



EUROPEAN CENTRAL BANK

EUROSYSTEM

PRESS RELEASE

26 June 2015

Monetary developments in the euro area: May 2015

The annual growth rate of the broad monetary aggregate M3 decreased to 5.0% in May 2015, from 5.3% in April 2015.¹ The three-month average of the annual growth rates of M3 in the period from March 2015 to May 2015 increased to 5.0%, from 4.7% in the period from February 2015 to April 2015.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	MARCH 2015	APRIL 2015	MAY 2015	MARCH 2015 - MAY 2015 (AVERAGE)
M3	4.7	5.3	5.0	5.0
M1	10.0	10.5	11.2	10.6
Loans to the private sector	0.1	0.0	0.5	0.2
Loans to the private sector, adjusted for sales and securitisation	0.8	0.8	1.0	0.9

M3 components

Regarding the main components of M3, the annual growth rate of M1 increased to 11.2% in May 2015, from 10.5% in April. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -4.2% in May, from -3.3% in the previous month. The annual growth rate of marketable instruments (M3-M2) decreased to 5.0% in May, from 11.9% in April. Among the deposits included in M3, the annual growth rate of deposits placed by households stood at 2.9% in May, unchanged from the previous month, while the annual growth rate of deposits placed by non-financial corporations stood at 4.3% in May, unchanged from the previous month. Finally, the annual growth rate of

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

deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to 13.4% in May, from 15.6% 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 1.0% in May 2015, from 0.8% in the previous month. The annual growth rate of credit extended to general government increased to 4.0% in May, from 3.8% in April, while the annual growth rate of credit extended to the private sector increased to 0.2% in May, from 0.0% in the previous month. Among the components of credit to the private sector, the annual growth rate of loans increased to 0.5% in May, from 0.0% in the previous month (adjusted for loan sales and securitisation², the rate increased to 1.0%, from 0.8% in the previous month). The annual growth rate of loans to households increased to 0.9% in May, from 0.0% in April (adjusted for loan sales and securitisation, the rate stood at 1.4%, compared with 1.3% in the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, increased to 1.4% in May, from 0.1% in the previous month. The annual growth rate of loans to non-financial corporations stood at -0.3% in May, compared with -0.4% in the previous month (adjusted for loan sales and securitisation, the rate increased to 0.1% in May, from -0.1% in the previous month). Finally, the annual growth rate of loans to non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to -0.9% in May, from 0.3% in the previous month.

Other counterparts

Over the 12 months up to May 2015, the net external asset position of the euro area MFI sector increased by €89 billion, compared with an increase of €114 billion over the 12 months up to April. The annual growth rate of longer-term financial liabilities of the MFI sector stood at -3.2% in May, compared with -3.1% in April.

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>.*

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

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- *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>.*

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I Monetary developments in the euro area: MAY 2015

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	10564	37	67	11	4.7	5.3	5.0
(1.1) Currency in circulation	1007	1	10	3	7.3	8.2	8.3
(1.2) Overnight deposits	5264	60	35	72	10.6	10.9	11.8
(1.3) M1 (items 1.1 and 1.2)	6270	62	45	75	10.0	10.5	11.2
(1.4) Deposits with an agreed maturity of up to two years	1486	-10	-9	-33	-7.8	-8.2	-10.4
(1.5) Deposits redeemable at notice of up to three months	2157	10	4	6	0.3	0.5	0.7
(1.6) Other short term deposits (items 1.4 and 1.5)	3644	1	-5	-27	-3.3	-3.3	-4.2
(1.7) M2 (items 1.3 and 1.6)	9914	62	39	48	4.6	4.9	5.0
(1.8) Repurchase agreements	112	-7	5	-19	5.2	7.4	-9.1
(1.9) Money market fund shares	443	-7	14	-8	5.3	9.0	7.6
(1.10) Debt securities issued with a maturity of up to two years	95	-12	8	-10	12.4	41.9	18.0
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	650	-26	27	-37	5.7	11.9	5.0
COUNTERPARTS OF M3							
MFI liabilities:							
(2) Holdings against central government ^{d)}	276	25	-27	16	5.6	-5.6	-2.6
(3) Longer-term financial liabilities vis-a-vis other euro area residents (= items 3.1 to 3.4)	7226	-18	-40	-18	-2.9	-3.1	-3.2
(3.1) Deposits with an agreed maturity of over two years	2232	-6	-22	-5	-5.9	-5.5	-5.3
(3.2) Deposits redeemable at notice of over three months	87	-1	-2	-1	-0.3	-2.3	-3.8
(3.3) Debt securities issued with a maturity of over two years	2343	-23	-19	-25	-6.8	-7.3	-8.4
(3.4) Capital and reserves	2564	12	3	13	4.0	3.4	4.2
MFI assets:							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16357	44	26	15	0.4	0.8	1.0
(4.1) Credit to general government	3696	27	37	10	2.8	3.8	4.0
Loans	1144	5	-1	-8	2.0	2.4	0.9
Debt securities	2552	21	38	17	3.2	4.5	5.5
(4.2) Credit to other euro area residents	12661	17	-10	5	-0.2	0.0	0.2
Loans ^{e)}	10608	21	7	0	0.1	0.0	0.5
loans adjusted for sales and securitisation ^{f)}	ND	21	17	8	0.8	0.8	1.0
Debt securities	1261	3	-11	-3	-4.8	-2.3	-5.1
Equity and non-money market fund investment fund shares	791	-7	-6	8	3.1	2.7	3.8
(5) Net external assets	1467	27	-29	5	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5)	242	-27	2	-10	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) ^{g)}	223	8	-25	14	32.5	28.6	51.4
(6.2) Reverse repos to central counterparties (assets)(-) ^{g)}	141	15	-27	9	36.3	33.0	51.4

