

PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: APRIL 2008

The annual rate of growth of M3 increased to 10.6% in April 2008, from 10.1% in March 2008.¹ The three-month average of the annual growth rates of M3 over the period February 2008 - April 2008 declined to 10.7%, from 11.0% in the period January 2008 - March 2008.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	FEBRUARY 2008	MARCH 2008	APRIL 2008	FEBRUARY 2008 - APRIL 2008 AVERAGE
M3	11.3	10.1	10.6	10.7
M1	3.7	2.9	2.5	3.0
Loans to private sector	11.0	10.8	10.6	10.8

Regarding the main components of M3, the annual rate of growth of M1 decreased to 2.5% in April 2008, from 2.9% in March. The annual rate of growth of short-term deposits other than overnight deposits increased to 20.2% in April, from 18.3% in the previous month. The annual rate of growth of marketable instruments decreased to 11.2% in April, from 11.8% 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 was 9.7% in April 2008, unchanged from the previous month. The annual rate of decline of credit extended to general government decreased to -0.4% in April, from -1.9% in March, while the annual growth of credit extended to the private sector declined to 11.8% in April, from 12.2% in March. Among the components of the latter, the annual rate of growth of loans to the private sector decreased to 10.6% in April, from 10.8% in the previous month. The annual growth rate of loans to non-financial corporations stood at 14.9% in April, after 15.0% in March.² The annual growth rate of loans to households decreased to 5.2% in April, from 5.4% in the previous month. The annual rate of growth of lending for house purchase declined to 5.9% in April, from 6.1% in March. The annual rate of growth of consumer credit stood at 5.2% in April, unchanged from the previous month while the annual growth rate of other lending to households decreased to 1.8% in April,

¹ These rates of growth refer to aggregates adjusted for seasonal and end-of-month calendar effects; this applies throughout this press release unless specified otherwise.

² The rates of growth referring to the breakdown of loans to the private sector by counterpart and type are unadjusted for seasonal and end-of-month calendar effects.

from 2.0% in the previous month. Finally, the annual rate of growth of loans to non-monetary financial intermediaries (except insurance corporations and pension funds) decreased to 21.8% in April, from 22.8% in March.

Over the 12 months up to April 2008, the net external asset position of the euro area MFI sector decreased by EUR 192 billion, compared with a decline of EUR 161 billion over the 12 months up to March. The annual rate of growth of longer-term financial liabilities of the MFI sector stood at 6.5% in April, compared with 6.6% 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 publication of the statistics on monetary developments in May, June, July and August 2008 is scheduled to take place at 10 am on 26 June, 25 July, 28 August, and 25 September 2008 respectively.*
- *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 referring to periods up to and including December 2000 therefore cover the initial 11 euro area Member States, Greece is included as of January 2001, Slovenia as of January 2007 and Cyprus and Malta as of January 2008.*
- *The latest monetary data as contained in Tables 2.1 to 2.8 of the ECB's Monthly Bulletin can be found on the ECB's website (<http://www.ecb.europa.eu>) in the "Statistics" section under "Money, banking and financial markets" and then "Monetary statistics". The same section contains also longer time series for principal monetary aggregates (start date: January 1970), estimates for sectoral M3 holdings and methodological notes on the monetary statistics concepts and seasonal adjustment procedures.*

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TABLE 1

MONETARY DEVELOPMENTS IN THE EURO AREA: APRIL 2008

DATA ADJUSTED FOR SEASONAL EFFECTS

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

	MARCH 2008			APRIL 2008			AVERAGE FEB-08 APR-08
	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)	8864	48	10.1	8957	92	10.6	10.7
(1.1) Currency in circulation	638	4	7.7	645	7	8.0	7.8
(1.2) Overnight deposits	3217	1	2.0	3198	-20	1.4	2.1
(1.3) M1 (items 1.1 and 1.2)	3855	5	2.9	3842	-13	2.5	3.0
(1.4) Deposits with agreed maturity up to 2 years	2131	35	39.6	2237	106	42.4	41.8
(1.5) Deposits redeemable at notice up to 3 months	1542	5	-2.5	1543	1	-2.2	-2.6
(1.6) Other short term deposits (items 1.4 and 1.5)	3672	40	18.3	3780	107	20.2	19.3
(1.7) M2 (items 1.3 and 1.6)	7527	45	9.9	7623	94	10.5	10.4
(1.8) Repurchase agreements	308	-6	11.2	324	16	17.8	15.8
(1.9) Money market fund shares/units	747	-3	8.2	743	-4	6.6	8.6
(1.10) Debt securities issued with maturity up to 2 years	283	11	22.2	268	-14	15.7	19.9
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1337	3	11.8	1335	-2	11.2	12.6
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	199	21	3.9	207	7	8.7	2.7
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	5972	-2	6.6	6004	38	6.5	7.0
(3.1) Deposits with agreed maturity over 2 years	1813	0	7.1	1818	3	6.5	7.5
(3.2) Deposits redeemable at notice over 3 months	119	-2	3.5	119	-1	1.9	3.9
(3.3) Debt securities issued with maturity over 2 years	2541	-6	3.8	2557	15	3.6	4.1
(3.4) Capital and reserves	1499	7	11.5	1510	21	12.3	12.2
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	14750	108	9.7	14853	106	9.7	9.7
(4.1) Credit to general government	2422	6	-1.9	2434	15	-0.4	-1.7
of which Loans	975	4	-0.3	986	11	0.8	-0.2
of which Securities other than shares	1447	3	-2.8	1448	4	-1.2	-2.6
(4.2) Credit to other euro area residents	12329	102	12.2	12420	90	11.8	12.2
of which Loans	10452	91	10.8	10515	64	10.6	10.8
of which Securities other than shares	1006	22	41.2	1028	22	40.8	42.0
of which Shares and other equities	870	-12	3.4	876	4	2.0	3.5
(5) <i>Net external assets</i>	542	-20	ND	478	-56	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-256	-22	ND	-164	87	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.

