



EUROPEAN CENTRAL BANK

EUROSYSTEM

Press release

26 April 2024

Monetary developments in the euro area: March 2024

- Annual growth rate of broad [monetary aggregate M3](#) increased to 0.9% in March 2024 from 0.4% in February
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, was -6.7% in March, compared with -7.8% in February
- Annual growth rate of [adjusted loans to households](#) stood at 0.2% in March, compared with 0.3% in February
- Annual growth rate of [adjusted loans to non-financial corporations](#) stood at 0.4% in March, compared with 0.3% in February

Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 increased to 0.9% in March 2024 from 0.4% in February, averaging 0.4% in the three months up to March. The [components of M3](#) showed the following developments. The annual growth rate of the narrower aggregate M1, which comprises currency in circulation and overnight deposits, was -6.7% in March, compared with -7.8% in February. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) decreased to 16.9% in March from 18.8% in February. The annual growth rate of marketable instruments (M3-M2) increased to 19.2% in March from 17.5% in February.

European Central Bank

Directorate General Communications

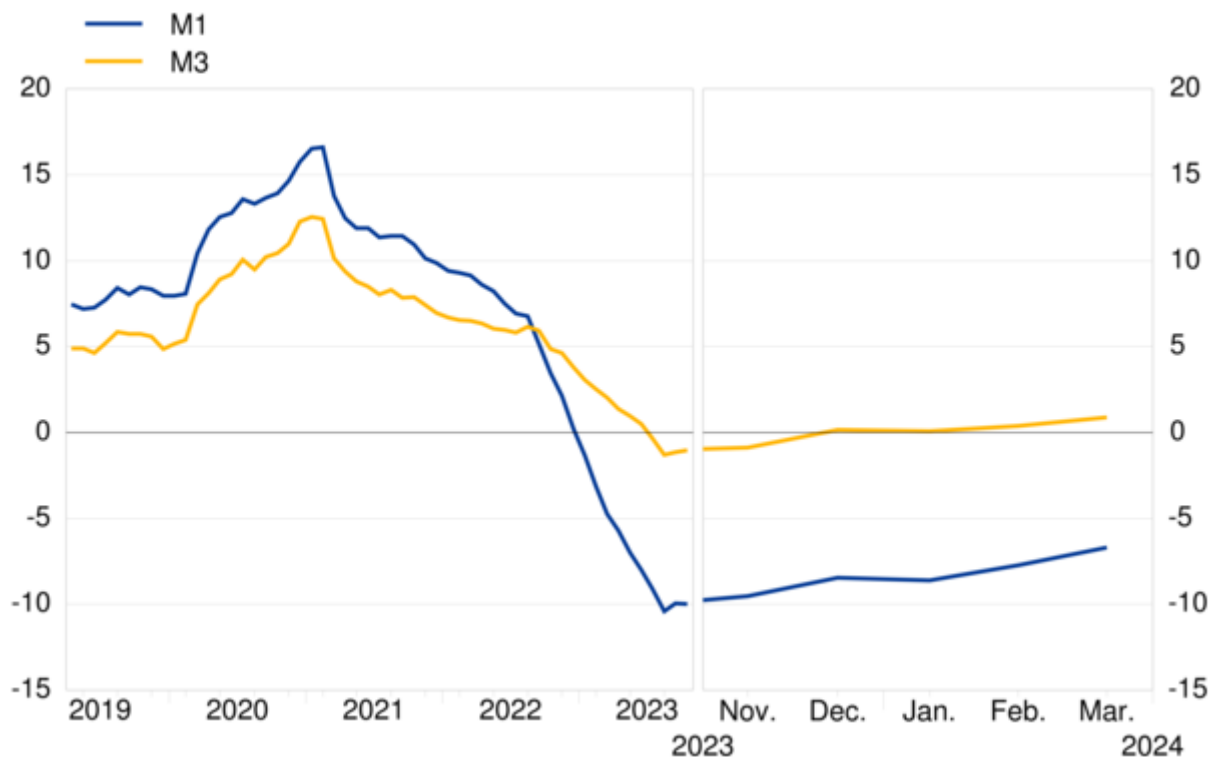
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Chart 1 Monetary aggregates

(annual growth rates)



[Data for monetary aggregates](#)

Looking at the [components' contributions to the annual growth rate of M3](#), the narrower aggregate M1 contributed -4.6 percentage points (up from -5.4 percentage points in February), short-term deposits other than overnight deposits (M2-M1) contributed 4.4 percentage points (down from 4.8 percentage points) and marketable instruments (M3-M2) contributed 1.0 percentage points (up from 0.9 percentage points).

