



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

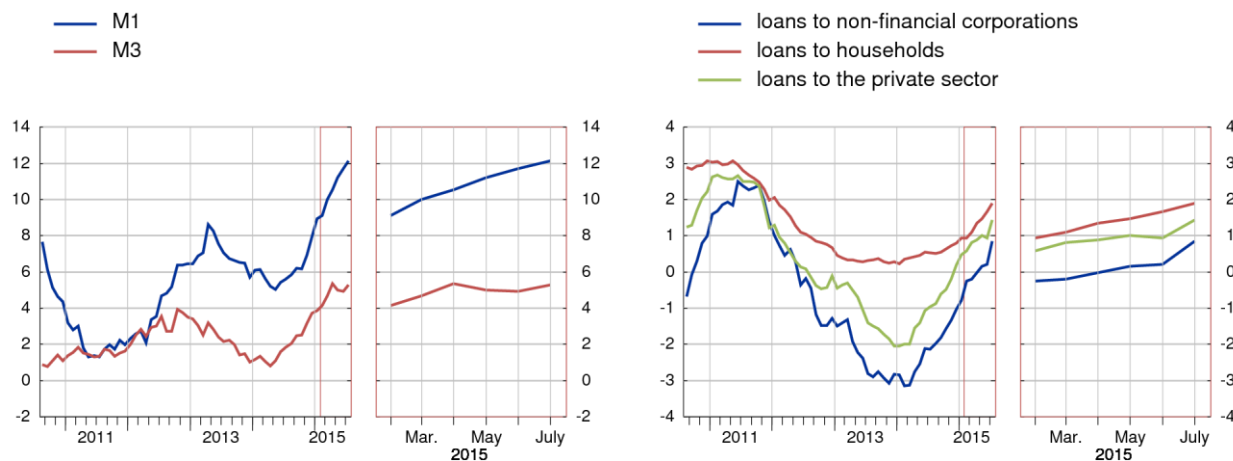
27 August 2015

## Monetary developments in the euro area: July 2015

- The annual growth rate of the broad monetary aggregate M3 increased to 5.3% in July 2015, from 4.9% in June.
- The annual growth rate of the narrower aggregate M1, which includes currency in circulation and overnight deposits, increased to 12.1% in July, from 11.7% in June.
- The annual growth rate of loans to households increased to 1.9% in July, from 1.7% in June.
- The annual growth rate of loans to non-financial corporations increased to 0.9% in July, from 0.2% in June.

### 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 increased to 5.3% in July 2015, from 4.9% in June, averaging 5.1% in the three months up to July. 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 12.1% in July, from 11.7% in June. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -4.6% in July, from -4.3% in June. The annual growth rate of marketable instruments (M3-M2) increased to 3.6% in July, from 0.5% in June.

Within M3, the annual growth rate of deposits placed by households stood at 3.1% in July, compared with 3.0% in June, while the annual growth rate of deposits placed by non-financial corporations increased to

5.5% in July, from 4.2% in June. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 14.4% in July, from 13.7% in June.

### Credit to euro area residents

The annual growth rate of total credit to euro area residents increased to 1.8% in July 2015, from 1.2% in the previous month. The annual growth rate of credit to general government increased to 5.8% in July, from 5.3% in June, while the annual growth rate of credit to the private sector increased to 0.7% in July, from 0.0% in June.

Among the components of credit to the private sector, the annual growth rate of loans (adjusted for loan sales and securitisation) increased to 1.4% in July, from 0.9% in June. In particular, the annual growth rate of loans to households increased to 1.9% in July, from 1.7% in June, and the annual growth rate of loans to non-financial corporations increased to 0.9% in July, from 0.2% in June.

