



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

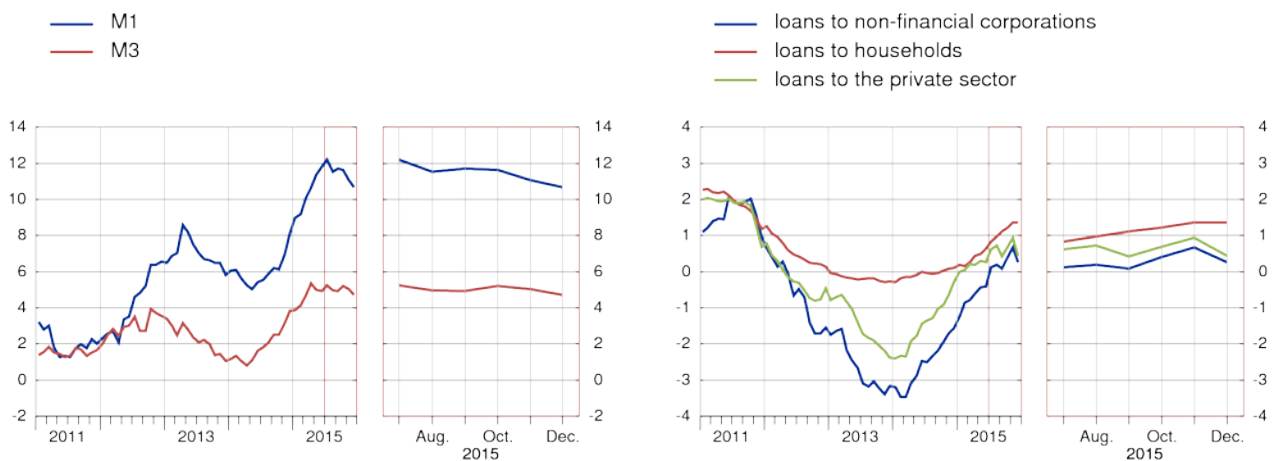
29 January 2016

## Monetary developments in the euro area: December 2015

- The annual growth rate of the broad monetary aggregate M3 decreased to 4.7% in December 2015, from 5.0% in November.
- The annual growth rate of the narrower aggregate M1, which includes currency in circulation and overnight deposits, decreased to 10.7% in December, from 11.1% in November.
- The annual growth rate of loans to households stood at 1.4% in December, unchanged from the previous period.
- The annual growth rate of loans to non-financial corporations decreased to 0.3% in December, from 0.7% in November.

### Monetary aggregates and loans to the private sector

(annual growth rates, loans adjusted for sales and securitisation)



### Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 decreased to 4.7% in December 2015, from 5.0% in November, averaging 5.0% in the three months up to December. The components of M3 showed the following developments. The annual growth rate of the narrower aggregate including currency in circulation and overnight deposits (M1) decreased to 10.7% in December, from 11.1% in November. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was less negative at

-3.5% in December, from -4.0% in November. The annual growth rate of marketable instruments (M3-M2) decreased to -2.8% in December, from 2.6% in November.

Within M3, the annual growth rate of deposits placed by households increased to 3.5% in December, from 3.2% in November, while the annual growth rate of deposits placed by non-financial corporations increased to 5.5% in December, from 5.0% in November. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to 8.7% in December, from 9.7% in November.

### **Credit to euro area residents**

The annual growth rate of total credit to euro area residents decreased to 2.3% in December 2015, from 2.6% in the previous month. The annual growth rate of credit to general government stood at 7.8% in December, unchanged from the previous month, while the annual growth rate of credit to the private sector decreased to 0.8% in December, from 1.2% in November.

Among the components of credit to the private sector, the annual growth rate of loans (adjusted for loan sales and securitisation) decreased to 0.4% in December, from 0.9% in November. In particular, the annual growth rate of loans to households stood at 1.4% in December, unchanged from the previous month, and the annual growth rate of loans to non-financial corporations decreased to 0.3% in December, from 0.7% in November.

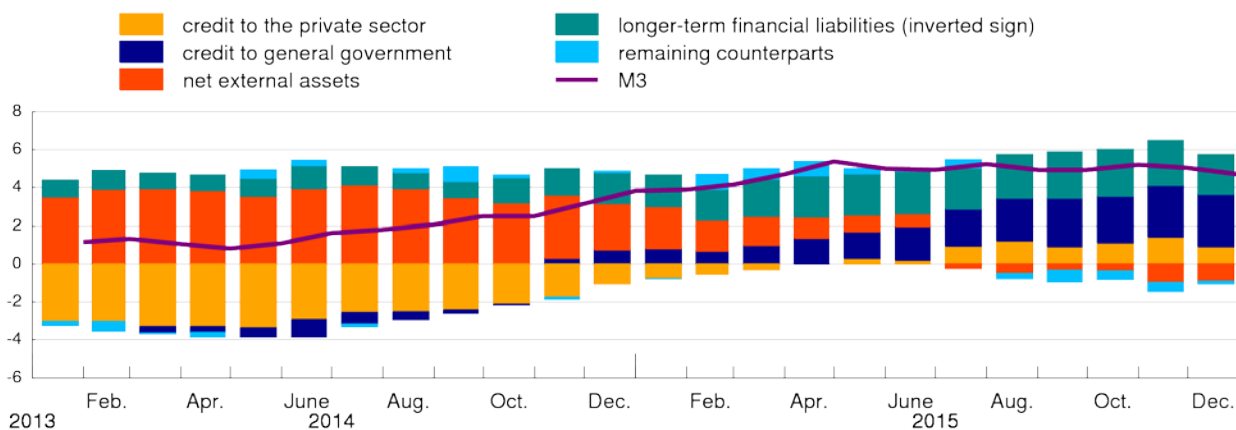
### **Longer-term financial liabilities**

