



## PRESS RELEASE

# EURO AREA FINANCIAL VEHICLE CORPORATIONS STATISTICS THIRD QUARTER 2014

In the third quarter of 2014, net disposals of loans by euro area financial vehicle corporations (FVCs) engaged in securitisation amounted to €17 billion. Over the same period, net redemptions of debt securities by euro area FVCs totalled €27 billion.

### Selected balance sheet items of financial vehicle corporations

(EUR billions and annual growth rates; not seasonally adjusted; amounts outstanding at the end of the quarter, transactions during the quarter)

	2013		2014		
	Q3	Q4	Q1	Q2	Q3
<u>Securitised loans held by FVCs</u>					
Amount outstanding	1,330	1,295	1,259	1,252	1,235
Transactions <sup>1</sup>	-21	-34	-28	1	-17
Annual percentage change	-5.9	-7.1	-7.3	-6.1	-5.9
<u>Debt securities issued</u>					
Amount outstanding	1,583	1,544	1,478	1,473	1,451
Transactions <sup>1</sup>	-34	-39	-45	-5	-27
Annual percentage change	-6.4	-7.3	-8.2	-7.6	-7.3

Source: ECB.

<sup>1</sup> Financial transactions are defined as the net acquisition of financial assets or the net incurrence of liabilities. Transactions take the value at which assets are acquired/disposed of or liabilities are issued, redeemed, liquidated or exchanged. This includes the repayment of principal by borrowers on securitised loans or to holders of debt securities issued. Changes in outstanding amounts may be due to transactions, revaluations of securities, write-offs/write-downs of loans and exchange rate effects.

### Holdings of securitised loans

The amount outstanding of **securitised loans** – which account for most of the assets of euro area FVCs – decreased to €1,235 billion at the end of the third quarter of 2014, from €1,252 billion at the end of the previous quarter. Transactions in securitised loans amounted to minus €17 billion in the third quarter of 2014. Transactions of **securitised loans originated by euro area monetary financial institutions (MFIs)** totalled minus €13 billion in the same quarter.

Turning to the **borrowing sector of the loans originated by euro area MFIs**, securitised loans to **households** stood at €724 billion at the end of the third quarter of 2014, with transactions of minus €8 billion. Loans to **non-financial corporations** which were originated by euro area MFIs totalled €188 billion, with transactions of minus €4 billion.

### Holdings of securities other than shares

Euro area FVCs' holdings of **securities other than shares** totalled €170 billion at the end of the third quarter of 2014, while transactions were negligible during the quarter. Holdings of securities other than shares **issued by other euro area FVCs** amounted to €37 billion. The latter include "re-securitisations", in which debt securities issued by euro area FVCs are held within the sector and may back new securitisations.

### Debt securities issued

Regarding the liabilities of euro area FVCs, issuance of debt securities is the predominant funding source. The amount outstanding of **debt securities issued by FVCs** decreased to €1,451 billion at the end of the third quarter of 2014, from €1,473 billion at the end of the previous quarter. Over the same period, transactions amounted to a net redemption of €27 billion. The annual growth rate of debt securities issued, calculated on the basis of transactions, was -7.3% in the third quarter of 2014. This compares with a growth rate of -7.6% in the previous quarter.

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#### Notes

- *Securitisation is a transaction whereby an asset or a pool of assets, often consisting of mortgage loans, consumer loans or loans to non-financial corporations, is transferred from an originator (usually a credit institution) to an FVC. The FVC converts these assets into marketable securities by issuing debt instruments (sold to the public or on the basis of private placements), with the principal and interest being serviced through the cash flows generated by the asset or asset pool.*
- *The latest data on FVCs and on the securitisation transactions of MFIs can be downloaded from the ECB's Statistical Data Warehouse: [Financial Vehicle Corporations](#) and [MFI balance sheets](#). More details on these statistics are available in the "Statistics" section of the ECB's website under [Euro area financial vehicle corporations](#).*

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## Consolidated weekly financial statement of the Eurosystem as at 24 October 2014

(EUR millions)

Assets	Balance as at 24 October 2014	Difference compared with last week due to transactions	Liabilities	Balance as at 24 October 2014	Difference compared with last week due to transactions
1 Gold and gold receivables	334,531	0	1 Banknotes in circulation	971,105	-1,843
2 Claims on non-euro area residents denominated in foreign currency	263,582	1,207	2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	197,150	-16,702
2.1 Receivables from the IMF	84,287	-13	2.1 Current accounts (covering the minimum reserve system)	170,005	-14,779
2.2 Balances with banks and security investments, external loans and other external assets	179,295	1,221	2.2 Deposit facility	27,127	-1,918
3 Claims on euro area residents denominated in foreign currency	26,870	-306	2.3 Fixed-term deposits	0	0
4 Claims on non-euro area residents denominated in euro	21,206	462	2.4 Fine-tuning reverse operations	0	0
4.1 Balances with banks, security investments and loans	21,206	462	2.5 Deposits related to margin calls	18	-5
4.2 Claims arising from the credit facility under ERM II	0	0	3 Other liabilities to euro area credit institutions denominated in euro	4,756	57
5 Lending to euro area credit institutions related to monetary policy operations denominated in euro	503,904	4,680	4 Debt certificates issued	0	0
5.1 Main refinancing operations	92,918	10,400	5 Liabilities to other euro area residents denominated in euro	134,041	25,492
5.2 Longer-term refinancing operations	410,759	-5,822	5.1 General government	102,230	26,593
5.3 Fine-tuning reverse operations	0	0	5.2 Other liabilities	31,811	-1,101
5.4 Structural reverse operations	0	0	6 Liabilities to non-euro area residents denominated in euro	36,166	-669
5.5 Marginal lending facility	200	75	7 Liabilities to euro area residents denominated in foreign currency	1,112	28
5.6 Credits related to margin calls	27	27	8 Liabilities to non-euro area residents denominated in foreign currency	6,404	722
6 Other claims on euro area credit institutions denominated in euro	60,837	-4,761	8.1 Deposits, balances and other liabilities	6,404	722
7 Securities of euro area residents denominated in euro	561,177	2,086	8.2 Liabilities arising from the credit facility under ERM II	0	0
7.1 Securities held for monetary policy purposes	192,350	1,110	9 Counterpart of special drawing rights allocated by the IMF	55,494	0
7.2 Other securities	368,826	976	10 Other liabilities	215,706	-4,027
8 General government debt denominated in euro	26,727	0	11 Revaluation accounts	315,537	0
9 Other assets	233,950	-311	12 Capital and reserves	95,312	0
<b>Total assets</b>	<b>2,032,783</b>	<b>3,058</b>	<b>Total liabilities</b>	<b>2,032,783</b>	<b>3,058</b>

Totals / sub-totals may not add up, due to rounding.