



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

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## Monetary developments in the euro area: January 2015

The annual growth rate of the broad monetary aggregate M3 increased to 4.1% in January 2015, from 3.8% in December 2014.<sup>1</sup> The three-month average of the annual growth rates of M3 in the period from November 2014 to January 2015 increased to 3.6%, from 3.1% in the period from October 2014 to December 2014.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015	NOVEMBER 2014 - JANUARY 2015 (AVERAGE)
<b>M3</b>	3.1	3.8	4.1	3.6
<b>M1</b>	6.9	7.9	9.0	7.9
<b>Loans to the private sector</b>	-0.9	-0.5	-0.1	-0.5
<b>Loans to the private sector, adjusted for sales and securitisation</b>	-0.2	0.2	0.5	0.2

### M3 components

Regarding the main components of M3, the annual growth rate of M1 increased to 9.0% in January 2015, from 7.9% in December. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -3.1% in January, from -2.4% in the previous month. The annual growth rate of marketable instruments (M3-M2) decreased to 4.6% in January, from 5.5% in December. Among the deposits included in M3, the annual growth rate of deposits placed by households stood at 2.5% in January, compared with 2.6% in the previous month, while the annual growth rate of deposits placed by non-financial corporations increased

<sup>1</sup> The annual growth rates presented in this press release refer to aggregates adjusted for seasonal and end-of-month calendar effects.

to 4.7% in January, from 4.0% in the previous month. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 6.1% in January, from 5.4% in the previous month.

### **Counterparts to M3: credit and loans**

Turning to the main counterparts of M3 on the asset side of the consolidated balance sheet of monetary financial institutions (MFIs), the annual growth rate of total credit granted to euro area residents increased to 0.1% in January 2015, from -0.1% in the previous month. The annual growth rate of credit extended to general government increased to 2.1% in January, from 1.9% in December, while the annual growth rate of credit extended to the private sector was less negative at -0.5% in January, from -0.7% in the previous month. Among the components of credit to the private sector, the annual growth rate of loans was less negative at -0.1% in January, from -0.5% in the previous month (adjusted for loan sales and securitisation<sup>2</sup>, the rate increased to 0.5%, from 0.2% in the previous month). The annual growth rate of loans to households stood at -0.2% in January, compared with -0.3% in December (adjusted for loan sales and securitisation, the rate stood at 0.9%, compared with 0.8% in the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, stood at 0.0% in January, compared with -0.1% in the previous month. The annual growth rate of loans to non-financial corporations was less negative at -1.2% in January, from -1.4% in the previous month (adjusted for loan sales and securitisation, the rate was less negative at -0.9% in January, from -1.1% in the previous month). Finally, the annual growth rate of loans to non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 3.0% in January, from 1.1% in the previous month.

### **Other counterparts**

Over the 12 months up to January 2015, the net external asset position of the euro area MFI sector increased by €215 billion, compared with an increase of €231 billion over the 12 months up to December. The annual growth rate of longer-term financial liabilities of the MFI sector was more negative at -2.6% in January, from -2.3% in December.

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<sup>2</sup> Adjusted for the derecognition of loans from the MFIs' statistical balance sheets due to their sale or securitisation.

## Notes

- *Euro area-wide reporting under Regulation ECB/2013/33 of 24 September 2013 concerning the balance sheet of the monetary financial institutions sector, together with other changes to the statistical reporting framework and practices in several euro area countries, started with effect from the December 2014 reference period. This Regulation implements the European System of Accounts 2010 (ESA 2010) for MFI balance sheet statistics.*
- *Further predefined tables, statistical data and methodological notes, as well as the advance release calendar, are available on the ECB's website at <http://www.ecb.europa.eu/stats/money/aggregates/aggr/html/index.en.html>.*
- *A set of tables showing euro area monetary developments and MFI balance sheets for the euro area and euro area countries, together with a user-friendly facility for downloading data, is available in the ECB's Statistical Data Warehouse at <http://sdw.ecb.europa.eu/reports.do?node=1000003503>.*
- *Data refer to the changing composition of the euro area, i.e. they cover the EU Member States that had adopted the euro at the time to which the statistics relate. Data on outstanding amounts include Lithuania as of January 2015.*

