Benoît Cœuré
Member of the Executive Board of the European Central Bank

The local impact of the ECB’s monetary policy

Les Champs du Possible
Châteaudun, 4 October 2018
Euro area economy looking back to five years of uninterrupted growth

**GDP and employment**
(2007 = 100)

**Inflation and wage growth**
(annual percentage changes)

Sources: Eurostat, ECB calculations.

Sources: Eurostat, ECB calculations.
The ECB took firm action against financial fragmentation

**Firm access to bank loans: 2014**  
(net percentage of responding SMEs)

Sources: EC, ECB, ECB calculations.  
Notes: Survey on the access to finance of enterprises (SAFE), Question 9: “Would you say that the availability of bank loans has improved, remained unchanged or deteriorated for your enterprise over the past six months?” April-September 2014.

**Firm access to bank loans: 2018**  
(net percentage of responding SMEs)

Sources: EC, ECB, ECB calculations.  
Notes: Survey on the access to finance of enterprises (SAFE), Question 9: “Would you say that the availability of bank loans has improved, remained unchanged or deteriorated for your enterprise over the past six months?” October 2017-March 2018.
Policy measures were successful in supporting credit provision to firms

Cost of borrowing for NFCs
(percentages per annum)

Loans to NFCs
(annual percentage changes)

Source: ECB.
Notes: The indicator for the cost of borrowing is calculated by aggregating short- and long-term rates using 24-months moving average of new business volumes. Latest observation: July 2018.

Source: ECB.
Notes: Adjusted loans (i.e. adjusted for sales, securitisation and cash pooling activities). Data for Spain from Jan. 2004 to Dec. 2009 are non-seasonally adjusted. Latest observation: August 2018.
Structural factors holding back growth in some regions

Long-term unemployment
(percent of active population)

Sources: Eurostat, ECB calculations.
Notes: Data refer to the unemployment rate (12 months and more) of available euro area
NUTS-2 regions. The grey area shows the interval between the 10th and the 90th percentile.

Regional employment
(2007 = 100)

Sources: Eurostat, ECB calculations.
Notes: Data refer to total employment (15 to 64 years) of available euro area NUTS-2
regions. The grey area shows the interval between the 10th and the 90th percentile.
Institutional quality decisive for economic prosperity

GDP per capita and Worldwide Governance
(index EU28 2017 = 100; ranking in 2008)

Sources: Eurostat, World Bank.
Notes: The Worldwide Governance Indicator is the composite ranking of average positions in six broad institutional dimensions. Luxembourg is excluded because GDP per capita computations are distorted by, for example, the high number of cross-border workers. Data for Ireland are adjusted to control for the exceptional GDP revision made for the year 2015.

Regulation as a problem
(percentage of responding SMEs)

Sources: EC, ECB, ECB calculations.
Notes: Survey on the access to finance of enterprises (SAFE), Question 0: “How important have the following problems (finding customers, competition, access to finance, costs of production or labour, availability of skilled staff, regulation) been for your enterprise in the past six months?” October 2017-March 2018.