



EUROPEAN CENTRAL BANK  
EUROSYSTEM

## Press release

29 June 2022

# Monetary developments in the euro area: May 2022

- Annual growth rate of broad [monetary aggregate M3](#) decreased to 5.6% in May 2022 from 6.1% in April (revised from 6.0%)
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, decreased to 7.8% in May from 8.2% in April
- Annual growth rate of [adjusted loans to households](#) stood at 4.6% in May, unchanged from previous month
- Annual growth rate of [adjusted loans to non-financial corporations](#) increased to 5.8% in May from 5.2% in April

## Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 decreased to 5.6% in May 2022 from 6.1% in April, averaging 6.0% in the three months up to May. The [components of M3](#) showed the following developments. The annual growth rate of the narrower aggregate M1, which comprises currency in circulation and overnight deposits, decreased to 7.8% in May from 8.2% in April. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) stood at 0.3% in May, compared with 0.4% in April. The annual growth rate of marketable instruments (M3-M2) decreased to -2.3% in May from 1.3% in April.

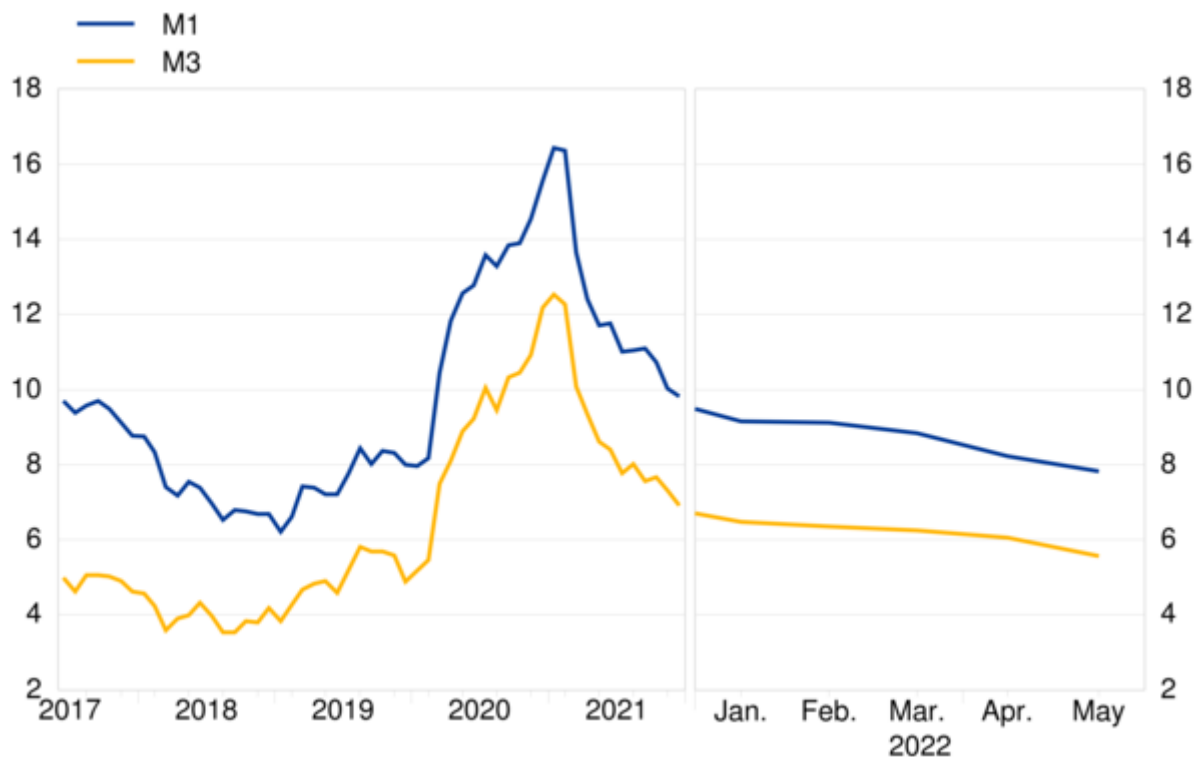
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## Chart 1 Monetary aggregates

(annual growth rates)



### [Data for monetary aggregates](#)

Looking at the [components' contributions to the annual growth rate of M3](#), the narrower aggregate M1 contributed 5.6 percentage points (down from 5.9 percentage points in April), short-term deposits other than overnight deposits (M2-M1) contributed 0.1 percentage point (as in the previous month) and marketable instruments (M3-M2) contributed -0.1 percentage point (down from 0.1 percentage point).

