

## PRESS RELEASE

### MONETARY DEVELOPMENTS IN THE EURO AREA: MARCH 2013

The annual growth rate of the broad monetary aggregate M3 decreased to 2.6% in March 2013, from 3.1% in February 2013.<sup>1</sup> The three-month average of the annual growth rates of M3 in the period from January 2013 to March 2013 decreased to 3.0%, from 3.4% in the period from December 2012 to February 2013.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	JANUARY 2013	FEBRUARY 2013	MARCH 2013	JANUARY 2013 – MARCH 2013 (AVERAGE)
<b>M3</b>	3.5	3.1	2.6	3.0
<b>M1</b>	6.6	7.0	7.1	6.9
<b>Loans to the private sector</b>	-0.9	-0.8	-0.8	-0.8
<b>Loans to the private sector, adjusted for sales and securitisation</b>	-0.5	-0.4	-0.3	-0.4

#### **M3 components**

Regarding the main components of M3, the annual growth rate of M1 stood at 7.1% in March 2013, compared with 7.0% in February. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) decreased to 0.5% in March, from 0.8% in the previous month. The annual growth rate of marketable instruments (M3-M2) was more negative at -13.8% in March, from -8.8% in February. Among the deposits included in M3, the annual growth rate of deposits placed by households decreased to 4.1% in March, from 4.5% in the previous month, while the annual growth rate of deposits placed by non-financial corporations decreased to 5.3% in March, from 5.6% in the previous month. Finally, the annual growth rate of deposits placed by non-monetary financial intermediaries (excluding insurance corporations and pension funds) increased to 4.0% in March, from 1.7% 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

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

area residents increased to 0.0% in March 2013, from -0.2% in the previous month. The annual growth rate of credit extended to general government stood at 3.5% in March, compared with 3.6% in February, while the annual growth rate of credit extended to the private sector was less negative at -0.9% in March, from -1.1% in the previous month. Among the components of credit to the private sector, the annual growth rate of loans stood at -0.8% in March, unchanged from the previous month (adjusted for loan sales and securitisation<sup>2</sup>, the rate stood at -0.3%, compared with -0.4% in the previous month). The annual growth rate of loans to households stood at 0.4% in March, compared with 0.5% in February (adjusted for loan sales and securitisation, the rate stood at 0.4%, unchanged from the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, stood at 1.3% in March, compared with 1.4% in the previous month. The annual growth rate of loans to non-financial corporations stood at -2.4% in March, compared with -2.5% in the previous month (adjusted for loan sales and securitisation, the rate stood at -1.3% in March, compared with -1.4% in the previous month). Finally, the annual growth rate of loans to non-monetary financial intermediaries (excluding insurance corporations and pension funds) increased to 0.1% in March, from -0.6% in the previous month.

#### **Other counterparts**

Over the 12 months up to March 2013, the net external asset position of the euro area MFI sector increased by €180 billion, compared with an increase of €155 billion over the 12 months up to February. The annual growth rate of longer-term financial liabilities of the MFI sector was less negative at -1.1% in March, from -1.5% in February.

#### *Notes*

- *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>.*
- *A set of tables showing MFI balance sheets for the euro area, euro area countries and non-euro area EU 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=1000003152>.*
- *February 2013 figures are partly affected by the orderly restructuring of the Spanish banking sector. This has involved, in particular, the transfer of loans to the asset management company for assets arising from bank restructuring (SAREB) and a corresponding increase of securities other than shares held by MFIs (issued by SAREB).*

