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PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: SEPTEMBER 2013

The annual growth rate of the broad monetary aggregate M3 decreased to 2.1% in September 2013, from 2.3% in August 2013.¹ The three-month average of the annual growth rates of M3 in the period from July 2013 to September 2013 stood at 2.2%, compared with 2.3% in the period from June 2013 to August 2013.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	JULY 2013	AUGUST 2013	SEPTEMBER 2013	JULY 2013 - SEPTEMBER 2013 (AVERAGE)
M3	2.2	2.3	2.1	2.2
M1	7.1	6.8	6.6	6.8
Loans to the private sector	-1.9	-2.0	-1.9	-1.9
Loans to the private sector, adjusted for sales and securitisation	-1.4	-1.5	-1.4	-1.4

M3 components

Regarding the main components of M3, the annual growth rate of M1 decreased to 6.6% in September 2013, from 6.8% in August. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) decreased to 0.2% in September, from 0.4% in the previous month. The annual growth rate of marketable instruments (M3-M2) was more negative at -16.6% in September, from -16.3% in August. Among the deposits included in M3, the annual growth rate of deposits placed by households decreased to 3.5% in September, from 3.7% in the previous month, while the annual growth rate of deposits placed by non-financial corporations decreased to 5.3% in September, from 5.7% in the previous month. Finally, the annual growth rate of deposits placed by non-monetary financial intermediaries (excluding insurance corporations and pension funds) decreased to 3.7% in September, from 4.5% 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 was more negative at -0.7% in September 2013, from -0.5% in the previous month. The annual growth rate of credit extended to general government decreased to 0.7% in

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

September, from 2.1% in August, while the annual growth rate of credit extended to the private sector stood at -1.1% in September, compared with -1.2% in the previous month. Among the components of credit to the private sector, the annual growth rate of loans stood at -1.9% in September, compared with -2.0% in the previous month (adjusted for loan sales and securitisation², the rate stood at -1.4%, compared with -1.5% in the previous month). The annual growth rate of loans to households stood at 0.1% in September, compared with 0.0% in August (adjusted for loan sales and securitisation, the rate stood at 0.3%, unchanged from the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, stood at 0.8% in September, compared with 0.7% in the previous month. The annual growth rate of loans to non-financial corporations was less negative at -3.5% in September, from -3.8% in the previous month (adjusted for loan sales and securitisation, the rate was less negative at -2.7% in September, from -2.9% in the previous month). Finally, the annual growth rate of loans to non-monetary financial intermediaries (excluding insurance corporations and pension funds) was more negative at -6.6% in September, from -6.0% in the previous month.

Other counterparts

Over the 12 months up to September 2013, the net external asset position of the euro area MFI sector increased by €302 billion, compared with an increase of €281 billion over the 12 months up to August. The annual growth rate of longer-term financial liabilities of the MFI sector was more negative at -1.4% in September, from -1.2% in August.

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 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>.*

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

I Monetary developments in the euro area: SEPTEMBER 2013

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9852	37	12	-5	2.2	2.3	2.1
(1.1) Currency in circulation	893	5	6	3	2.4	2.7	3.2
(1.2) Overnight deposits	4452	34	30	3	8.1	7.6	7.3
(1.3) M1 (items 1.1 and 1.2)	5346	39	37	6	7.1	6.8	6.6
(1.4) Deposits with an agreed maturity of up to two years	1719	-9	-21	-2	-5.4	-4.5	-4.8
(1.5) Deposits redeemable at notice of up to three months	2133	8	-2	6	5.3	4.8	4.5
(1.6) Other short term deposits (items 1.4 and 1.5)	3852	-1	-23	3	0.2	0.4	0.2
(1.7) M2 (items 1.3 and 1.6)	9197	38	14	10	4.1	4.0	3.8
(1.8) Repurchase agreements	102	5	-7	-5	-6.5	-9.7	-11.8
(1.9) Money market fund shares/units	421	-2	0	-14	-11.1	-10.1	-11.8
(1.10) Debt securities issued with a maturity of up to two years	132	-3	5	5	-40.1	-35.3	-31.3
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	655	-1	-2	-14	-17.7	-16.3	-16.6
COUNTERPARTS OF M3							
MFI liabilities:							
(2) Holdings against central government ^{d)}	276	5	-25	-10	4.8	0.3	-8.5
(3) Longer-term financial liabilities vis-a-vis other euro area residents (= items 3.1 to 3.4)	7356	-37	-7	-6	-1.0	-1.2	-1.4
(3.1) Deposits with an agreed maturity of over two years	2389	-1	-4	-4	-1.2	-1.6	-1.6
(3.2) Deposits redeemable at notice of over three months	94	-1	0	-2	-14.9	-14.1	-14.9
(3.3) Debt securities issued with a maturity of over two years	2502	-35	-14	1	-6.0	-6.5	-6.5
(3.4) Capital and reserves	2370	0	11	0	5.7	5.9	5.3
MFI assets:							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16298	-63	-3	-21	-0.5	-0.5	-0.7
(4.1) Credit to general government	3435	-13	6	-20	2.2	2.1	0.7
Loans	1106	4	-9	-4	-5.7	-6.2	-6.4
Securities other than shares	2330	-17	15	-17	6.5	6.6	4.4
(4.2) Credit to other euro area residents	12863	-51	-9	0	-1.2	-1.2	-1.1
Loans ^{e)}	10626	-43	-10	-3	-1.9	-2.0	-1.9
loans adjusted for sales and securitisation ^{f)}	ND	-35	-8	-7	-1.4	-1.5	-1.4
Securities other than shares	1435	4	3	-3	1.1	1.9	2.3
Shares and other equities	802	-12	-2	6	5.6	5.3	4.6
(5) Net external assets	1074	7	23	20	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5)	111	61	-40	-20	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) ^{g)}	211	-56	10	-4	-2.5	5.1	-1.8
(6.2) Reverse repos to central counterparties (assets)(-) ^{g)}	138	-30	12	-2	6.4	18.1	4.4

