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PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: JUNE 2009

The annual rate of growth of M3 decreased to 3.5% in June 2009, from 3.7% in May 2009.¹ The three-month average of the annual growth rates of M3 over the period April 2009 - June 2009 decreased to 4.1%, from 4.6% in the period March 2009 - May 2009.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	APRIL 2009	MAY 2009	JUNE 2009	APRIL 2009 - JUNE 2009 AVERAGE
M3	4.9	3.7	3.5	4.1
MI	8.3	7.9	9.3	8.5
Loans to private sector	2.3	1.8	1.5	1.9

Regarding the main components of M3, the annual rate of growth of MI increased to 9.3% in June 2009, from 7.9% in May. The annual rate of growth of short-term deposits other than overnight deposits decreased to 0.4% in June, from 2.1% in the previous month. The annual rate of change of marketable instruments decreased to -4.0% in June, from -3.7% in May.

Turning to the main counterparts of M3 on the asset side of the consolidated balance sheet of the MFI sector, the annual growth rate of total credit granted to euro area residents increased to 4.2% in June 2009, from 3.9% in May. The annual rate of growth of credit extended to general government rose to 10.8% in June, from 8.2% in May, while the annual growth of credit extended to the private sector was 3.0% in June, after 3.1% in May. Among the components of the latter, the annual rate of growth of loans to the private sector decreased to 1.5% in June, from 1.8% in the previous month (adjusted for loan sales and securitisation² the annual growth rate of loans to the private sector decreased to 2.8%, from 3.3% in the previous month). The annual growth rate of loans to non-financial corporations decreased to 2.8% in June, from 4.4% in May. The annual rate of change of loans to households increased to 0.2% in June, from -0.2% in the previous month. The annual rate of change of lending for house purchase rose to 0.0% in June, from -0.5% in May. The annual rate of change of consumer credit stood at -0.7% in June, unchanged from the previous month while the annual growth rate of other lending to households decreased to 1.6% in June,

¹ These rates of growth refer to aggregates adjusted for seasonal and end-of-month calendar effects.

² Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation. The annual growth rate of loans adjusted for sales and securitisation is available at:

from 1.9% in the previous month. Finally, the annual rate of growth of loans to non-monetary financial intermediaries (except insurance corporations and pension funds) increased to 2.0% in June, from 0.0% in the previous month.

Over the 12 months up to June 2009, the net external asset position of the euro area MFI sector increased by EUR 104 billion, compared with an increase of EUR 81 billion over the 12 months up to May. The annual rate of growth of longer-term financial liabilities of the MFI sector increased to 5.0% in June, from 4.8% in May.

Notes

- *In addition to the monthly monetary developments for the reference month, this press release incorporates minor revisions to the data for previous months.*
- *The latest data on monetary aggregates and counterparts contained in the statistical annex to this press release can be downloaded from the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=bbn1863>). These data, as well as monthly and other shorter-term growth rates for selected items, longer time series for principal monetary aggregates (with a start date of January 1970) and methodological notes on the concepts underlying the monetary statistics and the related seasonal adjustment procedures, are also available on the ECB's website (<http://www.ecb.europa.eu/stats/money/aggregates/aggr/html/index.en.html>).*
- *Data refer to the changing composition of the euro area, i.e. they cover the EU Member States that had adopted the euro at the time to which the statistics relate. Data on outstanding amounts include Greece as of January 2001, Slovenia as of January 2007, Cyprus and Malta as of January 2008 and Slovakia as of January 2009.*
- *The publication of the statistics on monetary developments in July, August and September 2009 is scheduled to take place at 10 am on 27 August 2009, 25 September 2009 and 27 October 2009 respectively.*

