

30 December 2009

PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: NOVEMBER 2009

The annual rate of change of M3 decreased to -0.2% in November 2009, from 0.3% in October 2009.¹ The three-month average of the annual growth rates of M3 over the period September 2009 - November 2009 decreased to 0.6%, from 1.6% in the period August 2009 - October 2009.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009	SEPTEMBER 2009 - NOVEMBER 2009 AVERAGE
M3	1.8	0.3	-0.2	0.6
M1	12.8	11.8	12.6	12.4
Loans to private sector	-0.3	-0.8	-0.7	-0.6

Regarding the main components of M3, the annual rate of growth of M1 increased to 12.6% in November 2009, from 11.8% in October. The annual rate of change of short-term deposits other than overnight deposits decreased to -8.6% in November, from -7.2% in the previous month. The annual rate of change of marketable instruments decreased to -12.9% in November, from -11.8% in October.

Turning to the main counterparts of M3 on the asset side of the consolidated balance sheet of the MFI sector, the annual growth rate of total credit granted to euro area residents decreased to 2.5% in November 2009, from 2.9% in the previous month. The annual rate of growth of credit extended to general government decreased to 13.3% in November, from 15.2% in October, while the annual growth of credit extended to the private sector stood at 0.4% in November, compared with 0.5% in the previous month. Among the components of the latter, the annual rate of change of loans to the private sector was -0.7% in November, after -0.8% in the previous month (adjusted for loan sales and securitisation² the annual growth rate of loans to the private sector decreased to 0.1%, from 0.3% in the previous month). The annual rate of change of loans to non-financial corporations decreased to -1.9% in November, from -1.2% in October. The annual growth rate of loans to households increased to 0.5% in November, from -0.1% in the previous month. The annual rate of growth of lending for house purchase increased to 0.3% in November, from -0.2% in the previous month. The

¹ These rates of growth refer to aggregates adjusted for seasonal and end-of-month calendar effects.

² Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation. The annual growth rate of loans adjusted for sales and securitisation is available at:

<http://sdw.ecb.int/browse.do?node=SEARCHRESULTS&q=BSI.M.U2.Y.U.A26.A.I.U2.2200.Z01.A&sk=117.BSI.M.U2.Y.U.A26.A.I.U2.2200.Z01.A>

annual rate of change of consumer credit increased to -1.0% in November, from -1.3% in October, while the annual growth rate of other lending to households increased to 2.5% in November, from 1.6% in the previous month. Finally, the annual rate of growth of loans to non-monetary financial intermediaries (except insurance corporations and pension funds) increased to 0.3% in November, from -1.4% in the previous month.

Over the 12 months up to November 2009, the net external asset position of the euro area MFI sector increased by EUR 58 billion, compared with an increase of EUR 62 billion over the 12 months up to October. The annual rate of growth of longer-term financial liabilities of the MFI sector increased to 6.9% in November, from 6.5% in October.

Notes

- *In addition to the monthly monetary developments for the reference month, this press release incorporates minor revisions to the data for previous months.*
- *The latest data on monetary aggregates and counterparts contained in the statistical annex to this press release can be downloaded from the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=bbn1863>). These data, as well as monthly and other shorter-term growth rates for selected items, longer time series for principal monetary aggregates (with a start date of January 1970) and methodological notes on the concepts underlying the monetary statistics and the related seasonal adjustment procedures, are also available on the ECB's website (<http://www.ecb.europa.eu/stats/money/aggregates/aggr/html/index.en.html>).*
- *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 Greece as of January 2001, Slovenia as of January 2007, Cyprus and Malta as of January 2008 and Slovakia as of January 2009.*
- *The publication of the statistics on monetary developments in December 2009, January and February 2010 is scheduled to take place at 10 am on 29 January 2010, 25 February 2010 and 25 March 2010 respectively.*

