



EUROPEAN CENTRAL BANK

EUROSYSTEM

# T2 in operations

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AMI-Pay meeting

7 December 2023



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# Overview

## 1 Traffic and liquidity developments

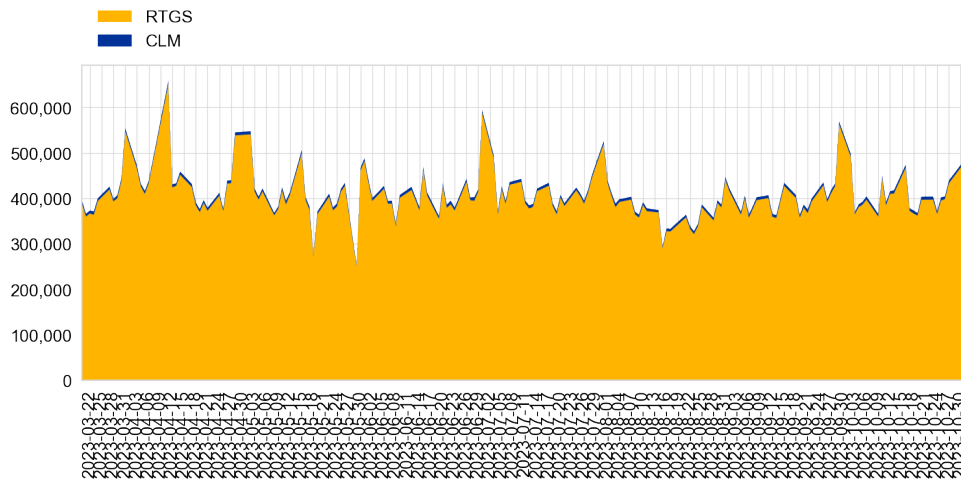
2 Liquidity indicators

3 Incidents

# Traffic settled in volume

## T2 statistical framework for DWH report TRN10

Total daily traffic in volume by system



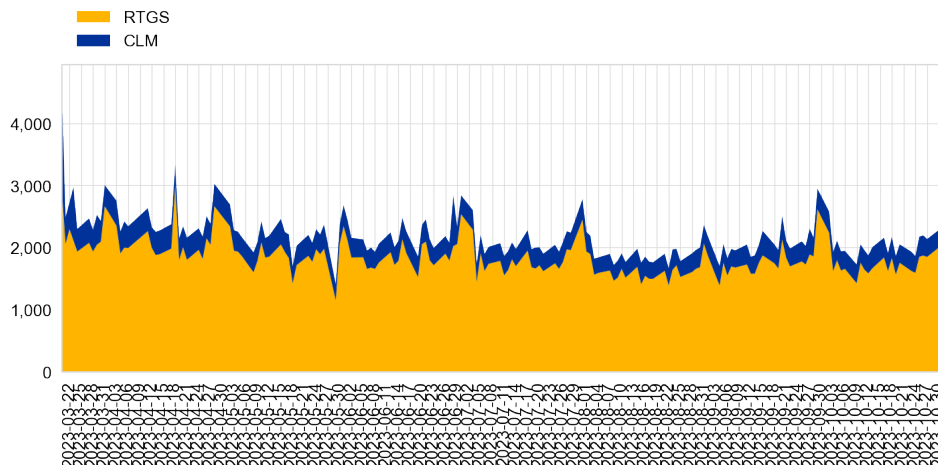
- Since its go-live, T2 settled an average of 409,331 payments daily (6,494 in CLM and 402,837 in RTGS)
- Daily average volume per month:
  - August: 372,804
  - September: 405,085
  - October: 412,342

Note: the calculation methodology follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The methodology is still being revised and fine-tuned. Therefore, figures may be subject to adjustments.

# Traffic settled in value

## T2 statistical framework for DWH report TRN10

Total daily traffic in value by system (€ bn.)

