

## PRESS RELEASE

### MONETARY DEVELOPMENTS IN THE EURO AREA: APRIL 2010

The annual rate of change of M3 stood at -0.1% in April 2010, unchanged from the previous month.<sup>1</sup> The three-month average of the annual rates of change of M3 over the period February 2010 - April 2010 stood at -0.2%, unchanged from the previous period.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	FEBRUARY 2010	MARCH 2010	APRIL 2010	FEBRUARY 2010 - APRIL 2010 AVERAGE
<b>M3</b>	-0.4	-0.1	-0.1	-0.2
<b>M1</b>	11.0	10.8	10.7	10.8
<b>Loans to private sector</b>	-0.4	-0.2	0.1	-0.2

Regarding the main components of M3, the annual rate of growth of M1 was 10.7% in April 2010, after 10.8% in March. The annual rate of change of short-term deposits other than overnight deposits decreased to -8.5% in April, from -8.0% in the previous month. The annual rate of change of marketable instruments increased to -9.2% in April, from -10.9% in March.

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 stood at 1.8% in April 2010, unchanged from the previous month. The annual rate of growth of credit extended to general government decreased to 8.7% in April, from 9.8% in March, while the annual growth of credit extended to the private sector increased to 0.3% in April, from 0.1% in the previous month. Among the components of the latter, the annual rate of change of loans to the private sector increased to 0.1% in April, from -0.2% in the previous month (adjusted for loan sales and securitisation<sup>2</sup> the annual growth rate of loans to the private sector increased to 0.1%, from -0.1% in the previous month). The annual rate of change of loans to non-financial corporations decreased to -2.6% in April, from -2.4% in March. The annual growth rate of loans to households increased to 2.5% in April, from 2.1% in the previous month. The annual rate of growth of lending for house purchase increased to 2.9% in April, from 2.6% in the previous month. The annual rate of

<sup>1</sup> These rates of change refer to aggregates adjusted for seasonal and end-of-month calendar effects.

<sup>2</sup> 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:

<http://sdw.ecb.int/browse.do?node=SEARCHRESULTS&q=BSI.M.U2.Y.U.A26.A.I.U2.2200.Z01.A&sk=117.BSI.M.U2.Y.U.A26.A.I.U2.200.Z01.A>

change of consumer credit increased to -0.3% in April, from -1.1% in March, while the annual growth rate of other lending to households increased to 3.0% in April, from 2.8% 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 2.2% in April, from 0.1% in the previous month.

Over the 12 months up to April 2010, the net external asset position of the euro area MFI sector increased by EUR 95 billion, compared with an increase of EUR 156 billion over the 12 months up to March. The annual rate of growth of longer-term financial liabilities of the MFI sector stood at 5.7% in April, after 5.8% in March.

#### 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 May, June and July 2010 is scheduled to take place at 10 am on 28 June, 27 July and 26 August 2010 respectively.*

