



EUROPEAN CENTRAL BANK

EUROSYSTEM

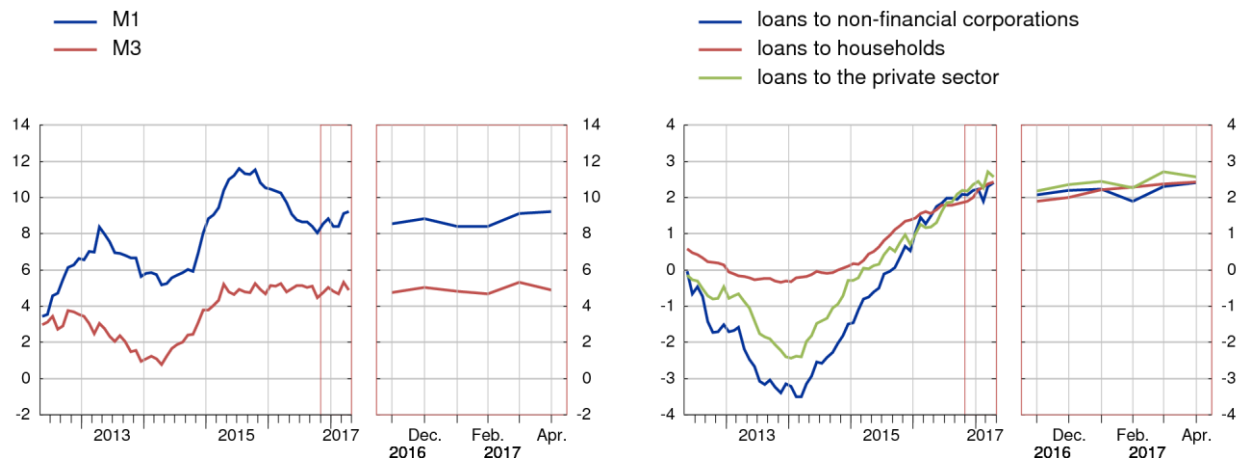
PRESS RELEASE

29 May 2017

Monetary developments in the euro area: April 2017

- The annual growth rate of the broad monetary aggregate M3 decreased to 4.9% in April 2017, from 5.3% in March.
- The annual growth rate of the narrower aggregate M1, which includes currency in circulation and overnight deposits, stood at 9.2% in April, compared with 9.1% in March.
- The annual growth rate of adjusted loans to households stood at 2.4% in April, unchanged from the previous month.
- The annual growth rate of adjusted loans to non-financial corporations stood at 2.4% in April, compared with 2.3% in March.

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 decreased to 4.9% in April 2017, from 5.3% in March, averaging 5.0% in the three months up to April. The components of M3 showed the following developments. The annual growth rate of the narrower aggregate, including currency in circulation and overnight deposits (M1), stood at 9.2% in April, compared with 9.1% in March. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was more negative at -2.8% in April, from -2.5% in March. The annual growth rate of marketable instruments (M3-M2) decreased to 1.5% in April, from 9.0% in March.

Within M3, the annual growth rate of deposits placed by households stood at 5.3% in April, unchanged from the previous month, while the annual growth rate of deposits placed by non-financial corporations decreased to 7.1% in April, from 8.2% in March. Finally, the annual growth rate of deposits placed by

non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to 1.4% in April, from 1.6% in March.

Credit to euro area residents

The annual growth rate of total credit to euro area residents decreased to 4.6% in April 2017, from 4.9% in the previous month. The annual growth rate of credit to general government decreased to 9.7% in April, from 10.2% in March, while the annual growth rate of credit to the private sector decreased to 2.9% in April, from 3.1% in March.

The annual growth rate of adjusted loans to the private sector (i.e. adjusted for loan sales, securitisation and notional cash pooling) stood at 2.6% in April, compared with 2.7% in March. In particular, the annual growth rate of adjusted loans to households stood at 2.4% in April, unchanged from the previous month, and the annual growth rate of adjusted loans to non-financial corporations stood at 2.4% in April, compared with 2.3% in March.

