



EUROPEAN CENTRAL BANK

EUROSYSTEM

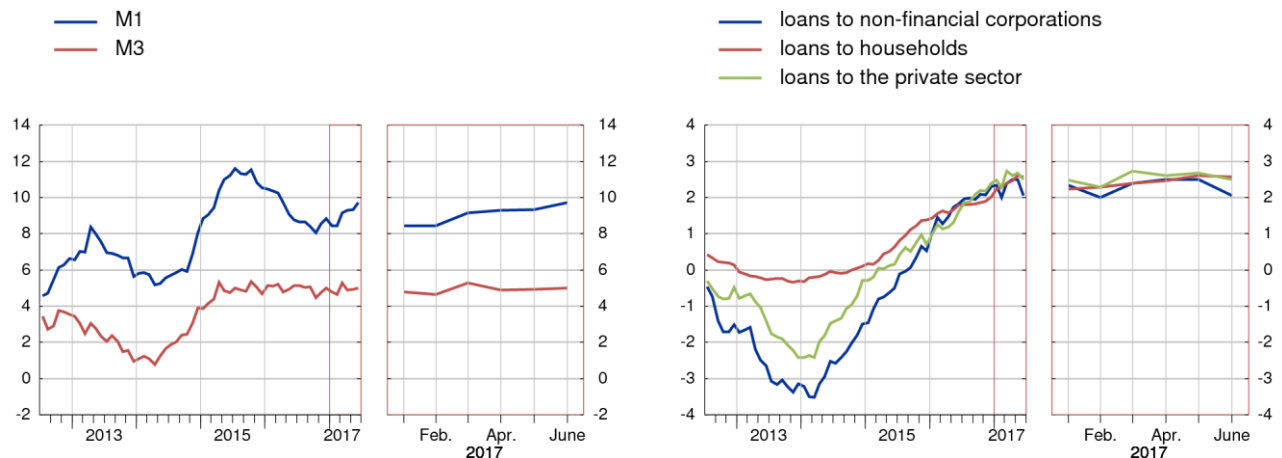
# PRESS RELEASE

27 July 2017

## Monetary developments in the euro area: June 2017

- The annual growth rate of the broad monetary aggregate M3 stood at 5.0% in June 2017, after 4.9% in May 2017 (revised from 5.0%).
- The annual growth rate of the narrower aggregate M1, which includes currency in circulation and overnight deposits, increased to 9.7% in June, from 9.3% in May.
- The annual growth rate of adjusted loans to households stood at 2.6% in June, unchanged from the previous month.
- The annual growth rate of adjusted loans to non-financial corporations decreased to 2.1% in June, from 2.5% in May<sup>1</sup>.

### Monetary aggregates and adjusted loans to the private sector (annual growth rates)



### Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 stood at 5.0% in June 2017, after 4.9% in May, averaging 4.9% in the three months up to June. 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 9.7% in June, from 9.3% in May. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -3.0% in June, from -2.8% in May. The annual growth rate of marketable instruments (M3-M2) decreased to -0.8% in June, from 1.2% in May. Within M3, the annual growth rate of deposits placed by households decreased to 4.9% in June, from 5.1% in May, while the annual growth rate of deposits placed by non-financial corporations increased to 8.4% in

<sup>1</sup> The decline in the annual growth rate of loans to non-financial corporations in June reflects to a significant extent intragroup transactions.

June, from 7.5% in May. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 3.7% in June, from 2.7% in May.

### Credit to euro area residents

The annual growth rate of total credit to euro area residents stood at 4.4% in June 2017, compared with 4.5% in the previous month. The annual growth rate of credit to general government decreased to 8.1% in June, from 9.5% in May, while the annual growth rate of credit to the private sector increased to 3.1% in June, from 2.9% in May.

The annual growth rate of adjusted loans to the private sector (i.e. adjusted for loan sales, securitisation and notional cash pooling) decreased to 2.5% in June, from 2.7% in May. In particular, the annual growth rate of adjusted loans to households stood at 2.6% in June, unchanged from the previous month, and the annual growth rate of adjusted loans to non-financial corporations decreased to 2.1% in June, from 2.5% in May.

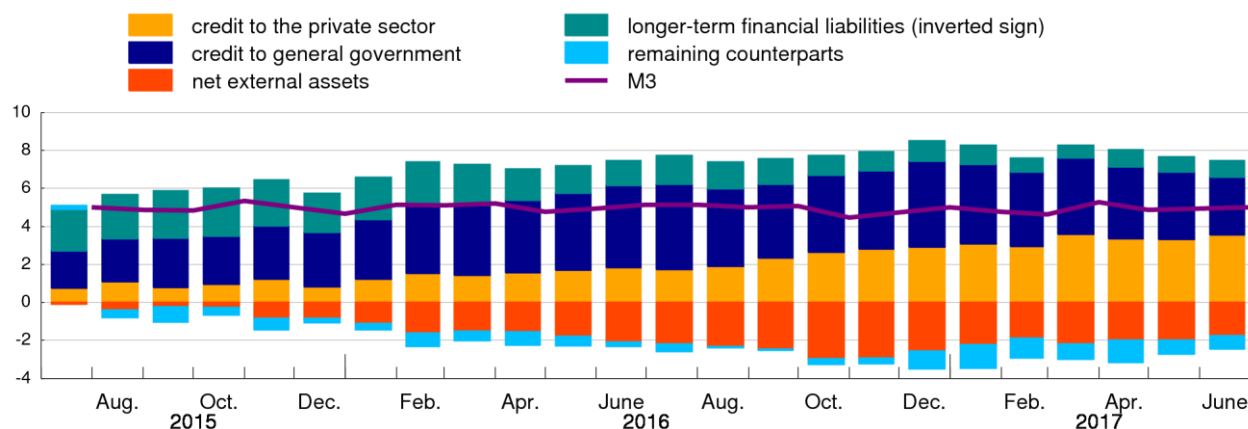
### Longer-term financial liabilities

The annual growth rate of longer-term financial liabilities of the MFI sector became more negative at -1.4% in June 2017, from -1.2% in May.

### M3 and its counterparts

The annual growth rate of the broad monetary aggregate M3 stood at 5.0% in June 2017. The contributions of M3 counterparts on the MFI balance sheet were as follows: longer-term financial liabilities contributed 0.9 percentage point, net external assets contributed -1.7 percentage points, credit to general government contributed 3.0 percentage points, and credit to the private sector contributed 3.5 percentage points; the remaining counterparts of M3 contributed -0.7 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.
- Private sector refers to euro area non-MFIs excluding general government.
- 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>