



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

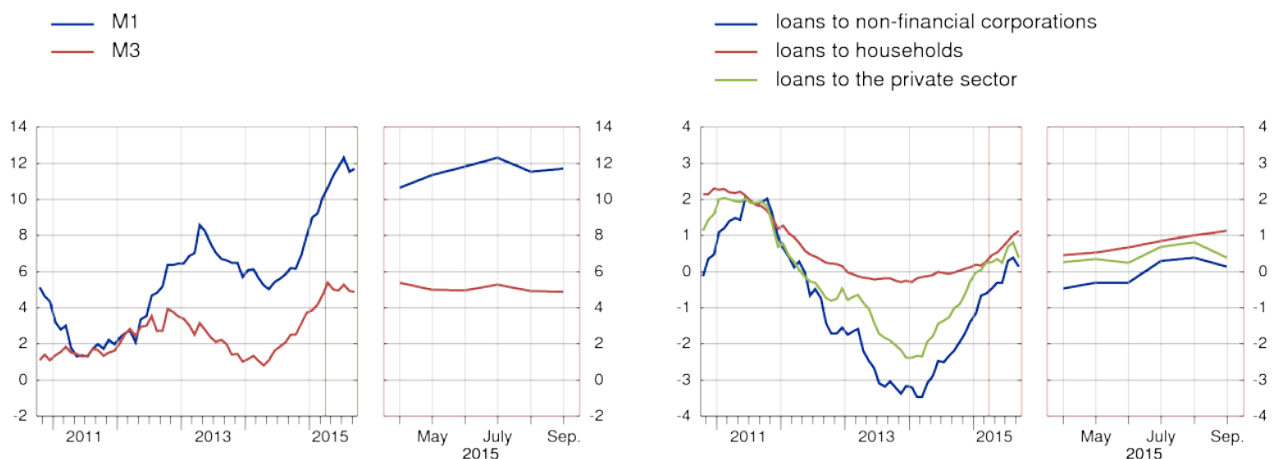
27 October 2015

## Monetary developments in the euro area: September 2015

- The annual growth rate of the broad monetary aggregate M3 stood at 4.9% in September 2015, unchanged from the previous period.
- The annual growth rate of the narrower aggregate M1, which includes currency in circulation and overnight deposits, increased to 11.7% in September, from 11.5% in August.
- The annual growth rate of loans to households stood at 1.1% in September, compared with 1.0% in August.
- The annual growth rate of loans to non-financial corporations decreased to 0.1% in September, from 0.4% in August.

### Monetary aggregates and loans to the private sector

(annual growth rates, loans adjusted for sales and securitisation)



### Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 stood at 4.9% in September 2015, unchanged from the previous period, averaging 5.0% in the three months up to September. The components of M3 showed the following developments. The annual growth rate of the narrower aggregate including currency in circulation and overnight deposits (M1) increased to 11.7% in September, from 11.5% in August. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -4.7% in September, from -4.5% in August. The annual growth rate of marketable instruments (M3-M2) decreased to 0.5% in September, from 2.4% in August.

Within M3, the annual growth rate of deposits placed by households stood at 3.0% in September, compared with 2.9% in August, while the annual growth rate of deposits placed by non-financial corporations increased to 5.0% in September, from 4.8% in August. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 14.6% in September, from 14.4% in August.

### **Credit to euro area residents**

The annual growth rate of total credit to euro area residents stood at 2.1% in September 2015, compared with 2.2% in the previous month. The annual growth rate of credit to general government increased to 7.2% in September, from 6.3% in August, while the annual growth rate of credit to the private sector decreased to 0.7% in September, from 1.0% in August.

Among the components of credit to the private sector, the annual growth rate of loans (adjusted for loan sales and securitisation) decreased to 0.4% in September, from 0.8% in August. In particular, the annual growth rate of loans to households stood at 1.1% in September, compared with 1.0% in August, and the annual growth rate of loans to non-financial corporations decreased to 0.1% in September, from 0.4% in August.