Among the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households increased to 0.9% in March from 0.6% in February, while the annual growth rate of deposits placed by non-financial corporations increased to 0.1% in March from -1.2% in February. Finally, the annual growth rate of deposits placed by investment funds other than money market funds was -9.5% in March, compared with -6.7% in February.

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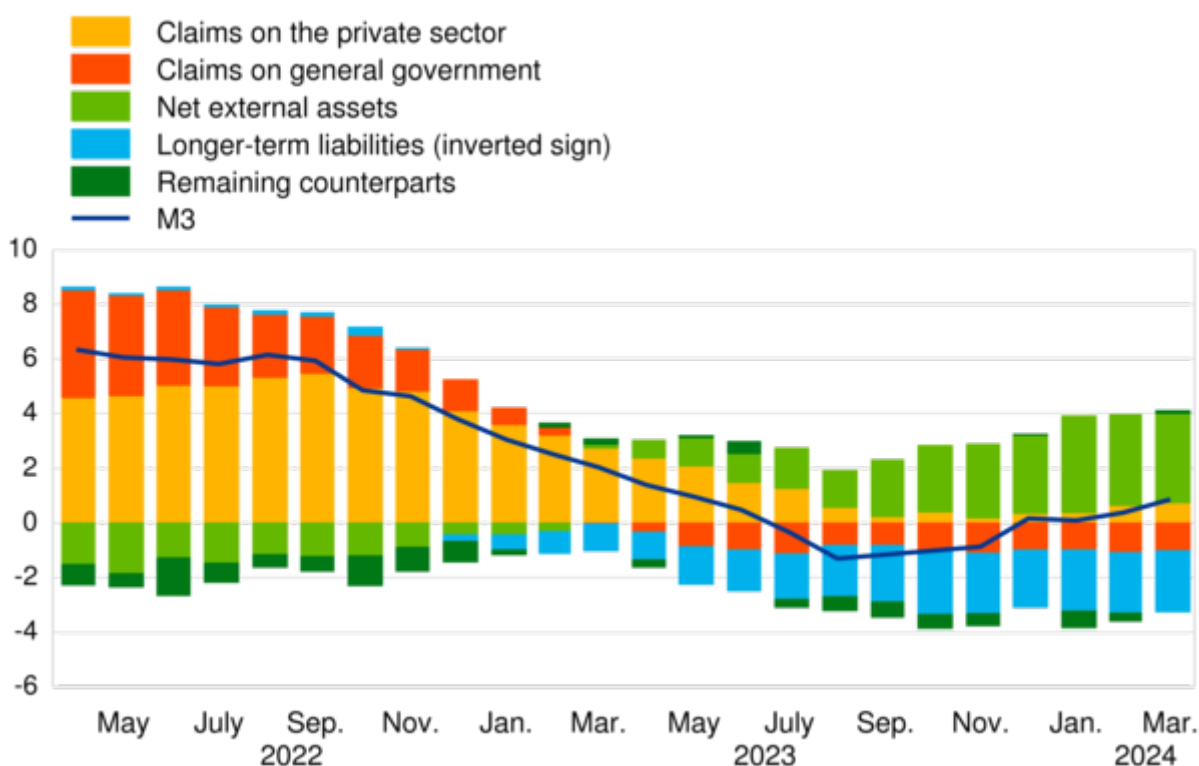
Counterparts of the broad monetary aggregate M3

The annual growth rate of M3 in March 2024, as a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), can be broken down as follows: net external assets contributed 3.3 percentage points (as in the previous month), claims on the private sector contributed 0.7 percentage points (up from 0.6 percentage points), claims on general government contributed -1.0 percentage points (up from -1.1 percentage points), longer-term liabilities contributed -2.2 percentage points (as in the previous month), and the remaining counterparts contributed 0.1 percentage points (up from -0.3 percentage points).