The annual growth rate of longer-term financial liabilities of the MFI sector became less negative at -3.0% in December 2015, from -3.3% in November.

### **M3 and its counterparts**

The annual growth rate of the broad monetary aggregate M3 decreased to 4.7% in December 2015. The contributions of M3 counterparts on the MFI balance sheet were as follows. Longer-term financial liabilities contributed 2.1 percentage points, net external assets contributed -0.9 percentage point, credit to general government contributed 2.7 percentage points, and credit to the private sector contributed 0.9 percentage point; the remaining counterparts of M3 contributed -0.1 percentage point.

**Contribution of the M3 counterparts to the annual growth rate of M3**  
 (percentage points)



**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.
- Further tables, statistical data and methodological notes, as well as the 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 from the ECB's Statistical Data Warehouse at <http://sdw.ecb.europa.eu/reports.do?node=1000003503>.

# I Monetary developments in the euro area: DECEMBER 2015

(EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015
<b>COMPONENTS OF M3</b>							
(1) M3 (= items 1.3, 1.6 and 1.11)	10839	67	61	-3	5.2	5.0	4.7
(1.1) Currency in circulation	1035	2	8	-3	8.1	8.0	6.7
(1.2) Overnight deposits	5563	49	48	27	12.3	11.7	11.5
(1.3) M1 (items 1.1 and 1.2)	6598	51	55	24	11.6	11.1	10.7
(1.4) Deposits with an agreed maturity of up to two years	1447	-12	7	0	-10.9	-9.9	-9.1
(1.5) Deposits redeemable at notice of up to three months	2160	0	-2	-2	0.6	0.3	0.5
(1.6) Other short term deposits (items 1.4 and 1.5)	3607	-12	6	-2	-4.3	-4.0	-3.5
(1.7) M2 (items 1.3 and 1.6)	10205	38	61	22	5.3	5.2	5.2
(1.8) Repurchase agreements	81	8	-16	-10	-18.8	-29.7	-35.1
(1.9) Money market fund shares	481	16	11	-3	10.0	12.0	11.9
(1.10) Debt securities issued with a maturity of up to two years	72	5	5	-12	7.1	7.8	-25.5
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	634	29	1	-25	3.1	2.6	-2.8
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
(2) Holdings against central government <sup>b)</sup>	278	58	-52	-18	29.6	10.3	3.0
(3) Longer-term financial liabilities vis-à-vis other euro area residents (= items 3.1 to 3.4)	7067	-34	-11	-8	-3.4	-3.3	-3.0
(3.1) Deposits with an agreed maturity of over two years	2183	-23	-21	-4	-4.3	-4.9	-4.6
(3.2) Deposits redeemable at notice of over three months	80	-2	-2	-1	-10.1	-11.5	-14.5
(3.3) Debt securities issued with a maturity of over two years	2251	-18	-6	-18	-8.9	-8.7	-8.4
(3.4) Capital and reserves	2554	9	18	14	3.0	3.6	4.3
<b>MFI assets:</b>							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16567	26	55	-5	2.2	2.6	2.3
(4.1) Credit to general government	3892	10	36	25	6.9	7.8	7.8
Loans	1109	-8	-2	-8	0.2	-0.7	-1.9
Debt securities	2783	17	38	33	9.9	11.6	12.3
(4.2) Credit to other euro area residents <sup>c)</sup>	12675	17	19	-30	0.9	1.2	0.8
Loans <sup>d)</sup>	10588	28	36	-42	0.9	1.2	0.6
loans adjusted for sales and securitisation <sup>e)</sup>	10986	26	32	-41	0.7	0.9	0.4
Debt securities	1300	-19	-20	16	0.0	-0.7	1.8
Equity and non-money market fund investment fund shares	787	8	4	-4	2.5	3.4	0.6
(5) Net external assets	1332	9	-15	-29	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5)	286	55	-42	4	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) <sup>f)</sup>	202	-17	21	-15	7.2	18.0	9.6
(6.2) Reverse repos to central counterparties (assets)(-) <sup>f)</sup>	136	5	1	-10	19.6	11.7	-2.9

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.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

M3 comprises liabilities of MFIs and specific units of central government (post offices, treasury) vis-à-vis non-MFI euro area residents excluding central government.

