



## NOTICE

Madrid, 5 September 2012

### **Statement by the Banco de España**

With regard to the information published today by a media outlet on the liquidity situation in the Spanish financial system, the Banco de España wishes to state the following:

- The purpose of eliminating the penalties imposed on high-interest bank deposits is simply to eliminate the distortion that may be causing a shift in the supply of banking products towards instruments such as commercial paper, which offer savers less protection than bank deposits. This measure is not, therefore, intended to influence the ability of institutions to attract liquid funds.
- As can be seen in the Balance Sheet published monthly by the Banco de España, the provision of liquidity to financial institutions through channels other than regular monetary policy operations represents an insignificant fraction of total lending by the Banco de España to the financial system.

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