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PRESS RELEASE

MONETARY DEVELOPMENTS IN THE EURO AREA: FEBRUARY 2009

The annual rate of growth of M3 stood at 5.9% in February 2009, compared with 6.0% in January 2009.¹ The three-month average of the annual growth rates of M3 over the period December 2008 - February 2009 decreased to 6.5%, from 7.1% in the period November 2008 - January 2009.

12-month percentage changes; adjusted for seasonal and end-of-month calendar effects	DECEMBER 2008	JANUARY 2009	FEBRUARY 2009	DECEMBER 2008 - FEBRUARY 2009 AVERAGE
M3	7.6	6.0	5.9	6.5
M1	3.3	5.1	6.3	4.9
Loans to private sector	5.7	5.0	4.2	5.0

Regarding the main components of M3, the annual rate of growth of M1 increased to 6.3% in February 2009, from 5.1% in January. The annual rate of growth of short-term deposits other than overnight deposits decreased to 7.7% in February, from 10.1% in the previous month. The annual growth of marketable instruments was zero in February, after -2.2% in January.

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 decreased to 5.7% in February 2009, from 6.0% in January. The annual rate of growth of credit extended to general government increased to 6.9% in February, from 5.2% in January, while the annual growth of credit extended to the private sector decreased to 5.4% in February, from 6.1% in January. Among the components of the latter, the annual rate of growth of loans to the private sector decreased to 4.2% in February, from 5.0% in the previous month (adjusted for loan sales and securitisation² the annual growth rate of loans to the private sector decreased to 5.9%, from 6.7% in the previous month). The annual growth rate of loans to non-financial corporations decreased to 7.6% in February, from 8.8% in January. The annual growth rate of loans to households decreased to 0.7% in February, from 1.2% in the previous month. The annual rate of growth of lending for house purchase declined to 0.5% in February, from 1.0% in January. The annual rate of growth of consumer credit decreased to 1.0% in February, from 1.2% in January, while the annual growth rate of other lending to households decreased to 1.5% in February, from 2.0% in the previous month. Finally, the annual rate of

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.

growth of loans to non-monetary financial intermediaries (except insurance corporations and pension funds) decreased to 7.2% in February, from 7.9% in the previous month.

Over the 12 months up to February 2009, the net external asset position of the euro area MFI sector declined by EUR 169 billion, compared with a decline of EUR 219 billion over the 12 months up to January. The annual rate of growth of longer-term financial liabilities of the MFI sector increased to 4.2% in February, from 3.0% in January.

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 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) and methodological notes on the monetary statistics concepts and seasonal adjustment procedures. Monthly and other shorter-term growth rates for selected items are available at <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. Monthly flows and annual growth rates for January 2009 are corrected for the effect of the euro area enlargement.*
- *The publication of the statistics on monetary developments in March, April and May is scheduled to take place at 10 am on 29 April 2009, 29 May 2009 and 30 June 2009, respectively.*

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TABLE 1

MONETARY DEVELOPMENTS IN THE EURO AREA: FEBRUARY 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

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

	JANUARY 2009			FEBRUARY 2009			AVERAGE DEC-08 FEB-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)	9384	-64	6.0	9427	46	5.9	6.5
(1.1) Currency in circulation	717	5	13.7	721	4	13.5	13.5
(1.2) Overnight deposits	3379	75	3.5	3417	38	4.9	3.2
(1.3) M1 (items 1.1 and 1.2)	4096	79	5.1	4138	42	6.3	4.9
(1.4) Deposits with agreed maturity up to 2 years	2377	-117	14.9	2331	-45	9.4	15.9
(1.5) Deposits redeemable at notice up to 3 months	1596	38	3.7	1621	25	5.4	3.4
(1.6) Other short term deposits (items 1.4 and 1.5)	3973	-79	10.1	3953	-20	7.7	10.4
(1.7) M2 (items 1.3 and 1.6)	8069	0	7.5	8091	22	7.0	7.6
(1.8) Repurchase agreements	327	-29	7.1	331	4	5.9	9.7
(1.9) Money market fund shares/units	766	11	2.6	782	16	3.5	3.6
(1.10) Debt securities issued with maturity up to 2 years	221	-47	-24.0	223	4	-16.7	-17.1
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1315	-64	-2.2	1337	24	0.0	0.5
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	341	29	89.7	324	-17	78.8	80.0
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6435	105	3.0	6494	53	4.2	3.1
(3.1) Deposits with agreed maturity over 2 years	2037	42	2.9	2060	23	4.2	2.7
(3.2) Deposits redeemable at notice over 3 months	125	2	0.7	124	-1	1.4	0.9
(3.3) Debt securities issued with maturity over 2 years	2613	31	-1.2	2624	11	-0.2	-1.0
(3.4) Capital and reserves	1661	30	10.8	1687	21	11.9	10.8
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15702	68	6.0	15738	40	5.7	5.9
(4.1) Credit to general government	2628	47	5.2	2662	35	6.9	5.0
of which Loans	997	16	2.4	1003	5	3.1	2.3
of which Securities other than shares	1631	32	7.0	1660	29	9.3	6.8
(4.2) Credit to other euro area residents	13074	20	6.1	13075	5	5.4	6.1
of which Loans ^{e)}	10869	9	5.0	10859	-10	4.2	5.0
<i>memo item: loans adjusted for sales & securitisation</i> ^{f)}	ND	18	6.7	ND	-2	5.9	6.6
of which Securities other than shares	1411	10	29.9	1423	10	28.8	30.0
of which Shares and other equities	794	1	-7.2	794	5	-5.7	-6.8
(5) <i>Net external assets</i>	388	-102	ND	438	32	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	70	104	ND	70	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) 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: FEBRUARY 2009