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

c) Euro area non-MFIs excluding general government are also referred to in the press release as the private sector.

d) For further breakdowns see Table 4.

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.

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

(EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015
<b>BREAKDOWN OF DEPOSITS IN M3</b>							
<b>Total deposits</b> (= items 1, 2, 3, 4 and 5)	9251	45	37	15	4.7	4.4	4.5
<b>(1) Deposits placed by households</b> <sup>b)</sup>	5749	10	21	23	3.1	3.2	3.5
(1.1) Overnight deposits	3060	15	28	28	11.0	10.9	10.9
(1.2) Deposits with an agreed maturity of up to two years	694	-2	-5	-4	-14.8	-14.5	-13.5
(1.3) Deposits redeemable at notice of up to three months	1993	-3	-2	1	0.0	0.1	0.0
(1.4) Repurchase agreements	3	0	0	-1	-26.0	-20.8	-16.0
<b>(2) Deposits placed by non-financial corporations</b> <sup>c)</sup>	1926	25	-8	-3	6.5	5.0	5.5
(2.1) Overnight deposits	1480	32	-10	-4	12.2	9.9	10.5
(2.2) Deposits with an agreed maturity of up to two years	322	-8	4	1	-11.5	-11.1	-9.6
(2.3) Deposits redeemable at notice of up to three months	117	1	0	0	2.4	1.9	4.4
(2.4) Repurchase agreements	9	0	-1	0	-26.4	-31.7	-56.3
<b>(3) Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds</b> <sup>c), d)</sup>	992	-5	21	4	10.9	9.7	8.7
(3.1) Overnight deposits	666	-8	29	5	20.3	20.0	16.9
(3.2) Deposits with an agreed maturity of up to two years	248	-2	2	5	-0.5	1.7	1.7
(3.3) Deposits redeemable at notice of up to three months	22	2	0	-1	35.8	-0.9	17.5
(3.4) Repurchase agreements <sup>d)</sup>	56	4	-10	-5	-18.2	-30.0	-30.8
<b>(4) Deposits placed by insurance corporations and pension funds</b>	225	4	-2	2	-3.7	-4.7	-0.6
<b>(5) Deposits placed by other general government</b>	360	9	5	-12	9.8	10.9	7.5

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.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

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

c) 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).

d) Excludes repurchase agreements with central counterparties.

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

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects <sup>a)</sup>)

	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015
<b>(1) M1</b>	6.6	6.3	6.2
(1.1) <i>of which: Currency</i>	0.8	0.7	0.6
(1.2) <i>of which: Overnight deposits</i>	5.9	5.6	5.5
<b>(2) M2 - M1 (= other short-term deposits)</b>	-1.6	-1.5	-1.3
<b>(3) M3 - M2 (= short term marketable instruments)</b>	0.2	0.2	-0.2
<b>(4) M3 (= items 1, 2 and 3)</b>	5.2	5.0	4.7

a) Figures may not add up due to rounding.

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

(EUR billions and annual percentage changes; data adjusted for seasonal effects <sup>a)</sup>)

	END-OF-MONTH LEVEL	MONTHLY FLOW			ANNUAL GROWTH RATE		
	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015
<b>BREAKDOWN OF LOANS AS COUNTERPART TO M3</b>							
<b>(1) Loans to households <sup>b)</sup></b>	5306	15	8	-1	1.8	1.9	1.9
<i>loans adjusted for sales and securitisation <sup>c)</sup></i>	5638	7	9	2	1.2	1.4	1.4
(1.1) Credit for consumption	595	3	2	-1	2.8	3.5	3.7
(1.2) Lending for house purchase	3948	13	4	3	2.0	2.1	2.1
(1.3) Other lending	764	-1	2	-3	-0.4	-0.2	-0.5
<i>of which: sole proprietors <sup>d)</sup></i>	390	-2	1	-2	-1.5	-1.3	-1.5
<b>(2) Loans to non-financial corporations <sup>e)</sup></b>	4271	7	12	-23	0.3	0.7	0.1
<i>loans adjusted for sales and securitisation <sup>c)</sup></i>	4331	11	9	-21	0.4	0.7	0.3
(2.1) up to 1 year	1036	-6	16	-35	-3.1	-0.8	-4.4
(2.2) over 1 year and up to 5 years	757	10	-3	6	5.1	3.5	4.9
(2.3) over 5 years	2478	3	-1	7	0.4	0.5	0.7
<b>(3) Loans to non-monetary financial corporations except insurance corporations and pension funds <sup>e), f)</sup></b>	887	2	15	-18	-1.5	-0.1	-3.2
<b>(4) Loans to insurance corporations and pension funds</b>	124	3	0	0	1.9	-1.5	-4.1

a) Figures may not add up due to rounding.

Monthly flows refer to differences in levels adjusted for write-offs/write-downs, reclassifications, exchange rate variations and any other changes which do not arise from transactions.

Data refer to loans granted by monetary financial institutions (MFIs) to non-MFI euro area residents excluding general government.

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

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

d) The series is not adjusted for seasonal effects.

e) 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).

f) Excludes reverse repos to central counterparties.