EUROPEAN CENTRAL BANK
EUROSYSTEM

Press release

29 January 2026

Monetary developments in the euro area: December 2025

- Annual growth rate of broad monetary aggregate M3 decreased to 2.8% in December 2025 from 3.0% in November
- Annual growth rate of narrower monetary aggregate M1, comprising currency in circulation and overnight deposits, decreased to 4.7% in December from 5.0% in November
- Annual growth rate of adjusted loans to households stood at 3.0% in December, compared with 2.9% in November
- Annual growth rate of adjusted loans to non-financial corporations stood at 3.0% in December, compared with 3.1% in November

Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 decreased to 2.8% in December 2025 from 3.0% in November, averaging 2.9% in the three months up to December. 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, decreased to 4.7% in December from 5.0% in November. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was -0.4% in December, compared with -0.8% in November. The annual growth rate of marketable instruments (M3-M2) decreased to -1.0% in December from 1.5% in November.

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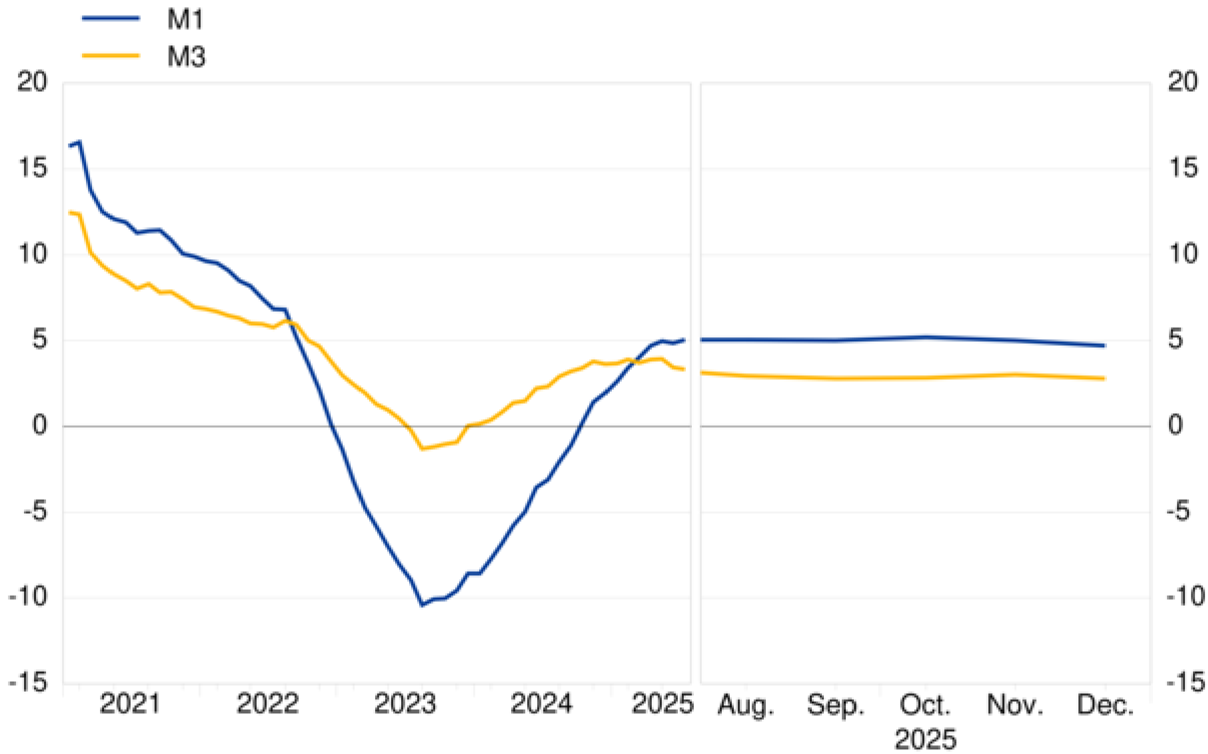
Chart 1

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 3.0 percentage points (down from 3.2 percentage points in November), short-term deposits other than overnight deposits (M2-M1) contributed -0.1 percentage points (up from -0.3 percentage points) and marketable instruments (M3-M2) contributed -0.1 percentage points (down from 0.1 percentage points).