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TABLE 1

MONETARY DEVELOPMENTS IN THE EURO AREA: JUNE 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	MAY 2009			JUNE 2009			AVERAGE APR-09 JUN-09
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9408	-49	3.7	9430	22	3.5	4.1
(1.1) Currency in circulation	730	0	13.1	734	4	12.8	13.0
(1.2) Overnight deposits	3460	-6	6.8	3506	46	8.6	7.6
(1.3) M1 (items 1.1 and 1.2)	4190	-6	7.9	4240	50	9.3	8.5
(1.4) Deposits with agreed maturity up to 2 years	2258	-30	-2.7	2209	-48	-6.1	-2.7
(1.5) Deposits redeemable at notice up to 3 months	1681	13	9.4	1696	15	10.3	9.2
(1.6) Other short term deposits (items 1.4 and 1.5)	3938	-17	2.1	3905	-33	0.4	2.0
(1.7) M2 (items 1.3 and 1.6)	8128	-23	5.0	8145	17	4.8	5.3
(1.8) Repurchase agreements	326	-11	1.9	355	29	5.4	3.6
(1.9) Money market fund shares/units	753	-7	2.7	746	-8	2.8	2.9
(1.10) Debt securities issued with maturity up to 2 years	201	-9	-27.7	184	-16	-33.6	-27.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1280	-26	-3.7	1285	5	-4.0	-2.9
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	353	12	88.5	306	-47	65.0	73.9
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6502	59	4.8	6533	30	5.0	4.6
(3.1) Deposits with agreed maturity over 2 years	2100	12	5.6	2117	17	6.2	5.8
(3.2) Deposits redeemable at notice over 3 months	128	2	7.7	129	1	9.3	7.4
(3.3) Debt securities issued with maturity over 2 years	2599	18	0.4	2605	4	0.3	0.3
(3.4) Capital and reserves	1674	27	10.8	1681	7	11.1	10.4
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15735	38	3.9	15861	132	4.2	4.2
(4.1) Credit to general government	2722	16	8.2	2795	72	10.8	9.0
of which Loans	997	1	1.4	1016	19	2.5	1.7
of which Securities other than shares	1725	15	12.6	1779	53	16.2	13.7
(4.2) Credit to other euro area residents	13013	23	3.1	13067	60	3.0	3.2
of which Loans ^{e)}	10794	18	1.8	10809	20	1.5	1.9
<i>memo item: loans adjusted for sales & securitisation</i> ^{f)}	ND	23	3.3	ND	26	2.8	3.3
of which Securities other than shares	1465	0	24.5	1478	13	23.1	24.9
of which Shares and other equities	755	5	-9.1	780	27	-5.3	-7.9
(5) <i>Net external assets</i>	501	55	ND	487	-9	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	27	-72	ND	-79	-118	ND	ND

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) Calculated from the 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 monetary financial institutions (MFIs) and specific units of the 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.

TABLE 2

MONETARY DEVELOPMENTS IN THE EURO AREA: JUNE 2009

DATA UNADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes ^{a)})

