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## Commentaries

### Economic conditions

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#### Economy as a whole

Growth in overall output came to a halt in the fourth quarter of 2002. According to the calculations of the Federal Statistical Office, real gross domestic product (GDP) – after adjustment for seasonal and working-day variations – did not quite match its level of the preceding quarter, which had still shown an increase of around ¼%. Nevertheless, the year-on-year figure was +0.5% in unadjusted terms and +0.7% in working-day terms. Average growth in 2002 was 0.2%.

*Stagnation of  
gross domestic  
product*

The main retarding influences came from the external sector. Exports were up again slightly despite the fact that the particular pattern of public holidays and “bridge days” (days taken off to make up a long weekend) in October and December led to hold-ups in industrial output. However, the rise in imports was significantly sharper, leading to a noticeable fall in net exports. Private consumption remained subdued, due in part – according to relevant surveys – to the announced increases in taxes and social security contributions. By contrast, investment in machinery and equipment, in particular, showed a positive development. There was also a slight increase in construction investment. It would be premature, however, to take this as an indication of a reversal in trend.

#### Industry

The situation in industry, which had been affected by hold-ups in production in the fourth

*Output*

## Overall growth

### Percentage change in real GDP

Period	Seasonally adjusted quarter-on-quarter	Year-on-year	
		Working-day-adjusted	Original figure
2000 Q3	0.0	3.1	2.4
Q4	0.1	1.8	0.9
2001 Q1	0.6	1.9	1.4
Q2	-0.0	0.7	0.6
Q3	-0.2	0.4	0.4
Q4	-0.3	0.0	-0.1
2002 Q1	0.3	-0.2	-1.2
Q2	0.2	-0.1	0.4
Q3	0.3	0.4	1.0
Q4	-0.0	0.7	0.5

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quarter of 2002 as a result of public holidays and "bridge days", improved again somewhat at the beginning of 2003. Data on orders received in January are not yet available owing to the base year being changed to 2000. However, seasonally adjusted output rose again significantly in the first month of 2003. Not only was it up on December, it was also higher than the average of the fourth quarter overall. There was a working-day-adjusted increase on the year of around ¾%, following a decline right up to the end of last summer.

## Construction

### Orders received

Demand for construction work stabilised at a low level during the last few months of 2002 (more recent statistics are unavailable at

present). This also applies to December, when the volume of incoming orders matched that of the previous month in seasonally adjusted terms. In the fourth quarter as a whole, the volume of orders was just as high as in the preceding summer months. Although December showed a slight rise on the year for the first time in quite a long while, there was still a marked year-on-year fall of 5¼% on an average of the period from October to December.

Towards the end of the period under review, positive stimuli were mainly generated by the demand for residential construction. There was a surge in orders in November and – to a slightly lesser extent – in December. To a considerable degree, this is likely to have been connected with the announced cutback in assistance for housing construction, which many prospective house-owners aimed to pre-empt by placing an order quickly. By contrast, the volume of industrial and public sector construction orders was tending to show a further decline during the last few months of 2002.

There was a marked seasonally adjusted fall in construction output in January. The figure was around one tenth down on the year. The persistently cold weather was no doubt the key factor in this, with some parts of Germany also seeing heavy snowfalls. Under these conditions, it was possible to perform only a limited amount of outdoor work.

### Output

## Labour market

### Employment

The labour market situation deteriorated further around the turn of the year. The available employment statistics up to December show a renewed seasonally adjusted fall. In December, the number of persons in work fell to 38.48 million. This was about 100,000 fewer than three months earlier and roughly 395,000, or 1%, fewer than one year before. The greatest number of job losses continued to be in construction and industry, but the services sector was also showing only a small increase.

### Unemployment

As in the preceding month, there was a dramatic increase in unemployment in February. The seasonally adjusted number of persons registered as unemployed with the Federal Labour Office amounted to 4.36 million at the end of the period under review. This was around 135,000 more than in December 2002 and around 410,000 more than 12 months earlier. Apart from weak economic activity, the cold winter weather was a particular adverse factor affecting developments. Unemployment in outdoor occupations rose much more sharply than during the same period in recent years. The seasonally adjusted unemployment rate, as calculated by the Federal Labour Office, reached 10.5%. Using the standardised method, the relevant figure was 8.7%.