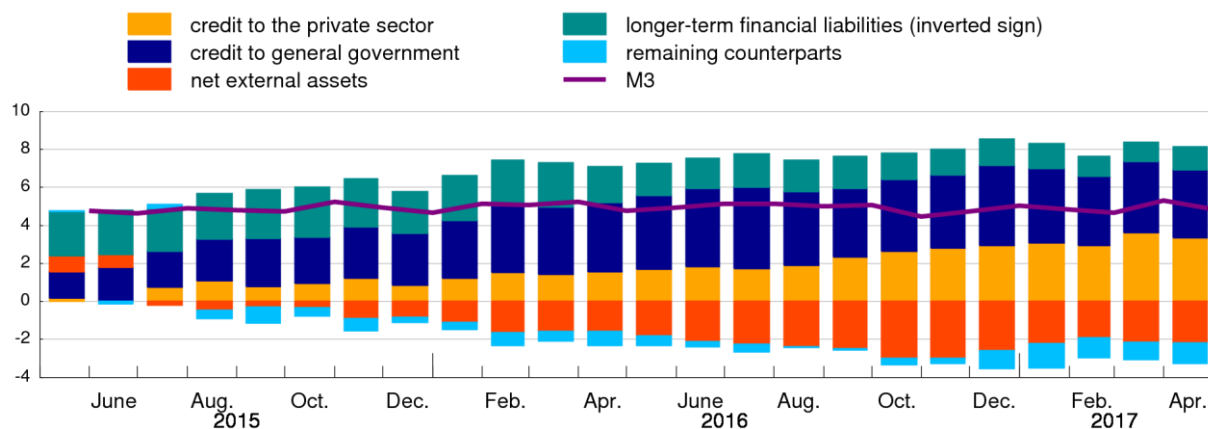
Longer-term financial liabilities

The annual growth rate of longer-term financial liabilities of the MFI sector became more negative at -1.9% in April 2017, from -1.6% in March.

M3 and its counterparts

The annual growth rate of the broad monetary aggregate M3 decreased to 4.9% in April 2017. The contributions of M3 counterparts on the MFI balance sheet were as follows: longer-term financial liabilities contributed 1.2 percentage points, net external assets contributed -2.2 percentage points, credit to general government contributed 3.6 percentage points, and credit to the private sector contributed 3.3 percentage points; the remaining counterparts of M3 contributed -1.1 percentage points.

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>

1 Monetary developments in the euro area: April 2017

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

	End-of-month level	Monthly flow			Annual growth rate		
	Apr 2017	Feb 2017	Mar 2017	Apr 2017	Feb 2017	Mar 2017	Apr 2017
COMPONENTS OF M3							
1. M3	11567	34	119	-13	4.7	5.3	4.9
1.1. M2	10899	49	83	28	4.8	5.1	5.1
1.1.1. M1	7437	54	100	50	8.4	9.1	9.2
Currency in circulation	1092	4	2	4	3.9	3.7	4.2
Overnight deposits	6344	50	97	46	9.2	10.1	10.1
1.1.2. Other short-term deposits (M2 - M1)	3463	-5	-16	-22	-2.1	-2.5	-2.8
Deposits with an agreed maturity of up to two years	1280	-5	-18	-25	-6.2	-7.4	-8.6
Deposits redeemable at notice of up to three months	2183	0	2	3	0.7	0.8	0.9
1.2. Marketable instruments (M3 - M2)	667	-15	36	-41	3.5	9.0	1.5
Repurchase agreements	73	-9	7	0	-24.4	-14.4	-16.7
Money market fund shares	512	-7	24	-19	7.9	13.9	8.5
Debt securities issued with a maturity of up to two years	83	1	5	-22	7.9	6.0	-15.4
COUNTERPARTS OF M3							
MFI liabilities:							
2. Holdings against central government ^{b)}	335	-8	8	32	-1.7	-4.6	5.5
3. Longer-term financial liabilities vis-a-vis other euro area residents	6849	12	-8	-16	-1.7	-1.6	-1.9
3.1. Deposits with an agreed maturity of over two years	2022	-11	7	-10	-4.4	-4.0	-4.4
3.2. Deposits redeemable at notice of over three months	69	0	0	0	-10.5	-10.1	-9.0
3.3. Debt securities issued with a maturity of over two years	2084	-5	-21	-5	-3.9	-4.9	-4.8
3.4. Capital and reserves	2674	29	7	-1	2.6	3.3	2.8
MFI assets:							
4. Credit to euro area residents	17425	31	120	20	4.3	4.9	4.6
4.1. Credit to general government	4467	8	47	28	9.9	10.2	9.7
Loans	1074	-13	-3	4	-3.9	-4.2	-4.2
Debt securities	3378	20	50	24	15.2	15.7	15.0
Equity ^{c)}	14	0	0	0	5.3	5.7	6.4
4.2. Credit to the private sector ^{d)}	12958	24	73	-8	2.6	3.1	2.9
Loans ^{e)}	10743	20	48	-5	2.0	2.4	2.2
Adjusted loans ^{f)}	11043	13	56	-3	2.3	2.7	2.6
Debt securities	1427	-1	25	0	6.4	8.4	7.7
Equity and non-money market fund investment fund shares	789	4	-1	-3	3.6	4.4	4.3
5. Net external assets	1063	-34	-4	-30	-	-	-
6. Other counterparts of M3 (residual)	262	42	5	13	-	-	-
of which:							
6.1. Repos with central counterparties (liabilities) ^{c)}	174	-5	11	-8	-25.7	-21.2	-21.6
6.2. Reverse repos to central counterparties (assets) ^{c)}	104	-2	7	-8	-25.7	-25.3	-24.8

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.