	MAY 2009			JUNE 2009			AVERAGE APR-09 JUN-09
	End of month level	Monthly flow b)	Annual growth rate	End of month level	Monthly flow b)	Annual growth rate	Annual growth rate
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9470	-9	3.8	9472	2	3.5	4.1
(1.1) Currency in circulation	732	3	13.1	735	3	12.5	13.0
(1.2) Overnight deposits	3491	21	7.3	3579	88	8.6	7.8
(1.3) M1 (items 1.1 and 1.2)	4223	24	8.2	4314	91	9.2	8.6
(1.4) Deposits with agreed maturity up to 2 years	2247	-39	-3.0	2174	-73	-6.3	-3.0
(1.5) Deposits redeemable at notice up to 3 months	1692	16	9.4	1704	12	10.4	9.3
(1.6) Other short term deposits (items 1.4 and 1.5)	3939	-22	1.9	3878	-61	0.3	1.9
(1.7) M2 (items 1.3 and 1.6)	8162	1	5.1	8191	30	4.8	5.3
(1.8) Repurchase agreements	336	-2	1.3	347	11	5.6	3.3
(1.9) Money market fund shares/units	772	0	2.7	749	-23	2.8	2.9
(1.10) Debt securities issued with maturity up to 2 years	201	-9	-27.7	184	-16	-33.6	-27.2
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1308	-10	-3.7	1280	-28	-3.9	-3.0
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	332	-7	88.6	353	21	65.0	74.2
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6500	59	4.8	6555	54	5.0	4.6
(3.1) Deposits with agreed maturity over 2 years	2108	19	5.7	2131	23	6.3	5.8
(3.2) Deposits redeemable at notice over 3 months	128	1	7.7	129	1	9.3	7.4
(3.3) Debt securities issued with maturity over 2 years	2606	24	0.4	2620	13	0.3	0.3
(3.4) Capital and reserves	1659	14	10.8	1676	17	11.0	10.4
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15807	25	3.9	15916	114	4.3	4.2
(4.1) Credit to general government	2738	12	8.3	2811	73	10.8	9.0
of which Loans	993	-7	1.4	1016	24	2.5	1.7
of which Securities other than shares	1745	20	12.7	1795	49	16.2	13.7
(4.2) Credit to other euro area residents	13070	13	3.0	13105	42	3.0	3.2
of which Loans	10805	14	1.8	10835	35	1.5	1.9
<i>memo item: loans adjusted for sales & securitisation</i> ^{e)}	ND	18	3.4	ND	41	2.8	3.3
of which Securities other than shares	1472	2	24.5	1491	19	23.1	24.9
of which Shares and other equities	793	-3	-9.0	779	-13	-5.3	-7.9
(5) <i>Net external assets</i>	451	34	ND	486	40	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	44	-16	ND	-22	-77	ND	ND

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) Calculated from the 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 monetary financial institutions (MFIs) and specific units of the 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) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

TABLE 3

CONTRIBUTIONS OF M3 COMPONENTS TO THE M3 ANNUAL GROWTH RATE: JUNE 2009
DATA ADJUSTED FOR SEASONAL EFFECTS
 (contributions in terms of the M3 annual percentage change ^{a)})

	APRIL 2009	MAY 2009	JUNE 2009
(1) M1	3.6	3.4	4.0
(1.1) <i>of which</i> : Currency	0.9	0.9	0.9
(1.2) <i>of which</i> : Overnight deposits	2.7	2.5	3.1
(2) M2 - M1 (= other short-term deposits)	1.5	0.9	0.2
(3) M3 - M2 (= short-term marketable instruments)	-0.2	-0.6	-0.6
(4) M3 (= items 1, 2 and 3)	4.9	3.7	3.5

a) Figures may not add up due to rounding.

TABLE 4

BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: JUNE 2009
DATA ADJUSTED FOR SEASONAL EFFECTS
 (EUR billions and annual percentage changes ^{a)})

	MAY 2009			JUNE 2009		
	End of month level	Monthly flow ^{b)}	Annual growth rate	End of month level	Monthly flow ^{b)}	Annual growth rate
BREAKDOWN OF LOANS ^{c)}						
(1) Loans to non-financial corporations	4827	-5	4.4	4788	-35	2.8
(1.1) up to 1 year	1316	-5	-2.6	1285	-30	-5.4
(1.2) over 1 year and up to 5 years	982	-1	9.7	977	-4	7.3
(1.3) over 5 years	2529	2	6.4	2526	-2	5.7
(2) Loans to households ^{d)}	4887	2	-0.2	4892	6	0.2
(2.1) Consumer credit	634	-1	-0.7	636	2	-0.7
(2.2) Lending for house purchase	3481	0	-0.5	3487	1	0.0
(2.3) Other lending	772	3	1.9	769	2	1.6
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds	978	21	0.0	1023	46	2.0
(4) Loans to insurance corporations and pension funds	102	0	-3.0	105	3	-0.5

a) Figures may not add up due to rounding.

b) Calculated from the 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.