



EUROPEAN CENTRAL BANK



ECB STATISTICS

# A BRIEF OVERVIEW

AUGUST 2003

The main purpose of European Central Bank (ECB) statistics is to support the monetary policy of the ECB and other tasks of the Eurosystem and the European System of Central Banks (ESCB).

This leaflet briefly describes the statistics which the ECB, assisted by the national central banks of the European Union (EU), develops, collects, compiles and disseminates.



## BACKGROUND INFORMATION

In compiling statistics, the ECB is assisted by the national central banks, or NCBs. The NCBs (and, in some cases, other national authorities) collect data from credit institutions and other sources in their respective countries and calculate aggregates at the national level, which they send to the ECB. The ECB then compiles the aggregates for the euro area.

The main features of the ECB's statistics are:

- A focus on the euro area. This means that all underlying national data have to be based on a common set of definitions and classifications so that they are sufficiently comparable to produce a meaningful aggregate.
- The legal basis for the development, collection, compilation and dissemination of statistics by the ECB is laid down in the Statute of the European System of Central Banks and of the European Central Bank. The ECB has adopted and published a number of legal acts addressing a wide range of statistics.
- While ensuring its statistical requirements are met, the ECB seeks to minimise the burden which statistical reporting places on credit institutions and other reporting agents and therefore uses existing statistics wherever possible.
- The ECB works closely with the European Community institutions. Responsibility for statistics at the European level is shared between the ECB and the European Commission (through Eurostat, the Statistical Office of the European Communities). The exact division of labour is laid out in the Memorandum of Understanding on Economic and Financial Statistics (March 2003), which can be found on the ECB's website.
- The ECB also maintains a close relationship with other international organisations in statistical matters. Wherever possible, ECB statistics conform to international standards.



## WHAT STATISTICS DOES THE ECB PRODUCE?

The main types of statistics published by the ECB are:

### Money, banking and financial market statistics

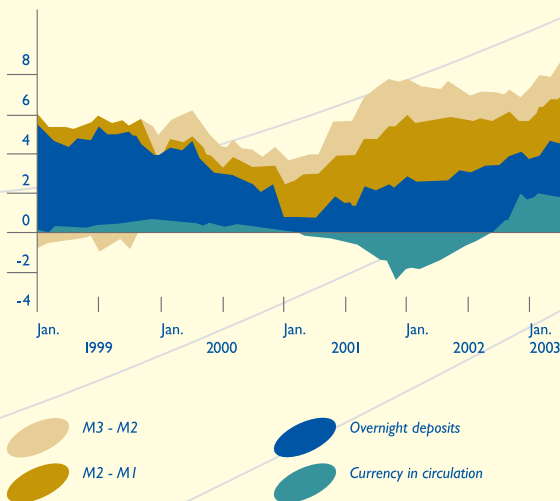
Each month, the ECB compiles and disseminates a wide range of monetary statistics and indicators, including the broad measure of the money supply known as M3, its components (banknotes and coins, short-term deposits and other items) and its counterpart assets, notably credit and longer-term liabilities.

It also adjusts the monthly statistics to take account of seasonal factors, which makes it easier to analyse trends.

#### Chart 1

### Breakdown of the annual growth rate of M3 by its main components

*(cumulated contributions in percentage points; not seasonally adjusted)*



Source: ECB.

The monetary aggregates and their counterparts are calculated from the balance sheet of the monetary financial institution (MFI) sector, which is also published monthly. MFIs are institutions – such as banks – that receive deposits or issue very short-term securities and extend credit or invest in securities on their own account.

This definition goes beyond that of “credit institutions” in European Community law (since it includes money market funds and some other types of institution).

The ECB and NCBs provide lists of financial institutions meeting the definition. The MFI balance sheet statistics are also used to calculate the minimum reserve requirements these institutions must fulfil, which is one of the tools of the ECB’s monetary policy instruments.

The ECB compiles harmonised statistics on interest rates paid and charged by MFIs in their business with households and enterprises in the euro area. It also publishes information on financial institutions outside the MFI sector, including non-money market investment funds, given the close connections between their activities and MFI business.

Moreover, the ECB compiles detailed monthly data on debt securities and quoted shares, covering issues, redemptions and amounts outstanding.

It also publishes structural indicators on the banking sector and investment funds in the euro area, various indicators of financial soundness, and statistics on the volume and value of payments in the euro area.

The ECB continues to develop common methodologies for calculating comparable statistical indicators for the euro area’s financial markets. This also helps to monitor financial market integration.