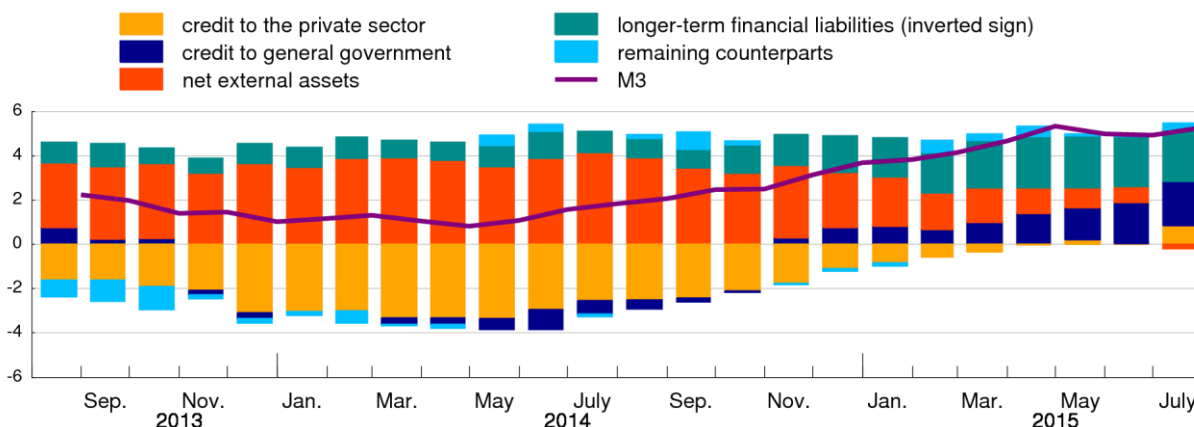
### Longer-term financial liabilities

The annual growth rate of longer-term financial liabilities of the MFI sector stood at -3.1% in July 2015, unchanged from the previous month.

### M3 and its counterparts

The annual growth rate of the broad monetary aggregate M3 increased to 5.3% in July 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 -0.2 percentage point, credit to general government contributed 2.0 percentage points, and credit to the private sector contributed 0.8 percentage point; the remaining counterparts of M3 contributed 0.3 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.
- As of the September press release, an enhanced method of adjusting loan series for loan sales and securitisation will be implemented. Further information on the impact of this change will be provided in a separate press release on 21 September.
- 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 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: JULY 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		
	JULY 2015	MAY 2015	JUNE 2015	JULY 2015	MAY 2015	JUNE 2015	JULY 2015
<b>COMPONENTS OF M3 <sup>c)</sup></b>							
<b>(1) M3</b> (= items 1.3, 1.6 and 1.11)	10681	8	30	91	5.0	4.9	5.3
(1.1) Currency in circulation	1021	3	8	6	8.3	8.8	8.9
(1.2) Overnight deposits	5377	71	43	71	11.8	12.3	12.8
<b>(1.3) M1</b> (items 1.1 and 1.2)	6398	74	51	77	11.2	11.7	12.1
(1.4) Deposits with an agreed maturity of up to two years	1470	-34	-6	-12	-10.3	-10.8	-11.4
(1.5) Deposits redeemable at notice of up to three months	2163	6	5	2	0.7	0.7	0.8
(1.6) Other short term deposits (items 1.4 and 1.5)	3633	-28	-1	-10	-4.1	-4.3	-4.5
<b>(1.7) M2</b> (items 1.3 and 1.6)	10031	46	50	67	5.0	5.2	5.4
(1.8) Repurchase agreements	106	-18	-20	15	-9.5	-30.9	-18.7
(1.9) Money market fund shares	456	-9	-5	18	7.7	6.8	7.9
(1.10) Debt securities issued with a maturity of up to two years	88	-11	5	-9	15.1	25.1	22.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	650	-38	-20	24	4.7	0.5	3.2
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
<b>(2) Holdings against central government <sup>d)</sup></b>	248	16	-11	-17	-2.5	-6.0	-12.7
<b>(3) Longer-term financial liabilities vis-a-vis other euro area residents</b> (= items 3.1 to 3.4)	7146	-18	-25	-11	-3.2	-3.1	-3.2
(3.1) Deposits with an agreed maturity of over two years	2229	-7	-13	13	-5.3	-5.4	-4.4
(3.2) Deposits redeemable at notice of over three months	86	-1	-1	0	-3.8	-3.7	-4.4
(3.3) Debt securities issued with a maturity of over two years	2314	-24	-5	-26	-8.4	-8.1	-8.7
(3.4) Capital and reserves	2517	14	-5	2	4.2	4.1	3.5
<b>MFI assets:</b>							
<b>(4) Credit to euro area residents</b> (= items 4.1 and 4.2)	16432	10	-1	104	1.0	1.2	1.8
(4.1) Credit to general government	3727	9	12	23	4.1	5.3	5.5
Loans	1132	-8	-6	-6	0.9	1.6	0.8
Debt securities	2595	17	18	29	5.6	7.1	7.8
(4.2) Credit to other euro area residents	12706	1	-12	80	0.2	0.0	0.7
Loans <sup>e)</sup>	10609	-2	-7	24	0.6	0.6	1.0
loans adjusted for sales and securitisation <sup>f)</sup>	ND	7	-7	39	1.0	0.9	1.5
Debt securities	1290	-5	-10	45	-5.4	-6.0	-2.8
Equity and non-money market fund investment fund shares	806	8	5	11	3.7	2.6	2.9
<b>(5) Net external assets</b>	1389	4	18	-59	ND	ND	ND
<b>(6) Other counterparts of M3 (residual)</b> (= M3 + items 2, 3 - items 4, 5)	254	-8	-23	19	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) <sup>g)</sup>	202	14	2	-22	51.4	31.0	19.1
(6.2) Reverse repos to central counterparties (assets)(-) <sup>g)</sup>	137	9	3	-6	51.4	20.7	13.6

