

PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: MARCH 2011

The annual growth rate of M3 increased to 2.3% in March 2011, from 2.1% in February 2011.¹ The three-month average of the annual growth rates of M3 over the period January 2011 - March 2011 increased to 2.0%, from 1.8% in the period December 2010 - February 2011.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	JANUARY 2011	FEBRUARY 2011	MARCH 2011	JANUARY 2011 - MARCH 2011 AVERAGE
M3	1.5	2.1	2.3	2.0
M1	3.2	2.9	3.0	3.0
Loans to private sector	2.4	2.6	2.5	2.5

Regarding the main components of M3, the annual growth rate of M1 stood at 3.0% in March 2011, compared with 2.9% in February. The annual growth rate of short-term deposits other than overnight deposits increased to 2.2% in March, from 1.8% in the previous month. The annual growth rate of marketable instruments stood at -0.2% in March, compared with -0.3% in February.

Turning to the main counterparts of M3 on the asset side of the consolidated balance sheet of the MFI sector, the annual growth rate of total credit granted to euro area residents decreased to 3.2% in March 2011, from 3.8% in the previous month. The annual growth rate of credit extended to general government decreased to 7.7% in March, from 10.5% in February, while the annual growth rate of credit extended to the private sector stood at 2.2% in March, compared with 2.3% in the previous month. Among the components of the latter, the annual growth rate of loans to the private sector stood at 2.5% in March, compared with 2.6% in the previous month (adjusted for loan sales and securitisation² the annual growth rate of loans to the private sector decreased to 2.8%, from 3.0% in the previous month). The annual growth rate of loans to non-financial corporations increased to 0.8% in March, from 0.6% in February. The annual growth rate of loans to households increased to 3.4% in March, from 3.0% in the previous month. The annual growth rate of lending for house purchase increased to 4.4% in March, from 3.8% in the previous month. The annual growth rate of consumer credit was more negative at -0.9% in March, from -0.7% in February, while the annual growth rate of other lending to households decreased to 2.1% in March, from

¹ These growth rates refer to aggregates adjusted for seasonal and end-of-month calendar effects.

² Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation. The annual growth rate of loans adjusted for sales and securitisation is available at: <http://sdw.ecb.int/search.do?type=serieskey&q=BSI.M.U2.Y.U.A26.A.I.U2.22^0.Z01.A>

2.6% in the previous month. Finally, the annual growth rate of loans to non-monetary financial intermediaries (except insurance corporations and pension funds) decreased to 5.7% in March, from 8.7% in the previous month.

Over the 12 months up to March 2011, the net external asset position of the euro area MFI sector increased by EUR 80 billion, compared with a decrease of EUR 46 billion over the 12 months up to February. The annual growth rate of longer-term financial liabilities of the MFI sector decreased to 3.9% in March, from 4.1% in February.

Notes

- *In addition to the monthly monetary developments for the reference month, this press release incorporates minor revisions to the data for previous months.*
- *The latest data on monetary aggregates and counterparts contained in the statistical annex to this press release can be downloaded from the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=bbn1863>). These data, as well as monthly and other shorter-term growth rates for selected items, longer time series for principal monetary aggregates (with a start date of January 1970) and methodological notes on the concepts underlying the monetary statistics and the related seasonal adjustment procedures, are also available on the ECB's website (<http://www.ecb.europa.eu/stats/money/aggregates/aggr/html/index.en.html>).*
- *Data reflect the changing composition of the euro area, i.e. they cover the EU Member States that had adopted the euro at the time to which the statistics relate. Data on outstanding amounts include Greece as of January 2001, Slovenia as of January 2007, Cyprus and Malta as of January 2008, Slovakia as of January 2009 and Estonia as of January 2011.*
- *The publication of the statistics on monetary developments in April 2011, May 2011 and June 2011 is scheduled to take place at 10 am on 27 May 2011, 30 June 2011 and 27 July 2011 respectively.*