Chart 2

Contribution of the M3 counterparts to the annual growth rate of M3

(percentage points)



[Data for contribution of the M3 counterparts to the annual growth rate of M3](#)

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Claims on euro area residents

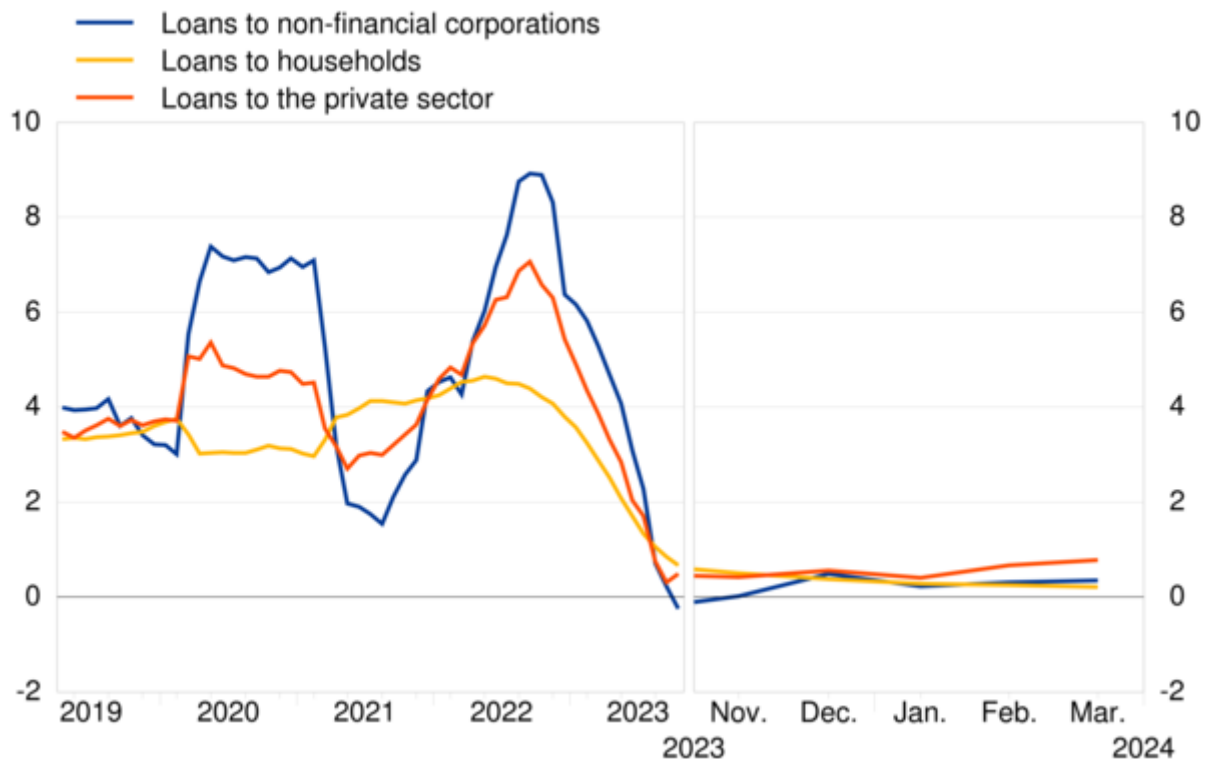
The annual growth rate of total [claims on euro area residents](#) stood at -0.2% in March 2024, compared with -0.3% in the previous month. The annual growth rate of [claims on general government](#) was -2.6% in March, compared with -2.8% in February, while the annual growth rate of [claims on the private sector](#) stood at 0.8% in March, compared with 0.7% in February.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan transfers and notional cash pooling) stood at 0.8% in March, compared with 0.7% in February. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) stood at 0.2% in March, compared with 0.3% in February, while the annual growth rate of [adjusted loans to non-financial corporations](#) stood at 0.4% in March, compared with 0.3% in February.

Chart 3

Adjusted loans to the private sector

(annual growth rates)



[Data for adjusted loans to the private sector](#)

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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.
- Hyperlinks lead to data that may change with subsequent releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