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: JULY 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		
	JULY 2015	MAY 2015	JUNE 2015	JULY 2015	MAY 2015	JUNE 2015	JULY 2015
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits</b> (= items 1, 2, 3, 4 and 5)	9116	25	21	76	4.4	4.3	4.7
<b>(1) Deposits placed by households</b> <sup>c)</sup>	5668	12	26	18	2.9	3.0	3.1
(1.1) Overnight deposits	2945	18	34	33	10.2	10.8	11.2
(1.2) Deposits with an agreed maturity of up to two years	721	-11	-11	-14	-12.7	-13.9	-15.1
(1.3) Deposits redeemable at notice of up to three months	1998	5	4	-2	0.2	0.2	0.2
(1.4) Repurchase agreements	3	0	-1	0	-25.3	-38.0	-35.4
<b>(2) Deposits placed by non-financial corporations</b> <sup>d)</sup>	1889	5	2	34	4.4	4.2	5.5
(2.1) Overnight deposits	1440	14	5	31	10.4	10.1	11.7
(2.2) Deposits with an agreed maturity of up to two years	323	-10	-3	1	-13.9	-14.1	-14.0
(2.3) Deposits redeemable at notice of up to three months	113	-1	0	1	4.5	4.5	4.5
(2.4) Repurchase agreements	13	1	0	0	-24.1	-23.3	-11.1
<b>(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds</b> <sup>d), e)</sup>	981	5	2	15	13.4	13.7	14.7
(3.1) Overnight deposits	634	26	8	-1	22.7	26.2	24.8
(3.2) Deposits with an agreed maturity of up to two years	252	-3	9	0	1.1	3.3	2.8
(3.3) Deposits redeemable at notice of up to three months	22	2	1	1	17.7	24.9	30.0
(3.4) Repurchase agreements <sup>e)</sup>	74	-19	-16	15	-8.4	-30.8	-13.2
<b>(4) Deposits placed by insurance corporations and pension funds</b>	234	1	-2	5	1.8	-1.3	-1.6
<b>(5) Deposits placed by other general government</b>	345	2	-7	4	8.5	5.1	5.1

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: JULY 2015

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

	MAY 2015	JUNE 2015	JULY 2015
<b>(1) M1</b>	6.3	6.6	6.8
(1.1) <i>of which:</i> Currency	0.8	0.8	0.8
(1.2) <i>of which:</i> Overnight deposits	5.5	5.7	6.0
<b>(2) M2 - M1 (= other short-term deposits)</b>	-1.6	-1.6	-1.7
<b>(3) M3 - M2 (= short term marketable instruments)</b>	0.3	0.0	0.2
<b>(4) M3 (= items 1, 2 and 3)</b>	5.0	4.9	5.3

a) Figures may not add up due to rounding.

### 4 Breakdown of loans as counterpart to M3 by borrowing sector, type and original maturity: JULY 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		
	JULY 2015	MAY 2015	JUNE 2015	JULY 2015	MAY 2015	JUNE 2015	JULY 2015
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3<sup>c)</sup></b>							
<b>(1) Loans to households<sup>d)</sup></b>	5260	7	16	5	1.0	1.2	1.3
<i>loans adjusted for sales and securitisation<sup>e)</sup></i>	ND	9	14	14	1.5	1.7	1.9
(1.1) Credit for consumption	579	2	8	1	0.5	1.8	1.9
(1.2) Lending for house purchase	3912	6	8	5	1.4	1.6	1.6
(1.3) Other lending	770	-1	0	0	-1.0	-1.2	-0.5
<i>of which: sole proprietors<sup>f)</sup></i>	394	0	0	-1	-1.6	-1.8	-1.5
<b>(2) Loans to non-financial corporations<sup>g)</sup></b>	4300	-5	4	10	-0.2	-0.1	0.4
<i>loans adjusted for sales and securitisation<sup>e)</sup></i>	ND	1	5	14	0.2	0.2	0.8
(2.1) up to 1 year	1087	-6	3	2	0.4	-1.0	-0.2
(2.2) over 1 year and up to 5 years	745	4	7	0	2.4	2.8	3.1
(2.3) over 5 years	2468	-3	-5	7	-1.2	-0.6	-0.2
<b>(3) Loans to non-monetary financial corporations except insurance corporations and pension funds<sup>g), h)</sup></b>	917	-11	-19	13	-0.9	-1.9	0.5
<b>(4) Loans to insurance corporations and pension funds</b>	131	7	-8	-4	27.0	17.8	11.2

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.