From the perspective of the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households stood at 4.4% in May, unchanged from the previous month, while the annual growth rate of deposits placed by non-financial corporations decreased to 6.4% in May from 6.9% in April. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to 10.8% in May from 12.3% in April.

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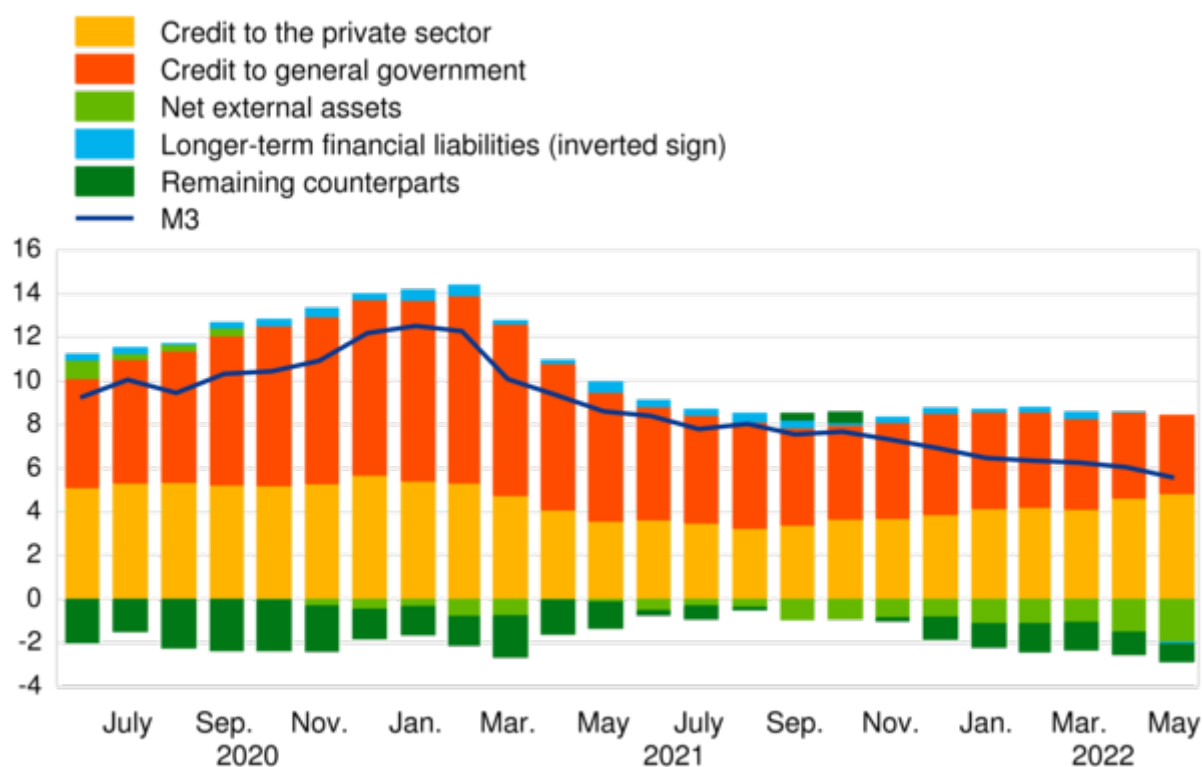
## Counterparts of the broad monetary aggregate M3

As a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), the annual growth rate of M3 in May 2022 can be broken down as follows: credit to the private sector contributed 4.8 percentage points (up from 4.6 percentage points in April), credit to general government contributed 3.6 percentage points (down from 3.9 percentage points), longer-term financial liabilities contributed -0.1 percentage point (down from 0.0 percentage point), net external assets contributed -2.0 percentage points (down from -1.5 percentage points), and the remaining counterparts of M3 contributed -0.8 percentage point (up from -1.0 percentage points).

