

Press release

27 February 2025

Monetary developments in the euro area: January 2025

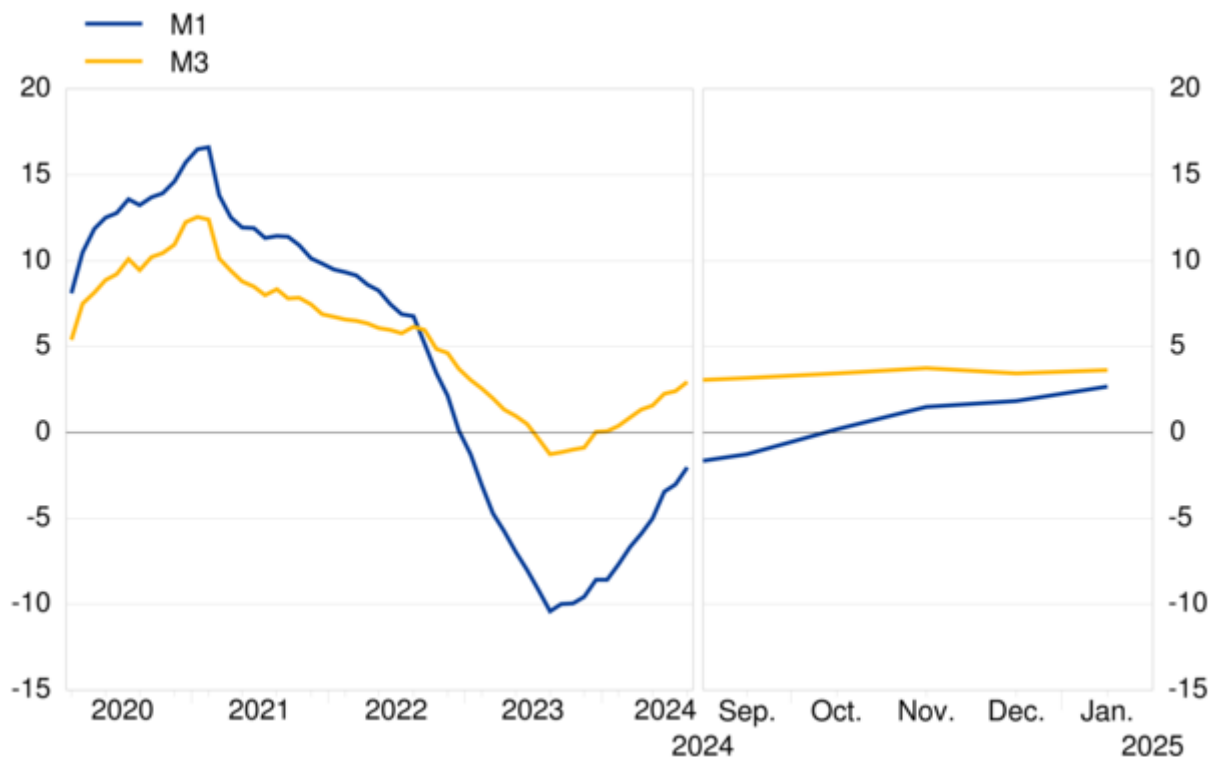
- Annual growth rate of broad [monetary aggregate M3](#) increased to 3.6% in January 2025 from 3.4% in December (revised from 3.5%)
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, increased to 2.7% in January from 1.8% in December
- Annual growth rate of [adjusted loans to households](#) increased to 1.3% in January from 1.1% in December
- Annual growth rate of [adjusted loans to non-financial corporations](#) increased to 2.0% in January from 1.7% in December (revised from 1.5%)

Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 increased to 3.6% in January 2025 from 3.4% in December, averaging 3.6% in the three months up to January. The [components of M3](#) showed the following developments. The annual growth rate of the narrower aggregate M1, which comprises currency in circulation and overnight deposits, increased to 2.7% in January from 1.8% in December. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) decreased to 3.3% in January from 4.4% in December. The annual growth rate of marketable instruments (M3-M2) decreased to 14.7% in January from 15.8% in December.

Chart 1
Monetary aggregates

(annual growth rates)



[Data for monetary aggregates](#)

Looking at the [components' contributions to the annual growth rate of M3](#), the narrower aggregate M1 contributed 1.7 percentage points (up from 1.2 percentage points in December), short-term deposits other than overnight deposits (M2-M1) contributed 1.0 percentage points (down from 1.3 percentage points) and marketable instruments (M3-M2) contributed 0.9 percentage points (down from 1.0 percentage points).