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# I Monetary developments in the euro area: JANUARY 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015
<b>COMPONENTS OF M3 <sup>c)</sup></b>							
<b>(1) M3</b> (= items 1.3, 1.6 and 1.11)	10438	75	14	73	3.1	3.8	4.1
(1.1) Currency in circulation	985	7	11	16	5.9	6.4	7.7
(1.2) Overnight deposits	5058	64	13	84	7.1	8.2	9.2
<b>(1.3) M1</b> (items 1.1 and 1.2)	6042	71	24	100	6.9	7.9	9.0
(1.4) Deposits with an agreed maturity of up to two years	1579	-6	-17	-34	-4.5	-5.7	-6.8
(1.5) Deposits redeemable at notice of up to three months	2122	6	-10	-7	0.4	0.2	-0.1
(1.6) Other short term deposits (items 1.4 and 1.5)	3701	0	-28	-41	-1.8	-2.4	-3.1
<b>(1.7) M2</b> (items 1.3 and 1.6)	9743	71	-4	59	3.3	3.6	4.0
(1.8) Repurchase agreements	120	-2	-6	-2	6.8	0.6	-3.9
(1.9) Money market fund shares	439	2	-4	7	2.6	1.6	0.1
(1.10) Debt securities issued with a maturity of up to two years	136	4	28	10	-16.1	37.5	44.3
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	695	5	17	14	0.2	5.5	4.6
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
<b>(2) Holdings against central government <sup>d)</sup></b>	305	2	4	39	-1.7	-1.3	23.4
<b>(3) Longer-term financial liabilities vis-a-vis other euro area residents</b> (= items 3.1 to 3.4)	7290	-20	-51	-27	-1.9	-2.3	-2.6
(3.1) Deposits with an agreed maturity of over two years	2238	-6	-7	-19	-5.5	-5.1	-5.7
(3.2) Deposits redeemable at notice of over three months	93	-1	2	0	-1.1	2.0	2.4
(3.3) Debt securities issued with a maturity of over two years	2403	-14	-34	-13	-4.8	-6.1	-5.9
(3.4) Capital and reserves	2557	1	-13	6	4.8	4.3	3.8
<b>MFI assets:</b>							
<b>(4) Credit to euro area residents</b> (= items 4.1 and 4.2)	16303	-9	59	49	-0.9	-0.1	0.1
(4.1) Credit to general government	3649	5	16	33	0.8	1.9	2.1
Loans	1150	11	8	14	0.6	1.5	1.6
Debt securities	2499	-7	9	19	0.9	2.1	2.4
(4.2) Credit to other euro area residents	12655	-14	42	16	-1.4	-0.7	-0.5
Loans <sup>e)</sup>	10585	3	24	23	-0.9	-0.5	-0.1
loans adjusted for sales and securitisation <sup>f)</sup>	ND	10	24	24	-0.2	0.2	0.5
Debt securities	1294	-11	0	4	-7.2	-5.2	-5.0
Equity and non-money market fund investment fund shares	776	-6	18	-10	2.5	4.4	3.2
<b>(5) Net external assets</b>	1508	48	-30	6	ND	ND	ND
<b>(6) Other counterparts of M3 (residual)</b> (= M3 + items 2, 3 - items 4, 5)	222	19	-62	31	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) <sup>g)</sup>	203	1	0	18	-4.4	0.4	22.1
(6.2) Reverse repos to central counterparties (assets)(-) <sup>g)</sup>	131	10	9	-8	-6.6	14.5	26.4

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.

b) Monthly difference in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

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

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

e) For further breakdowns see Table 4.

f) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

g) The series is not adjusted for seasonal effects.

## 2 Breakdown of deposits in M3 by holding sector and type: JANUARY 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits</b> (= items 1, 2, 3, 4 and 5)	8879	62	-21	40	3.1	3.3	3.5
<b>(1) Deposits placed by households</b> <sup>c)</sup>	5568	21	7	-4	2.4	2.6	2.5
(1.1) Overnight deposits	2788	31	25	25	7.5	8.3	8.6
(1.2) Deposits with an agreed maturity of up to two years	795	-9	-15	-21	-7.1	-7.5	-9.2
(1.3) Deposits redeemable at notice of up to three months	1980	-1	-1	-9	0.2	-0.1	-0.2
(1.4) Repurchase agreements	4	0	-2	2	-14.7	-37.2	-8.7
<b>(2) Deposits placed by non-financial corporations</b> <sup>d)</sup>	1854	26	-20	24	5.2	4.0	4.7
(2.1) Overnight deposits	1380	23	-20	36	8.8	7.5	9.8
(2.2) Deposits with an agreed maturity of up to two years	367	3	-3	-4	-5.3	-6.3	-8.0
(2.3) Deposits redeemable at notice of up to three months	97	0	-3	0	3.3	1.2	1.5
(2.4) Repurchase agreements	11	0	6	-8	17.4	14.5	-34.7
<b>(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds</b> <sup>d), e)</sup>	884	12	10	-7	3.5	5.4	6.1
(3.1) Overnight deposits	560	9	16	10	4.4	9.8	12.4
(3.2) Deposits with an agreed maturity of up to two years	228	-3	5	-16	3.8	-0.7	-1.8
(3.3) Deposits redeemable at notice of up to three months	18	6	-4	-1	-3.6	9.5	-9.6
(3.4) Repurchase agreements <sup>e)</sup>	78	0	-7	-1	0.2	-3.4	-4.8
<b>(4) Deposits placed by insurance corporations and pension funds</b>	227	0	-12	9	4.0	3.0	0.2
<b>(5) Deposits placed by other general government</b>	345	2	-6	18	1.1	5.9	9.2