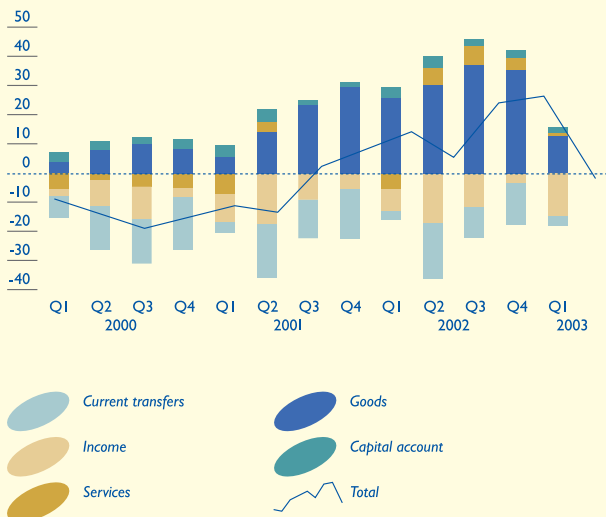
### Balance of payments and other external statistics

The ECB publishes a monthly balance of payments (b.o.p.) for the euro area, showing the main transactions between euro area residents and residents of countries outside the euro area. The monthly b.o.p. is supplemented by more detailed quarterly and annual statistics.

A consistent methodological framework allows the analysis of monetary and b.o.p. statistics for the euro area to be integrated. The monetary presentation of the b.o.p., which the ECB has published since June 2003, provides a link between the foreign transactions of parties other than banks in the euro area and the money supply in the euro area.

**Chart 2**  
Euro area balance of payments: current and capital accounts

(quarterly flows; not seasonally adjusted; EUR billions)

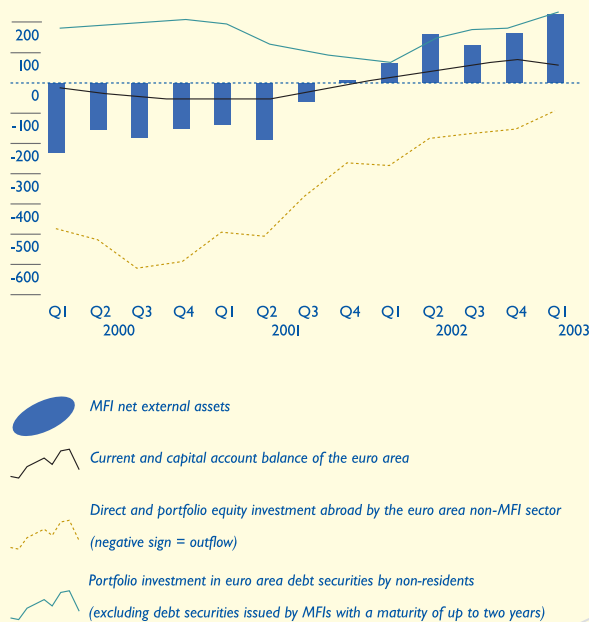


Source: ECB.

In addition, the ECB publishes monthly statistics on its and the Eurosystem's international reserves and foreign currency liquidity, and annual statistics on the international investment position (i.i.p.) of the euro area, which provides an overall picture of the euro area's claims on and liabilities to the rest of the world. The aggregates covering the euro area include credits and debits, and assets and liabilities, separately.

**Chart 3**  
Main external transactions underlying the changes in MFI net external assets

(annual flows; end of period; EUR billions)



Source: ECB.

In contrast to national b.o.p./i.i.p., which include all transactions and positions of a national economy, i.e. including those vis-à-vis residents of other countries in the euro area, the contributions of the euro area countries to the aggregates include only transactions and positions with residents of countries outside the euro area.

The ECB also compiles statistics on the international role of the euro and effective exchange rate indices for the euro, in nominal and real terms, using various deflators.

#### Financial accounts

The ECB requires quarterly financial and non-financial accounts for the euro area. The financial accounts present financial transactions as well as financial balance sheets for all sectors of the euro area economy.

They therefore show the financial interrelationships among these different sectors and between them and the rest of the world. This broad presentation of the economy also provides a comprehensive view of the indebtedness of households, corporations and governments.

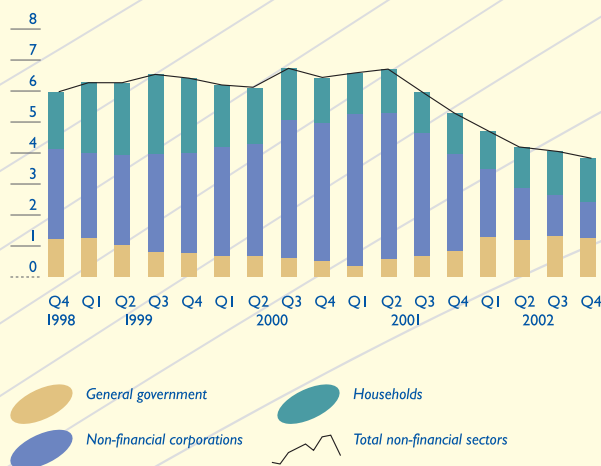
The accounts follow the integrated approach outlined in the European system of national and regional accounts (ESA 95). Based on harmonised accounting principles, quarterly euro area financial accounts are also very useful for cross-checking the consistency of the high-frequency data provided by money and banking, balance of payments, capital market and government finance statistics.

