



EUROPEAN CENTRAL BANK

EUROSYSTEM

PRESS RELEASE

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Monetary developments in the euro area: March 2015

The annual growth rate of the broad monetary aggregate M3 increased to 4.6% in March 2015, from 4.0% in February 2015.¹ The three-month average of the annual growth rates of M3 in the period from January 2015 to March 2015 increased to 4.1%, from 3.8% in the period from December 2014 to February 2015.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	JANUARY 2015	FEBRUARY 2015	MARCH 2015	JANUARY 2015 - MARCH 2015 (AVERAGE)
M3	3.7	4.0	4.6	4.1
M1	8.9	9.1	10.0	9.3
Loans to the private sector	-0.2	-0.1	0.1	-0.1
Loans to the private sector, adjusted for sales and securitisation	0.5	0.6	0.8	0.6

M3 components

Regarding the main components of M3, the annual growth rate of M1 increased to 10.0% in March 2015, from 9.1% in February. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) stood at -3.3% in March, compared with -3.2% in the previous month. The annual growth rate of

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

marketable instruments (M3-M2) increased to 4.1% in March, from 3.2% in February. Among the deposits included in M3, the annual growth rate of deposits placed by households increased to 2.8% in March, from 2.5% in the previous month, while the annual growth rate of deposits placed by non-financial corporations decreased to 4.6% in March, from 4.8% in the previous month. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 14.6% in March, from 7.7% 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 area residents increased to 0.4% in March 2015, from 0.0% in the previous month. The annual growth rate of credit extended to general government increased to 2.5% in March, from 1.8% in February, while the annual growth rate of credit extended to the private sector was less negative at -0.2% in March, from -0.5% in the previous month. Among the components of credit to the private sector, the annual growth rate of loans increased to 0.1% in March, from -0.1% in the previous month (adjusted for loan sales and securitisation², the rate increased to 0.8%, from 0.6% in the previous month). The annual growth rate of loans to households stood at 0.0% in March, after -0.2% in February (adjusted for loan sales and securitisation, the rate stood at 1.1%, compared with 1.0% in the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, increased to 0.2% in March, from 0.0% in the previous month. The annual growth rate of loans to non-financial corporations stood at -0.6% in March, compared with -0.7% in the previous month (adjusted for loan sales and securitisation, the rate stood at -0.3% in March, unchanged from the previous month). Finally, the annual growth rate of loans to non-monetary financial corporations (excluding insurance corporations and pension funds) increased to 2.3% in March, from 0.5% in the previous month.

Other counterparts

Over the 12 months up to March 2015, the net external asset position of the euro area MFI sector increased by €134 billion, compared with an increase of €149 billion over the 12 months up to February. The annual growth rate of longer-term financial liabilities of the MFI sector was more negative at -3.2% in March, from -2.5% in February.

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

Notes:

- Euro area-wide reporting under Regulation ECB/2013/33 of 24 September 2013 concerning the balance sheet of the monetary financial institutions sector, together with other changes to the statistical reporting framework and practices in several euro area countries, started with effect from the December 2014 reference period. This Regulation implements the European System of Accounts 2010 (ESA 2010) for MFI balance sheet statistics.
- 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 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 in the ECB's Statistical Data Warehouse at <http://sdw.ecb.europa.eu/reports.do?node=1000003503>.
- Data refer to 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 Lithuania as of January 2015.

I Monetary developments in the euro area: MARCH 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	10484	54	59	36	3.7	4.0	4.6
(1.1) Currency in circulation	994	16	8	1	7.7	7.9	7.3
(1.2) Overnight deposits	5172	81	47	60	9.1	9.3	10.5
(1.3) M1 (items 1.1 and 1.2)	6166	98	54	61	8.9	9.1	10.0
(1.4) Deposits with an agreed maturity of up to two years	1531	-34	-17	-8	-6.9	-7.4	-7.7
(1.5) Deposits redeemable at notice of up to three months	2133	-8	3	9	-0.1	0.0	0.3
(1.6) Other short term deposits (items 1.4 and 1.5)	3664	-43	-14	1	-3.1	-3.2	-3.3
(1.7) M2 (items 1.3 and 1.6)	9830	55	40	62	4.0	4.1	4.6
(1.8) Repurchase agreements	126	-3	12	-7	-4.3	0.4	4.9
(1.9) Money market fund shares	437	7	5	-7	0.1	2.4	4.5
(1.10) Debt securities issued with a maturity of up to two years	91	-5	2	-13	12.7	15.3	4.8
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	654	-1	19	-27	0.5	3.2	4.1
COUNTERPARTS OF M3							
MFI liabilities:							
(2) Holdings against central government ^{d)}	285	39	-45	23	23.6	-4.0	5.2
(3) Longer-term financial liabilities vis-a-vis other euro area residents (= items 3.1 to 3.4)	7314	-22	-14	-31	-2.4	-2.5	-3.2
(3.1) Deposits with an agreed maturity of over two years	2257	-20	-4	-9	-5.8	-5.7	-6.0
(3.2) Deposits redeemable at notice of over three months	91	0	-1	-1	2.6	0.8	-0.3
(3.3) Debt securities issued with a maturity of over two years	2388	-13	-11	-31	-5.9	-5.8	-7.0
(3.4) Capital and reserves	2578	11	2	10	4.2	3.8	3.4
MFI assets:							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16346	45	-16	38	0.0	0.0	0.4
(4.1) Credit to general government	3664	32	-23	20	2.3	1.8	2.5
Loans	1153	14	3	5	1.6	1.5	2.0
Debt securities	2511	19	-26	14	2.6	1.9	2.8
(4.2) Credit to other euro area residents	12683	13	7	18	-0.6	-0.5	-0.2
Loans ^{e)}	10617	20	7	20	-0.2	-0.1	0.1
loans adjusted for sales and securitisation ^{f)}	ND	20	14	21	0.5	0.6	0.8
Debt securities	1277	2	-7	4	-6.3	-5.6	-4.7
Equity and non-money market fund investment fund shares	789	-9	8	-6	3.3	4.2	3.2
(5) Net external assets	1501	-7	-23	16	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5)	235	33	39	-27	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) ^{g)}	235	18	24	9	22.0	27.0	32.7
(6.2) Reverse repos to central counterparties (assets)(-) ^{g)}	159	-8	13	15	26.4	28.4	36.3

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) Liabilities of MFIs and specific units of 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.