Among the holding sectors of deposits in M3, the annual growth rate of deposits placed by households stood at 3.0% in December, compared with 3.1% in November, while the annual growth rate of deposits placed by non-financial corporations stood at 3.4% in December, compared with 3.5% in November. Finally, the annual growth rate of deposits placed by investment funds other than money market funds increased to 4.3% in December from 0.4% in November.

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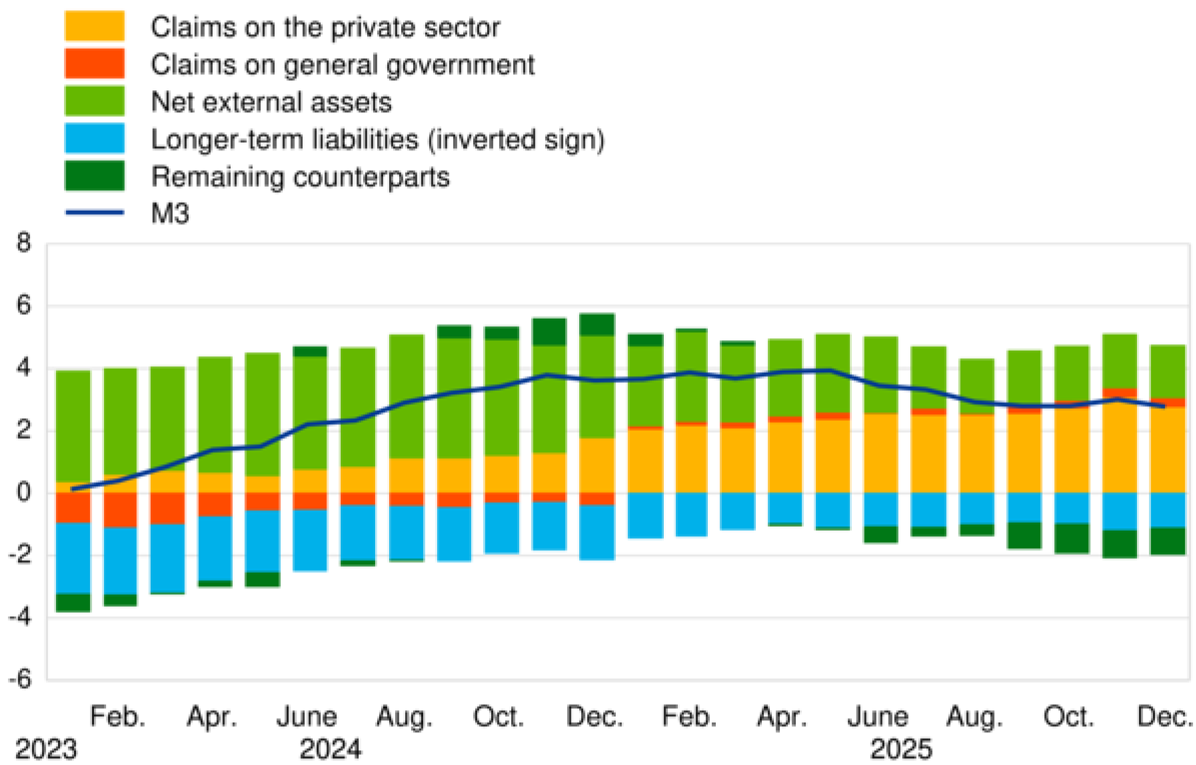
Counterparts of the broad monetary aggregate M3

The annual growth rate of M3 in December 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: claims on the private sector contributed 2.8 percentage points (down from 3.1 percentage points in November), net external assets contributed 1.7 percentage points (as in the previous month), claims on general government contributed 0.3 percentage points (as in the previous month), longer-term liabilities contributed -1.1 percentage points (up from -1.2 percentage points), and the remaining counterparts of M3 contributed -0.9 percentage points (as in the previous month).