Of specific importance are the interactions between, on the one hand, the financial and non-financial transactions and, on the other hand, balancing items such as saving, government deficit and gross domestic product.

At present, quarterly data on financial transactions and amounts outstanding for the non-financial sectors and for insurance corporations and pension funds are published in the tables on investment and financing in the ECB's Monthly Bulletin. Work is in progress to provide more detail by sector and by financial instrument, and to compile integrated quarterly financial and non-financial sector accounts for the euro area.

**Chart 4**  
Financing of euro area non-financial sectors

(annual growth rates; contributions in percentage points)



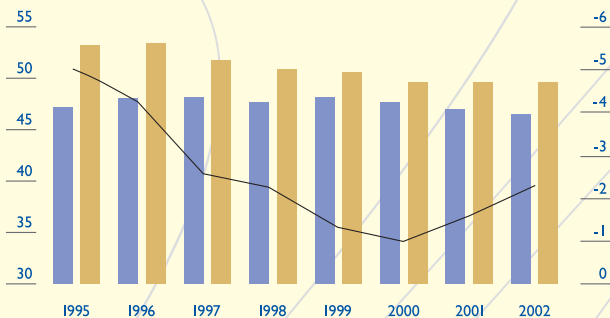
Source: ECB.

### Government finance statistics

To carry out the analysis required for monetary policy, the ECB and the ESCB need comprehensive and reliable government finance statistics based on the ESA 95. Government finance statistics form an important part of the integrated system of sectoral non-financial and financial accounts for the euro area. The annual government finance data are published in the ECB's Monthly Bulletin, showing time series on i) revenue and expenditure, ii) government debt and iii) the relationship between the government deficit and the change in government debt, for each EU country as well as euro area and EU totals. To compile such totals, additional information is needed on transactions between the Member States and the European Community institutions.

**Chart 5**  
General government revenue, expenditure and deficit in the euro area

(as a percentage of GDP)



Revenue (left-hand scale)      Deficit (right-hand scale)  
Expenditure (left-hand scale)

Source: ECB.

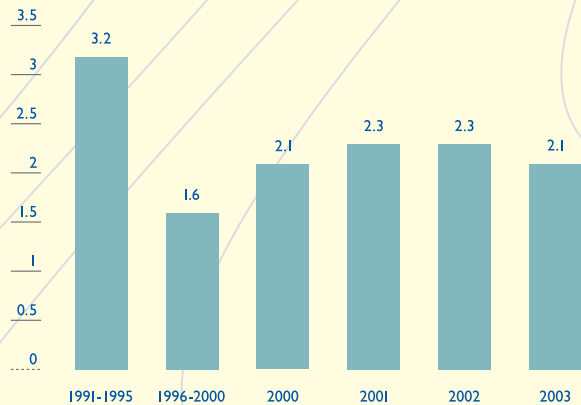
### Statistics on the HICP, other prices, costs, output and the labour markets

The ECB defines price stability, its primary objective, in terms of the Harmonised Index of Consumer Prices (HICP) for the euro area. It also publishes a wide range of statistics on prices and costs, national accounts, the labour markets, external trade and various other general economic statistics. The prime responsibility for this type of statistics lies with the European Commission.

The ECB works closely with the Commission (Eurostat) to develop harmonised statistical concepts and achieve regularly available, good quality euro area statistics.

**Chart 6**  
Euro area inflation (Harmonised Index of Consumer Prices)

(average annual growth rates)



Source: Eurostat.

Note: from 2001 including Greece; 2003: January-June 2003 compared with January-June 2002.



## MEDIUM-TERM PLANS

A major objective for euro area statistics is the integration of the different economic and financial statistics in a comprehensive framework of quarterly accounts by institutional sector.

These accounts will cover financial and non-financial corporations, general government and households, and will incorporate links with economic agents outside the euro area.

This will improve the consistency between real and financial variables and thereby facilitate sectoral analysis.



## WHERE CAN THE STATISTICS BE FOUND?

A wide range of statistics is published in monthly and quarterly press releases and in the “Euro area statistics” section of the ECB’s Monthly Bulletin.

Statistics on recent economic developments in the euro area and the EU Member States are also summarised in the ECB’s practically sized Statistics Pocket Book. The Pocket Book also contains various comparisons of the euro area, the EU, the United States and Japan.

To receive these publications free of charge, please contact the ECB at the address on the back of this leaflet.

All statistics can also be found in the statistics section of the ECB’s website ([www.ecb.int](http://www.ecb.int)). Detailed documentation on definitions and concepts used for the various statistics (including all relevant legal acts) is also presented on the website.



## FOR FURTHER INFORMATION

For further information, please contact the ECB's Press and Information Division  
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