1 Monetary developments in the euro area: March 2024

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

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2024	Jan 2024	Feb 2024	Mar 2024	Jan 2024	Feb 2024	Mar 2024
COMPONENTS OF M3							
1. M3	16190	-47	27	75	0.1	0.4	0.9
1.1. M2	15140	-77	34	37	-1.1	-0.6	-0.2
1.1.1. M1	10244	-113	-18	10	-8.6	-7.8	-6.7
Currency in circulation	1523	-3	0	-10	-0.5	-0.4	-1.2
Overnight deposits	8721	-111	-18	20	-9.9	-8.9	-7.6
1.1.2. Other short-term deposits (M2 - M1)	4897	36	52	27	19.8	18.8	16.9
Deposits with an agreed maturity of up to two years	2466	47	66	30	62.2	58.0	50.3
Deposits redeemable at notice of up to three months	2431	-11	-13	-3	-4.3	-4.7	-4.6
1.2. Marketable instruments (M3 - M2)	1050	30	-7	38	22.4	17.5	19.2
Repurchase agreements	193	-1	-5	14	25.1	29.6	68.4
Money market fund shares	786	10	14	22	17.5	17.0	16.1
Debt securities issued with a maturity of up to two years	72	21	-16	2	71.9	0.2	-16.1
COUNTERPARTS OF M3							
MFI liabilities:							
2. Liabilities to central government ^{b)}	399	-4	-19	-39	-20.3	-21.5	-30.3
3. Longer-term liabilities to other euro area residents	7461	61	15	29	5.2	5.1	5.1
3.1. Deposits with an agreed maturity of over two years	1827	3	2	-1	1.6	1.7	1.3
3.2. Deposits redeemable at notice of over three months	105	6	5	4	85.3	88.8	90.1
3.3. Debt securities issued with a maturity of over two years	2503	39	15	40	10.3	10.5	11.7
3.4. Capital and reserves	3027	13	-6	-14	2.0	1.4	0.9
MFI assets:							
4. Claims on euro area residents	21765	-37	14	8	-0.4	-0.3	-0.2
4.1. Claims on general government	6216	-43	-22	-10	-2.4	-2.8	-2.6
Loans	977	-8	-2	-6	-1.0	-1.2	-1.5
Debt securities	5214	-35	-20	-4	-2.7	-3.1	-2.8
Equity	26	0	0	0	2.5	2.5	2.4
4.2. Claims on the private sector ^{c)}	15548	6	37	18	0.4	0.7	0.8
Loans	13045	-29	33	19	-0.1	0.2	0.4
Adjusted loans ^{d)}	13276	-13	33	16	0.4	0.7	0.8
Debt securities	1572	27	-1	-12	1.3	1.6	0.6
Equity	631	4	4	10	7.1	6.8	8.5
Shares issued by investment funds other than money market funds	301	4	1	1	4.9	4.9	4.3
5. Net external assets	2042	103	-18	43	-	-	-
6. Other counterparts of M3 (residual)	244	-56	27	14	-	-	-
of which:							
6.1. Repos with central counterparties (liabilities) ^{e)}	178	11	2	13	8.4	10.0	20.3
6.2. Reverse repos to central counterparties (assets) ^{e)}	174	7	14	1	4.2	11.0	7.1

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

M3 comprises liabilities of MFIs, as well as short-term deposit liabilities of post offices and specific central government entities, vis-à-vis non-MFI euro area residents other than central government.

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

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

d) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. For further breakdowns see Table 4.

e) The series is not adjusted for seasonal effects.

2 Contributions to the M3 annual growth rate: March 2024

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

	Jan 2024	Feb 2024	Mar 2024
COMPONENTS OF M3			
1. M1	-6.1	-5.4	-4.6
1.1. Currency in circulation	0.0	0.0	-0.1
1.2. Overnight deposits	-6.1	-5.4	-4.5
2. M2 - M1 (other short-term deposits)	5.0	4.8	4.4
3. M3 - M2 (marketable instruments)	1.2	0.9	1.0
COUNTERPARTS OF M3			
4. Claims on the private sector	0.4	0.6	0.7
5. Claims on general government	-1.0	-1.1	-1.0
6. Net external assets	3.6	3.3	3.3
7. Longer-term liabilities (inverted sign) ^{b)}	-2.3	-2.2	-2.2
8. Remaining counterparts	-0.6	-0.3	0.1
M3 (sum of items 1 to 3, or items 4 to 8)	0.1	0.4	0.9

a) Figures may not add up due to rounding.

b) Longer-term liabilities to euro area residents excluding central government.