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TABLE 1

## MONETARY DEVELOPMENTS IN THE EURO AREA: APRIL 2010

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	MARCH 2010			APRIL 2010			AVERAGE FEB-10 APR-10
	End of month level	Monthly flow <sup>b)</sup>	Annual growth rate	End of month level	Monthly flow <sup>b)</sup>	Annual growth rate	Annual growth rate
<b>COMPONENTS OF M3 <sup>c)</sup></b>							
(1) <b>M3</b> (= items 1.3, 1.6 and 1.11)	9323	11	-0.1	9392	64	-0.1	-0.2
(1.1) Currency in circulation	775	11	6.8	769	-6	5.5	6.1
(1.2) Overnight deposits	3792	-4	11.7	3879	86	11.8	11.8
(1.3) <b>M1</b> (items 1.1 and 1.2)	4568	7	10.8	4648	79	10.7	10.8
(1.4) Deposits with agreed maturity up to 2 years	1817	-14	-22.0	1777	-42	-22.5	-22.3
(1.5) Deposits redeemable at notice up to 3 months	1836	6	11.8	1841	5	10.6	11.7
(1.6) Other short term deposits (items 1.4 and 1.5)	3653	-7	-8.0	3618	-37	-8.5	-8.2
(1.7) <b>M2</b> (items 1.3 and 1.6)	8220	-1	1.6	8266	42	1.4	1.5
(1.8) Repurchase agreements	343	19	1.3	359	16	7.3	2.5
(1.9) Money market fund shares/units	625	-16	-11.7	627	-2	-11.2	-10.8
(1.10) Debt securities issued with maturity up to 2 years	134	9	-29.8	139	8	-29.7	-33.5
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1102	11	-10.9	1126	22	-9.2	-10.9
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
(2) <i>Holdings against central government</i> <sup>d)</sup>	255	-8	-21.2	246	-10	-23.9	-20.3
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6896	13	5.8	6944	27	5.7	5.7
(3.1) Deposits with agreed maturity over 2 years	2241	-4	7.0	2256	14	6.9	7.3
(3.2) Deposits redeemable at notice over 3 months	132	1	5.5	131	-1	3.9	5.1
(3.3) Debt securities issued with maturity over 2 years	2694	11	3.2	2709	9	3.7	3.2
(3.4) Capital and reserves	1829	6	8.2	1848	5	7.5	7.7
<b>MFI assets:</b>							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	16070	27	1.8	16084	22	1.8	1.8
(4.1) Credit to general government	2979	51	9.8	2986	6	8.7	9.2
of which Loans	1059	28	6.4	1054	-5	5.5	5.0
of which Securities other than shares	1921	22	11.7	1932	11	10.5	11.7
(4.2) Credit to other euro area residents	13090	-24	0.1	13098	15	0.3	0.2
of which Loans <sup>e)</sup>	10801	8	-0.2	10819	24	0.1	-0.2
<i>memo item: loans adjusted for sales &amp; securitisation</i> <sup>f)</sup>	ND	6	-0.1	ND	26	0.1	-0.1
of which Securities other than shares	1491	-22	2.3	1492	0	1.2	2.8
of which Shares and other equities	798	-10	0.9	787	-9	2.4	1.2
(5) <i>Net external assets</i>	591	17	ND	611	-3	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-186	-27	ND	-114	62	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: APRIL 2010