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TABLE 1

MONETARY DEVELOPMENTS IN THE EURO AREA: NOVEMBER 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	OCTOBER 2009			NOVEMBER 2009			AVERAGE SEP-09 NOV-09
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9399	-15	0.3	9340	-59	-0.2	0.6
(1.1) Currency in circulation	745	-2	6.5	754	8	6.8	8.6
(1.2) Overnight deposits	3739	84	12.9	3708	-30	13.8	13.2
(1.3) M1 (items 1.1 and 1.2)	4484	82	11.8	4462	-21	12.6	12.4
(1.4) Deposits with agreed maturity up to 2 years	1946	-78	-21.6	1918	-27	-23.8	-21.1
(1.5) Deposits redeemable at notice up to 3 months	1784	25	16.2	1793	9	16.3	15.8
(1.6) Other short term deposits (items 1.4 and 1.5)	3731	-53	-7.2	3712	-18	-8.6	-7.0
(1.7) M2 (items 1.3 and 1.6)	8215	29	2.3	8174	-40	1.9	2.6
(1.8) Repurchase agreements	301	-26	-11.8	310	10	-6.3	-7.0
(1.9) Money market fund shares/units	745	-5	2.7	727	-20	-1.0	1.6
(1.10) Debt securities issued with maturity up to 2 years	139	-12	-50.3	129	-9	-53.0	-50.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1185	-44	-11.8	1166	-19	-12.9	-11.2
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	322	38	27.8	297	-26	-4.4	27.6
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6639	3	6.5	6728	60	6.9	6.3
(3.1) Deposits with agreed maturity over 2 years	2161	0	9.6	2188	15	10.2	9.7
(3.2) Deposits redeemable at notice over 3 months	135	1	14.3	134	-1	11.4	13.5
(3.3) Debt securities issued with maturity over 2 years	2613	-5	3.4	2626	18	4.1	2.7
(3.4) Capital and reserves	1729	7	7.3	1780	29	6.9	7.5
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15931	-12	2.9	15946	11	2.5	2.8
(4.1) Credit to general government	2896	27	15.2	2882	-13	13.3	14.0
of which Loans	1034	21	3.6	1028	-4	3.4	2.9
of which Securities other than shares	1862	5	22.9	1853	-10	19.7	21.4
(4.2) Credit to other euro area residents	13035	-38	0.5	13064	24	0.4	0.7
of which Loans ^{e)}	10738	-17	-0.8	10754	17	-0.7	-0.6
<i>memo item: loans adjusted for sales & securitisation</i> ^{f)}	ND	-12	0.3	ND	16	0.1	0.4
of which Securities other than shares	1497	-18	16.4	1486	-10	12.6	16.6
of which Shares and other equities	800	-4	-4.8	825	17	-2.6	-5.4
(5) <i>Net external assets</i>	537	-19	ND	561	-2	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-108	57	ND	-142	-33	ND	ND

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) Calculated from the 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 monetary financial institutions (MFIs) and specific units of the 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.

