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PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: FEBRUARY 2014

The annual growth rate of the broad monetary aggregate M3 stood at 1.3% in February 2014, compared with 1.2% in January 2014.¹ The three-month average of the annual growth rates of M3 in the period from December 2013 to February 2014 stood at 1.2%, unchanged from the previous period.

Twelve-month percentage changes; (adjusted for seasonal and end-of-month calendar effects)	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	DECEMBER 2013 - FEBRUARY 2014 (AVERAGE)
M3	1.0	1.2	1.3	1.2
M1	5.7	6.1	6.2	6.0
Loans to the private sector	-2.3	-2.3	-2.2	-2.3
Loans to the private sector, adjusted for sales and securitisation	-2.0	-2.0	-2.0	-2.0

M3 components

Regarding the main components of M3, the annual growth rate of M1 stood at 6.2% in February 2014, compared with 6.1% in January. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) stood at -2.7% in February, compared with -2.6% in the previous month. The annual growth rate of marketable instruments (M3-M2) was less negative at -11.5% in February, from -12.9% in January. Among the deposits included in M3, the annual growth rate of deposits placed by households decreased to 1.5% in February, from 1.7% in the previous month, while the annual growth rate of deposits placed by non-financial corporations increased to 6.0% in February, from 5.8% in the previous month. Finally, the annual growth rate of deposits placed by non-monetary financial intermediaries (excluding insurance corporations and pension funds) was less negative at -2.8% in February, from -3.9% 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 stood at -1.8% in February 2014, unchanged from the previous month. The annual

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

growth rate of credit extended to general government decreased to 0.0% in February, from 0.2% in January, while the annual growth rate of credit extended to the private sector stood at -2.3% in February, unchanged from the previous month. Among the components of credit to the private sector, the annual growth rate of loans stood at -2.2% in February, compared with -2.3% in the previous month (adjusted for loan sales and securitisation², the rate stood at -2.0%, unchanged from the previous month). The annual growth rate of loans to households stood at -0.1% in February, compared with -0.2% in January (adjusted for loan sales and securitisation, the rate increased to 0.4%, from 0.2% in the previous month). The annual growth rate of lending for house purchase, the most important component of household loans, stood at 0.6% in February, compared with 0.5% in the previous month. The annual growth rate of loans to non-financial corporations stood at -3.0% in February, compared with -2.9% in the previous month (adjusted for loan sales and securitisation, the rate was more negative at -3.1% in February, from -2.8% in the previous month). Finally, the annual growth rate of loans to non-monetary financial intermediaries (excluding insurance corporations and pension funds) was less negative at -10.6% in February, from -11.7% in the previous month.

Other counterparts

Over the 12 months up to February 2014, the net external asset position of the euro area MFI sector increased by €389 billion, compared with an increase of €340 billion over the 12 months up to January. The annual growth rate of longer-term financial liabilities of the MFI sector stood at -1.2% in February, compared with -1.1% in January.

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>.
- 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 Latvia as of January 2014.

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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: FEBRUARY 2014

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
COMPONENTS OF M3 ^{c)}							
(1) M3 (= items 1.3, 1.6 and 1.11)	9918	-50	46	33	1.0	1.2	1.3
(1.1) Currency in circulation	919	7	4	5	5.3	5.8	6.2
(1.2) Overnight deposits	4574	-39	42	44	5.8	6.2	6.2
(1.3) M1 (items 1.1 and 1.2)	5493	-32	45	49	5.7	6.1	6.2
(1.4) Deposits with an agreed maturity of up to two years	1663	8	-20	-9	-6.1	-7.3	-7.0
(1.5) Deposits redeemable at notice of up to three months	2117	-11	-3	-2	2.1	1.5	1.0
(1.6) Other short term deposits (items 1.4 and 1.5)	3780	-3	-23	-12	-1.7	-2.6	-2.7
(1.7) M2 (items 1.3 and 1.6)	9273	-35	22	37	2.5	2.4	2.4
(1.8) Repurchase agreements	130	0	6	6	-9.5	-9.1	-2.4
(1.9) Money market fund shares/units	427	1	16	-7	-10.4	-6.4	-8.0
(1.10) Debt securities issued with a maturity of up to two years	87	-16	3	-3	-37.4	-34.5	-31.1
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	645	-15	24	-4	-16.2	-12.9	-11.5
COUNTERPARTS OF M3							
MFI liabilities:							
(2) Holdings against central government ^{d)}	263	4	-19	24	-15.2	-18.1	-7.4
(3) Longer-term financial liabilities vis-a-vis other euro area residents (= items 3.1 to 3.4)	7332	-26	-1	-7	-1.2	-1.1	-1.2
(3.1) Deposits with an agreed maturity of over two years	2363	-21	-3	0	-0.8	-0.8	-0.5
(3.2) Deposits redeemable at notice of over three months	91	0	-1	0	-13.5	-12.5	-10.7
(3.3) Debt securities issued with a maturity of over two years	2473	1	-21	-18	-5.1	-5.3	-5.7
(3.4) Capital and reserves	2405	-5	24	11	3.3	3.8	3.7
MFI assets:							
(4) Credit to euro area residents (= items 4.1 and 4.2)	16130	-82	25	-14	-2.0	-1.8	-1.8
(4.1) Credit to general government	3451	-26	31	-5	-0.7	0.2	0.0
Loans	1117	-3	16	8	-6.3	-5.0	-2.4
Securities other than shares	2333	-23	16	-12	2.2	2.8	1.3
(4.2) Credit to other euro area residents	12680	-56	-6	-10	-2.4	-2.3	-2.3
Loans ^{e)}	10545	-22	-10	6	-2.3	-2.3	-2.2
loans adjusted for sales and securitisation ^{f)}	ND	-19	-10	7	-2.0	-2.0	-2.0
Securities other than shares	1338	-39	7	-17	-5.1	-4.0	-4.9
Shares and other equities	797	4	-3	2	1.9	0.9	0.9
(5) Net external assets	1250	64	19	41	ND	ND	ND
(6) Other counterparts of M3 (residual) (= M3 + items 2, 3 - items 4, 5)	133	-55	-19	24	ND	ND	ND
of which:							
(6.1) Repos with central counterparties (liabilities)(+) ^{g)}	173	-5	-18	12	9.9	-1.6	-5.0
(6.2) Reverse repos to central counterparties (assets)(-) ^{g)}	114	-5	-16	8	28.0	-2.7	-1.2