DATA UNADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	MARCH 2010			APRIL 2010			AVERAGE FEB-10 APR-10
	End of month level	Monthly flow b)	Annual growth rate	End of month level	Monthly flow b)	Annual growth rate	Annual growth rate
<b>COMPONENTS OF M3 <sup>c)</sup></b>							
(1) <b>M3</b> (= items 1.3, 1.6 and 1.11)	9311	9	-0.3	9403	88	-0.2	-0.3
(1.1) Currency in circulation	769	9	6.8	773	4	6.0	6.3
(1.2) Overnight deposits	3778	-4	11.3	3856	77	11.1	11.6
(1.3) <b>M1</b> (items 1.1 and 1.2)	4547	5	10.5	4629	81	10.2	10.7
(1.4) Deposits with agreed maturity up to 2 years	1810	-17	-22.0	1780	-32	-22.2	-22.3
(1.5) Deposits redeemable at notice up to 3 months	1849	8	11.7	1856	7	10.6	11.7
(1.6) Other short term deposits (items 1.4 and 1.5)	3659	-9	-7.9	3636	-25	-8.3	-8.2
(1.7) <b>M2</b> (items 1.3 and 1.6)	8206	-4	1.4	8265	56	1.3	1.4
(1.8) Repurchase agreements	343	20	1.3	363	20	7.2	2.4
(1.9) Money market fund shares/units	628	-16	-11.6	637	5	-11.2	-10.7
(1.10) Debt securities issued with maturity up to 2 years	134	9	-29.8	139	8	-29.7	-33.5
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1105	13	-10.9	1138	32	-9.2	-10.9
<b>COUNTERPARTS OF M3</b>							
<b>MFI liabilities:</b>							
(2) <i>Holdings against central government</i> <sup>d)</sup>	267	-6	-20.8	248	-20	-23.7	-20.2
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6895	27	5.7	6929	13	5.7	5.7
(3.1) Deposits with agreed maturity over 2 years	2239	2	7.0	2254	13	6.8	7.3
(3.2) Deposits redeemable at notice over 3 months	133	0	5.5	131	-2	3.8	5.1
(3.3) Debt securities issued with maturity over 2 years	2692	16	3.2	2705	6	3.7	3.2
(3.4) Capital and reserves	1831	9	8.2	1839	-5	7.5	7.6
<b>MFI assets:</b>							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	16056	58	1.8	16137	88	1.8	1.8
(4.1) Credit to general government	2980	55	9.7	2998	17	8.7	9.2
of which Loans	1053	24	6.4	1056	3	5.5	5.0
of which Securities other than shares	1928	31	11.7	1942	14	10.5	11.7
(4.2) Credit to other euro area residents	13076	3	0.1	13138	71	0.3	0.2
of which Loans	10796	24	-0.2	10817	27	0.1	-0.2
<i>memo item: loans adjusted for sales &amp; securitisation</i> <sup>e)</sup>	ND	22	-0.1	ND	29	0.1	-0.1
of which Securities other than shares	1486	-15	2.2	1496	9	1.1	2.7
of which Shares and other equities	794	-6	0.7	825	35	2.3	1.2
(5) <i>Net external assets</i>	579	-16	ND	584	-18	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-162	-13	ND	-141	11	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: APRIL 2010**

DATA ADJUSTED FOR SEASONAL EFFECTS

(contributions in terms of the M3 annual percentage change <sup>a)</sup>)

	FEBRUARY 2010	MARCH 2010	APRIL 2010
(1) <b>M1</b>	5.1	5.8	5.9
(1.1) <i>of which</i> : Currency	0.5	0.6	0.5
(1.2) <i>of which</i> : Overnight deposits	4.6	5.2	5.4
(2) <b>M2 - M1</b> (= other short-term deposits)	-3.7	-4.1	-4.4
(3) <b>M3 - M2</b> (= short-term marketable instruments)	-1.8	-1.8	-1.6
(4) <b>M3</b> (= items 1, 2 and 3)	-0.4	-0.1	-0.1

a) Figures may not add up due to rounding.

TABLE 4

**BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: APRIL 2010**

DATA ADJUSTED FOR SEASONAL EFFECTS

(EUR billions and annual percentage changes <sup>a)</sup>)

	MARCH 2010			APRIL 2010		
	End of month level	Monthly flow <sup>b)</sup>	Annual growth rate	End of month level	Monthly flow <sup>b)</sup>	Annual growth rate
<b>BREAKDOWN OF LOANS <sup>c)</sup></b>						
(1) <b>Loans to non-financial corporations</b>	4684	-7	-2.4	4664	-14	-2.6
(1.1) up to 1 year	1173	0	-10.6	1156	-17	-10.9
(1.2) over 1 year and up to 5 years	923	-6	-4.4	919	-1	-4.9
(1.3) over 5 years	2588	0	2.7	2589	4	2.6
(2) <b>Loans to households <sup>d)</sup></b>	4981	15	2.1	4997	17	2.5
(2.1) Consumer credit	622	-1	-1.1	624	1	-0.3
(2.2) Lending for house purchase	3580	14	2.6	3593	13	2.9
(2.3) Other lending	779	2	2.8	779	3	3.0
(3) <b>Loans to non-monetary financial intermediaries except insurance corporations and pension funds</b>	1049	4	0.1	1068	19	2.2
(4) <b>Loans to insurance corporations and pension funds</b>	87	-4	-11.3	90	3	-7.4

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.