

Press release

29 April 2022

Monetary developments in the euro area: March 2022

- Annual growth rate of broad [monetary aggregate M3](#) stood at 6.3% in March 2022, after 6.4% in February 2022 (revised from 6.3%)
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, decreased to 8.8% in March from 9.1% in February
- Annual growth rate of [adjusted loans to households](#) stood at 4.5% in March, compared with 4.4% in February
- Annual growth rate of [adjusted loans to non-financial corporations](#) decreased to 4.2% in March from 4.5% in February

Components of the broad monetary aggregate M3

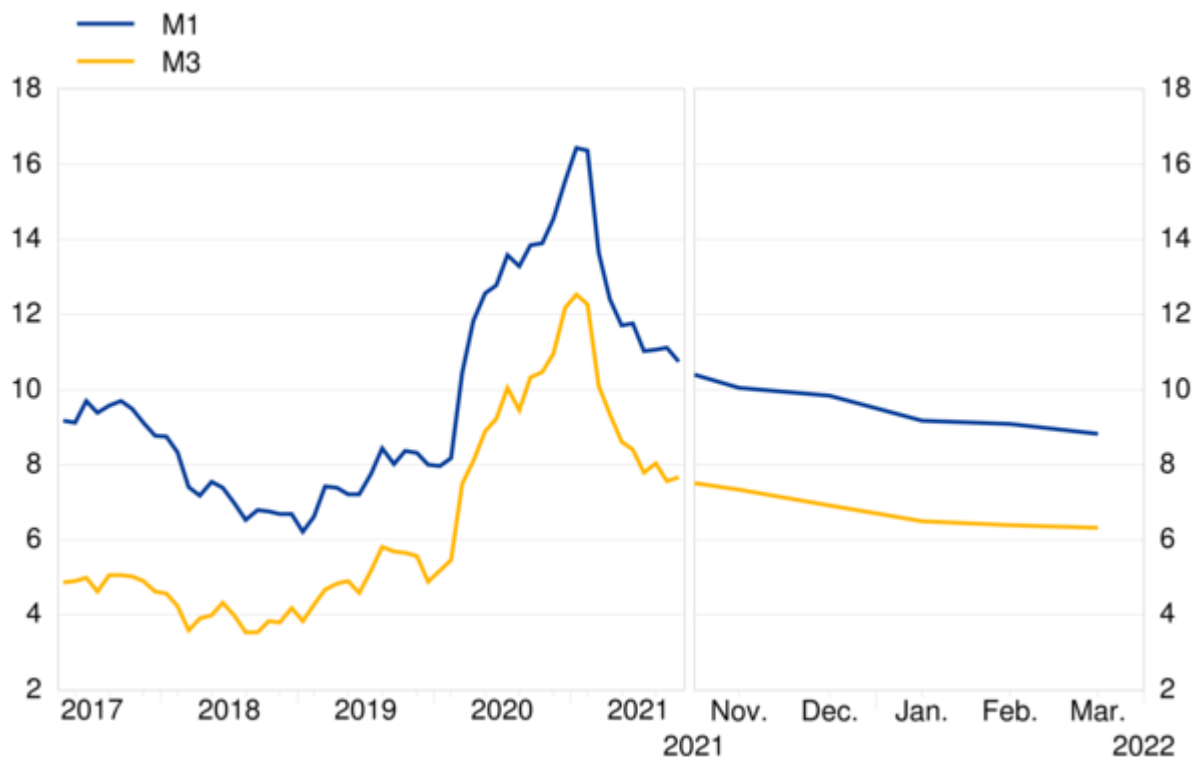
The annual growth rate of the broad monetary aggregate M3 stood at 6.3% in March 2022, after 6.4% in February, averaging 6.4% in the three months up to March. The [components of M3](#) showed the following developments. The annual growth rate of the narrower aggregate M1, which comprises currency in circulation and overnight deposits, decreased to 8.8% in March from 9.1% in February. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) stood at -0.3% in March, unchanged from the previous month. The annual growth rate of marketable instruments (M3-M2) increased to 1.6% in March from -0.4% in February.

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Chart 1 Monetary aggregates

(annual growth rates)



[Data for monetary aggregates](#)

Looking at the [components' contributions to the annual growth rate of M3](#), the narrower aggregate M1 contributed 6.3 percentage points (down from 6.5 percentage points in February), short-term deposits other than overnight deposits (M2-M1) contributed -0.1 percentage point (as in the previous month) and marketable instruments (M3-M2) contributed 0.1 percentage point (up from 0.0 percentage point).