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: FEBRUARY 2014

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
BREAKDOWN OF DEPOSITS IN M3							
Total deposits (= items 1, 2, 3, 4 and 5)	8484	-42	24	38	2.0	1.8	1.9
(1) Deposits placed by households ^{c)}	5429	-17	2	13	2.0	1.7	1.5
(1.1) Overnight deposits	2574	0	14	15	7.8	7.8	7.3
(1.2) Deposits with an agreed maturity of up to two years	866	-15	-6	-2	-10.3	-11.2	-10.8
(1.3) Deposits redeemable at notice of up to three months	1982	0	-7	-1	1.6	0.9	0.6
(1.4) Repurchase agreements	6	-1	0	1	-57.1	-52.6	-33.1
(2) Deposits placed by non-financial corporations	1740	0	10	14	6.1	5.8	6.0
(2.1) Overnight deposits	1225	-5	6	15	8.2	7.6	8.3
(2.2) Deposits with an agreed maturity of up to two years	403	0	4	-2	-1.4	0.0	-0.7
(2.3) Deposits redeemable at notice of up to three months	95	-1	-1	0	8.8	7.9	5.6
(2.4) Repurchase agreements	18	6	0	1	54.4	14.6	18.4
(3) Deposits placed by non-monetary financial intermediaries excluding insurance corporations and pension funds ^{d)}	794	6	-12	2	-1.9	-3.9	-2.8
(3.1) Overnight deposits	479	-7	4	5	0.1	0.0	0.7
(3.2) Deposits with an agreed maturity of up to two years	213	25	-20	-4	-2.1	-10.1	-9.2
(3.3) Deposits redeemable at notice of up to three months	18	-7	3	-2	21.4	39.5	20.9
(3.4) Repurchase agreements ^{d)}	84	-4	1	3	-15.2	-14.7	-8.2
(4) Deposits placed by insurance corporations and pension funds	205	-9	14	-2	-7.0	-1.2	-3.1
(5) Deposits placed by other general government	317	-22	9	10	-3.0	0.9	4.2

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: FEBRUARY 2014

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

	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
(1) M1	2.9	3.2	3.3
(1.1) <i>of which: Currency</i>	0.5	0.5	0.5
(1.2) <i>of which: Overnight deposits</i>	2.5	2.7	2.7
(2) M2 - M1 (= other short-term deposits)	-0.7	-1.0	-1.1
(3) M3 - M2 (= short term marketable instruments)	-1.3	-1.0	-0.9
(4) M3 (= items 1, 2 and 3)	1.0	1.2	1.3

a) Figures may not add up due to rounding.

4 Breakdown of loans as counterpart to M3 by borrowing sector, type and original maturity: FEBRUARY 2014

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

	END-OF-MONTH LEVEL	MONTHLY FLOW ^{b)}			ANNUAL GROWTH RATE		
	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
BREAKDOWN OF LOANS AS COUNTERPART TO M3^{c)}							
(1) Loans to households^{d)}	5231	-5	-1	6	-0.1	-0.2	-0.1
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	-3	-1	7	0.3	0.2	0.4
(1.1) Credit for consumption	572	2	-1	-1	-3.0	-3.0	-2.7
(1.2) Lending for house purchase	3865	-3	1	7	0.7	0.5	0.6
(1.3) Other lending	794	-3	-2	-1	-1.6	-1.7	-1.7
<i>of which: sole proprietors^{f)}</i>	408	0	-2	0	-2.5	-2.5	-2.3
(2) Loans to non-financial corporations	4349	0	-9	-13	-3.0	-2.9	-3.0
<i>loans adjusted for sales and securitisation^{e)}</i>	ND	1	-9	-13	-2.8	-2.8	-3.1
(2.1) up to 1 year	1048	7	-9	-8	-4.0	-4.4	-5.6
(2.2) over 1 year and up to 5 years	742	-16	-1	1	-5.7	-5.4	-4.7
(2.3) over 5 years	2559	9	0	-6	-1.7	-1.6	-1.3
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds^{g)}	862	-15	-2	10	-12.2	-11.7	-10.6
(4) Loans to insurance corporations and pension funds	103	-2	2	3	10.8	7.6	11.2

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.