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TABLE 1

MONETARY DEVELOPMENTS IN THE EURO AREA: MARCH 2011

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	FEBRUARY 2011			MARCH 2011			AVERAGE JAN-11 MAR-11
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9545	46	2.1	9603	39	2.3	2.0
(1.1) Currency in circulation	805	2	5.1	803	-2	3.7	4.7
(1.2) Overnight deposits	3893	4	2.4	3912	23	2.8	2.7
(1.3) M1 (items 1.1 and 1.2)	4698	6	2.9	4716	21	3.0	3.0
(1.4) Deposits with agreed maturity up to 2 years	1816	7	-1.6	1820	6	-0.3	-1.7
(1.5) Deposits redeemable at notice up to 3 months	1918	3	5.2	1921	2	4.8	5.2
(1.6) Other short term deposits (items 1.4 and 1.5)	3734	10	1.8	3740	8	2.2	1.7
(1.7) M2 (items 1.3 and 1.6)	8432	16	2.4	8456	30	2.6	2.4
(1.8) Repurchase agreements	440	33	31.3	431	-11	22.8	26.5
(1.9) Money market fund shares/units	548	-2	-15.3	571	0	-13.3	-15.2
(1.10) Debt securities issued with maturity up to 2 years	125	-2	-6.6	145	20	0.9	-5.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1113	29	-0.3	1148	9	-0.2	-1.5
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	320	0	20.5	290	-31	11.3	15.0
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	7398	44	4.1	7379	10	3.9	3.8
(3.1) Deposits with agreed maturity over 2 years	2459	-5	3.6	2463	6	3.9	3.9
(3.2) Deposits redeemable at notice over 3 months	119	1	-9.3	120	0	-9.4	-9.7
(3.3) Debt securities issued with maturity over 2 years	2783	24	3.0	2768	3	2.6	2.5
(3.4) Capital and reserves	2037	24	7.2	2028	1	6.7	6.7
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	16745	44	3.8	16673	-52	3.2	3.6
(4.1) Credit to general government	3245	-5	10.5	3211	-31	7.7	9.9
of which Loans	1221	-2	17.8	1217	-3	14.2	16.8
of which Securities other than shares	2024	-3	6.6	1994	-27	4.1	6.2
(4.2) Credit to other euro area residents	13501	49	2.3	13461	-21	2.2	2.2
of which Loans ^{e)}	11142	40	2.6	11129	2	2.5	2.5
<i>memo item: loans adjusted for sales & securitisation</i> ^{f)}	ND	45	3.0	ND	-16	2.8	2.8
of which Securities other than shares	1547	7	0.2	1515	-29	-0.6	-0.2
of which Shares and other equities	812	2	2.3	817	6	3.6	2.6
(5) <i>Net external assets</i>	625	18	ND	773	135	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-107	27	ND	-174	-65	ND	ND

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

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

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

e) For further breakdowns see Table 4.

f) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

TABLE 2

MONETARY DEVELOPMENTS IN THE EURO AREA: MARCH 2011

DATA UNADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	FEBRUARY 2011			MARCH 2011			AVERAGE JAN-11 MAR-11
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9520	22	2.0	9580	40	2.3	1.9
(1.1) Currency in circulation	796	0	4.8	799	3	3.9	4.6
(1.2) Overnight deposits	3878	-31	2.4	3888	13	2.9	2.7
(1.3) M1 (items 1.1 and 1.2)	4674	-31	2.8	4687	16	3.1	3.0
(1.4) Deposits with agreed maturity up to 2 years	1808	8	-1.9	1815	10	-0.5	-1.9
(1.5) Deposits redeemable at notice up to 3 months	1933	3	5.2	1936	3	4.9	5.2
(1.6) Other short term deposits (items 1.4 and 1.5)	3740	11	1.7	3751	13	2.2	1.6
(1.7) M2 (items 1.3 and 1.6)	8415	-21	2.3	8438	29	2.7	2.4
(1.8) Repurchase agreements	431	40	31.9	426	-7	22.8	26.8
(1.9) Money market fund shares/units	550	5	-15.2	571	-2	-13.3	-15.2
(1.10) Debt securities issued with maturity up to 2 years	125	-2	-6.6	145	20	0.9	-5.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1105	42	-0.3	1142	11	-0.3	-1.6
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	330	13	20.1	299	-31	11.4	15.1
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	7390	34	4.1	7383	22	3.9	3.9
(3.1) Deposits with agreed maturity over 2 years	2459	-5	3.6	2466	9	3.9	3.9
(3.2) Deposits redeemable at notice over 3 months	121	0	-9.3	121	0	-9.4	-9.6
(3.3) Debt securities issued with maturity over 2 years	2775	23	3.0	2771	13	2.6	2.5
(3.4) Capital and reserves	2035	16	7.2	2025	0	6.6	6.7
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	16695	21	3.8	16646	-29	3.2	3.6
(4.1) Credit to general government	3234	-3	10.5	3208	-23	7.6	9.9
of which Loans	1217	-13	17.8	1205	-11	14.1	16.8
of which Securities other than shares	2017	10	6.6	2003	-11	4.1	6.2
(4.2) Credit to other euro area residents	13462	24	2.3	13437	-6	2.2	2.2
of which Loans	11114	24	2.6	11117	18	2.5	2.5
<i>memo item: loans adjusted for sales & securitisation</i> ^{e)}	ND	29	3.0	ND	0	2.8	2.8
of which Securities other than shares	1540	8	0.1	1511	-27	-0.7	-0.3
of which Shares and other equities	807	-8	2.4	810	3	3.6	2.6
(5) <i>Net external assets</i>	642	22	ND	763	108	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-97	27	ND	-146	-47	ND	ND

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

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

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

e) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

TABLE 3

CONTRIBUTIONS OF M3 COMPONENTS TO THE M3 ANNUAL GROWTH RATE: MARCH 2011
DATA ADJUSTED FOR SEASONAL EFFECTS
 (contributions in terms of the M3 annual percentage change ^{a)})

	JANUARY 2011	FEBRUARY 2011	MARCH 2011
(1) M1	1.6	1.4	1.5
(1.1) <i>of which</i> : Currency	0.4	0.4	0.3
(1.2) <i>of which</i> : Overnight deposits	1.1	1.0	1.2
(2) M2 - M1 (= other short-term deposits)	0.5	0.7	0.9
(3) M3 - M2 (= short-term marketable instruments)	-0.5	0.0	0.0
(4) M3 (= items 1, 2 and 3)	1.5	2.1	2.3

a) Figures may not add up due to rounding.

TABLE 4

BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: MARCH 2011
DATA ADJUSTED FOR SEASONAL EFFECTS
 (EUR billions and annual percentage changes ^{a)})

	FEBRUARY 2011			MARCH 2011		
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate
BREAKDOWN OF LOANS ^{c)}						
(1) Loans to non-financial corporations	4707	17	0.6	4703	3	0.8
(1.1) up to 1 year	1153	4	-1.0	1149	-1	-0.4
(1.2) over 1 year and up to 5 years	898	2	-1.8	893	-3	-1.8
(1.3) over 5 years	2656	10	2.2	2661	7	2.3
(2) Loans to households ^{d)}	5193	6	3.0	5221	33	3.4
(2.1) Consumer credit	636	-1	-0.7	634	-1	-0.9
(2.2) Lending for house purchase	3727	4	3.8	3762	36	4.4
(2.3) Other lending	830	2	2.6	826	-2	2.1
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds	1145	14	8.7	1114	-28	5.7
(4) Loans to insurance corporations and pension funds	97	4	8.6	91	-5	5.6

a) Figures may not add up due to rounding.

b) Calculated from the 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.