

Press release

28 November 2024

Monetary developments in the euro area: October 2024

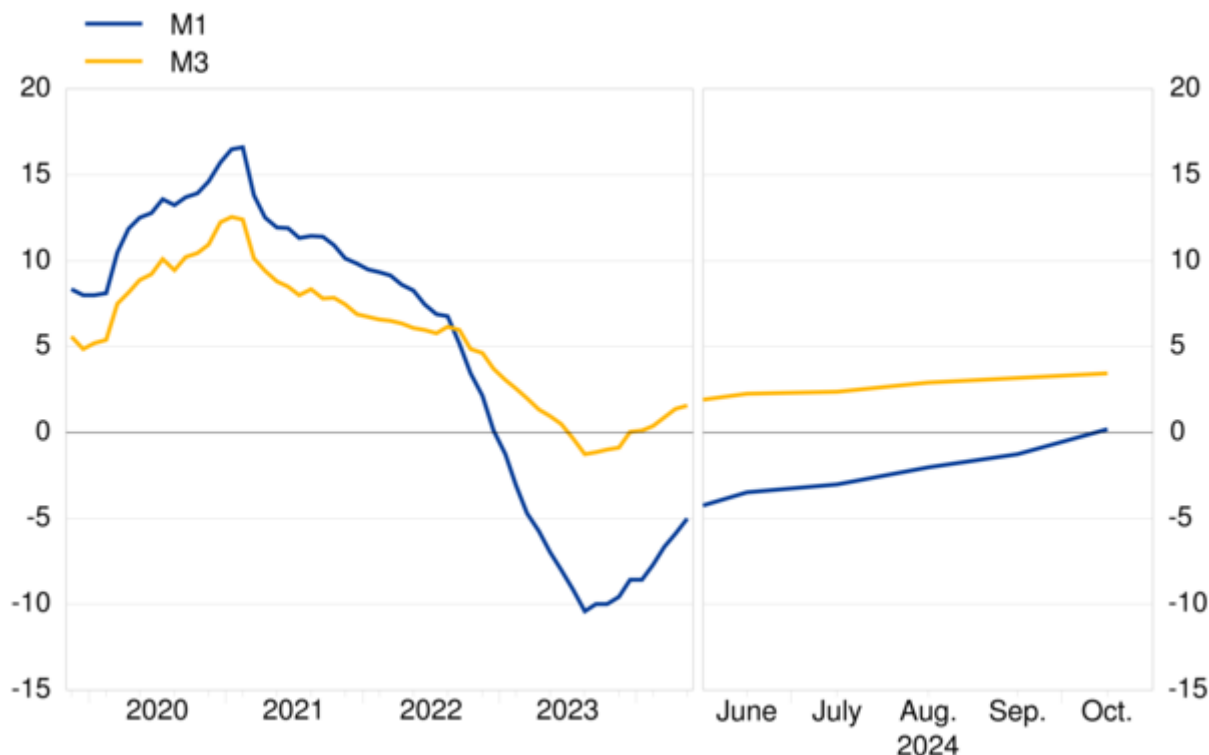
- Annual growth rate of broad [monetary aggregate M3](#) increased to 3.4% in October 2024 from 3.2% in September
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, increased to 0.2% in October from -1.3% in September
- Annual growth rate of [adjusted loans to households](#) stood at 0.8% in October, compared with 0.7% in September
- Annual growth rate of [adjusted loans to non-financial corporations](#) stood at 1.2% in October, compared with 1.1% in September

Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 increased to 3.4% in October 2024 from 3.2% in September, averaging 3.2% in the three months up to October. 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, increased to 0.2% in October from -1.3% in September. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) decreased to 7.3% in October from 9.6% in September. The annual growth rate of marketable instruments (M3-M2) decreased to 20.0% in October from 21.6% in September.

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 0.1 percentage points (up from -0.8 percentage points in September), short-term deposits other than overnight deposits (M2-M1) contributed 2.1 percentage points (down from 2.7 percentage points) and marketable instruments (M3-M2) contributed 1.2 percentage points (down from 1.3 percentage points).