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

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TABLE 1

## MONETARY DEVELOPMENTS IN THE EURO AREA: MARCH 2013

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
	MARCH 2013	JANUARY 2013	FEBRUARY 2013	MARCH 2013	JANUARY 2013	FEBRUARY 2013	MARCH 2013
<b>COMPONENTS OF M3 <sup>c)</sup></b>							
(1) <b>M3</b> (= items 1.3, 1.6 and 1.11)	9810	37	18	-5	3,5	3,1	2,6
(1,1) Currency in circulation	867	-2	2	3	1,5	1,4	1,8
(1,2) Overnight deposits	4336	23	46	23	7,7	8,2	8,2
(1,3) <b>M1</b> (items 1.1 and 1.2)	5203	21	47	26	6,6	7,0	7,1
(1,4) Deposits with an agreed maturity of up to two years	1785	4	-18	-8	-3,0	-4,8	-5,2
(1,5) Deposits redeemable at notice of up to three months	2102	9	9	4	6,2	6,2	5,9
(1,6) Other short term deposits (items 1.4 and 1.5)	3887	13	-9	-4	1,7	0,8	0,5
(1,7) <b>M2</b> (items 1.3 and 1.6)	9090	34	38	22	4,4	4,3	4,2
(1,8) Repurchase agreements	122	7	-5	-4	-8,2	-9,2	-7,7
(1,9) Money market fund shares/units	458	-2	2	-8	-4,0	-3,1	-6,5
(1,10) Debt securities issued with a maturity of up to two years	140	-2	-17	-16	-9,6	-21,8	-33,8
(1,11) Marketable instruments (items 1.8, 1.9 and 1.10)	720	3	-20	-27	-6,1	-8,8	-13,8
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
(2) <i>Holdings against central government</i> <sup>d)</sup>	295	-13	-10	17	-9,6	-13,8	-6,6
(3) <i>Longer-term financial liabilities vis-à-vis other euro area residents</i> (= items 3.1 to 3.4)	7559	-4	3	2	-1,6	-1,5	-1,1
(3.1) Deposits with an agreed maturity of over two years	2406	-3	-3	18	-6,5	-6,7	-5,1
(3.2) Deposits redeemable at notice of over three months	101	-2	-2	-1	-11,2	-11,8	-12,5
(3.3) Debt securities issued with a maturity of over two years	2631	-14	-9	-38	-3,8	-3,7	-4,3
(3.4) Capital and reserves	2421	15	16	23	7,0	7,5	7,8
<b>MFI assets:</b>							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	16480	-15	-3	57	0,0	-0,2	0,0
(4.1) Credit to general government	3432	-3	2	27	4,5	3,6	3,5
Loans	1149	-2	-26	8	0,1	-1,8	-1,2
Securities other than shares	2283	-1	28	19	7,0	6,6	6,1
(4.2) Credit to other euro area residents	13048	-12	-5	30	-1,1	-1,1	-0,9
Loans <sup>e)</sup>	10832	-6	-2	4	-0,9	-0,8	-0,8
<i>loans adjusted for sales and securitisation</i> <sup>f)</sup>	ND	-10	7	4	-0,5	-0,4	-0,3
Securities other than shares	1429	-10	-5	17	-6,4	-6,6	-5,1
Shares and other equities	787	5	2	8	6,1	5,6	5,0
(5) <i>Net external assets</i>	1058	39	-4	24	ND	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	127	-3	18	-67	ND	ND	ND
<i>of which:</i>							
(6.1) Repos with central counterparties (liabilities) (+) <sup>g)</sup>	314	0	31	26	0,3	6,4	20,4
(6.2) Reverse repos to central counterparties (assets) (-) <sup>g)</sup>	235	28	12	-2	24,2	27,9	25,6

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). 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) Liabilities of 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.

g) The series is not adjusted for seasonal effects.

TABLE 2

## BREAKDOWN OF DEPOSITS IN M3 BY HOLDING SECTOR AND TYPE: MARCH 2013

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
	MARCH 2013	JANUARY 2013	FEBRUARY 2013	MARCH 2013	JANUARY 2013	FEBRUARY 2013	MARCH 2013
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits (=items 1, 2, 3, 4 and 5)</b>	8345	43	31	15	4,5	4,3	4,2
(1) <b>Deposits placed by households <sup>c)</sup></b>	5355	23	28	2	4,3	4,5	4,1
(1,1) Overnight deposits	2409	11	32	10	4,8	6,2	6,6
(1,2) Deposits with an agreed maturity of up to two years	962	5	-8	-12	2,2	0,1	-2,6
(1,3) Deposits redeemable at notice of up to three months	1974	7	6	4	5,4	5,3	5,2
(1,4) Repurchase agreements	9	0	-2	0	-52,6	-57,5	-55,8
(2) <b>Deposits placed by non-financial corporations</b>	1648	16	11	-2	5,5	5,6	5,3
(2,1) Overnight deposits	1140	12	7	4	11,3	11,0	10,6
(2,2) Deposits with an agreed maturity of up to two years	404	-1	2	-3	-9,2	-8,8	-8,4
(2,3) Deposits redeemable at notice of up to three months	92	0	2	0	15,4	17,6	16,4
(2,4) Repurchase agreements	12	5	0	-3	1,0	8,8	-12,7
(3) <b>Deposits placed by non-monetary financial intermediaries excluding insurance corporations and pension funds <sup>d)</sup></b>	820	4	-9	7	3,0	1,7	4,0
(3,1) Overnight deposits	486	3	5	8	14,8	13,8	12,8
(3,2) Deposits with an agreed maturity of up to two years	236	-1	-8	-1	-13,6	-15,5	-10,7
(3,3) Deposits redeemable at notice of up to three months	14	0	0	0	-4,4	-2,7	-9,6
(3,4) Repurchase agreements <sup>d)</sup>	84	2	-6	0	1,6	-1,4	6,6
(4) <b>Deposits placed by insurance corporations and pension funds</b>	217	2	2	5	7,0	1,7	6,6
(5) <b>Deposits placed by other general government</b>	306	-3	-1	3	5,0	4,1	-0,3