### Chart 2

Contribution of the M3 counterparts to the annual growth rate of M3

(percentage points)



[Data for contribution of the M3 counterparts to the annual growth rate of M3](#)

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## Credit to euro area residents

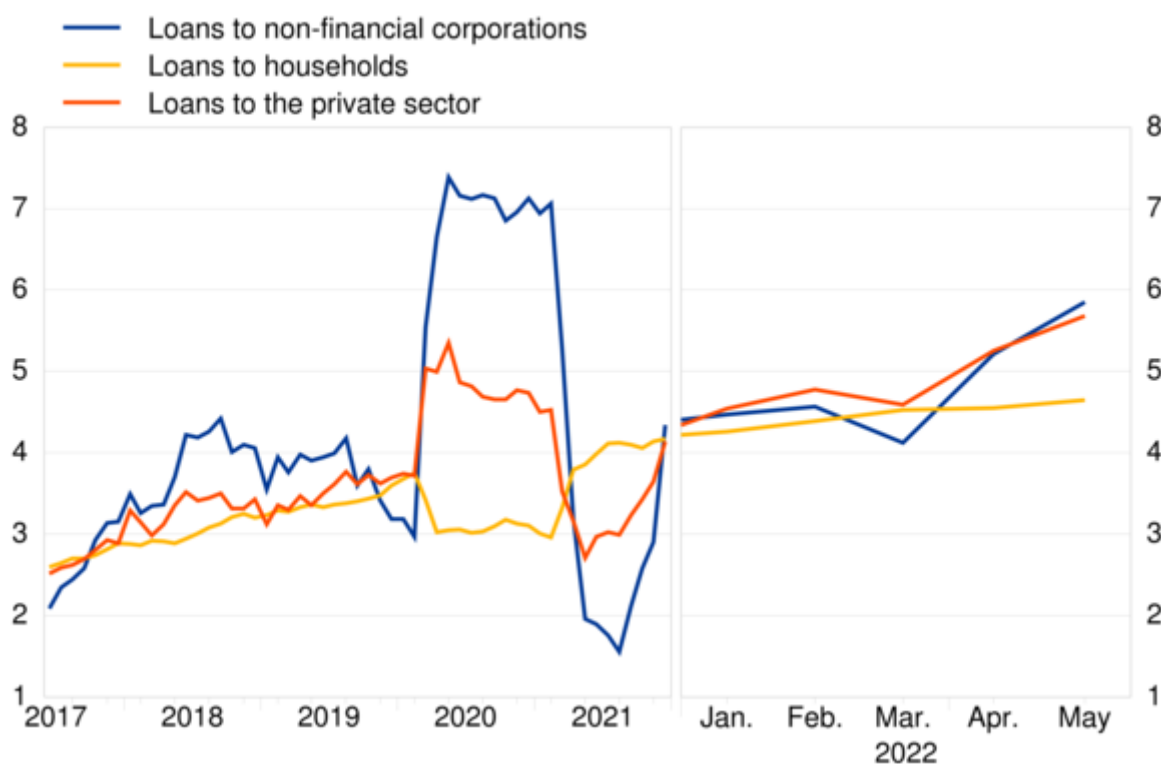
As regards the dynamics of credit, the annual growth rate of total [credit to euro area residents](#) stood at 6.1% in May 2022, compared with 6.2% in the previous month. The annual growth rate of [credit to general government](#) decreased to 8.7% in May from 9.6% in April, while the annual growth rate of [credit to the private sector](#) increased to 5.0% in May from 4.7% in April.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan sales, securitisation and notional cash pooling) increased to 5.7% in May from 5.3% in April. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) stood at 4.6% in May, unchanged from the previous month, while the annual growth rate of [adjusted loans to non-financial corporations](#) increased to 5.8% in May from 5.2% in April.