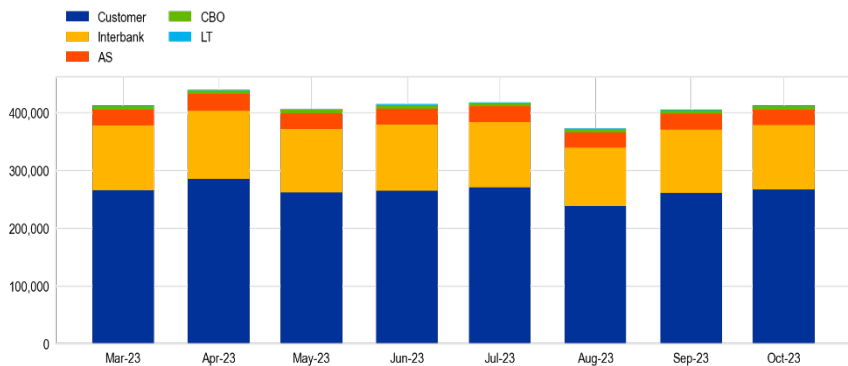


- Since its go-live, T2 settled an average of € 2,180 bn daily (€ 333 bn in CLM and € 1,847 bn in RTGS)
- Daily average value per month:
  - August: € 1,907 bn
  - September: € 2,094 bn
  - October: € 2,071 bn

Note: the calculation methodology follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The methodology is still being revised and fine-tuned. Therefore, figures may be subject to adjustments.

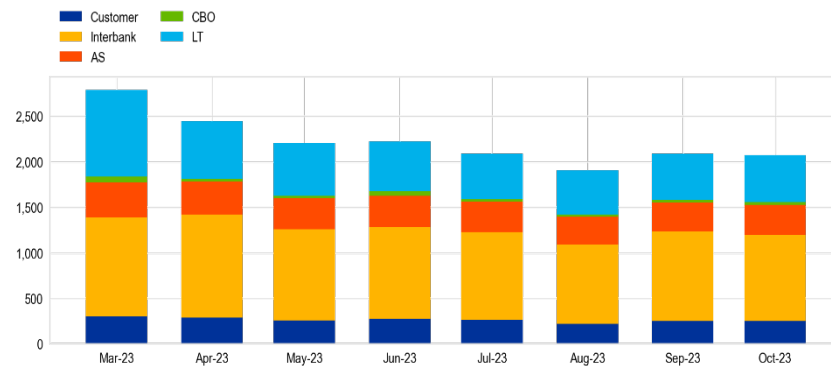
# Traffic by payment type

## Volume



- In October 2023, the daily average volume by category was:
  - Customer payments: 266,908
  - Interbank payments: 110,812
  - Ancillary payments: 27,235
  - Central bank operations: 5,459
  - Liquidity transfers: 1,552

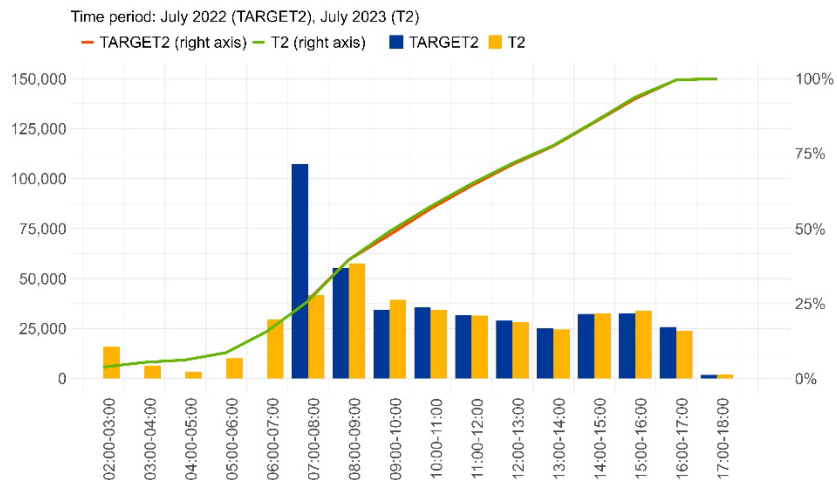
## Value (€ bn)