From the perspective of the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households decreased to 4.6% in March from 5.1% in February, while the annual growth rate of deposits placed by non-financial corporations decreased to 6.8% in March from 7.9% in February. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) decreased to 13.5% in March from 14.6% in February.

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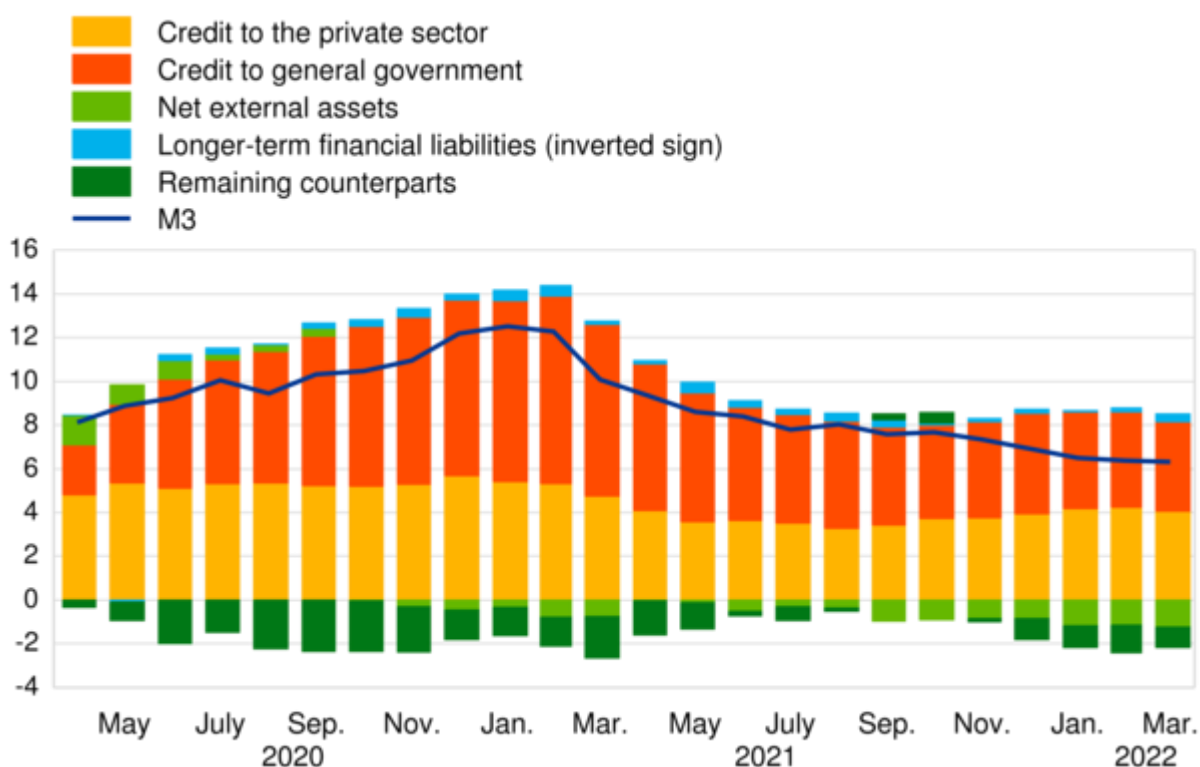
Counterparts of the broad monetary aggregate M3

As a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), the annual growth rate of M3 in March 2022 can be broken down as follows: credit to general government contributed 4.1 percentage points (down from 4.4 percentage points in February), credit to the private sector contributed 4.1 percentage points (down from 4.2 percentage points), longer-term financial liabilities contributed 0.3 percentage point (up from 0.2 percentage point), net external assets contributed -1.2 percentage points (down from -1.1 percentage points), and the remaining counterparts of M3 contributed -0.9 percentage point (up from -1.3 percentage points).