### Chart 3

#### Adjusted loans to the private sector

(annual growth rates)



[Data for adjusted loans to the private sector](#)

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## Notes:

- New reporting requirements under [Regulation \(EU\) 2021/379 of the European Central Bank of 22 January 2021 on the balance sheet items of credit institutions and of the monetary financial institutions sector \(ECB/2021/2\)](#) came into force with effect from the January 2022 reference period. The implementation of the new Regulation, together with other changes to the statistical reporting framework and practices in euro area countries, may result in revisions to preliminary data in subsequent press releases.
- Data in this press release are adjusted for seasonal and end-of-month calendar effects, unless stated otherwise.
- "Private sector" refers to euro area non-MFIs excluding general government.
- Hyperlinks in the main body of the press release and in annex tables lead to data that may change with subsequent releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

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## 1 Monetary developments in the euro area: May 2022

(EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	End-of-month level	Monthly flow			Annual growth rate		
	May 2022	Mar 2022	Apr 2022	May 2022	Mar 2022	Apr 2022	May 2022
<b>COMPONENTS OF M3</b>							
<b>1. M3</b>	<b>15732</b>	<b>62</b>	<b>35</b>	<b>11</b>	<b>6.2</b>	<b>6.1</b>	<b>5.6</b>
1.1. M2	14986	58	22	32	6.6	6.3	6.0
1.1.1. M1	11526	55	10	42	8.8	8.2	7.8
Currency in circulation	1529	31	-1	4	9.6	8.8	8.4
Overnight deposits	9997	24	10	38	8.7	8.1	7.7
1.1.2. Other short-term deposits (M2 - M1)	3461	4	12	-10	-0.3	0.4	0.3
Deposits with an agreed maturity of up to two years	938	5	13	-14	-6.0	-2.8	-3.4
Deposits redeemable at notice of up to three months	2522	-1	-1	4	2.0	1.7	1.7
1.2. Marketable instruments (M3 - M2)	746	4	14	-21	0.1	1.3	-2.3
Repurchase agreements	124	-8	-9	9	9.4	1.3	10.5
Money market fund shares	601	4	7	-2	-3.6	-1.8	-2.2
Debt securities issued with a maturity of up to two years	21	8	15	-28	76.9	71.6	-44.1
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
<b>2. Holdings against central government <sup>b)</sup></b>	<b>726</b>	<b>8</b>	<b>28</b>	<b>-42</b>	<b>5.7</b>	<b>7.4</b>	<b>4.6</b>
<b>3. Longer-term financial liabilities vis-a-vis other euro area residents</b>	<b>6806</b>	<b>-16</b>	<b>27</b>	<b>-7</b>	<b>-0.7</b>	<b>0.0</b>	<b>0.2</b>
3.1. Deposits with an agreed maturity of over two years	1846	2	-5	2	-3.8	-3.1	-2.9
3.2. Deposits redeemable at notice of over three months	32	-1	0	-3	-13.1	-13.3	-20.8
3.3. Debt securities issued with a maturity of over two years	1987	-31	2	-19	-2.0	-1.7	-1.7
3.4. Capital and reserves	2941	13	31	14	2.4	3.2	3.8
<b>MFI assets:</b>							
<b>4. Credit to euro area residents</b>	<b>21626</b>	<b>109</b>	<b>84</b>	<b>84</b>	<b>5.9</b>	<b>6.2</b>	<b>6.1</b>
4.1. Credit to general government	6492	29	16	6	10.1	9.6	8.7
Loans	1000	6	2	-5	0.8	0.4	-0.3
Debt securities	5467	23	14	10	11.9	11.4	10.4
Equity <sup>c)</sup>	25	0	1	0	53.4	35.7	31.0
4.2. Credit to the private sector <sup>d)</sup>	15135	79	68	79	4.2	4.7	5.0
Loans <sup>e)</sup>	12704	55	63	83	4.3	4.9	5.3
Adjusted loans <sup>f)</sup>	12846	41	80	79	4.6	5.3	5.7
Debt securities	1580	36	10	-18	6.6	7.5	6.4
Equity and non-money market fund investment fund shares	851	-12	-5	14	-1.7	-1.7	-1.0
<b>5. Net external assets</b>	<b>1234</b>	<b>-13</b>	<b>-34</b>	<b>-80</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>6. Other counterparts of M3 (residual)</b>	<b>403</b>	<b>-41</b>	<b>40</b>	<b>-42</b>	<b>-</b>	<b>-</b>	<b>-</b>
of which:							
6.1. Repos with central counterparties (liabilities) <sup>c)</sup>	181	-13	28	0	20.1	35.9	35.2
6.2. Reverse repos to central counterparties (assets) <sup>c)</sup>	175	5	7	4	31.9	36.7	40.1

a) Figures may not add up due to rounding. The information in this table is based on consolidated balance sheet statistics reported by monetary financial institutions (MFIs). These include the Eurosystem, credit institutions and money market funds located in the euro area.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