## Prices

### Oil prices

Price developments in recent weeks have continued to be affected by rising oil prices. The prices quoted for a barrel of Brent North

## Economic conditions in Germany \*

### Seasonally adjusted

Period		New orders (volume); 1995 = 100			
		Industry 1			Con- struction
		Total	of which		
				Domestic	Foreign
2002	Q2	123.6	102.6	161.3	69.9
	Q3	122.1	102.8	156.9	68.0
	Q4	122.5	103.6	156.6	67.9
	Oct	123.2	104.1	157.6	66.9
	Nov	124.9	103.5	163.6	68.4
	Dec	119.4	103.2	148.6	68.3
		Output; 1995 = 100			
		Industry 2			Con- struction
		Total	of which		
				Inter- mediate goods	Capital goods 3
2002	Q2	118.1	116.0	130.4	73.3
	Q3	119.0	116.9	132.2	72.6
	Q4	117.6	115.4	131.6	73.7
	Nov	120.3	118.1	135.3	75.5
	Dec	115.7	112.4	129.8	72.3
2003	Jan	118.7	116.3	133.7	70.4
		Labour market			
		Em- ployed 4	Vacancies	Un- employed	Un- employ- ment rate in % 5
		Number in thousands			
2002	Q2	38,762	471	4,027	9.7
	Q3	38,632	445	4,096	9.8
	Q4	38,518	409	4,157	10.0
	Dec	38,484	394	4,220	10.1
2003	Jan	.	390	4,288	10.3
	Feb	.	380	4,355	10.5
		1995 = 100			2000 = 100
		Import prices	Producer prices of industrial prod- ucts 6	Overall construc- tion price level 7	Con- sumer price index
2002	Q2	109.6	104.4	99.5	103.3
	Q3	108.8	104.1	99.5	103.4
	Q4	109.0	104.6	99.4	103.5
	Dec	109.4	104.8	.	103.6
2003	Jan	110.1	106.1	.	104.0
	Feb	.	.	.	104.3

\* Data in many cases provisional. — 1 Manufacturing sectors excluding, in particular, food products, beverages and tobacco, and refined petroleum products. — 2 Manufacturing industries not classified under energy plus mining and quarrying. — 3 Including manufacture of motor vehicles, trailers and semi-trailers. — 4 Workplace concept. — 5 Measured on the basis of all civilian members of the labour force. — 6 Domestic sales. — 7 Calculated by the Bundesbank. Mid-quarter level.

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Sea Oil on the international spot markets went up to US\$33½ at times. The appreciation of the euro on the foreign exchange markets curbed the upsurge somewhat from a European perspective. At €30½ per barrel, however, the price of oil also reached new peak figures here.

*Import and  
producer prices*

In January, this led to a renewed sharp seasonally adjusted increase in import prices (calculated in euro). The year-on-year rate of increase remained at 0.5%. The situation was much the same with regard to domestic industrial prices, with the year-on-year increase rising to 1.6%.

*Consumer  
prices*

The year-on-year rate of consumer price increase went up from 1.1% in January to 1.3% in February. There was a fairly sharp increase in seasonally adjusted terms too. To a great extent, this was also due to oil prices. Furthermore, the prices of industrial goods continued to rise after special offers had been discontinued. By contrast, price movements in food and services were largely consistent with the seasonal pattern.

## Public finance

### Indebtedness of central, state and local government

2002

In 2002 the indebtedness of central, state and local government (as defined in the financial statistics) increased by €53 billion. The debt level at the end of the year amounted to €1,277 billion. The consolidated indebtedness of general government (including the

social security funds) as defined in the Maastricht Treaty reached €1,283 billion – or 60.8% of GDP. Thus the ceiling of 60% set as the debt criterion by the Maastricht Treaty was exceeded again after indebtedness had dipped below that level in 2001 for the first time since 1996. The structure of general government debt last year shifted further away from direct borrowing and towards marketable debt securities. At the end of the year, money and capital market securities had a 66% share in overall debt (as defined in the Maastricht Treaty); this was around 2½ percentage points higher than in 2001. The relative volume of short-term debt (loans and securities) increased by ¾ percentage point to just under 5%. The debt level set by the Maastricht Treaty also includes the volume of coins in circulation used as means of payment which – contrary to banknotes – are a liability of the Federal Government. Since the amount of German euro coins outstanding is considerably smaller than the outstanding amount of D-Mark coins in the past, there was a corresponding dampening effect on the debt level at the end of 2002 compared with 2001. If this effect is disregarded, the debt ratio would have been 0.2 percentage point higher.

