilities | 1 083.4 | 292.4 | + 791.0 |
| Equity | | | |
| Provisions for currency reserves ^{1, 2} | 86 981.0 | 86 981.0 | - |
| Share capital | 25.0 | 25.0 | - |
| Distribution reserve ^{1, 3} | 90 943.1 | 90 943.1 | - |
| Annual result 2021 | 26 300.0 | 26 300.0 | - |
| Interim result | - 32 780.4 | | - 32 780.4 |
| Total equity | 171 468.7 | 204 249.1 | - 32 780.4 |
| Total liabilities | 1 037 870.5 | 1 056 776.2 | - 18 905.7 |

1 Before appropriation of profit (cf. Annual Report 2021, p. 174).

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 29 April 2022). For the 2021 financial year, it amounts to CHF 8.7 billion.

3 The distribution reserve only changes once a year, as part of the profit appropriation. After the profit appropriation for 2021, it will amount to CHF 102.5 billion.

Ad hoc announcement pursuant to Art. 53 LR

Condensed changes in equity

In CHF millions

| | Q1 2022 | Q1 2021 |
|---|------------------|------------------|
| Equity at beginning of period¹ | 204 249.1 | 183 950.6 |
| Distribution of dividends to shareholders ² | – | – |
| Profit distribution to Confederation and cantons ² | – | – |
| Interim result | –32 780.4 | 37 710.4 |
| Equity at end of period | 171 468.7 | 221 660.9 |

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 The payment of dividends and distribution of profits take place in the second quarter.

Valuation rates

| | Year under review | | | Previous year | | |
|-----------------------|-------------------|-------------------|----------------------|-------------------|-------------------|----------------------|
| | 31.03.2022 CHF | 31.12.2021 CHF | Change In percent | 31.03.2021 CHF | 31.12.2020 CHF | Change In percent |
| 1 EUR | 1.0239 | 1.0366 | – 1.2 | 1.1051 | 1.0803 | + 2.3 |
| 1 USD | 0.9231 | 0.9137 | + 1.0 | 0.9416 | 0.8806 | + 6.9 |
| 100 JPY | 0.7595 | 0.7939 | – 4.3 | 0.8503 | 0.8545 | – 0.5 |
| 1 GBP | 1.2124 | 1.2351 | – 1.8 | 1.2978 | 1.2027 | + 7.9 |
| 1 CAD | 0.7376 | 0.7202 | + 2.4 | 0.7489 | 0.6921 | + 8.2 |
| 1 kilogram of gold | 57 550.03 | 53 548.29 | + 7.5 | 51 365.95 | 53 602.51 | – 4.2 |

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 2021. 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 2021.

The SNB interim results as at 31 March 2022 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 2022 | Q1 2021 | Change |
|-----------------------------------|------------------|-----------------|------------------|
| Foreign currency investments | -36 832.6 | 39 742.4 | -76 575.0 |
| Reserve position in the IMF | -7.1 | 77.7 | -84.8 |
| International payment instruments | 1.2 | 6.4 | -5.2 |
| Monetary assistance loans | -2.9 | 42.0 | -44.9 |
| Total | -36 841.3 | 39 868.5 | -76 709.8 |

Breakdown by type in CHF millions

| | Q1 2022 | Q1 2021 | Change |
|---|------------------|-----------------|------------------|
| Interest income | 1 580.1 | 1 954.7 | -374.6 |
| Price gain/loss on interest-bearing paper and instruments | -25 138.8 | -12 544.7 | -12 594.1 |
| Interest expenses | 19.0 | 3.2 | +15.8 |
| Dividend income | 808.5 | 761.6 | +46.9 |
| Price gain/loss on equity securities and instruments | -10 741.4 | 9 789.2 | -20 530.6 |
| Exchange rate gain/loss | -3 356.6 | 39 916.7 | -43 273.3 |
| Asset management, safe custody and other fees | -12.1 | -12.3 | +0.2 |
| Total | -36 841.3 | 39 868.5 | -76 709.8 |

Ad hoc announcement pursuant to Art. 53 LR

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

| | Q1 2022 | Q1 2021 | Change |
|---|-------------|--------------|---------------|
| Negative interest on sight deposit account balances | 289.2 | 359.4 | -70.2 |
| Swiss franc securities | -259.7 | -70.7 | -189.0 |
| Liquidity-providing Swiss franc repo transactions | -1.3 | -0.7 | -0.6 |
| Liquidity-absorbing Swiss franc repo transactions | - | - | - |
| Secured loans | -17.0 | -21.0 | +4.0 |
| Liabilities towards the Confederation | - | - | - |
| SNB debt certificates | - | - | - |
| Other Swiss franc positions | -0.6 | -0.2 | -0.4 |
| Total | 10.6 | 266.8 | -256.2 |

Breakdown by type in CHF millions

| | Q1 2022 | Q1 2021 | Change |
|---|-------------|--------------|---------------|
| Negative interest on sight deposit account balances | 289.2 | 359.4 | -70.2 |
| Interest income | -9.9 | -12.5 | +2.6 |
| Price gain/loss on interest-bearing paper and instruments | -265.9 | -77.7 | -188.2 |
| Interest expenses | -0.6 | -0.2 | -0.4 |
| Trading, safe custody and other fees | -2.2 | -2.2 | 0.0 |
| Total | 10.6 | 266.8 | -256.2 |