M3 comprises liabilities of MFIs and specific units of central government (post offices, treasury) vis-à-vis non-MFI euro area residents excluding central government.

b) Includes holdings of the central government of deposits with the MFI sector and of securities issued by the MFI sector.

c) The series is not adjusted for seasonal effects.

d) Private sector refers to euro area non-MFIs excluding general government.

e) For further breakdowns see Table 4.

f) Adjusted for loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

## 2 Contributions to the M3 annual growth rate: May 2022

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects <sup>a)</sup>)

	Mar 2022	Apr 2022	May 2022
<b>COMPONENTS OF M3</b>			
1. M1	6.3	5.9	5.6
1.1. Currency in circulation	0.9	0.8	0.8
1.2. Overnight deposits	5.4	5.1	4.8
2. M2 - M1 (other short-term deposits)	-0.1	0.1	0.1
3. M3 - M2 (marketable instruments)	0.0	0.1	-0.1
<b>COUNTERPARTS OF M3</b>			
4. Credit to the private sector	4.1	4.6	4.8
5. Credit to general government	4.1	3.9	3.6
6. Net external assets	-1.1	-1.5	-2.0
7. Longer-term financial liabilities (inverted sign) <sup>b)</sup>	0.3	0.0	-0.1
8. Remaining counterparts	-1.3	-1.0	-0.8
<b>M3 (sum of items 1 to 3, or items 4 to 8)</b>	<b>6.2</b>	<b>6.1</b>	<b>5.6</b>

a) Figures may not add up due to rounding.

b) Longer-term financial liabilities vis-a-vis euro area residents excluding central government.

### 3 Breakdown of deposits in M3 by holding sector and type: May 2022 (EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	End-of-month level	Monthly flow			Annual growth rate		
	May 2022	Mar 2022	Apr 2022	May 2022	Mar 2022	Apr 2022	May 2022
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits</b>	<b>13582</b>	<b>19</b>	<b>13</b>	<b>37</b>	<b>6.3</b>	<b>6.0</b>	<b>5.8</b>
<b>1. Deposits placed by households <sup>b)</sup></b>	<b>8231</b>	<b>19</b>	<b>10</b>	<b>31</b>	<b>4.6</b>	<b>4.4</b>	<b>4.4</b>
1.1. Overnight deposits	5523	22	13	29	7.1	6.9	6.7
1.2. Deposits with an agreed maturity of up to two years	354	-3	-2	-2	-14.3	-13.8	-13.2
1.3. Deposits redeemable at notice of up to three months	2354	0	-1	5	2.6	2.2	2.3
1.4. Repurchase agreements	1	0	0	0	27.6	8.1	-13.6
<b>2. Deposits placed by non-financial corporations</b>	<b>3275</b>	<b>-4</b>	<b>0</b>	<b>0</b>	<b>6.8</b>	<b>6.9</b>	<b>6.4</b>
2.1. Overnight deposits	2846	-7	-7	7	8.6	8.3	7.9
2.2. Deposits with an agreed maturity of up to two years	288	2	8	-9	-5.1	-0.8	-3.8
2.3. Deposits redeemable at notice of up to three months	130	1	0	1	-4.2	-4.1	-2.5
2.4. Repurchase agreements	10	-1	-2	1	40.4	22.0	40.5
<b>3. Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds <sup>c)</sup></b>	<b>1278</b>	<b>-3</b>	<b>0</b>	<b>-1</b>	<b>13.4</b>	<b>12.3</b>	<b>10.8</b>
3.1. Overnight deposits	1011	10	0	4	18.6	15.3	13.7
3.2. Deposits with an agreed maturity of up to two years	155	-5	2	-8	-7.1	-0.6	-5.5
3.3. Deposits redeemable at notice of up to three months	17	-1	1	-1	-13.4	-7.9	-16.5
3.4. Repurchase agreements <sup>c)</sup>	95	-6	-2	5	9.4	11.6	19.7
<b>4. Deposits placed by insurance corporations and pension funds</b>	<b>230</b>	<b>-3</b>	<b>-7</b>	<b>6</b>	<b>5.7</b>	<b>-1.1</b>	<b>-0.2</b>
<b>5. Deposits placed by other general government</b>	<b>567</b>	<b>10</b>	<b>10</b>	<b>1</b>	<b>12.7</b>	<b>14.3</b>	<b>14.8</b>