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).

b) These include the Eurosystem, credit institutions and money market funds located in the euro area.

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

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

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

f) For further breakdowns see Table 4.

g) 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: MAY 2015

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015
BREAKDOWN OF DEPOSITS IN M3							
Total deposits (= items 1, 2, 3, 4 and 5)	9019	54	35	26	4.3	4.6	4.4
(1) Deposits placed by households ^{c)}	5624	31	13	14	2.8	2.9	2.9
(1.1) Overnight deposits	2877	33	17	19	9.7	9.9	10.2
(1.2) Deposits with an agreed maturity of up to two years	746	-10	-5	-10	-11.2	-11.5	-12.6
(1.3) Deposits redeemable at notice of up to three months	1997	8	1	5	0.1	0.1	0.2
(1.4) Repurchase agreements	4	0	0	0	-31.0	-35.3	-25.3
(2) Deposits placed by non-financial corporations ^{d)}	1852	-9	1	6	4.6	4.3	4.3
(2.1) Overnight deposits	1404	-4	9	15	9.5	9.8	10.4
(2.2) Deposits with an agreed maturity of up to two years	324	-8	-7	-9	-10.0	-11.5	-14.0
(2.3) Deposits redeemable at notice of up to three months	112	2	2	-1	3.5	5.4	4.3
(2.4) Repurchase agreements	12	1	-4	1	-5.7	-37.8	-24.1
(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds ^{d), e)}	968	43	11	5	14.6	15.6	13.4
(3.1) Overnight deposits	629	33	-1	27	20.9	21.1	22.9
(3.2) Deposits with an agreed maturity of up to two years	243	14	1	-3	4.1	3.1	0.5
(3.3) Deposits redeemable at notice of up to three months	20	1	0	2	3.7	7.6	17.6
(3.4) Repurchase agreements ^{e)}	76	-5	11	-20	9.0	21.9	-8.0
(4) Deposits placed by insurance corporations and pension funds	231	0	5	1	-0.7	1.6	2.1
(5) Deposits placed by other general government	345	-11	5	1	5.2	7.4	8.0

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: MAY 2015

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects ^{a)})

	MARCH 2015	APRIL 2015	MAY 2015
(1) M1	5.6	5.9	6.3
(1.1) <i>of which: Currency</i>	0.7	0.8	0.8
(1.2) <i>of which: Overnight deposits</i>	4.9	5.1	5.5
(2) M2 - M1 (= other short-term deposits)	-1.2	-1.3	-1.6
(3) M3 - M2 (= short term marketable instruments)	0.3	0.7	0.3
(4) M3 (= items 1, 2 and 3)	4.7	5.3	5.0

a) Figures may not add up due to rounding.

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

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015	MARCH 2015	APRIL 2015	MAY 2015
BREAKDOWN OF LOANS AS COUNTERPART TO M3^{c)}							
(1) Loans to households^{d)}	5242	13	4	8	0.0	0.0	0.9
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	11	12	10	1.1	1.3	1.4
(1.1) Credit for consumption	568	3	-1	2	-0.1	-0.1	0.5
(1.2) Lending for house purchase	3901	7	5	7	0.2	0.1	1.4
(1.3) Other lending	773	2	-1	0	-1.1	-0.9	-1.1
<i>of which: sole proprietors^{f)}</i>	395	0	-1	0	-1.4	-1.5	-1.5
(2) Loans to non-financial corporations^{g)}	4299	-3	0	-4	-0.6	-0.4	-0.3
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	-2	2	1	-0.2	-0.1	0.1
(2.1) up to 1 year	1085	-2	3	-6	-0.7	0.3	0.3
(2.2) over 1 year and up to 5 years	742	4	0	5	2.1	1.2	2.2
(2.3) over 5 years	2472	-5	-3	-3	-1.3	-1.2	-1.3
(3) Loans to non-monetary financial corporations except insurance corporations and pension funds^{g), h)}	924	14	1	-11	2.3	0.3	-0.9
(4) Loans to insurance corporations and pension funds	144	-3	3	7	14.1	17.2	26.9

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.