Among the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households increased to 3.2% in October from 2.8% in September, while the annual growth rate of deposits placed by non-financial corporations stood at 1.7% in October, compared with 1.6% in September. Finally, the annual growth rate of deposits placed by investment funds other than money market funds decreased to 8.8% in October from 11.0% in September.

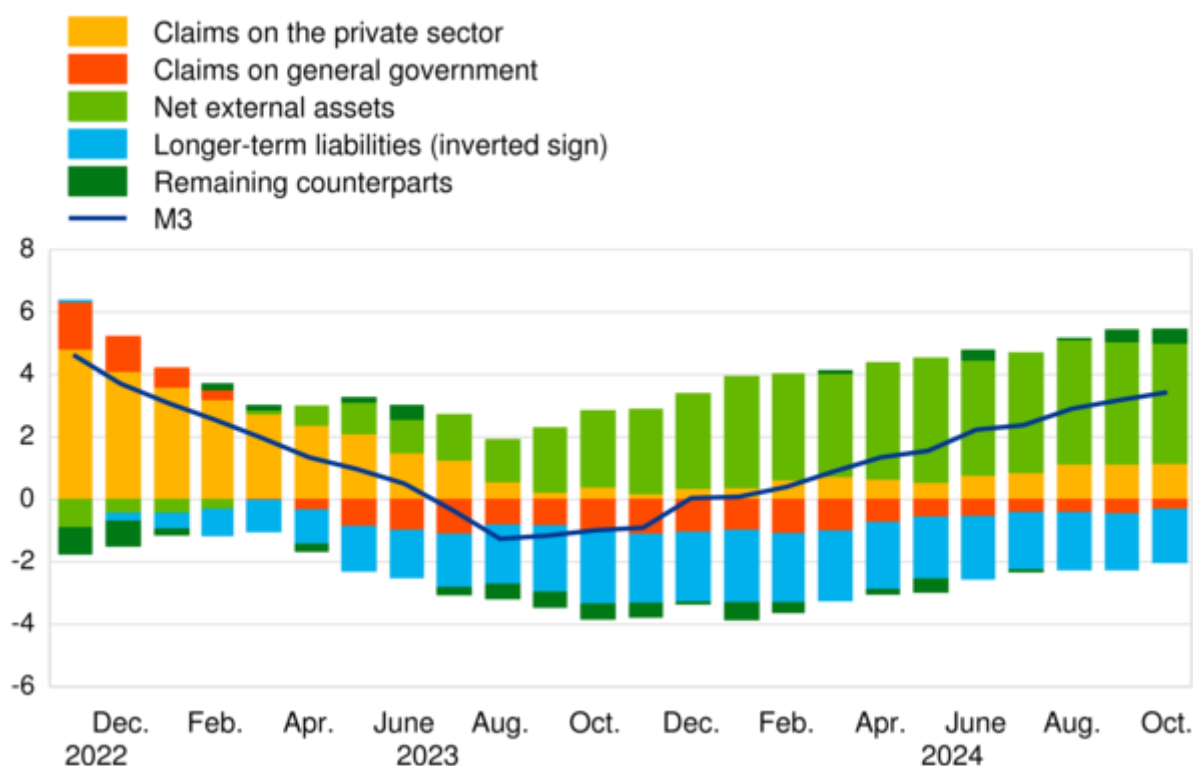
Counterparts of the broad monetary aggregate M3

The annual growth rate of M3 in October 2024, as a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), can be broken down as follows: net external assets contributed 3.9 percentage points (as in the previous month), claims on the private sector contributed 1.2 percentage points (up from 1.1 percentage points), claims on general government contributed -0.3 percentage points (up from -0.5 percentage points), longer-term liabilities contributed -1.7 percentage points (up from -1.8 percentage points), and the remaining counterparts of M3 contributed 0.5 percentage points (up from 0.4 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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Claims on euro area residents