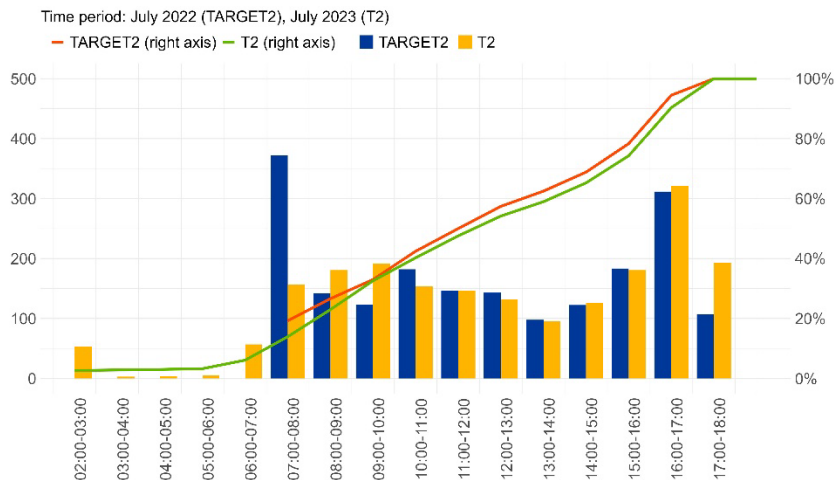
- In October 2023, the daily average value by category was:
  - Customer payments: € 254 bn
  - Interbank payments: € 944 bn
  - Ancillary payments: € 329 bn
  - Central bank operations: € 27 bn
  - Liquidity transfers: € 516 bn

# Intraday settlement (TARGET2 vs. T2)

## Volume



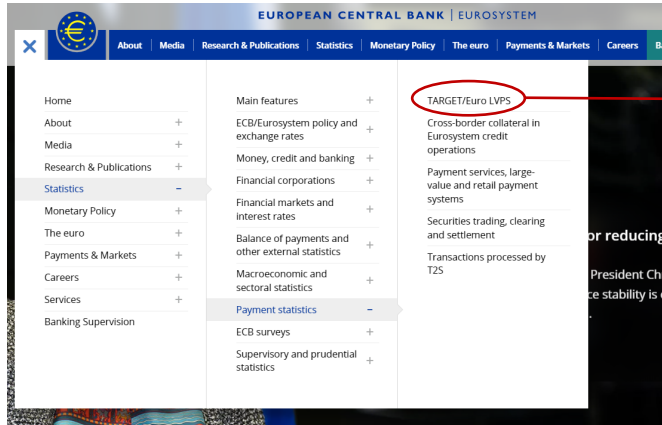
## Value (EUR bn)



- The earlier opening of T2-RTGS noticeably reduced the previous concentration of payments in TARGET2 processed in the morning
- Settlement of transaction values is slightly more evenly distributed over the time of the day

# Publication of TARGET Statistics

- The ECB resumed the provision of TARGET monthly statistics on its webpage
- The statistics are available under the same link as previously and are provided by TARGET Service as well as by country



[https://www.ecb.europa.eu/stats/payment\\_statistics/large\\_value\\_payment\\_systems/html/index.en.html](https://www.ecb.europa.eu/stats/payment_statistics/large_value_payment_systems/html/index.en.html)

# Overview

1 Traffic developments

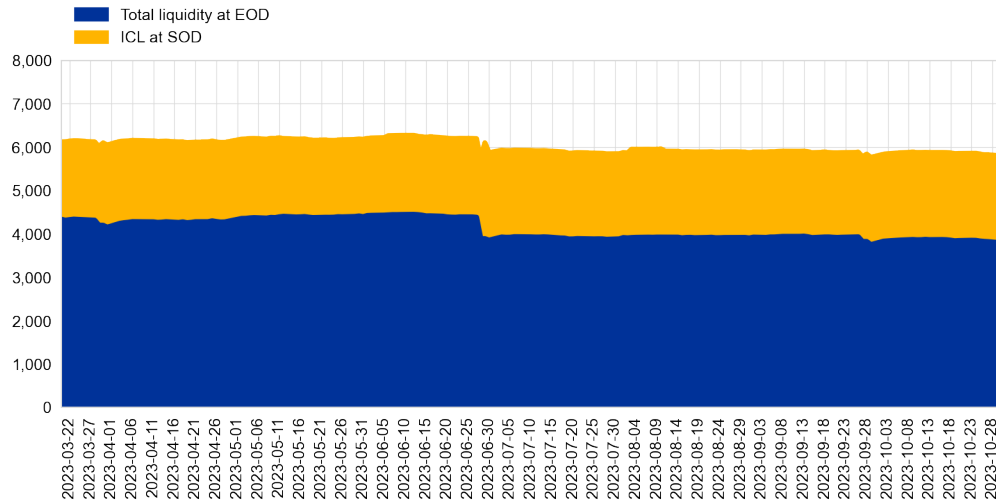
2 **Liquidity indicators**

3 Incidents



# Total liquidity at the end of day & credit line set at the start of day

Total liquidity across TARGET services at EOD and intraday credit line at SOD (€ bn)



