

**MONETARY DEVELOPMENT
IN EUROPEAN CURRENCY UNION
(Changes during the year)**

Position	Eurocurrency Area	
	2002	2003
	in %	
I. Increase in Money Supply ¹		
Monetary Aggregate M1 ²	9,7	10,5
Monetary Aggregate M2 ³	6,6	7,5
Monetary Aggregate M3 ⁴	6,9	7,0
	In bln.	
II. Money Supply in Correlation to Balance		
Monetary Aggregate M3 (= 1 + 2 – 3 – 4 – 5)	370,1	402,7
Including:		
Cash and daily Deposits Payable	216,8	254,1
Other Short-Term Bank Deposits	86,5	114,6
Competitive Market Instruments	66,6	34,0
Balance Sheet Accounts:		
1. Loans to Non-Monetary Financial Institutions in Eurocurrency Area	380,6	579,4
Including:		
Loans to State Budgets	35,9	134,9
Loans to Private Non-Monetary Financial Institutions in Eurocurrency Area	344,7	444,5
2. Claims for Net Payments to Clients from outside the Eurocurrency Area	166,8	88,5
3. Deposits of Leading Countries	-5,8	13,0
4. Long-Term Financial Liabilities to other Non-Monetary Financial Institutions in Eurocurrency Area	188,4	225,6
5. Other Correlative Accounts of M3.	-5,3	26,6

Notes:

1. Adjusted for seasonal price movements.
2. Cash and certain amount of daily deposits of the members of European Currency Union at monetary financial institutions and in the Eurocurrency area redeemable on a daily basis.
3. M1, including other short-term bank deposits of the members of European currency area at monetary financial institutions and in the Eurocurrency area (deposits redeemable within 2 years and deposits redeemable within 3 months) .
4. M2, including competitive or effective financial instruments of permanent members of the European Currency Area (positions on realized operations: REPO agreements of monetary financial institutions in the Eurocurrency area; money market investment certificates; debt instruments redeemable within 2 years for monetary financial institutions in the Eurocurrency area)
5. Calculated similarly to calculation of balance.

Source: Deutsche Bundesbank. Geschäftsbericht. – 2003. – S. 37.