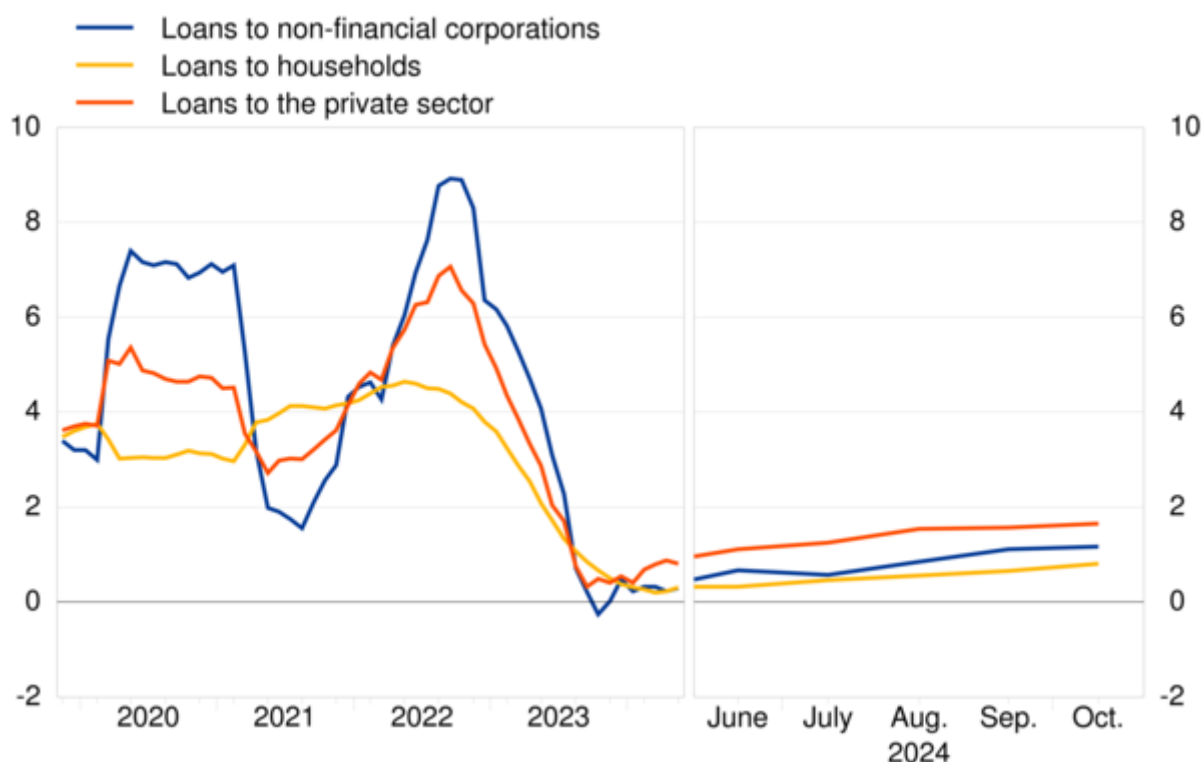
The annual growth rate of total [claims on euro area residents](#) stood at 0.6% in October 2024, compared with 0.5% in the previous month. The annual growth rate of [claims on general government](#) was -0.8% in October, compared with -1.2% in September, while the annual growth rate of [claims on the private sector](#) stood at 1.2% in October, unchanged from the previous month.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan transfers and notional cash pooling) stood at 1.6% in October, unchanged from the previous month. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) stood at 0.8% in October, compared with 0.7% in September, while the annual growth rate of [adjusted loans to non-financial corporations](#) stood at 1.2% in October, compared with 1.1% in September.

Chart 3

Adjusted loans to the private sector

(annual growth rates)



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

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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 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.