Among the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households decreased to 3.3% in January from 3.5% in December, while the annual growth rate of deposits placed by non-financial corporations increased to 3.1% in January from 2.8% in December. Finally, the annual growth rate of deposits placed by investment funds other than money market funds decreased to 4.5% in January from 7.4% in December.

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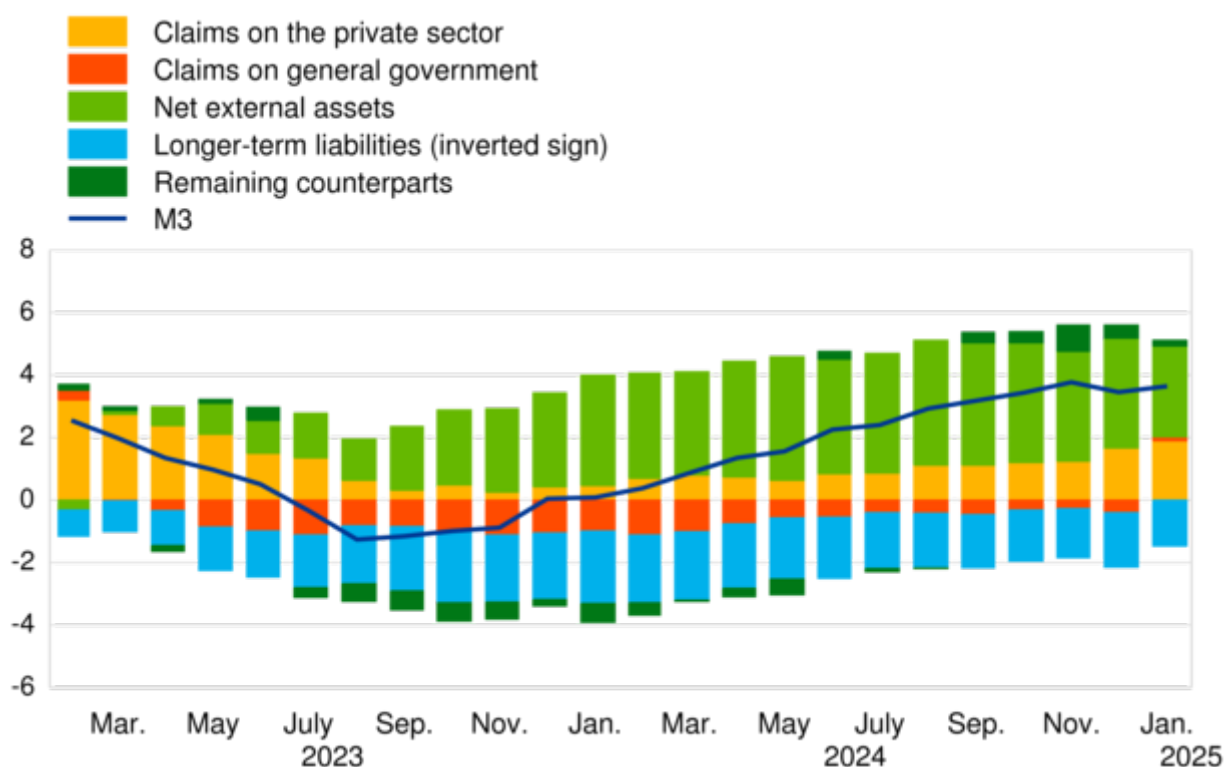
Counterparts of the broad monetary aggregate M3

The annual growth rate of M3 in January 2025, as a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), can be broken down as follows: net external assets contributed 2.9 percentage points (down from 3.5 percentage points in December), claims on the private sector contributed 1.9 percentage points (up from 1.7 percentage points), claims on general government contributed 0.1 percentage points (up from -0.4 percentage points), longer-term liabilities contributed -1.5 percentage points (up from -1.8 percentage points), and the remaining counterparts of M3 contributed 0.2 percentage points (down from 0.4 percentage points).