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

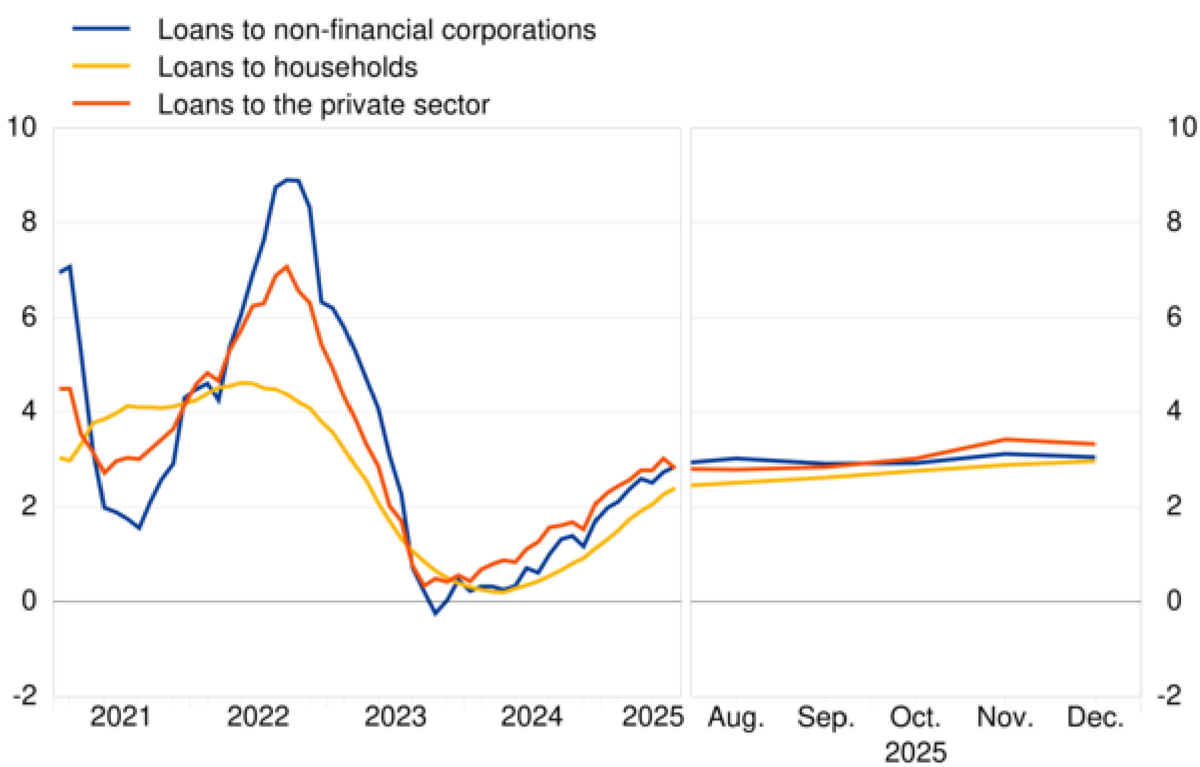
The annual growth rate of total claims on euro area residents decreased to 2.3% in December 2025 from 2.6% in the previous month. The annual growth rate of claims on general government stood at 0.8% in December, compared with 0.7% in November, while the annual growth rate of claims on the private sector decreased to 3.0% in December from 3.3% in November.

The annual growth rate of adjusted loans to the private sector (i.e. adjusted for loan transfers and notional cash pooling) stood at 3.3% in December, compared with 3.4% in November. Among the borrowing sectors, the annual growth rate of adjusted loans to households stood at 3.0% in December, compared with 2.9% in November, while the annual growth rate of adjusted loans to non-financial corporations stood at 3.0% in December, compared with 3.1% in November.

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: December 2025

(EUR billions and annual percentage changes; data adjusted for seasonal effects [a)])

