



EUROPEAN CENTRAL BANK  
EUROSYSTEM

## Press release

27 February 2019

# Monetary developments in the euro area: January 2019

- Annual growth rate of broad [monetary aggregate M3](#) decreased to 3.8% in January 2019 from 4.1% in December 2018
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, decreased to 6.2% in January from 6.6% in December
- Annual growth rate of [adjusted loans to households](#) stood at 3.2% in January, unchanged from previous month
- Annual growth rate of [adjusted loans to non-financial corporations](#) decreased to 3.3% in January from 3.9% in December

## Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 decreased to 3.8% in January 2019 from 4.1% in December 2018, averaging 3.9% in the three months up to January. 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 6.2% in January from 6.6% in December. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) stood at -0.8% in January, unchanged from the previous month. The annual growth rate of marketable instruments (M3-M2) decreased to 0.4% in January from 0.9% in December.

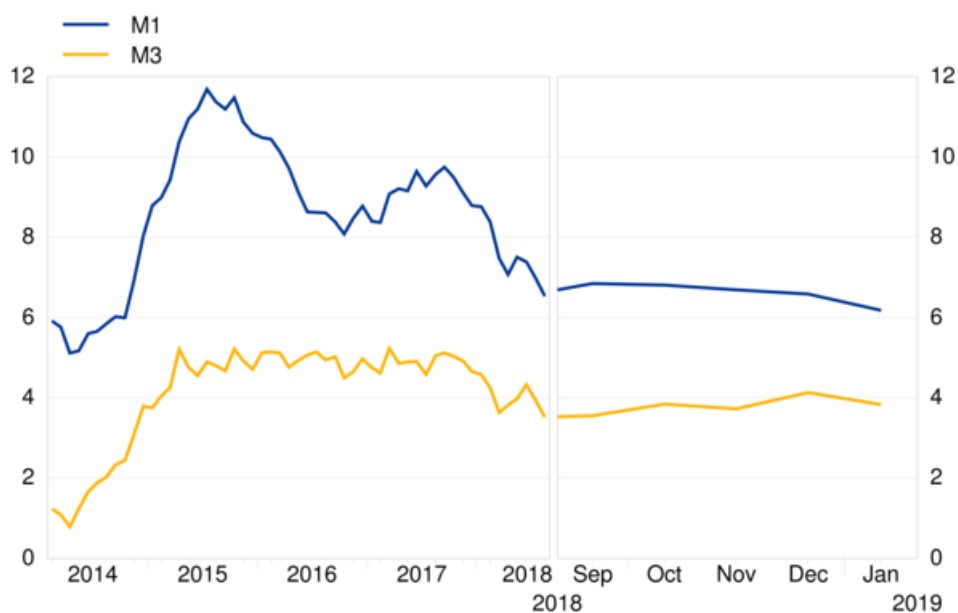
### European Central Bank

Directorate General Communications, Global Media Relations Division  
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany  
Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

Reproduction is permitted provided that the source is acknowledged.

## 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 4.0 percentage points (down from 4.3 percentage points in December), short-term deposits other than overnight deposits (M2-M1) contributed -0.2 percentage point (as in the previous month) and marketable instruments (M3-M2) contributed 0.0 percentage point (down from 0.1 percentage point).

From the perspective of the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households stood at 5.3% in January, compared with 5.2% in December, while the annual growth rate of deposits placed by non-financial corporations decreased to 2.5% in January from 4.0% in December. Finally, the annual growth rate of deposits placed by non-monetary financial corporations (excluding insurance corporations and pension funds) was -1.6% in January, compared with -0.2% in December.

## 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 January 2019 can be broken down as follows: credit to the private sector contributed 2.8 percentage points (down from 3.1

### European Central Bank

Directorate General Communications, Global Media Relations Division  
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany  
Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