Chart 2

Contribution of the M3 counterparts to the annual growth rate of M3

(percentage points)



[Data for contribution of the M3 counterparts to the annual growth rate of M3](#)

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Claims on euro area residents

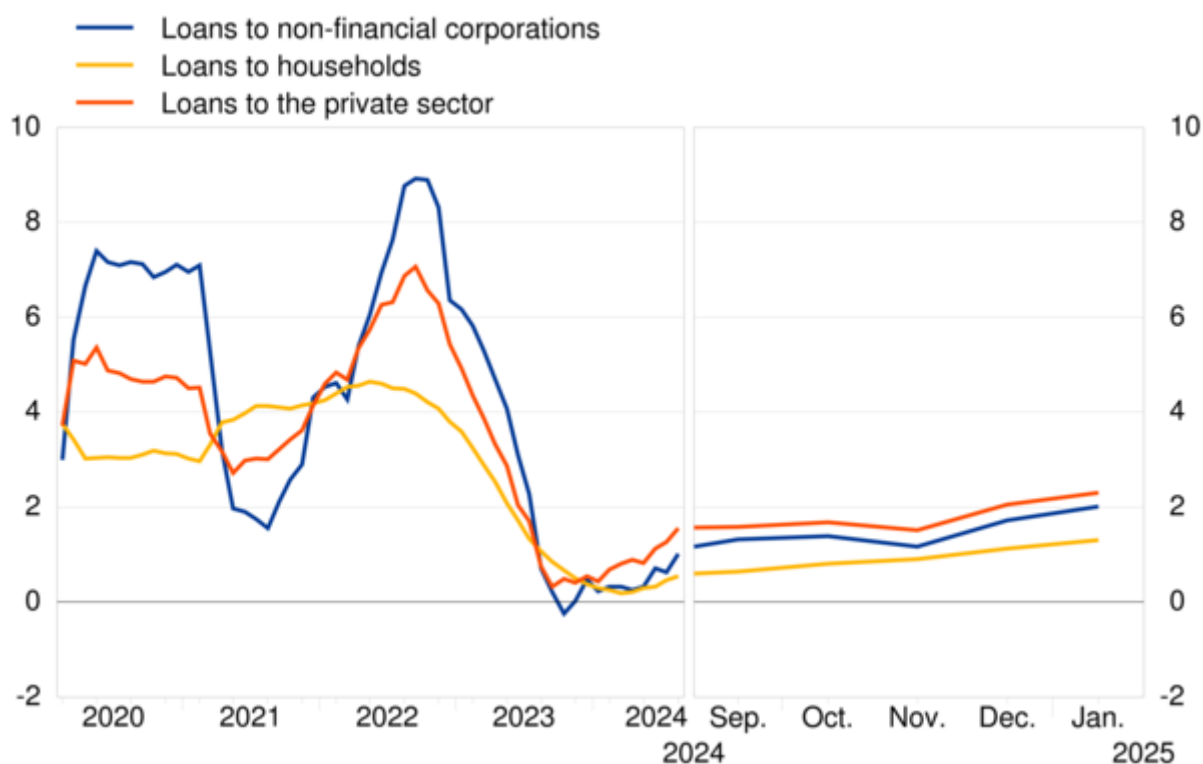
The annual growth rate of total [claims on euro area residents](#) increased to 1.5% in January 2025 from 0.9% in the previous month. The annual growth rate of [claims on general government](#) increased to 0.3% in January from -1.0% in December, while the annual growth rate of [claims on the private sector](#) increased to 2.0% in January from 1.7% in December.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan transfers and notional cash pooling) increased to 2.3% in January from 2.0% in December. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) increased to 1.3% in January from 1.1% in December, while the annual growth rate of [adjusted loans to non-financial corporations](#) increased to 2.0% in January from 1.7% in December.

Chart 3

Adjusted loans to the private sector

(annual growth rates)



[Data for adjusted loans to the private sector](#)

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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.
- Hyperlinks lead to data that may change with subsequent releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

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1 Monetary developments in the euro area: January 2025