1 Monetary developments in the euro area: October 2024

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

	End-of-month level	Monthly flow			Annual growth rate		
	Oct 2024	Aug 2024	Sep 2024	Oct 2024	Aug 2024	Sep 2024	Oct 2024
COMPONENTS OF M3							
1. M3	16577	66	97	24	2.9	3.2	3.4
1.1. M2	15425	43	88	15	1.7	2.0	2.4
1.1.1. M1	10440	21	56	49	-2.0	-1.3	0.2
Currency in circulation	1546	2	3	4	0.3	0.5	0.7
Overnight deposits	8895	19	53	45	-2.5	-1.6	0.1
1.1.2. Other short-term deposits (M2 - M1)	4985	22	32	-34	10.5	9.6	7.3
Deposits with an agreed maturity of up to two years	2557	21	33	-37	26.2	22.9	16.9
Deposits redeemable at notice of up to three months	2428	2	-2	3	-2.2	-1.7	-1.1
1.2. Marketable instruments (M3 - M2)	1152	23	9	9	22.6	21.6	20.0
Repurchase agreements	249	17	-5	11	79.0	61.5	55.6
Money market fund shares	853	11	17	-5	19.0	19.2	18.5
Debt securities issued with a maturity of up to two years	50	-6	-3	3	-37.6	-34.4	-37.2
COUNTERPARTS OF M3							
MFI liabilities:							
2. Liabilities to central government ^{b)}	445	14	-16	43	-4.6	-11.2	0.7
3. Longer-term liabilities to other euro area residents	7751	27	33	9	4.0	3.9	3.7
3.1. Deposits with an agreed maturity of over two years	1832	2	11	-3	0.2	0.0	0.1
3.2. Deposits redeemable at notice of over three months	116	1	2	1	63.4	54.7	47.0
3.3. Debt securities issued with a maturity of over two years	2561	21	14	5	9.5	9.6	8.7
3.4. Capital and reserves	3242	2	6	5	0.7	0.6	0.8
MFI assets:							
4. Claims on euro area residents	21906	33	17	35	0.5	0.5	0.6
4.1. Claims on general government	6246	9	-5	8	-1.1	-1.2	-0.8
Loans	987	3	-2	10	-0.6	-1.0	-0.1
Debt securities	5233	7	-3	-2	-1.2	-1.2	-1.0
Equity	26	0	0	0	2.5	2.8	2.3
4.2. Claims on the private sector ^{c)}	15660	23	22	27	1.2	1.2	1.2
Loans	13165	15	15	21	1.3	1.3	1.2
Adjusted loans ^{d)}	13415	16	15	39	1.5	1.6	1.6
Debt securities	1566	10	4	4	-1.5	-1.4	-0.5
Equity	623	-2	1	1	3.9	4.5	3.8
Shares issued by investment funds other than money market funds	307	0	1	2	4.1	3.8	3.8
5. Net external assets	2599	46	61	44	-	-	-
6. Other counterparts of M3 (residual)	269	28	36	-3	-	-	-
of which:							
6.1. Repos with central counterparties (liabilities) ^{e)}	170	26	-8	-15	19.5	22.1	5.6
6.2. Reverse repos to central counterparties (assets) ^{e)}	172	16	18	-16	7.6	15.4	13.7

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

M3 comprises liabilities of MFIs, as well as short-term deposit liabilities of post offices and specific central government entities, vis-à-vis non-MFI euro area residents other than central government.

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

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

d) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. For further breakdowns see Table 4.

e) The series is not adjusted for seasonal effects.

2 Contributions to the M3 annual growth rate: October 2024

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

	Aug 2024	Sep 2024	Oct 2024
COMPONENTS OF M3			
1. M1	-1.4	-0.8	0.1
1.1. Currency in circulation	0.0	0.0	0.1
1.2. Overnight deposits	-1.4	-0.9	0.1
2. M2 - M1 (other short-term deposits)	3.0	2.7	2.1
3. M3 - M2 (marketable instruments)	1.3	1.3	1.2
COUNTERPARTS OF M3			
4. Claims on the private sector	1.1	1.1	1.2
5. Claims on general government	-0.4	-0.5	-0.3
6. Net external assets	4.0	3.9	3.9
7. Longer-term liabilities (inverted sign) ^{b)}	-1.8	-1.8	-1.7
8. Remaining counterparts	0.0	0.4	0.5
M3 (sum of items 1 to 3, or items 4 to 8)	2.9	3.2	3.4

a) Figures may not add up due to rounding.

b) Longer-term liabilities to euro area residents excluding central government.