- Total liquidity at EOD was on average €4.1 trillion since the start of T2. At the end of October, it stood at €3.8 trillion.
- The ICL set at SOD was on average €1.9 trillion since the start of T2, in line with TARGET2.
- The sum of liquidity and ICL represents the overall payment capacity of T2 participants. It stood at €5.7 trillion at the end of October.
- Sudden drops of liquidity and peaks of the ICL are due to TLTRO reimbursements that reduce liquidity and free up collateral. The latter typically remains with the Eurosystem and is slowly moved thereafter.

# Overview

**1** Traffic developments

**2** Liquidity indicators

**3** **Incidents**

# T2 incidents



- **Period reported:** May 2023 – November 2023

<b>T2</b>	<b>9 May</b>	An incident impacted <b>SWIFT incoming and outgoing A2A traffic on T2 for about 2 hours</b>
<b>TARGET Services</b>	<b>25 May and 15 September</b>	<p>On <b>25 May 2023</b>, an incident impacted the execution of <b>U2A instructions requiring a signature via the NRO (Non-Repudiation of Origin)</b> between 17:05 to 19:20. As a result of the incident, <b>RTGS and CLM closed at 20:30</b> and <b>RTGS RTS I started at 22:00</b>.</p> <p>The same <b>NRO issue for SWIFT users</b> re-occurred on <b>15 September 2023</b> between <b>11:20 to 12:57</b>.</p>
<b>TARGET Services</b>	<b>20 June</b>	<ul style="list-style-type: none"><li>• An incident impacted the processing of <b>ancillary system files</b> (settlement procedures A, B and E) between <b>17:16 to 18:08</b></li><li>• An incident impacted execution of <b>U2A instructions requiring a signature via the NRO for about 2 hours</b></li></ul> <p>As a result of the incidents, the <b>change of business day started at 20:07</b> and <b>RTGS RTS I at 20:08</b></p>

# T2 incidents

- **Period reported:** May 2023 – November 2023



<b>T2</b>	<b>3 July</b>	An incident <b>impacted the processing of warehoused payments</b> after the end of the weekly Maintenance Window. The earmarked warehoused payments settled before 10:00
<b>T2</b>	<b>25 July 11, 24 and 30 August, 1 September</b>	The incidents <b>affected the processing of ancillary system files</b> (settlement procedures A, B and E) between <b>17:00 to 17:30</b> on 25/07, between <b>02:30 to 04:41</b> on 11/08, between <b>06:49 to 08:29</b> on 24/08, between <b>02:30 to 04:41</b> on 30/08 and between <b>02:30 to 04:23</b> on 01/09

# T2 incidents



- **Period reported:** May 2023 – November 2023

<b>T2</b>	<b>27 October</b>	An incident impacted the inbound traffic to T2 which was processed at an extremely slow pace and the outbound traffic from T2 was not being processed at all. The closure of CLM and RTGS was delayed by 3 hours
<b>TARGET Services</b>	<b>7 and 23 November</b>	<ul style="list-style-type: none"><li>• <b>On 7 November 2023</b>, an issue prevented <b>U2A connectivity to ESMIG from 15:19 to 17:35</b>. Incident affected the processing of ancillary system files (settlement procedures A, B and E) and following a restart at <b>18:20</b>, all AS files had settled</li><li>• <b>On 23 November 2023</b>, incident impacted <b>U2A access to ESMIG from 17:00 to 18:06</b>. Owing to the ESMIG U2A unavailability, the <b>closing of T2 has been delayed to 19:00</b> and RTGS RTS I started at 20:30</li></ul>