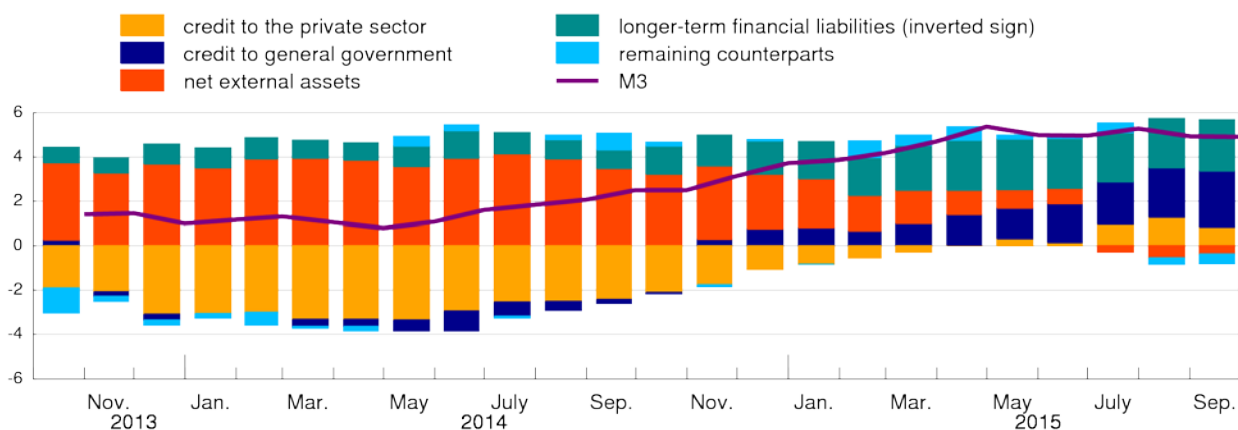
### **Longer-term financial liabilities**

The annual growth rate of longer-term financial liabilities of the MFI sector stood at -3.2% in September 2015, compared with -3.1% in August.

### **M3 and its counterparts**

The annual growth rate of the broad monetary aggregate M3 stood at 4.9% in September 2015. The contributions of M3 counterparts on the MFI balance sheet were as follows. Longer-term financial liabilities contributed 2.3 percentage points, net external assets contributed -0.4 percentage point, credit to general government contributed 2.5 percentage points, and credit to the private sector contributed 0.8 percentage point; the remaining counterparts of M3 contributed -0.4 percentage point.

### Contribution of the M3 counterparts to the annual growth rate of M3 (percentage points)



#### Notes:

- Data in this press release are adjusted for seasonal and end-of-month calendar effects, unless stated otherwise.
- Further tables, statistical data and methodological notes, as well as the 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 from the ECB's Statistical Data Warehouse at <http://sdw.ecb.europa.eu/reports.do?node=1000003503>.

# I Monetary developments in the euro area: SEPTEMBER 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015
<b>COMPONENTS OF M3</b>							
(1) M3 (= items 1.3, 1.6 and 1.11)	10688	88	5	17	5.3	4.9	4.9
(1.1) Currency in circulation	1028	6	5	2	8.9	8.6	8.3
(1.2) Overnight deposits	5423	74	7	42	13.0	12.1	12.4
(1.3) M1 (items 1.1 and 1.2)	6451	80	11	44	12.3	11.5	11.7
(1.4) Deposits with an agreed maturity of up to two years	1447	-14	-7	-15	-11.4	-11.2	-11.5
(1.5) Deposits redeemable at notice of up to three months	2168	1	4	0	0.5	0.6	0.5
(1.6) Other short term deposits (items 1.4 and 1.5)	3615	-13	-3	-15	-4.7	-4.5	-4.7
(1.7) M2 (items 1.3 and 1.6)	10066	67	8	30	5.5	5.1	5.2
(1.8) Repurchase agreements	95	14	-3	-8	-19.1	-21.2	-23.3
(1.9) Money market fund shares	456	18	2	-1	7.9	9.6	9.0
(1.10) Debt securities issued with a maturity of up to two years	72	-12	-3	-4	18.2	8.0	-3.6
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	622	21	-3	-12	2.7	2.4	0.5
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
(2) Holdings against central government <sup>b)</sup>	296	-17	26	21	-12.7	-1.4	13.4
(3) Longer-term financial liabilities vis-à-vis other euro area residents (= items 3.1 to 3.4)	7102	-2	0	-9	-3.1	-3.1	-3.2
(3.1) Deposits with an agreed maturity of over two years	2225	13	-2	0	-4.4	-4.3	-3.7
(3.2) Deposits redeemable at notice of over three months	84	-1	-2	-1	-5.1	-8.0	-9.3
(3.3) Debt securities issued with a maturity of over two years	2269	-21	-9	-25	-8.3	-8.4	-9.0
(3.4) Capital and reserves	2525	7	13	16	3.5	3.5	3.2
<b>MFI assets:</b>							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16464	110	75	-12	1.8	2.2	2.1
(4.1) Credit to general government	3818	31	53	37	5.5	6.3	7.2
Loans	1124	-5	0	-8	0.8	1.0	0.6
Debt securities	2695	36	53	45	7.6	8.8	10.2
(4.2) Credit to other euro area residents	12645	79	22	-49	0.8	1.0	0.7
Loans <sup>c)</sup>	10555	21	8	-44	0.9	1.0	0.6
loans adjusted for sales and securitisation <sup>d)</sup>	10959	30	10	-42	0.7	0.8	0.4
Debt securities	1313	47	14	7	-2.1	-0.4	0.9
Equity and non-money market fund investment fund shares	777	11	0	-12	3.2	3.2	2.0
(5) Net external assets	1359	-59	-18	10	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5) of which:	263	19	-26	31	ND	ND	ND
(6.1) Repos with central counterparties (liabilities)(+) <sup>e)</sup>	214	-22	5	7	19.2	20.3	30.5
(6.2) Reverse repos to central counterparties (assets)(-) <sup>e)</sup>	141	-6	-9	12	13.6	9.8	15.7

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) For further breakdowns see Table 4.