	End-of-month level	Monthly flow			Annual growth rate		
	Dec 2025	Oct 2025	Nov 2025	Dec 2025	Oct 2025	Nov 2025	Dec 2025
COMPONENTS OF M3							
1. M3	**17231**	**34**	**120**	**49**	**2.8**	**3.0**	**2.8**
1.1. M2	16074	57	124	58	2.9	3.1	3.1
1.1.1. M1	11088	63	64	33	5.2	5.0	4.7
Currency in circulation	1588	4	6	2	2.1	2.3	2.1
Overnight deposits	9500	58	58	31	5.7	5.5	5.1
1.1.2. Other short-term deposits (M2 - M1)	4986	-6	59	25	-1.8	-0.8	-0.4
Deposits with an agreed maturity of up to two years	2421	-15	52	19	-8.0	-6.0	-4.8
Deposits redeemable at notice of up to three months	2565	8	7	5	4.6	4.6	4.1
1.2. Marketable instruments (M3 - M2)	1157	-23	-3	-9	1.4	1.5	-1.0
Repurchase agreements	259	-22	15	8	-1.4	5.7	4.1
Money market fund shares	880	-16	-11	-23	5.5	3.2	-1.2
Debt securities issued with a maturity of up to two years	18	15	-7	5	-51.1	-57.2	-33.3
COUNTERPARTS OF M3							
MFI liabilities:							
2. Liabilities to central government [b)]	**398**	**10**	**-18**	**-25**	**1.7**	**-0.3**	**0.1**
3. Longer-term liabilities to other euro area residents	**8366**	**21**	**45**	**45**	**2.1**	**2.6**	**2.3**
3.1. Deposits with an agreed maturity of over two years	1871	6	22	-6	1.2	2.1	1.7
3.2. Deposits redeemable at notice of over three months	132	0	-1	0	16.4	15.2	14.0
3.3. Debt securities issued with a maturity of over two years	2623	21	-3	16	4.2	4.0	4.5
3.4. Capital and reserves	3741	-6	27	34	0.6	1.3	0.6
MFI assets:							
4. Claims on euro area residents	**22544**	**79**	**81**	**40**	**2.3**	**2.6**	**2.3**
4.1. Claims on general government	6295	8	0	0	0.6	0.7	0.8
Loans	1020	8	1	-5	3.9	3.6	3.3
Debt securities	5248	0	-1	5	0.0	0.2	0.3
Equity	26	0	0	0	1.3	1.2	1.2
4.2. Claims on the private sector [c)]	16249	70	80	41	2.9	3.3	3.0
Loans	13630	54	60	59	2.9	3.3	3.1
Adjusted loans [d)]	13903	59	59	65	3.0	3.4	3.3
Debt securities	1573	4	25	-20	-0.3	1.3	-0.1
Equity	699	10	-5	4	6.1	5.4	5.7
Shares issued by investment funds other than money market funds	346	2	0	-2	11.6	9.0	5.5
5. Net external assets	**3266**	**31**	**13**	**25**	**-**	**-**	**-**
6. Other counterparts of M3 (residual)	**185**	**-44**	**54**	**3**	**-**	**-**	**-**
of which:							
6.1. Repos with central counterparties (liabilities) [e)]	327	66	-1	-79	37.9	31.9	33.0
6.2. Reverse repos to central counterparties (assets) [e)]	238	22	7	-29	10.5	19.4	28.7

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: December 2025

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects [a])

	Oct 2025	Nov 2025	Dec 2025
COMPONENTS OF M3			
1. M1	3.3	3.2	3.0
1.1. Currency in circulation	0.2	0.2	0.2
1.2. Overnight deposits	3.1	3.0	2.8
2. M2 - M1 (other short-term deposits)	-0.5	-0.3	-0.1
3. M3 - M2 (marketable instruments)	0.1	0.1	-0.1
COUNTERPARTS OF M3			
4. Claims on the private sector	2.7	3.1	2.8
5. Claims on general government	0.2	0.3	0.3
6. Net external assets	1.7	1.7	1.7
7. Longer-term liabilities (inverted sign) [b]	-1.0	-1.2	-1.1
8. Remaining counterparts	-0.9	-0.9	-0.9
M3 (sum of items 1 to 3, or items 4 to 8)	**2.8**	**3.0**	**2.8**

a) Figures may not add up due to rounding.
b) Longer-term liabilities to euro area residents excluding central government.