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: SEPTEMBER 2013

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013
BREAKDOWN OF DEPOSITS IN M3							
Total deposits (= items 1, 2, 3, 4 and 5)	8406	37	1	2	4.1	3.9	3.6
(1) Deposits placed by households ^{c)}	5413	20	17	3	4.0	3.7	3.5
(1.1) Overnight deposits	2504	30	28	9	7.6	7.5	7.7
(1.2) Deposits with an agreed maturity of up to two years	906	-14	-6	-9	-4.7	-5.1	-6.4
(1.3) Deposits redeemable at notice of up to three months	1997	4	-4	4	4.5	4.0	3.8
(1.4) Repurchase agreements	6	1	0	0	-50.7	-49.8	-49.8
(2) Deposits placed by non-financial corporations	1670	17	13	-4	5.9	5.7	5.3
(2.1) Overnight deposits	1171	11	10	1	9.1	7.8	7.3
(2.2) Deposits with an agreed maturity of up to two years	395	4	0	-4	-3.1	-1.2	-1.0
(2.3) Deposits redeemable at notice of up to three months	95	2	1	1	13.1	13.1	11.0
(2.4) Repurchase agreements	10	0	2	-2	-13.3	4.4	-11.3
(3) Deposits placed by non-monetary financial intermediaries excluding insurance corporations and pension funds ^{d)}	806	-2	-27	5	5.3	4.5	3.7
(3.1) Overnight deposits	477	-8	-7	-6	12.7	10.2	7.6
(3.2) Deposits with an agreed maturity of up to two years	241	1	-13	13	-6.6	-3.1	-0.4
(3.3) Deposits redeemable at notice of up to three months	18	1	0	1	28.9	24.6	26.9
(3.4) Repurchase agreements ^{d)}	70	3	-7	-3	-0.8	-7.0	-9.4
(4) Deposits placed by insurance corporations and pension funds	201	4	-5	-4	3.9	2.7	0.8
(5) Deposits placed by other general government	315	-2	2	1	-5.8	-2.8	-1.5

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.

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.

3 Contributions of M3 components to the M3 annual growth rate: SEPTEMBER 2013

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

	JULY 2013	AUGUST 2013	SEPTEMBER 2013
(1) M1	3.6	3.5	3.4
(1.1) <i>of which:</i> Currency	0.2	0.2	0.3
(1.2) <i>of which:</i> Overnight deposits	3.4	3.2	3.1
(2) M2 - M1 (= other short-term deposits)	0.1	0.2	0.1
(3) M3 - M2 (= short term marketable instruments)	-1.5	-1.4	-1.4
(4) M3 (= items 1, 2 and 3)	2.2	2.3	2.1

a) Figures may not add up due to rounding.

4 Breakdown of loans as counterpart to M3 by borrowing sector, type and original maturity: SEPTEMBER 2013

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013
BREAKDOWN OF LOANS AS COUNTERPART TO M3 ^{c)}							
(1) Loans to households ^{d)}	5236	-6	4	6	0.0	0.0	0.1
<i>loans adjusted for sales and securitisation ^{e)}</i>	ND	3	5	3	0.3	0.3	0.3
(1.1) Credit for consumption	582	2	-2	-1	-2.6	-2.5	-2.4
(1.2) Lending for house purchase	3847	-7	5	8	0.7	0.7	0.8
(1.3) Other lending	807	-1	1	0	-1.3	-1.2	-1.1
<i>of which: sole proprietors ^{f)}</i>	414	-2	-1	2	-1.8	-1.9	-1.1
(2) Loans to non-financial corporations	4399	-14	-12	-6	-3.7	-3.8	-3.5
<i>loans adjusted for sales and securitisation ^{e)}</i>	ND	-16	-12	-7	-2.8	-2.9	-2.7
(2.1) up to 1 year	1084	-11	-10	5	-3.7	-4.4	-2.9
(2.2) over 1 year and up to 5 years	763	1	0	-8	-5.8	-5.3	-5.7
(2.3) over 5 years	2552	-4	-2	-2	-3.0	-3.1	-3.1
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds ^{g)}	896	-26	-4	-2	-5.7	-6.0	-6.6
(4) Loans to insurance corporations and pension funds	96	2	2	-2	14.4	13.0	10.2

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.