DATA UNADJUSTED FOR SEASONAL EFFECTS

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

	JANUARY 2009			FEBRUARY 2009			AVERAGE DEC-08 FEB-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)	9393	-78	6.2	9407	17	6.0	6.5
(1.1) Currency in circulation	712	-12	14.1	715	2	13.5	13.5
(1.2) Overnight deposits	3381	33	3.4	3387	6	5.3	3.2
(1.3) M1 (items 1.1 and 1.2)	4094	20	5.1	4102	8	6.7	4.9
(1.4) Deposits with agreed maturity up to 2 years	2384	-129	15.3	2345	-39	9.3	16.0
(1.5) Deposits redeemable at notice up to 3 months	1606	45	3.8	1629	23	5.5	3.4
(1.6) Other short term deposits (items 1.4 and 1.5)	3991	-84	10.3	3974	-16	7.7	10.5
(1.7) M2 (items 1.3 and 1.6)	8084	-63	7.6	8076	-8	7.2	7.6
(1.8) Repurchase agreements	329	-1	7.5	331	1	5.4	10.0
(1.9) Money market fund shares/units	758	33	2.5	777	19	3.5	3.6
(1.10) Debt securities issued with maturity up to 2 years	221	-47	-24.0	223	4	-16.7	-17.1
(1.11) Marketable instruments (items 1.8, 1.9 and 1.10)	1309	-15	-2.2	1332	25	-0.1	0.5
COUNTERPARTS OF M3							
MFI liabilities:							
(2) <i>Holdings against central government</i> ^{d)}	324	59	89.4	342	18	78.5	79.4
(3) <i>Longer-term financial liabilities against other euro area residents</i> (= items 3.1 to 3.4)	6414	81	3.0	6478	57	4.1	3.1
(3.1) Deposits with agreed maturity over 2 years	2040	35	2.9	2056	15	4.2	2.7
(3.2) Deposits redeemable at notice over 3 months	126	2	0.7	125	0	1.4	0.9
(3.3) Debt securities issued with maturity over 2 years	2589	18	-1.2	2612	23	-0.2	-1.0
(3.4) Capital and reserves	1660	26	10.8	1685	19	11.9	10.8
MFI assets:							
(4) <i>Credit to euro area residents</i> (= items 4.1 and 4.2)	15679	103	5.9	15701	26	5.7	5.9
(4.1) Credit to general government	2627	73	5.2	2662	35	6.9	5.0
of which Loans	1005	14	2.4	1002	-3	3.1	2.3
of which Securities other than shares	1623	58	7.0	1660	38	9.3	6.8
(4.2) Credit to other euro area residents	13052	30	6.1	13039	-9	5.5	6.1
of which Loans	10864	23	5.0	10839	-24	4.2	5.0
<i>memo item: loans adjusted for sales & securitisation</i> ^{e)}	ND	31	6.7	ND	-16	5.9	6.6
of which Securities other than shares	1397	-4	29.8	1419	20	28.7	29.9
of which Shares and other equities	791	11	-7.2	781	-5	-5.7	-6.8
(5) <i>Net external assets</i>	391	-118	ND	443	33	ND	ND
(6) <i>Other counterparts of M3 (residual)</i> (= M3 + items 2, 3 - items 4, 5)	61	78	ND	84	34	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: FEBRUARY 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

(contributions in terms of the M3 annual percentage change ^{a)})

	DECEMBER 2008	JANUARY 2009	FEBRUARY 2009
(1) M1	1.5	2.3	2.8
(1.1) <i>of which</i> : Currency	1.0	1.0	1.0
(1.2) <i>of which</i> : Overnight deposits	0.5	1.3	1.8
(2) M2 - M1 (= other short-term deposits)	5.5	4.1	3.2
(3) M3 - M2 (= short-term marketable instruments)	0.6	-0.3	0.0
(4) M3 (= items 1, 2 and 3)	7.6	6.0	5.9

a) Figures may not add up due to rounding.

TABLE 4

BREAKDOWN OF LOANS BY COUNTERPART, TYPE AND ORIGINAL MATURITY: FEBRUARY 2009

DATA ADJUSTED FOR SEASONAL EFFECTS

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

	JANUARY 2009			FEBRUARY 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	4879	30	8.8	4875	-4	7.6
(1.1) up to 1 year	1394	2	6.1	1373	-19	3.3
(1.2) over 1 year and up to 5 years	978	9	13.2	981	3	12.1
(1.3) over 5 years	2508	19	8.7	2520	13	8.4
(2) Loans to households ^{d)}	4906	-2	1.2	4907	3	0.7
(2.1) Consumer credit	638	0	1.2	640	2	1.0
(2.2) Lending for house purchase	3497	-1	1.0	3498	1	0.5
(2.3) Other lending	771	0	2.0	769	-1	1.5
(3) Loans to non-monetary financial intermediaries except insurance corporations and pension funds	988	-11	7.9	980	-9	7.2
(4) Loans to insurance corporations and pension funds	96	-8	-5.0	96	0	-8.4

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.