3 Deposits in M3: December 2025

(EUR billions and annual percentage changes; data adjusted for seasonal effects [a)])

	End-of-month level	Monthly flow			Annual growth rate		
	Dec 2025	Oct 2025	Nov 2025	Dec 2025	Oct 2025	Nov 2025	Dec 2025
Total deposits	**14745**	**30**	**132**	**64**	**2.9**	**3.3**	**3.2**
1. Deposits placed by households [b)]	**8990**	**29**	**31**	**26**	**3.1**	**3.1**	**3.0**
1.1. Overnight deposits	5471	22	29	20	5.9	5.8	5.7
1.2. Deposits with an agreed maturity of up to two years	1137	0	-3	0	-9.8	-9.6	-9.3
1.3. Deposits redeemable at notice of up to three months	2380	7	5	5	4.0	4.0	3.6
1.4. Repurchase agreements	1	0	0	0	3.0	8.1	-4.3
2. Deposits placed by non-financial corporations	**3504**	**3**	**19**	**15**	**3.4**	**3.5**	**3.4**
2.1. Overnight deposits	2574	17	9	11	5.7	5.4	4.5
2.2. Deposits with an agreed maturity of up to two years	773	-16	10	1	-5.2	-3.6	-1.6
2.3. Deposits redeemable at notice of up to three months	151	2	1	2	15.4	14.3	12.8
2.4. Repurchase agreements	7	0	0	1	-19.9	-26.7	3.4
3. Deposits placed by investment funds other than money market funds	**472**	**-22**	**-10**	**25**	**2.7**	**0.4**	**4.3**
3.1. Overnight deposits	372	-8	-9	10	5.7	3.1	5.4
3.2. Deposits with an agreed maturity of up to two years	41	-4	0	6	-8.3	-11.6	-3.0
3.3. Deposits redeemable at notice of up to three months	2	0	0	0	34.7	26.3	13.5
3.4. Repurchase agreements	57	-11	0	9	-11.5	-9.5	1.3
4. Deposits placed by insurance corporations and pension funds	**225**	**-6**	**-2**	**3**	**0.8**	**-1.6**	**-2.1**
4.1. Overnight deposits	159	-1	-3	3	5.9	3.3	0.0
4.2. Deposits with an agreed maturity of up to two years	34	-1	1	0	-14.1	-17.4	-9.9
4.3. Deposits redeemable at notice of up to three months	4	0	0	0	20.8	20.6	1.2
4.4. Repurchase agreements	28	-3	0	1	-8.2	-7.9	-3.5
5. Deposits placed by other non-monetary financial corporations [c)]	**1005**	**18**	**70**	**16**	**2.8**	**7.3**	**6.3**
5.1. Overnight deposits	546	15	29	3	4.4	7.1	6.4
5.2. Deposits with an agreed maturity of up to two years	287	9	34	9	-5.7	4.8	3.1
5.3. Deposits redeemable at notice of up to three months	20	-1	1	-1	7.6	15.3	8.4
5.4. Repurchase agreements [c)]	152	-5	6	4	12.6	11.9	11.9
6. Deposits placed by other general government	**550**	**8**	**24**	**-20**	**-1.0**	**2.0**	**0.1**

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: December 2025 [a]

(EUR billions and annual percentage changes; data adjusted for seasonal effects [b])

	End-of-month level	Monthly flow			Annual growth rate		
	Dec 2025	Oct 2025	Nov 2025	Dec 2025	Oct 2025	Nov 2025	Dec 2025
1. Loans to households [c]	**7112**	**20**	**21**	**20**	**2.8**	**2.9**	**3.0**
1.1. Credit for consumption	812	4	5	2	5.0	5.5	5.1
1.2. Lending for house purchase	5614	15	15	19	2.8	2.9	3.0
1.3. Other lending	685	1	1	-1	0.2	0.2	0.2
of which: sole proprietors	352	-1	-1	0	-1.5	-1.5	-1.5
2. Loans to non-financial corporations	**5324**	**7**	**13**	**29**	**2.9**	**3.1**	**3.0**
2.1. up to 1 year	857	0	6	13	1.3	2.3	2.9
2.2. over 1 year and up to 5 years	1141	-3	-2	0	4.0	3.8	2.9
2.3. over 5 years	3327	9	8	16	3.0	3.1	3.1
3. Loans to investment funds other than money market funds	**202**	**2**	**-2**	**6**	**7.1**	**6.1**	**6.1**
4. Loans to insurance corporations and pension funds	**138**	**-3**	**4**	**8**	**-0.8**	**2.4**	**7.4**
5. Loans to other non-monetary financial corporations [d]	**1127**	**33**	**23**	**2**	**5.0**	**8.2**	**6.1**

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.