

**Leveraging IT and Data Supporting Cash
Management & Forecasting
Presentation for Small Group Discussion
HUNGARY
András Réz**

**Joint Meeting of TCOP Cash Management and Forecasting & IT Working Groups
Bucharest, Romania. February 18, 2026**

1. Current Approach to Cash Flow Forecasting



- ❑ **Scope & coverage of cash flow forecasts: budget revenues and expenditures, other cash flows related the TSA and debt and cash management operations**
- ❑ **Main aggregates forecasted:**
 - *VAT, PIT, Receipts of Budgetary institutions and Chapters, Revenues from EU, Interest revenues, Other budgetary revenues, Social Security contributions;*
 - *Family allowances, Expenditures of Budgetary Institutions and Chapters, EU related expenditures, Interest payments, Other expenditures, Social Security expenditures;*
 - *Debt maturities, Bond and loan issuance, T-bill amounts outstanding, Retail debt issuance, Repo transactions, Conversions of FX deposits, advances*
- ❑ **Treasury prepares daily cash forecast for the next 3 months**
- ❑ **Forecast update daily for daily fact data and more general update twice a week when the Treasury sends the forecast to the debt agency. The 3 months forecast rolled over once a month.**

2. Data & Models Used for Cash Flow Forecasting



- ❑ **Data used for cash forecasting:** Coming from the responsible departments of the State Treasury, the Ministry for National Economy and the debt agency
- ❑ **Data sources:** Mostly data is in the data warehouse in case of other departments of the Treasury, and excel from the Ministry for National Economy and the debt agency
- ❑ **Where is data stored?** Mostly manual input to Excel, unstructured data
- ❑ **The data usually needs no cleaning or adjustment, only in rare cases**
- ❑ **Excel is used for cash forecasting**
- ❑ **At present no model is used for cash forecasting**

3. Future Plans & Challenges



- ❑ **Areas for improvement in cash forecasting and cash management**
 - Now Excel is used, need to develop models used for cash forecasting,
 - Automation and visualization needed to use available data more efficiently,
- ❑ **Plans for further automation of cash forecasting and cash management functions (including the use of advanced IT, such as AI)**
 - Started to develop forecasting by using models and automatization beyond Excel. SAS (Viya, Guide), Python
 - At present we study the methodology used by the MNB (Central Bank) and others (PEMPAL countries)
- ❑ **Key Challenges**
 - Using AI in forecast, managing large number of one-off transactions also past years and actual years in modelling forecast

THANK YOU!