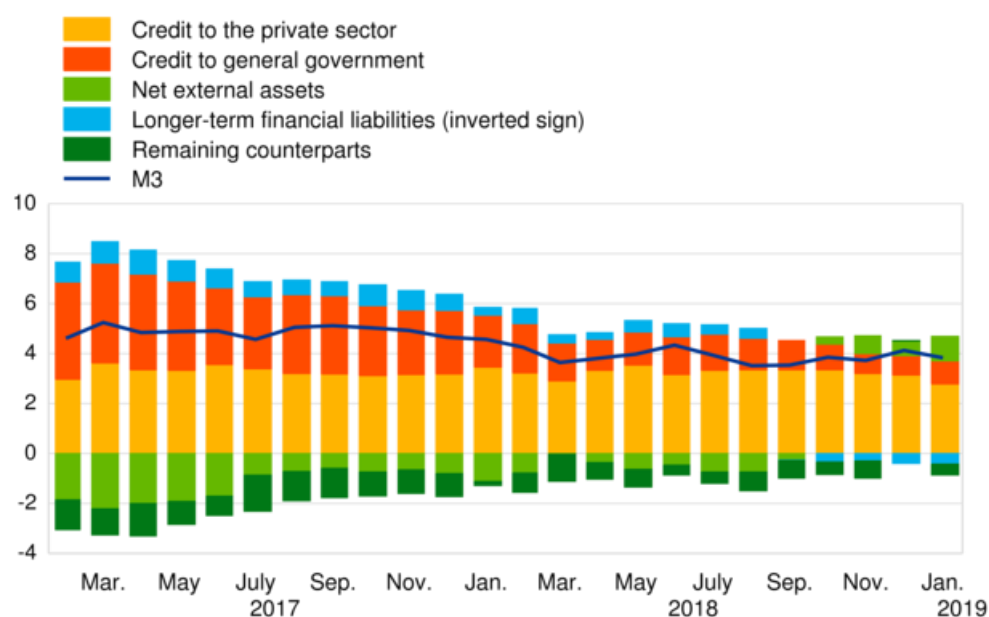
Reproduction is permitted provided that the source is acknowledged.

percentage points in December), net external assets contributed 1.0 percentage point (up from 0.6 percentage point), credit to general government contributed 0.9 percentage point (up from 0.8 percentage point), longer-term financial liabilities contributed -0.4 percentage point (as in the previous month), and the remaining counterparts of M3 contributed -0.4 percentage point (down from 0.0 percentage point).

## 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](#)

## Credit to euro area residents

As regards the dynamics of credit, the annual growth rate of total [credit to euro area residents](#) stood at 2.5% in January 2019, compared with 2.6% in the previous month. The annual growth rate of [credit to general government](#) increased to 2.4% in January from 2.0% in December, while the annual growth rate of [credit to the private sector](#) decreased to 2.5% in January from 2.9% in December.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan sales, securitisation and notional cash pooling) decreased to 3.0% in January from 3.4% in December. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) stood at 3.2% in January, unchanged from the previous month, while the annual growth rate of [adjusted loans to non-financial corporations](#)

### European Central Bank

Directorate General Communications, Global Media Relations Division  
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany  
Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

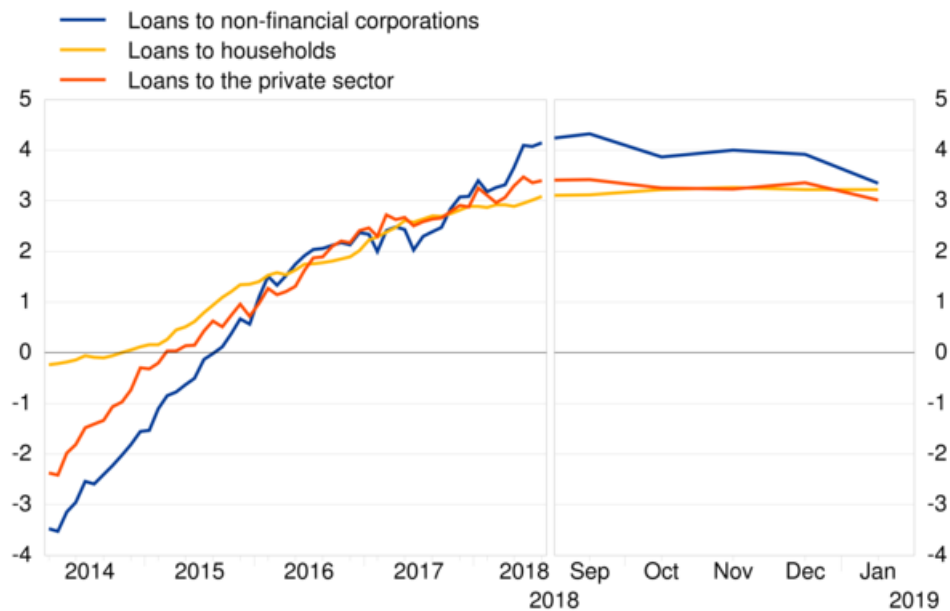
Reproduction is permitted provided that the source is acknowledged.

decreased to 3.3% in January from 3.9% in December.

### Chart 3

#### Adjusted loans to the private sector

(annual growth rates)



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

## Annex

[Table: Annex to the press release on monetary developments in the euro area](#)

### Notes:

- 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 are dynamic. The data they lead to may therefore change with subsequent data 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.

### European Central Bank

Directorate General Communications, Global Media Relations Division  
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany  
Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

Reproduction is permitted provided that the source is acknowledged.