3 Deposits in M3: March 2024

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

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2024	Jan 2024	Feb 2024	Mar 2024	Jan 2024	Feb 2024	Mar 2024
Total deposits	13810	-76	29	62	-0.9	-0.3	0.5
1. Deposits placed by households ^{b)}	8457	11	10	7	0.3	0.6	0.9
1.1. Overnight deposits	5051	-32	-18	-11	-8.3	-7.9	-7.1
1.2. Deposits with an agreed maturity of up to two years	1137	50	41	23	121.7	114.4	101.4
1.3. Deposits redeemable at notice of up to three months	2267	-7	-12	-5	-4.3	-4.7	-4.6
1.4. Repurchase agreements	1	0	0	0	39.2	28.9	12.1
2. Deposits placed by non-financial corporations	3333	-11	-9	17	-1.1	-1.2	0.1
2.1. Overnight deposits	2378	-42	-17	11	-11.2	-10.6	-8.3
2.2. Deposits with an agreed maturity of up to two years	817	34	7	7	49.6	42.3	36.8
2.3. Deposits redeemable at notice of up to three months	128	-3	0	0	-3.2	-3.1	-3.1
2.4. Repurchase agreements	11	0	0	-1	57.8	45.7	38.5
3. Deposits placed by investment funds other than money market funds	402	-6	-5	-16	-10.8	-6.7	-9.5
3.1. Overnight deposits	311	-9	-4	-13	-16.3	-11.7	-14.1
3.2. Deposits with an agreed maturity of up to two years	59	0	1	-1	6.4	7.0	11.8
3.3. Deposits redeemable at notice of up to three months	2	0	0	0	-6.9	-15.2	-16.8
3.4. Repurchase agreements	30	4	-2	-2	55.5	55.5	20.1
4. Deposits placed by insurance corporations and pension funds	227	-13	1	4	-4.9	-1.3	-1.6
4.1. Overnight deposits	150	-2	-6	3	-11.0	-11.8	-10.0
4.2. Deposits with an agreed maturity of up to two years	45	-5	4	0	3.6	20.5	9.9
4.3. Deposits redeemable at notice of up to three months	4	0	0	1	-15.2	-11.7	9.5
4.4. Repurchase agreements	28	-6	3	0	31.2	62.4	44.8
5. Deposits placed by other non-monetary financial corporations ^{c)}	847	-38	13	47	-2.1	1.2	7.6
5.1. Overnight deposits	463	-16	6	27	-10.5	-5.9	-1.4
5.2. Deposits with an agreed maturity of up to two years	243	-20	13	2	11.6	12.3	4.6
5.3. Deposits redeemable at notice of up to three months	19	0	-1	2	-0.7	-5.2	3.2
5.4. Repurchase agreements ^{c)}	122	-1	-5	16	10.9	13.8	106.5
6. Deposits placed by other general government	544	-19	19	3	-7.3	-6.0	-5.5

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as exchange rate variations and statistical reclassifications.

b) Includes deposits by non-profit institutions serving households.

c) Excludes repurchase agreements with central counterparties.

4 Adjusted loans to the private sector: March 2024 ^{a)}
(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{b)})

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2024	Jan 2024	Feb 2024	Mar 2024	Jan 2024	Feb 2024	Mar 2024
1. Loans to households ^{c)}	6875	2	4	4	0.3	0.3	0.2
1.1. Credit for consumption	771	1	2	3	2.2	2.3	2.4
1.2. Lending for house purchase	5412	2	5	0	0.4	0.4	0.3
1.3. Other lending	693	-1	-2	1	-3.1	-3.2	-2.8
<i>of which: sole proprietors</i>	362	-1	-1	-1	-3.4	-3.4	-3.3
2. Loans to non-financial corporations	5132	-13	6	5	0.2	0.3	0.4
2.1. up to 1 year	804	-18	3	1	-5.3	-3.6	-3.3
2.2. over 1 year and up to 5 years	1107	2	-1	-1	0.6	-0.1	-0.5
2.3. over 5 years	3221	4	4	5	1.6	1.5	1.6
3. Loans to investment funds other than money market funds	160	-4	-4	-1	-3.1	-3.3	-3.6
4. Loans to insurance corporations and pension funds	132	-3	1	7	-8.4	-6.9	1.9
5. Loans to other non-monetary financial corporations ^{d)}	977	5	27	1	4.3	7.8	8.0

a) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. Data on transferred loans that have been derecognised from MFI balance sheets are included in these figures, where available.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

b) Figures may not add up due to rounding.

c) Includes loans to non-profit institutions serving households.

d) Excludes reverse repos to central counterparties.