The indebtedness of central, state and local government rose very steeply in January (+€22.3 billion). This was largely attributable to net borrowing by the Federal Government, which raised €18.0 billion. Of that amount, just under two-thirds (or €11.5 billion) was accounted for by the increase in money market loans. Buoyant issuing activity was recorded in the capital market. A ten-year Federal

January 2003



bond (Bund) issue – which raised €6.7 billion – was followed by a new thirty-year issue (which will mature in 2034), which yielded €5.1 billion. Net proceeds from Bunds amounted to €4.1 billion. The December 2002 issue of Federal Treasury notes (Schätze) was topped up by €5 billion (including market management operations). The outstanding amount of this paper rose by €5.5 billion in total. The outstanding liabilities arising from Federal savings notes declined by €2.5 billion in the wake of the continuing very weak demand and sizeable redemptions. The Federal Government repaid bank loans to the net value of €0.9 billion.

Net borrowing of state government in January was significantly higher (€3.8 billion) than the level in January 2002 (0.2 billion). In addition to the combined state government bond issue No 14 (€1.7 billion) – in which eight federal states participated – individual state issues were launched in the capital market above all by Bavaria (€0.8 billion), Baden-Württemberg (€1.0 billion) and Berlin (€1.2 billion). The *Land* governments raised €4.2 billion net through the issue of Treasury notes, whereas loans from banks (including cash advances) were redeemed to the value of €0.4 billion. Of the special funds, the indebtedness of the “German Unity” Fund went up slightly by €0.1 billion. Local government appears to have marginally raised its indebtedness in January.

### Net borrowing in the market

€ billion			
Borrower	2002		2003
	Total pe	of which January	January pe
Central government <sup>1</sup>	+ 24.4	+ 12.9	+ 18.0
State government	+ 27.2	+ 0.2	+ 3.8
Local government <sup>2, pe</sup>	+ 3.6	+ 0.4	+ 0.4
ERP Special Fund	+ 0.2	– 0.0	+ 0.0
“German Unity” Fund	– 0.2	+ 0.1	+ 0.1
Central, state and local government, total	+ 55.3	+ 13.5	+ 22.3

<sup>1</sup> Including the off-budget special funds not shown separately here. — <sup>2</sup> Including special-purpose associations.

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### Federal Government borrowing

In February the Federal Government increased its indebtedness by €2.5 billion. It drew exclusively on the capital market, while lowering its liabilities on the money market by €1.2 billion. Gross borrowing in the capital market was marked by a follow-up auction of five-year Federal notes (Bobl) series 141, which has a 4.25% coupon. A volume of €6.3 billion was allotted in the auction at an average yield of 3.25%. After taking due account of redemptions and ongoing sales, €1.3 billion net accrued to the Federal Government. In addition, it procured liquidity by running down its market management stocks of Bunds (€2.1 billion) and Schätze (€0.8 billion). The monthly issue of Treasury discount paper (Bubills) amounting to

February

## Net borrowing in the market by the Federal Government

€ billion; 2003

Item	February		January-February	
	Gross	Net	Gross	Net
Change in money market debt	-1.2	-1.2	10.4	10.4
Change in capital market debt, total <sup>1</sup>	15.7	3.7	38.5	10.1
Treasury discount paper (Bubills)	4.9	-0.0	9.8	0.0
Federal Treasury financing paper	0.0	-0.1	0.1	-0.2
Treasury notes (Schätze)	0.8	0.8	6.2	6.2
Five-year Federal notes (Bobls)	7.8	1.3	8.1	1.6
Federal savings notes	0.1	0.1	0.4	-2.4
Federal bonds (Bunds)	2.1	2.1	13.2	6.1
Bank loans	0.0	-0.3	0.7	-1.2
Loans from non-banks	-	-	-	-
Other debt	-	-	-	-0.0
Total borrowing	14.5	2.5	48.9	20.5

<sup>1</sup> Memo item: borrowing for 2003 as a whole according to the Federal budget: €204 billion gross, €19 billion net. — <sup>2</sup> Including borrowing for the "German Unity" Fund: €13.6 billion.

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€4.9 billion was carried out at an average yield of 2.48%. The net volume of loans against borrowers' notes declined further by €0.3 billion.

## Securities markets

### Bond market

Bond sales

After the downturn at the end of 2002, borrowing in the German bond market made a distinct recovery in January 2003. Domestic borrowers issued debt securities to a market value of €118.6 billion, compared with €70.1 billion in December 2002. After deducting redemptions and adjusting for changes in issuers' holdings of their own bonds, net sales of €22.6 billion were achieved, compared

with net redemptions of €42.1 billion in the previous month. Sales of foreign debt securities in Germany yielded €3.5 billion. Demand for euro-denominated paper was particularly heavy (€6.1 billion) and €2.6 billion net worth of bonds denominated in foreign currency were redeemed. Overall, net sales of domestic and foreign bonds yielded €26.1 billion in January, compared with net redemptions of €46.5 billion one month previously.