Chart 2

Contribution of the M3 counterparts to the annual growth rate of M3

(percentage points)



[Data for contribution of the M3 counterparts to the annual growth rate of M3](#)

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Credit to euro area residents

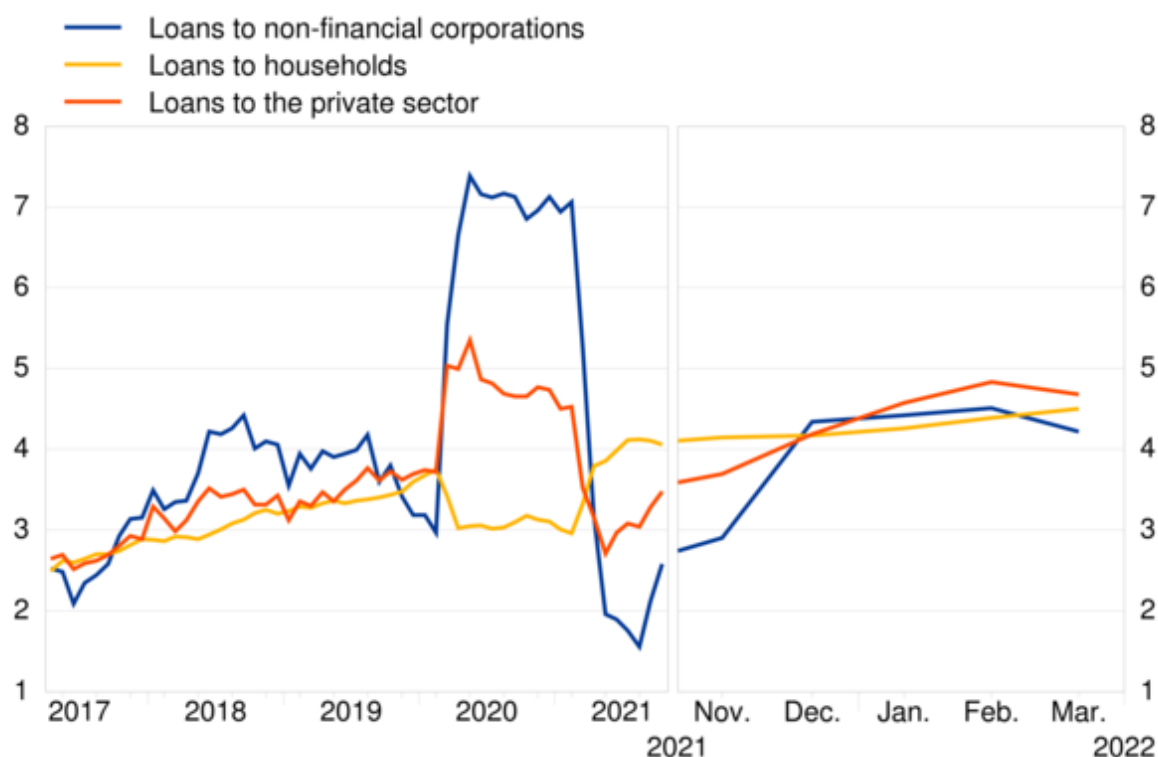
As regards the dynamics of credit, the annual growth rate of total [credit to euro area residents](#) decreased to 5.9% in March 2022 from 6.2% in the previous month. The annual growth rate of [credit to general government](#) decreased to 9.9% in March from 10.7% in February, while the annual growth rate of [credit to the private sector](#) stood at 4.2% in March, compared with 4.3% in February.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan sales, securitisation and notional cash pooling) stood at 4.7% in March, compared with 4.8% in February. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) stood at 4.5% in March, compared with 4.4% in February, while the annual growth rate of [adjusted loans to non-financial corporations](#) decreased to 4.2% in March from 4.5% in February.

Chart 3

Adjusted loans to the private sector

(annual growth rates)



[Data for adjusted loans to the private sector](#)

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Notes:

- New reporting requirements under [Regulation \(EU\) 2021/379 of the European Central Bank of 22 January 2021 on the balance sheet items of credit institutions and of the monetary financial institutions sector \(ECB/2021/2\)](#) came into force with effect from the January 2022 reference period. The implementation of the new Regulation, together with other changes to the statistical reporting framework and practices in euro area countries, may result in revisions to preliminary data in subsequent press releases.
- Data in this press release are adjusted for seasonal and end-of-month calendar effects, unless stated otherwise.
- "Private sector" refers to euro area non-MFIs excluding general government.
- Hyperlinks in the main body of the press release and in annex tables lead to data that may change with subsequent releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

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1 Monetary developments in the euro area: March 2022