2 Breakdown of deposits in M3 by holding sector and type: MARCH 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015
BREAKDOWN OF DEPOSITS IN M3							
Total deposits (= items 1, 2, 3, 4 and 5)	8962	36	45	54	3.4	3.6	4.3
(1) Deposits placed by households ^{c)}	5597	-4	11	29	2.5	2.5	2.8
(1.1) Overnight deposits	2842	25	22	32	8.6	8.9	9.7
(1.2) Deposits with an agreed maturity of up to two years	762	-21	-13	-10	-9.2	-10.3	-11.2
(1.3) Deposits redeemable at notice of up to three months	1988	-9	1	7	-0.2	-0.2	0.0
(1.4) Repurchase agreements	4	1	0	0	-20.3	-24.7	-29.7
(2) Deposits placed by non-financial corporations ^{d)}	1847	26	12	-9	4.9	4.8	4.6
(2.1) Overnight deposits	1392	39	13	-4	10.0	9.8	9.4
(2.2) Deposits with an agreed maturity of up to two years	341	-4	-5	-8	-8.0	-8.9	-9.8
(2.3) Deposits redeemable at notice of up to three months	99	0	1	2	1.5	1.4	3.5
(2.4) Repurchase agreements	15	-8	3	1	-34.7	-21.8	-5.3
(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds ^{d), e)}	953	-10	18	44	5.6	7.7	14.6
(3.1) Overnight deposits	604	7	6	33	11.7	12.2	20.8
(3.2) Deposits with an agreed maturity of up to two years	247	-16	2	15	-1.9	0.3	4.5
(3.3) Deposits redeemable at notice of up to three months	18	-1	0	1	-11.6	-1.3	3.5
(3.4) Repurchase agreements ^{e)}	84	-1	11	-5	-5.4	3.6	8.4
(4) Deposits placed by insurance corporations and pension funds	225	9	-4	0	0.5	-0.9	-0.9
(5) Deposits placed by other general government	339	14	8	-10	7.9	7.7	4.9

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) In accordance with the ESA 2010, in December 2014 holding companies of non-financial groups were reclassified from the non-financial corporations sector to the financial corporations sector. These entities are included in MFI balance sheet statistics with financial corporations other than MFIs and insurance corporations and pension funds (ICPFs).

e) Excludes repurchase agreements with central counterparties.

3 Contributions of M3 components to the M3 annual growth rate: MARCH 2015

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

	JANUARY 2015	FEBRUARY 2015	MARCH 2015
(1) M1	4.9	5.0	5.6
(1.1) <i>of which: Currency</i>	0.7	0.7	0.7
(1.2) <i>of which: Overnight deposits</i>	4.2	4.3	4.9
(2) M2 - M1 (= other short-term deposits)	-1.2	-1.2	-1.2
(3) M3 - M2 (= short term marketable instruments)	0.0	0.2	0.2
(4) M3 (= items 1, 2 and 3)	3.7	4.0	4.6

a) Figures may not add up due to rounding.

4 Breakdown of loans as counterpart to M3 by borrowing sector, type and original maturity: MARCH 2015

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015	JANUARY 2015	FEBRUARY 2015	MARCH 2015
BREAKDOWN OF LOANS AS COUNTERPART TO M3^{c)}							
(1) Loans to households^{d)}	5234	7	1	11	-0.1	-0.2	0.0
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	8	6	11	0.9	1.0	1.1
(1.1) Credit for consumption	567	0	-1	3	-0.6	-0.6	-0.3
(1.2) Lending for house purchase	3891	8	4	6	0.1	0.0	0.2
(1.3) Other lending	776	-1	-2	2	-0.9	-1.0	-1.0
<i>of which: sole proprietors^{f)}</i>	397	0	-1	0	-0.8	-1.1	-1.3
(2) Loans to non-financial corporations^{g)}	4311	-1	10	-3	-1.2	-0.7	-0.6
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	-1	12	-1	-0.9	-0.3	-0.3
(2.1) up to 1 year	1091	-3	3	-2	-0.9	0.5	-0.7
(2.2) over 1 year and up to 5 years	739	5	-1	4	1.1	0.8	2.0
(2.3) over 5 years	2482	-3	8	-5	-1.9	-1.6	-1.4
(3) Loans to non-monetary financial corporations except insurance corporations and pension funds^{g), h)}	937	3	-3	14	1.6	0.5	2.3
(4) Loans to insurance corporations and pension funds	135	10	-2	-3	19.3	15.4	14.1

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) In accordance with the ESA 2010, in December 2014 holding companies of non-financial groups were reclassified from the non-financial corporations sector to the financial corporations sector. These entities are included in MFI balance sheet statistics with financial corporations other than MFIs and insurance corporations and pension funds (ICPFs).

h) Excludes reverse repos to central counterparties.