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

	End-of-month level	Monthly flow			Annual growth rate		
	Jan 2025	Nov 2024	Dec 2024	Jan 2025	Nov 2024	Dec 2024	Jan 2025
COMPONENTS OF M3							
1. M3	16755	91	42	32	3.8	3.4	3.6
1.1. M2	15583	107	28	7	2.9	2.6	2.9
1.1.1. M1	10599	103	27	21	1.5	1.8	2.7
Currency in circulation	1556	5	6	-1	1.1	1.4	1.5
Overnight deposits	9043	98	21	22	1.5	1.9	2.9
1.1.2. Other short-term deposits (M2 - M1)	4984	4	1	-14	6.1	4.4	3.3
Deposits with an agreed maturity of up to two years	2512	-2	-34	-16	13.3	8.8	5.7
Deposits redeemable at notice of up to three months	2472	6	35	2	-0.6	0.4	1.1
1.2. Marketable instruments (M3 - M2)	1172	-17	14	25	17.0	15.8	14.7
Repurchase agreements	268	-5	14	19	39.3	41.3	51.3
Money market fund shares	857	3	10	-14	17.7	16.1	12.3
Debt securities issued with a maturity of up to two years	47	-14	-11	20	-48.3	-58.8	-43.7
COUNTERPARTS OF M3							
MFI liabilities:							
2. Liabilities to central government ^{b)}	404	-22	-46	27	0.2	-15.5	-10.1
3. Longer-term liabilities to other euro area residents	7921	5	50	22	3.4	3.8	3.2
3.1. Deposits with an agreed maturity of over two years	1840	5	3	-4	0.7	0.9	0.6
3.2. Deposits redeemable at notice of over three months	117	0	1	2	37.4	29.1	23.5
3.3. Debt securities issued with a maturity of over two years	2592	0	1	5	7.6	6.8	5.4
3.4. Capital and reserves	3373	0	46	19	0.8	2.4	2.2
MFI assets:							
4. Claims on euro area residents	22116	-1	85	94	0.7	0.9	1.5
4.1. Claims on general government	6307	-7	6	51	-0.7	-1.0	0.3
Loans	996	5	-2	8	0.6	-0.1	1.2
Debt securities	5285	-11	8	44	-1.0	-1.2	0.2
Equity	26	0	0	0	2.0	1.9	1.5
4.2. Claims on the private sector ^{c)}	15809	6	79	43	1.3	1.7	2.0
Loans	13282	6	72	41	1.2	1.8	2.2
Adjusted loans ^{d)}	13528	-3	87	31	1.5	2.0	2.3
Debt securities	1577	-1	2	-2	0.2	0.6	-0.9
Equity	637	-1	2	3	5.2	3.0	2.7
Shares issued by investment funds other than money market funds	313	2	3	1	4.0	4.7	3.9
5. Net external assets	2757	11	52	0	-	-	-
6. Other counterparts of M3 (residual)	208	65	-91	-14	-	-	-
of which:							
6.1. Repos with central counterparties (liabilities) ^{e)}	163	7	-36	23	5.7	-7.7	0.0
6.2. Reverse repos to central counterparties (assets) ^{e)}	147	-8	-28	11	1.2	-10.9	-8.2

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

M3 comprises liabilities of MFIs, as well as short-term deposit liabilities of post offices and specific central government entities, vis-à-vis non-MFI euro area residents other than central government.

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

c) Private sector refers to euro area non-MFIs excluding general government.

d) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. For further breakdowns see Table 4.

e) The series is not adjusted for seasonal effects.

2 Contributions to the M3 annual growth rate: January 2025

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

	Nov 2024	Dec 2024	Jan 2025
COMPONENTS OF M3			
1. M1	1.0	1.2	1.7
1.1. Currency in circulation	0.1	0.1	0.1
1.2. Overnight deposits	0.9	1.0	1.6
2. M2 - M1 (other short-term deposits)	1.8	1.3	1.0
3. M3 - M2 (marketable instruments)	1.0	1.0	0.9
COUNTERPARTS OF M3			
4. Claims on the private sector	1.2	1.7	1.9
5. Claims on general government	-0.3	-0.4	0.1
6. Net external assets	3.5	3.5	2.9
7. Longer-term liabilities (inverted sign) ^{b)}	-1.6	-1.8	-1.5
8. Remaining counterparts	0.8	0.4	0.2
M3 (sum of items 1 to 3, or items 4 to 8)	3.8	3.4	3.6

a) Figures may not add up due to rounding.

b) Longer-term liabilities to euro area residents excluding central government.