TABLE 2

MONETARY DEVELOPMENTS IN THE EURO AREA: NOVEMBER 2009

DATA UNADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	OCTOBER 2009			NOVEMBER 2009			AVERAGE SEP-09 NOV-09
	End of month level	Monthly flow b)	Annual growth rate	End of month level	Monthly flow b)	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9346	-24	0.3	9332	-14	-0.3	0.6
(1.1) Currency in circulation	745	5	6.5	750	5	6.4	8.4
(1.2) Overnight deposits	3686	50	13.4	3722	37	13.8	13.2
(1.3) M1 (items 1.1 and 1.2)	4432	54	12.2	4472	41	12.5	12.4
(1.4) Deposits with agreed maturity up to 2 years	1969	-52	-21.4	1927	-41	-23.6	-20.9
(1.5) Deposits redeemable at notice up to 3 months	1762	16	16.2	1767	5	16.2	15.7
(1.6) Other short term deposits (items 1.4 and 1.5)	3731	-36	-7.2	3694	-36	-8.7	-7.0
(1.7) M2 (items 1.3 and 1.6)	8163	18	2.4	8166	5	1.8	2.6
(1.8) Repurchase agreements	309	-26	-11.3	315	6	-6.3	-6.7
(1.9) Money market fund shares/units	735	-5	2.6	721	-16	-1.0	1.5
(1.10) Debt securities issued with maturity up to 2 years	139	-12	-50.3	129	-9	-53.0	-50.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1184	-43	-11.8	1165	-19	-12.9	-11.2
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	318	23	27.7	304	-14	-3.9	27.5
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6639	10	6.5	6710	42	6.8	6.3
(3.1) Deposits with agreed maturity over 2 years	2152	2	9.6	2176	11	10.2	9.7
(3.2) Deposits redeemable at notice over 3 months	134	2	14.2	134	1	11.4	13.5
(3.3) Debt securities issued with maturity over 2 years	2621	1	3.3	2625	9	4.0	2.7
(3.4) Capital and reserves	1732	5	7.3	1775	21	6.9	7.5
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15894	-7	2.9	15938	39	2.5	2.8
(4.1) Credit to general government	2883	31	15.2	2879	-4	13.2	14.0
of which Loans	1032	20	3.7	1025	-5	3.4	2.9
of which Securities other than shares	1851	11	22.9	1854	1	19.6	21.3
(4.2) Credit to other euro area residents	13011	-39	0.5	13059	43	0.4	0.7
of which Loans	10725	-39	-0.8	10753	31	-0.7	-0.6
<i>memo item: loans adjusted for sales & securitisation</i> ^{e)}	ND	-34	0.3	ND	29	0.1	0.4
of which Securities other than shares	1494	-4	16.5	1493	0	12.6	16.6
of which Shares and other equities	793	4	-4.8	813	13	-2.6	-5.4
(5) <i>Net external assets</i>	554	4	ND	582	2	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-146	11	ND	-174	-27	ND	ND

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) Calculated from the 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 monetary financial institutions (MFIs) and specific units of the 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) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

TABLE 3

CONTRIBUTIONS OF M3 COMPONENTS TO THE M3 ANNUAL GROWTH RATE: NOVEMBER 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

(contributions in terms of the M3 annual percentage change ^{a)})

	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009
(1) M1	5.4	5.1	5.2
(1.1) <i>of which</i> : Currency	0.9	0.5	0.5
(1.2) <i>of which</i> : Overnight deposits	4.5	4.6	4.7
(2) M2 - M1 (= other short-term deposits)	-2.3	-3.1	-3.7
(3) M3 - M2 (= short-term marketable instruments)	-1.3	-1.7	-1.8
(4) M3 (= items 1, 2 and 3)	1.8	0.3	-0.2

a) Figures may not add up due to rounding.

TABLE 4

BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: NOVEMBER 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	OCTOBER 2009			NOVEMBER 2009		
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate
BREAKDOWN OF LOANS ^{c)}						
(1) Loans to non-financial corporations	4730	-16	-1.2	4721	-8	-1.9
(1.1) up to 1 year	1224	-18	-11.7	1212	-12	-12.1
(1.2) over 1 year and up to 5 years	948	-5	0.9	941	-7	-1.2
(1.3) over 5 years	2558	8	3.8	2569	10	3.6
(2) Loans to households ^{d)}	4919	10	-0.1	4936	17	0.5
(2.1) Consumer credit	628	-1	-1.3	630	1	-1.0
(2.2) Lending for house purchase	3520	10	-0.2	3529	9	0.3
(2.3) Other lending	770	1	1.6	777	7	2.5
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds	997	-5	-1.4	1008	12	0.3
(4) Loans to insurance corporations and pension funds	92	-6	-11.9	88	-4	-13.4

a) Figures may not add up due to rounding.

b) Calculated from the 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.