TABLE 2

MONETARY DEVELOPMENTS IN THE EURO AREA: APRIL 2008

DATA UNADJUSTED FOR SEASONAL EFFECTS

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

	MARCH 2008			APRIL 2008			AVERAGE FEB-08 APR-08
	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)	8876	89	10.2	8973	96	10.5	10.7
(1.1) Currency in circulation	633	4	7.4	641	8	7.7	7.8
(1.2) Overnight deposits	3220	52	2.3	3197	-24	1.1	1.9
(1.3) M1 (items 1.1 and 1.2)	3853	56	3.1	3839	-15	2.1	2.9
(1.4) Deposits with agreed maturity up to 2 years	2136	19	39.2	2240	102	42.5	41.9
(1.5) Deposits redeemable at notice up to 3 months	1548	6	-2.6	1546	-2	-2.3	-2.7
(1.6) Other short term deposits (items 1.4 and 1.5)	3685	25	18.1	3786	100	20.2	19.4
(1.7) M2 (items 1.3 and 1.6)	7538	81	9.9	7625	85	10.4	10.3
(1.8) Repurchase agreements	313	-1	11.7	329	16	17.5	15.6
(1.9) Money market fund shares/units	743	-2	8.1	751	9	6.6	8.5
(1.10) Debt securities issued with maturity up to 2 years	283	11	22.2	268	-14	15.7	19.9
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1338	8	11.9	1348	10	11.1	12.6
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	200	11	4.2	198	-2	8.8	2.8
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	5982	22	6.6	5998	22	6.5	7.0
(3.1) Deposits with agreed maturity over 2 years	1813	3	7.0	1819	4	6.5	7.4
(3.2) Deposits redeemable at notice over 3 months	120	-2	3.4	119	-2	1.9	3.9
(3.3) Debt securities issued with maturity over 2 years	2540	4	3.8	2556	15	3.6	4.1
(3.4) Capital and reserves	1508	17	11.6	1503	5	12.3	12.2
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	14757	148	9.7	14929	174	9.7	9.7
(4.1) Credit to general government	2430	15	-1.9	2448	21	-0.4	-1.7
of which Loans	978	7	-0.3	990	12	0.8	-0.2
of which Securities other than shares	1452	8	-2.8	1458	9	-1.1	-2.6
(4.2) Credit to other euro area residents	12327	132	12.2	12481	153	11.8	12.2
of which Loans	10448	105	10.8	10525	78	10.6	10.8
of which Securities other than shares	1007	25	41.2	1035	28	40.8	41.9
of which Shares and other equities	871	2	3.2	921	48	2.1	3.5
(5) <i>Net external assets</i>	524	-41	ND	445	-71	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	-222	15	ND	-205	13	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.

TABLE 3

CONTRIBUTIONS OF M3 COMPONENTS TO THE M3 ANNUAL GROWTH RATE: APRIL 2008
DATA ADJUSTED FOR SEASONAL EFFECTS
 (contributions in terms of the M3 annual percentage change ^{a)})

	FEBRUARY 2008	MARCH 2008	APRIL 2008
(1) M1	1.7	1.4	1.1
(1.1) <i>of which</i> : Currency	0.6	0.6	0.6
(1.2) <i>of which</i> : Overnight deposits	1.1	0.8	0.6
(2) M2 - M1 (= other short-term deposits)	7.4	7.0	7.8
(3) M3 - M2 (= short-term marketable instruments)	2.2	1.7	1.6
(4) M3 (= items 1, 2 and 3)	11.3	10.1	10.6

a) Discrepancies can be due to rounding.

TABLE 4

BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: APRIL 2008
DATA UNADJUSTED FOR SEASONAL EFFECTS
 (EUR billions and annual percentage changes ^{a)})

	MARCH 2008				APRIL 2008			
	End of month level	Monthly flow ^{b)}	write-offs / write-downs	Annual growth rate	End of month level	Monthly flow ^{b)}	write-offs / write-downs	Annual growth rate
BREAKDOWN OF LOANS ^{c)}								
(1) Loans to non-financial corporations	4548	54	-1	15.0	4594	48	-1	14.9
(1.1) up to 1 year	1330	23	0	13.9	1340	12	0	13.2
(1.2) over 1 year and up to 5 years	895	9	0	21.9	902	7	0	21.1
(1.3) over 5 years	2323	23	0	13.1	2352	29	0	13.7
(2) Loans to households ^{d)}	4861	10	-1	5.4	4871	12	-1	5.2
(2.1) Consumer credit	623	4	0	5.2	627	4	0	5.2
(2.2) Lending for house purchase	3477	5	0	6.1	3485	9	0	5.9
(2.3) Other lending ^{d)}	761	1	-1	2.0	759	-2	0	1.8
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds	935	39	0	22.8	958	20	0	21.8
(4) Loans to insurance corporations and pension funds	104	2	0	6.3	102	-2	0	-2.9

a) Discrepancies can be 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 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.