3 Deposits in M3: January 2025

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

	End-of-month level	Monthly flow			Annual growth rate		
	Jan 2025	Nov 2024	Dec 2024	Jan 2025	Nov 2024	Dec 2024	Jan 2025
Total deposits	14295	97	37	27	3.6	3.3	3.7
1. Deposits placed by households ^{b)}	8752	39	57	-6	3.5	3.5	3.3
1.1. Overnight deposits	5203	44	33	4	0.2	1.1	1.7
1.2. Deposits with an agreed maturity of up to two years	1245	-9	-8	-9	30.1	23.0	16.4
1.3. Deposits redeemable at notice of up to three months	2302	4	30	-1	-0.4	0.4	0.8
1.4. Repurchase agreements	1	0	1	0	-3.1	6.1	19.1
2. Deposits placed by non-financial corporations	3431	26	26	1	2.3	2.8	3.1
2.1. Overnight deposits	2473	29	45	-28	1.8	3.1	3.5
2.2. Deposits with an agreed maturity of up to two years	809	-5	-21	17	4.5	2.0	0.4
2.3. Deposits redeemable at notice of up to three months	136	2	4	2	-1.0	2.2	6.2
2.4. Repurchase agreements	13	0	-2	9	-4.1	1.8	188.4
3. Deposits placed by investment funds other than money market funds	441	0	9	-15	7.9	7.4	4.5
3.1. Overnight deposits	355	0	1	-5	5.1	3.8	4.4
3.2. Deposits with an agreed maturity of up to two years	41	2	4	-4	-6.3	-3.6	-14.0
3.3. Deposits redeemable at notice of up to three months	2	0	0	0	-1.2	2.3	5.4
3.4. Repurchase agreements	44	-1	3	-6	63.7	66.2	32.5
4. Deposits placed by insurance corporations and pension funds	230	8	2	-2	1.6	1.8	2.9
4.1. Overnight deposits	154	3	9	-9	4.2	5.1	1.4
4.2. Deposits with an agreed maturity of up to two years	42	4	-4	4	-0.9	-15.5	-0.1
4.3. Deposits redeemable at notice of up to three months	3	0	0	0	-5.2	1.3	-3.8
4.4. Repurchase agreements	31	1	-3	3	-5.4	9.5	23.2
5. Deposits placed by other non-monetary financial corporations ^{c)}	889	9	-42	46	7.8	2.9	10.0
5.1. Overnight deposits	477	6	-46	44	7.7	1.6	8.4
5.2. Deposits with an agreed maturity of up to two years	237	2	-3	-13	-4.6	-5.2	-2.2
5.3. Deposits redeemable at notice of up to three months	19	0	1	1	1.6	5.1	12.3
5.4. Repurchase agreements ^{c)}	156	0	7	14	42.3	24.4	42.1
6. Deposits placed by other general government	551	15	-15	3	4.6	0.6	3.5

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as exchange rate variations and statistical reclassifications.

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

c) Excludes repurchase agreements with central counterparties.

4 Adjusted loans to the private sector: January 2025 ^{a)}
(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{b)})

	End-of-month level	Monthly flow			Annual growth rate		
	Jan 2025	Nov 2024	Dec 2024	Jan 2025	Nov 2024	Dec 2024	Jan 2025
1. Loans to households ^{c)}	6942	12	15	15	0.9	1.1	1.3
1.1. Credit for consumption	782	1	5	3	3.2	3.8	4.0
1.2. Lending for house purchase	5471	8	11	11	0.9	1.1	1.2
1.3. Other lending	689	3	-2	0	-1.5	-1.4	-1.1
<i>of which: sole proprietors</i>	357	-1	0	-1	-2.6	-2.4	-2.4
2. Loans to non-financial corporations	5208	1	39	7	1.2	1.7	2.0
2.1. up to 1 year	828	-1	7	-6	1.7	2.0	3.0
2.2. over 1 year and up to 5 years	1120	-2	11	6	0.1	1.0	1.3
2.3. over 5 years	3261	4	21	8	1.4	1.9	2.0
3. Loans to investment funds other than money market funds	177	-1	7	-6	6.1	8.2	5.6
4. Loans to insurance corporations and pension funds	128	-1	3	0	0.7	1.2	2.1
5. Loans to other non-monetary financial corporations ^{d)}	1072	-15	24	15	7.0	9.5	10.5

a) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. Data on transferred loans that have been derecognised from MFI balance sheets are included in these figures, where available.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

b) Figures may not add up due to rounding.

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

d) Excludes reverse repos to central counterparties.