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

e) The series is not adjusted for seasonal effects.

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

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

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits</b> (= items 1, 2, 3, 4 and 5)	9133	75	0	20	4.7	4.3	4.4
<b>(1) Deposits placed by households</b> <sup>b)</sup>	5699	17	8	24	3.1	2.9	3.0
(1.1) Overnight deposits	2987	33	13	30	11.3	10.8	11.1
(1.2) Deposits with an agreed maturity of up to two years	708	-14	-7	-6	-15.1	-15.3	-15.5
(1.3) Deposits redeemable at notice of up to three months	2001	-3	2	0	0.1	0.1	0.1
(1.4) Repurchase agreements	3	0	0	0	-35.4	-36.9	-37.7
<b>(2) Deposits placed by non-financial corporations</b> <sup>c)</sup>	1897	34	1	10	5.5	4.8	5.0
(2.1) Overnight deposits	1448	32	3	7	12.1	11.1	10.7
(2.2) Deposits with an agreed maturity of up to two years	323	0	2	-2	-14.2	-13.2	-12.5
(2.3) Deposits redeemable at notice of up to three months	115	1	1	2	0.9	1.2	1.9
(2.4) Repurchase agreements	11	0	-5	2	-10.7	-48.5	-31.7
<b>(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds</b> <sup>c), d)</sup>	962	13	-8	-9	14.6	14.4	14.6
(3.1) Overnight deposits	637	-1	-7	12	24.8	23.4	25.1
(3.2) Deposits with an agreed maturity of up to two years	242	-1	-1	-9	3.0	3.6	0.2
(3.3) Deposits redeemable at notice of up to three months	22	1	1	0	25.9	27.1	24.1
(3.4) Repurchase agreements <sup>d)</sup>	61	14	0	-12	-13.7	-11.1	-14.1
<b>(4) Deposits placed by insurance corporations and pension funds</b>	217	5	-8	-8	-1.5	-5.4	-5.0
<b>(5) Deposits placed by other general government</b>	357	6	8	2	5.7	6.1	5.8

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) 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).

d) Excludes repurchase agreements with central counterparties.

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

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

	JULY 2015	AUGUST 2015	SEPTEMBER 2015
<b>(1) M1</b>	6.9	6.5	6.6
(1.1) <i>of which: Currency</i>	0.8	0.8	0.8
(1.2) <i>of which: Overnight deposits</i>	6.1	5.7	5.8
<b>(2) M2 - M1 (= other short-term deposits)</b>	-1.8	-1.7	-1.7
<b>(3) M3 - M2 (= short term marketable instruments)</b>	0.2	0.1	0.0
<b>(4) M3 (= items 1, 2 and 3)</b>	5.3	4.9	4.9

a) Figures may not add up due to rounding.

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

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

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3</b>							
<b>(1) Loans to households <sup>b)</sup></b>	5277	5	9	11	1.3	1.4	1.5
<i>loans adjusted for sales and securitisation <sup>c)</sup></i>	5612	9	8	9	0.9	1.0	1.1
(1.1) Credit for consumption	582	2	2	1	2.0	2.6	2.5
(1.2) Lending for house purchase	3926	4	6	10	1.6	1.6	1.8
(1.3) Other lending	769	-1	1	0	-0.7	-0.5	-0.5
<i>of which: sole proprietors <sup>d)</sup></i>	393	-1	0	0	-1.5	-1.3	-1.6
<b>(2) Loans to non-financial corporations <sup>e)</sup></b>	4272	9	-1	-17	0.4	0.4	0.1
<i>loans adjusted for sales and securitisation <sup>c)</sup></i>	4332	13	1	-15	0.3	0.4	0.1
(2.1) up to 1 year	1060	1	3	-25	-0.3	0.2	-2.7
(2.2) over 1 year and up to 5 years	745	0	-1	3	3.2	3.2	4.1
(2.3) over 5 years	2467	7	-3	5	-0.2	-0.3	0.2
<b>(3) Loans to non-monetary financial corporations except insurance corporations and pension funds <sup>e), f)</sup></b>	887	12	2	-28	0.4	0.5	-2.9
<b>(4) Loans to insurance corporations and pension funds</b>	119	-5	-3	-10	10.1	12.5	-1.7

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

d) The series is not adjusted for seasonal effects.

e) 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).

f) Excludes reverse repos to central counterparties.