The public sector increased its indebtedness in the bond market by €14.3 billion in January, as opposed to a decrease of €15.7 billion in the previous month. The Federal Government raised €17.5 billion net (December 2002: -€8.6 billion) from sales of its own bonds, with ten-year Federal bonds accounting for just under half of this amount (€8.0 billion).<sup>1</sup> There was also a marked increase in the volume outstanding of two-year Treasury notes (€5.8 billion) and thirty-year Federal bonds (€5.4 billion). The *Land* governments issued €4.8 billion net worth of bonds and notes in January, after their bonded debt had hardly changed in the previous month. A bond issued by the Treuhand agency was redeemed for €8.0 billion.

Public sector  
bonds

Sales of corporate bonds increased distinctly, reaching a new record level of €7.3 billion in January. Most of these sales were of commercial paper (€5.1 billion) issued by domestic industrial enterprises.

Corporate  
bonds

<sup>1</sup> The individual items for the Federal Government are shown at nominal values rather than at market values, and no account is taken of the changes in its holdings of Federal bonds. The sum total of these individual items therefore normally fails to tally with the aforementioned total net sales of Federal Government bonds.

*Bank bonds*

In January the credit institutions mainly refinanced bonds which had matured and raised only €1.0 billion of new funds in the bond market, after making net redemptions of €23.5 billion in December 2002. The only increase was in debt securities issued by specialised credit institutions (€6.7 billion) and other bank bonds (€1.2 billion). Public Pfandbriefe were, by contrast, redeemed for €6.9 billion.

*Bond purchases*

The main purchasers in the bond market in January were domestic non-banks, which added €13.9 billion worth of bonds to their portfolios. Most of these bonds (€11.5 billion) were issued by domestic private sector borrowers, followed by foreign bonds and notes (€1.4 billion) and public sector bonds (€0.9 billion). By contrast, the credit institutions purchased primarily public sector paper (€9.2 billion) and sold €4.4 billion worth of bonds issued by domestic private sector borrowers. Overall, they purchased €6.8 billion worth of fixed interest securities in January. Non-residents invested €5.4 billion on the German bond market.

**Equity market**

*Share sales*

Issuing activity in the German equity market remained weak in January. Domestic enterprises placed new shares to a market value of €0.7 billion, roughly the same volume as in the previous month. At the same time, the volume of foreign equities held in Germany decreased by €1.9 billion, after having increased by €5.5 billion in the previous month.

**Sales and purchases  
of bonds and notes**

€ billion			
Item	2002	2003	2002
	Dec	Jan	Jan
Sales of domestic bonds and notes <sup>1</sup>	- 42.1	22.6	19.6
<i>of which</i>			
Bank bonds	- 23.5	1.0	6.5
Public sector bonds	- 15.7	14.3	6.5
Foreign bonds and notes <sup>2</sup>	- 4.4	3.5	3.5
<b>Purchases</b>			
Residents	- 37.0	20.7	14.5
Credit institutions <sup>3</sup>	- 27.4	6.8	0.6
Non-banks <sup>4</sup>	- 9.7	13.9	13.9
<i>of which</i>			
Domestic bonds and notes	- 16.6	12.4	12.4
Non-residents <sup>2</sup>	- 9.4	5.4	8.6
<b>Total sales/purchases</b>	<b>- 46.5</b>	<b>26.1</b>	<b>23.1</b>

<sup>1</sup> Net sales at market values plus/minus changes in issuers' holdings of their own bonds. — <sup>2</sup> Transaction values. — <sup>3</sup> Book values, statistically adjusted. — <sup>4</sup> Residual.

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The sole purchasers in the equity market in January were domestic non-banks, which added €0.7 billion worth of shares to their share portfolios. Non-resident investors reduced their holdings of shares by €1.2 billion and domestic credit institutions by €0.7 billion.

*Share purchases*

**Mutual fund shares**

The resources raised by domestic mutual funds in January were, at €12.9 billion, somewhat down on the comparatively high level of the previous month (€15.5 billion). Just under two-thirds of these resources (€8.1 billion) accrued to specialised funds, which are of particular interest to institutional investors. After stagnating at the end of 2002, funds open to the general public expanded distinct-

*Sales of mutual fund shares*

ly; they sold €4.8 billion worth of shares. Open-end real estate funds (€3.4 billion) and money market funds (€1.9 billion), which seem best able to meet investors' need for security, had the greatest appeal for investors. In an environment of weak stock market prices, share-based funds redeemed €0.6 billion worth of shares. Sales of foreign fund shares yielded €3.0 billion in Germany in January, after a decline in the previous month. The total amount raised from sales of domestic and foreign mutual fund shares thus came to €15.9 billion, just slightly up on the previous month (€14.7 billion).