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) Excludes repurchase agreements with central counterparties.

TABLE 3

## CONTRIBUTIONS OF M3 COMPONENTS TO THE M3 ANNUAL GROWTH RATE: MARCH 2013

DATA ADJUSTED FOR SEASONAL EFFECTS

(contributions in terms of the M3 annual percentage change <sup>a)</sup>)

	JANUARY 2013	FEBRUARY 2013	MARCH 2013
(1) <b>M1</b>	3,3	3,6	3,6
(1.1) <i>of which</i> : Currency	0,1	0,1	0,2
(1.2) <i>of which</i> : Overnight deposits	3,2	3,4	3,4
(2) <b>M2 - M1</b> (= other short-term deposits)	0,7	0,3	0,2
(3) <b>M3 - M2</b> (= short-term marketable instruments)	-0,5	-0,8	-1,2
(4) <b>M3</b> (= items 1, 2 and 3)	3,5	3,1	2,6

a) Figures may not add up due to rounding.

TABLE 4

## BREAKDOWN OF LOANS AS COUNTERPART TO M3 BY BORROWING SECTOR, TYPE AND ORIGINAL MATURITY: MARCH 2013

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW <sup>b)</sup>			ANNUAL GROWTH RATE		
		MARCH 2013	JANUARY 2013	FEBRUARY 2013	MARCH 2013	JANUARY 2013	FEBRUARY 2013
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3 <sup>c)</sup></b>							
(1) <b>Loans to households <sup>d)</sup></b>	5251	6	2	2	0,5	0,5	0,4
<i>loans adjusted for sales and securitisation <sup>e)</sup></i>	<i>ND</i>	<i>2</i>	<i>1</i>	<i>3</i>	<i>0,4</i>	<i>0,4</i>	<i>0,4</i>
(1.1) Credit for consumption	594	-1	-3	-3	-3,1	-3,3	-3,4
(1.2) Lending for house purchase	3843	8	6	3	1,4	1,4	1,3
(1.3) Other lending	814	-1	-1	1	-1,1	-1,1	-0,9
<i>of which: sole proprietors <sup>f)</sup></i>	<i>415</i>	<i>-2</i>	<i>-1</i>	<i>-2</i>	<i>-1,7</i>	<i>-1,8</i>	<i>-1,9</i>
(2) <b>Loans to non-financial corporations</b>	4515	-8	-7	2	-2,5	-2,5	-2,4
<i>loans adjusted for sales and securitisation <sup>e)</sup></i>	<i>ND</i>	<i>-8</i>	<i>4</i>	<i>0</i>	<i>-1,5</i>	<i>-1,4</i>	<i>-1,3</i>
(2.1) up to 1 year	1144	-4	9	9	-0,5	0,5	1,5
(2.2) over 1 year and up to 5 years	779	-3	-4	-5	-4,9	-5,2	-5,7
(3.3) over 5 years	2592	-1	-11	-2	-2,5	-3,0	-3,0
(3) <b>Loans to non-monetary financial intermediaries except insurance corporations and pension funds <sup>g)</sup></b>	974	-8	3	0	-1,4	-0,6	0,1
(4) <b>Loans to insurance corporations and pension funds</b>	93	4	0	0	7,3	9,4	6,1

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) Excludes reverse repos to central counterparties.