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2022	Jan 2022	Feb 2022	Mar 2022	Jan 2022	Feb 2022	Mar 2022
COMPONENTS OF M3							
1. M3	15679	54	64	69	6.5	6.4	6.3
1.1. M2	14916	70	83	61	6.8	6.7	6.6
1.1.1. M1	11461	45	90	57	9.2	9.1	8.8
Currency in circulation	1525	17	12	31	7.7	7.8	9.6
Overnight deposits	9936	27	78	26	9.4	9.3	8.7
1.1.2. Other short-term deposits (M2 - M1)	3456	25	-7	3	-0.2	-0.3	-0.3
Deposits with an agreed maturity of up to two years	937	20	-14	5	-7.1	-6.9	-6.1
Deposits redeemable at notice of up to three months	2519	5	8	-2	2.5	2.4	2.0
1.2. Marketable instruments (M3 - M2)	763	-16	-19	9	0.8	-0.4	1.6
Repurchase agreements	126	12	1	-6	14.0	17.1	11.6
Money market fund shares	598	-44	-27	11	-3.2	-4.7	-3.0
Debt securities issued with a maturity of up to two years	39	17	6	3	72.3	27.9	105.4
COUNTERPARTS OF M3							
MFI liabilities:							
2. Holdings against central government ^{b)}	741	-70	8	9	5.4	6.2	5.8
3. Longer-term financial liabilities vis-a-vis other euro area residents	6867	-12	-17	-23	-0.1	-0.4	-0.7
3.1. Deposits with an agreed maturity of over two years	1848	-10	-10	3	-4.2	-4.3	-3.7
3.2. Deposits redeemable at notice of over three months	36	0	0	-1	-12.1	-11.8	-12.7
3.3. Debt securities issued with a maturity of over two years	1975	-2	-5	-38	-0.6	-0.6	-2.4
3.4. Capital and reserves	3008	1	-2	13	2.9	2.5	2.5
MFI assets:							
4. Credit to euro area residents	21552	71	103	91	6.2	6.2	5.9
4.1. Credit to general government	6545	11	52	22	10.8	10.7	9.9
Loans	996	-5	4	-1	0.1	0.0	0.1
Debt securities	5546	16	47	23	13.0	12.8	11.9
Equity ^{c)}	3	0	0	0	48.5	51.2	52.6
4.2. Credit to the private sector ^{d)}	15007	60	52	69	4.3	4.3	4.2
Loans ^{e)}	12555	75	55	53	4.5	4.6	4.4
Adjusted loans ^{f)}	12693	63	64	46	4.6	4.8	4.7
Debt securities	1585	-14	0	26	4.6	4.4	6.0
Equity and non-money market fund investment fund shares	867	-1	-3	-11	1.0	-0.1	-1.6
5. Net external assets	1336	-8	-5	-37	-	-	-
6. Other counterparts of M3 (residual)	399	-91	-43	2	-	-	-
of which:							
6.1. Repos with central counterparties (liabilities) ^{c)}	148	46	1	-18	12.1	14.0	16.5
6.2. Reverse repos to central counterparties (assets) ^{c)}	164	29	1	5	13.1	14.3	31.9

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.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

M3 comprises liabilities of MFIs and specific units of central government (post offices, treasury) vis-à-vis non-MFI euro area residents excluding central government.

b) Includes holdings of the central government of deposits with the MFI sector and of securities issued by the MFI sector.

c) The series is not adjusted for seasonal effects.

d) Private sector refers to euro area non-MFIs excluding general government.

e) For further breakdowns see Table 4.

f) Adjusted for loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

2 Contributions to the M3 annual growth rate: March 2022

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects ^{a)})

	Jan 2022	Feb 2022	Mar 2022
COMPONENTS OF M3			
1. M1	6.5	6.5	6.3
1.1. Currency in circulation	0.7	0.7	0.9
1.2. Overnight deposits	5.8	5.7	5.4
2. M2 - M1 (other short-term deposits)	-0.1	-0.1	-0.1
3. M3 - M2 (marketable instruments)	0.0	0.0	0.1
COUNTERPARTS OF M3			
4. Credit to the private sector	4.2	4.2	4.1
5. Credit to general government	4.4	4.4	4.1
6. Net external assets	-1.2	-1.1	-1.2
7. Longer-term financial liabilities (inverted sign) ^{b)}	0.1	0.2	0.3
8. Remaining counterparts	-1.0	-1.3	-0.9
M3 (sum of items 1 to 3, or items 4 to 8)	6.5	6.4	6.3

a) Figures may not add up due to rounding.

b) Longer-term financial liabilities vis-a-vis euro area residents excluding central government.