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.

b) Monthly difference in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

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

d) In accordance with the ESA 2010, in December 2014 holding companies of non-financial groups were reclassified from the non-financial corporations sector to the financial corporations sector. These entities are included in MFI balance sheet statistics with financial corporations other than MFIs and insurance corporations and pension funds (ICPFs).

e) Excludes repurchase agreements with central counterparties.

### 3 Contributions of M3 components to the M3 annual growth rate: JANUARY 2015

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

	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015
<b>(1) M1</b>	3.8	4.4	4.9
(1.1) <i>of which: Currency</i>	0.5	0.6	0.7
(1.2) <i>of which: Overnight deposits</i>	3.3	3.8	4.2
<b>(2) M2 - M1 (= other short-term deposits)</b>	-0.7	-0.9	-1.2
<b>(3) M3 - M2 (= short term marketable instruments)</b>	0.0	0.3	0.3
<b>(4) M3 (= items 1, 2 and 3)</b>	3.1	3.8	4.1

a) Figures may not add up due to rounding.

### 4 Breakdown of loans as counterpart to M3 by borrowing sector, type and original maturity: JANUARY 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015	NOVEMBER 2014	DECEMBER 2014	JANUARY 2015
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3<sup>c)</sup></b>							
<b>(1) Loans to households<sup>d)</sup></b>	5223	-1	3	4	-0.4	-0.3	-0.2
<i>loans adjusted for sales and securitisation<sup>e)</sup></i>	ND	5	3	5	0.7	0.8	0.9
(1.1) Credit for consumption	566	-1	-5	0	0.1	-0.9	-0.9
(1.2) Lending for house purchase	3876	0	6	4	-0.3	-0.1	0.0
(1.3) Other lending	780	0	2	0	-1.3	-0.8	-0.6
<i>of which: sole proprietors<sup>f)</sup></i>	396	0	-1	-1	-1.3	-1.2	-1.1
<b>(2) Loans to non-financial corporations<sup>g)</sup></b>	4300	-4	10	-4	-1.7	-1.4	-1.2
<i>loans adjusted for sales and securitisation<sup>e)</sup></i>	ND	-3	10	-4	-1.4	-1.1	-0.9
(2.1) up to 1 year	1087	-13	8	-4	-1.5	-1.2	-1.0
(2.2) over 1 year and up to 5 years	737	11	-2	5	-1.8	0.1	1.1
(2.3) over 5 years	2476	-2	4	-4	-1.7	-1.9	-2.0
<b>(3) Loans to non-monetary financial corporations except insurance corporations and pension funds<sup>g), h)</sup></b>	924	3	9	12	-1.0	1.1	3.0
<b>(4) Loans to insurance corporations and pension funds</b>	139	5	3	11	8.0	11.8	19.4

a) Figures may not add up due to rounding.

b) Monthly difference in levels adjusted for write-offs/write-downs, reclassifications, exchange rate variations and any other changes which do not arise from transactions.

c) Loans granted by monetary financial institutions (MFIs) to non-MFI euro area residents excluding general government.

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

e) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

f) The series is not adjusted for seasonal effects.

g) In accordance with the ESA 2010, in December 2014 holding companies of non-financial groups were reclassified from the non-financial corporations sector to the financial corporations sector. These entities are included in MFI balance sheet statistics with financial corporations other than MFIs and insurance corporations and pension funds (ICPFs).

h) Excludes reverse repos to central counterparties.