3 Deposits in M3: October 2024

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

	End-of-month level	Monthly flow			Annual growth rate		
	Oct 2024	Aug 2024	Sep 2024	Oct 2024	Aug 2024	Sep 2024	Oct 2024
Total deposits	14129	58	80	22	2.6	2.8	3.2
1. Deposits placed by households ^{b)}	8659	8	31	36	2.3	2.8	3.2
1.1. Overnight deposits	5123	0	3	29	-3.4	-2.7	-1.2
1.2. Deposits with an agreed maturity of up to two years	1268	6	28	7	51.9	48.0	39.1
1.3. Deposits redeemable at notice of up to three months	2267	2	0	1	-2.1	-1.4	-0.9
1.4. Repurchase agreements	1	0	0	0	16.3	21.7	25.2
2. Deposits placed by non-financial corporations	3378	3	2	9	1.8	1.6	1.7
2.1. Overnight deposits	2422	0	9	15	-2.0	-1.0	0.5
2.2. Deposits with an agreed maturity of up to two years	816	3	-8	-9	15.5	11.5	5.9
2.3. Deposits redeemable at notice of up to three months	127	-1	-1	2	-3.8	-4.2	-2.5
2.4. Repurchase agreements	13	0	1	2	10.4	-15.0	17.5
3. Deposits placed by investment funds other than money market funds	444	8	6	-6	11.7	11.0	8.8
3.1. Overnight deposits	355	3	5	-2	6.8	6.7	5.4
3.2. Deposits with an agreed maturity of up to two years	39	1	0	-4	-5.3	-2.2	-9.2
3.3. Deposits redeemable at notice of up to three months	2	0	0	0	-20.6	-20.6	-6.7
3.4. Repurchase agreements	47	3	1	0	137.1	98.0	84.7
4. Deposits placed by insurance corporations and pension funds	220	3	13	-10	-1.3	10.0	3.6
4.1. Overnight deposits	150	-1	7	-2	-5.6	0.0	2.3
4.2. Deposits with an agreed maturity of up to two years	37	1	1	-4	-3.5	2.1	-6.5
4.3. Deposits redeemable at notice of up to three months	3	0	0	0	-5.6	-6.1	-5.1
4.4. Repurchase agreements	30	4	5	-4	44.1	110.6	38.6
5. Deposits placed by other non-monetary financial corporations ^{c)}	877	32	22	-8	9.6	4.9	7.7
5.1. Overnight deposits	471	10	19	3	1.3	1.1	7.6
5.2. Deposits with an agreed maturity of up to two years	250	12	8	-17	8.1	-0.3	-3.7
5.3. Deposits redeemable at notice of up to three months	18	0	0	0	6.0	0.3	5.1
5.4. Repurchase agreements ^{c)}	138	10	-5	6	61.4	40.8	37.1
6. Deposits placed by other general government	551	4	7	-1	-3.0	-1.6	0.6

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as exchange rate variations and statistical reclassifications.

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

c) Excludes repurchase agreements with central counterparties.

4 Adjusted loans to the private sector: October 2024 ^{a)}
(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{b)})

	End-of-month level	Monthly flow			Annual growth rate		
	Oct 2024	Aug 2024	Sep 2024	Oct 2024	Aug 2024	Sep 2024	Oct 2024
1. Loans to households ^{c)}	6907	7	9	9	0.6	0.7	0.8
1.1. Credit for consumption	777	3	2	3	3.1	3.0	3.2
1.2. Lending for house purchase	5441	6	7	6	0.6	0.7	0.8
1.3. Other lending	690	-1	0	0	-2.4	-2.1	-1.8
<i>of which: sole proprietors</i>	356	-1	-1	-1	-2.8	-2.7	-2.7
2. Loans to non-financial corporations	5159	-2	16	3	0.8	1.1	1.2
2.1. up to 1 year	821	-10	10	-4	-0.6	0.9	1.4
2.2. over 1 year and up to 5 years	1108	2	5	-1	-0.2	0.3	0.1
2.3. over 5 years	3230	6	1	7	1.6	1.4	1.5
3. Loans to investment funds other than money market funds	175	3	2	-1	7.3	5.8	5.5
4. Loans to insurance corporations and pension funds	126	3	-2	1	5.6	-1.4	0.6
5. Loans to other non-monetary financial corporations ^{d)}	1048	4	-10	27	11.3	10.5	9.9

a) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. Data on transferred loans that have been derecognised from MFI balance sheets are included in these figures, where available.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

b) Figures may not add up due to rounding.

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

d) Excludes reverse repos to central counterparties.