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) The series is not adjusted for seasonal effects.

d) Private sector refers to euro area non-MFIs excluding general government.

e) For further breakdowns see Table 4.

f) Adjusted for loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

2 Breakdown of deposits in M3 by holding sector and type: April 2017 (EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Apr 2017	Feb 2017	Mar 2017	Apr 2017	Feb 2017	Mar 2017	Apr 2017
BREAKDOWN OF DEPOSITS IN M3							
Total deposits	9880	36	88	24	4.6	5.1	5.0
1. Deposits placed by households ^{b)}	6157	23	28	18	5.4	5.3	5.3
1.1. Overnight deposits	3524	30	34	22	11.5	11.5	11.4
1.2. Deposits with an agreed maturity of up to two years	612	-9	-7	-8	-8.9	-10.0	-11.0
1.3. Deposits redeemable at notice of up to three months	2018	2	2	4	0.9	1.0	1.2
1.4. Repurchase agreements	3	0	0	1	-4.8	2.1	-5.0
2. Deposits placed by non-financial corporations	2165	20	30	-3	7.6	8.2	7.1
2.1. Overnight deposits	1746	18	27	4	10.9	11.8	10.6
2.2. Deposits with an agreed maturity of up to two years	295	2	3	-7	-4.7	-4.9	-6.7
2.3. Deposits redeemable at notice of up to three months	117	0	0	0	-0.3	-0.3	-0.4
2.4. Repurchase agreements	7	0	0	0	-26.7	-32.6	-20.0
3. Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds ^{c)}	963	-6	36	-8	-2.2	1.6	1.4
3.1. Overnight deposits	677	-8	40	3	-1.0	5.7	6.6
3.2. Deposits with an agreed maturity of up to two years	216	8	-11	-9	1.2	-5.8	-7.6
3.3. Deposits redeemable at notice of up to three months	20	0	0	0	-5.7	-3.5	-6.3
3.4. Repurchase agreements ^{c)}	50	-6	7	-1	-27.0	-11.5	-16.2
4. Deposits placed by insurance corporations and pension funds	200	1	-4	9	-15.3	-12.7	-7.1
5. Deposits placed by other general government	397	-1	-3	7	5.1	3.6	5.2

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) Excludes repurchase agreements with central counterparties.

3 Contributions of M3 components to the M3 annual growth rate: April 2017

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

	Feb 2017	Mar 2017	Apr 2017
1. M1	5.1	5.6	5.7
1.1. Currency in circulation	0.4	0.4	0.4
1.2. Overnight deposits	4.8	5.2	5.3
2. M2 - M1 (other short-term deposits)	-0.7	-0.8	-0.9
3. M3 - M2 (marketable instruments)	0.2	0.5	0.1
M3 (items 1, 2 and 3)	4.7	5.3	4.9

a) Figures may not add up due to rounding.

4 Breakdown of private sector loans by borrowing sector, type and original maturity: April 2017

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

	End-of-month level	Monthly flow			Annual growth rate		
	Apr 2017	Feb 2017	Mar 2017	Apr 2017	Feb 2017	Mar 2017	Apr 2017
BREAKDOWN OF LOANS AS COUNTERPART TO M3							
1. Loans to households ^{b)}	5468	20	18	11	2.4	2.5	2.6
<i>Adjusted loans ^{c)}</i>	5778	13	15	10	2.3	2.4	2.4
1.1. Credit for consumption	630	2	4	2	4.2	4.4	4.6
1.2. Lending for house purchase	4096	19	14	12	2.8	2.9	3.0
1.3. Other lending	742	0	0	-3	-1.0	-1.1	-1.2
<i>of which: sole proprietors</i>	381	1	0	-3	-1.3	-1.2	-1.7
2. Loans to non-financial corporations	4337	4	7	8	1.4	1.7	1.6
<i>Adjusted loans ^{c)}</i>	4343	2	19	12	1.9	2.3	2.4
2.1. up to 1 year	998	-3	-5	-4	-2.3	-2.8	-3.1
2.2. over 1 year and up to 5 years	804	-1	6	3	3.8	4.8	4.8
2.3. over 5 years	2535	8	6	9	2.3	2.6	2.6
3. Loans to non-monetary financial corporations except insurance corporations and pension funds ^{d)}	824	-1	23	-26	4.4	5.2	2.8
<i>Adjusted loans ^{c)}</i>	818	0	21	-26	5.6	6.3	3.9
4. Loans to insurance corporations and pension funds	114	-3	1	1	-11.4	3.6	1.4
<i>Adjusted loans ^{c)}</i>	104	-2	1	0	-7.4	10.5	7.0

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 loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

d) Excludes reverse repos to central counterparties.