3 Breakdown of deposits in M3 by holding sector and type: March 2022 (EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2022	Jan 2022	Feb 2022	Mar 2022	Jan 2022	Feb 2022	Mar 2022
BREAKDOWN OF DEPOSITS IN M3							
Total deposits	13517	64	72	24	6.8	6.7	6.3
1. Deposits placed by households ^{b)}	8186	44	37	16	5.3	5.1	4.6
1.1. Overnight deposits	5478	44	32	21	8.0	7.7	7.1
1.2. Deposits with an agreed maturity of up to two years	358	-6	-3	-3	-15.1	-15.0	-14.8
1.3. Deposits redeemable at notice of up to three months	2349	7	8	-1	3.2	3.0	2.6
1.4. Repurchase agreements	1	0	0	0	-13.8	1.6	27.6
2. Deposits placed by non-financial corporations	3269	-1	20	-1	7.9	7.9	6.8
2.1. Overnight deposits	2840	-8	29	-5	9.7	9.8	8.6
2.2. Deposits with an agreed maturity of up to two years	288	3	-10	3	-3.7	-4.2	-4.8
2.3. Deposits redeemable at notice of up to three months	130	0	-1	1	-4.1	-4.9	-4.2
2.4. Repurchase agreements	11	4	1	-1	55.9	96.1	40.4
3. Deposits placed by non-monetary financial corporations excluding insurance corporations and pension funds ^{c)}	1271	27	10	-4	14.9	14.6	13.5
3.1. Overnight deposits	1000	16	11	8	18.3	18.4	18.5
3.2. Deposits with an agreed maturity of up to two years	160	11	-5	-6	0.8	-3.0	-7.6
3.3. Deposits redeemable at notice of up to three months	17	-1	1	-1	-14.5	-7.6	-13.4
3.4. Repurchase agreements ^{c)}	94	1	3	-4	15.7	17.0	12.3
4. Deposits placed by insurance corporations and pension funds	233	9	-4	0	2.6	2.0	6.9
5. Deposits placed by other general government	558	-14	9	13	6.9	10.0	13.2

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.

Monthly flows refer to differences in levels adjusted for reclassifications, exchange rate variations, other revaluations and any other changes which do not arise from transactions.

b) Includes deposits by non-profit institutions serving households.

c) Excludes repurchase agreements with central counterparties.

4 Breakdown of private sector loans by borrowing sector, type and original maturity: March 2022 (EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Mar 2022	Jan 2022	Feb 2022	Mar 2022	Jan 2022	Feb 2022	Mar 2022
BREAKDOWN OF LOANS AS COUNTERPART TO M3							
1. Loans to households ^{b)}	6470	26	22	27	4.4	4.4	4.5
<i>Adjusted loans ^{c)}</i>	6670	24	29	27	4.3	4.4	4.5
1.1. Credit for consumption	700	1	4	0	2.0	2.3	2.5
1.2. Lending for house purchase	5062	24	17	26	5.5	5.4	5.4
1.3. Other lending	707	0	1	1	-0.4	-0.3	-0.2
<i>of which: sole proprietors</i>	376	-1	0	1	-0.9	-1.0	-0.7
2. Loans to non-financial corporations	4914	3	13	26	3.7	3.8	3.4
<i>Adjusted loans ^{c)}</i>	4897	3	15	35	4.4	4.5	4.2
2.1. up to 1 year	911	-3	9	12	0.3	1.2	2.4
2.2. over 1 year and up to 5 years	1002	-7	-1	3	0.2	0.2	-0.9
2.3. over 5 years	3001	12	6	11	6.1	6.0	5.3
3. Loans to non-monetary financial corporations except insurance corporations and pension funds ^{d)}	1017	36	22	15	7.4	9.1	9.2
<i>Adjusted loans ^{c)}</i>	980	31	21	-7	7.1	9.1	9.1
4. Loans to insurance corporations and pension funds	154	11	-2	-15	11.8	11.5	0.0
<i>Adjusted loans ^{c)}</i>	147	6	-2	-8	7.6	7.8	0.3

a) Figures may not add up due to rounding.

Monthly flows refer to differences in levels adjusted for write-offs/write-downs, reclassifications, exchange rate variations and any other changes which do not arise from transactions. Data refer to loans granted by monetary financial institutions (MFIs) to non-MFI euro area residents excluding general government.

b) Includes loans to non-profit institutions serving households.

c) Adjusted for loan sales and securitisation (resulting in derecognition from the MFI statistical balance sheet) as well as for positions arising from notional cash pooling services provided by MFIs.

d) Excludes reverse repos to central counterparties.