a) Figures may not add up due to rounding. The information in this table is based on consolidated balance sheet statistics reported by monetary financial institutions (MFIs). These include the Eurosystem, credit institutions and money market funds located in the euro area.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

b) Includes deposits by non-profit institutions serving households.

c) Excludes repurchase agreements with central counterparties.



#### 4 Breakdown of private sector loans by borrowing sector, type and original maturity: May 2022 (EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	End-of-month level	Monthly flow			Annual growth rate		
	May 2022	Mar 2022	Apr 2022	May 2022	Mar 2022	Apr 2022	May 2022
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3</b>							
<b>1. Loans to households <sup>b)</sup></b>	<b>6521</b>	<b>28</b>	<b>21</b>	<b>32</b>	<b>4.5</b>	<b>4.4</b>	<b>4.5</b>
<i>Adjusted loans <sup>c)</sup></i>	<b>6724</b>	<b>29</b>	<b>25</b>	<b>30</b>	<b>4.5</b>	<b>4.6</b>	<b>4.6</b>
1.1. Credit for consumption	705	0	2	4	2.6	3.0	3.5
1.2. Lending for house purchase	5109	27	19	27	5.4	5.3	5.3
1.3. Other lending	707	1	0	0	-0.2	-0.2	-0.2
<i>of which: sole proprietors</i>	376	1	0	0	-0.7	-0.5	-0.7
<b>2. Loans to non-financial corporations</b>	<b>4973</b>	<b>26</b>	<b>23</b>	<b>30</b>	<b>3.5</b>	<b>4.5</b>	<b>5.0</b>
<i>Adjusted loans <sup>c)</sup></i>	<b>4943</b>	<b>28</b>	<b>24</b>	<b>26</b>	<b>4.1</b>	<b>5.2</b>	<b>5.8</b>
2.1. up to 1 year	933	10	11	11	2.4	5.7	7.0
2.2. over 1 year and up to 5 years	1015	4	7	4	-0.8	1.8	4.5
2.3. over 5 years	3024	12	4	14	5.4	5.1	4.6
<b>3. Loans to non-monetary financial corporations except insurance corporations and pension funds <sup>d)</sup></b>	<b>1050</b>	<b>18</b>	<b>12</b>	<b>22</b>	<b>8.4</b>	<b>10.0</b>	<b>12.3</b>
<i>Adjusted loans <sup>c)</sup></i>	<b>1029</b>	<b>-5</b>	<b>26</b>	<b>23</b>	<b>8.4</b>	<b>10.3</b>	<b>12.5</b>
<b>4. Loans to insurance corporations and pension funds</b>	<b>160</b>	<b>-17</b>	<b>8</b>	<b>0</b>	<b>-1.1</b>	<b>3.7</b>	<b>0.4</b>
<i>Adjusted loans <sup>c)</sup></i>	<b>150</b>	<b>-10</b>	<b>6</b>	<b>0</b>	<b>-1.4</b>	<b>5.6</b>	<b>2.6</b>

a) Figures may not add up due to rounding.

Monthly flows refer to differences in levels adjusted for write-offs/write-downs, reclassifications, exchange rate variations and any other changes which do not arise from transactions. Data refer to loans granted by monetary financial institutions (MFIs) to non-MFI euro area residents excluding general government.

b) Includes loans to non-profit institutions serving households.

c) Adjusted for loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

d) Excludes reverse repos to central counterparties.