### Balance of payments

#### *Current account*

Germany's current account ran a deficit of €1.3 billion in January 2003. In the previous month there had been a surplus of €6.3 billion. This reversal was due to the sharp increase in the deficit on invisible current transactions with non-residents, which is that part of the current account comprising services, factor income and current transfers. By contrast, the trade surplus improved slightly.

#### *Foreign trade*

According to figures from the Federal Statistical Office, the surplus on foreign trade amounted to €9.0 billion in January compared with one of €8.3 billion in December. After the elimination of seasonal influences, however, the trade surplus remained almost at its December level of €10½ billion. This was the result of an almost equally strong rise in both the imports and exports of goods. Exports recorded a seasonally adjusted increase of 3% in January compared with December

while imports rose by 4%. If November, December and January are taken together, however, exports showed a slight decline (of just over ½%) compared with the previous three-month period; they had been particularly strong in August and September. Imports of goods increased only slightly, at just over ½%, in a three-month comparison.

The deficit on the remaining current transactions with non-residents increased month on month in January by €8.4 billion to €9.5 billion. This was due primarily to the seasonal deterioration in the services account and in factor income: services ran a deficit of €3.8 billion in January whereas there had been a surplus of €0.4 billion in December; the deficit on factor income amounted to €5.0 billion compared with a surplus of €0.1 billion in the previous month. However, net expenditure in the field of current transfers declined by €1.0 billion to €0.8 billion.

#### *Invisibles*

In the field of financial transactions with non-residents a small (net) amount of capital was imported as a result of portfolio investment in January whereas direct investment and credit transactions led to net capital exports. The net imports of funds arising from cross-border securities transactions amounted to €0.8 billion in January (compared with net outflows of €10.2 billion in December). The main reason for this development was the move on the part of foreign investors from selling to buying German paper (€3.5 billion compared with -€10.4 billion in December). Their interest was directed exclusively at interest-bearing instruments (bonds and notes: €4.2 billion; money market paper: €1.2 billion)

#### *Portfolio investment*

whereas they reduced their net holdings of equities (€1.2 billion) and investment fund certificates (€0.7 billion). However, German savers also increased their investment in foreign securities markets again (€2.7 billion), the bulk of their portfolio investment being once more in euro-denominated bonds (€6.1 billion). At the same time, they acquired more shares in investment funds (€0.7 billion) and in money market funds (€2.3 billion) whereas they sold net amounts of shares (€3.8 billion), foreign currency bonds (€2.0 billion) and money market paper (€0.6 billion).

*Direct investment*

Substantial net outflows of capital occurred in the field of direct investment in January (€15.1 billion) as German proprietors provided their branches domiciled abroad with investable funds amounting to €16.6 billion, almost exclusively in the form of credits (€13.7 billion). By contrast, the subsidiaries of foreign enterprises domiciled in Germany recorded a small inflow of funds (€1.5 billion).

*Credit transactions*

Outflows of funds also predominated in the non-securitised credit transactions of the non-banks (€9.9 billion net). At the beginning of the year fairly large amounts of funds (€9.3 billion) were invested abroad, mainly by enterprises and individuals, whereas at the end of 2002 they had significantly reduced their foreign bank balances. The operations of public authorities likewise resulted in net outflows of capital (€0.6 billion). By contrast, there were net inflows of €9.4 billion in the German banking sector, whose accounts reflect, as it were, the remaining recorded external payments. This amount includes the external liabilities of the Bundesbank which

### Major items of the balance of payments

€ billion			
Item	2002		2003
	Jan	Dec	Jan
I Current account			
1 Foreign trade <sup>1</sup>			
Exports (fob)	50.1	50.8	53.5
Imports (cif)	40.0	42.5	44.5
Balance	+ 10.1	+ 8.3	+ 9.0
Memo item			
Seasonally adjusted figures			
Exports (fob)	52.3	54.8	56.4
Imports (cif)	41.0	44.3	46.1
2 Supplementary trade items <sup>2</sup>	- 0.5	- 0.8	- 0.7
3 Services			
Receipts	8.1	12.1	8.3
Expenditure	12.3	11.7	12.1
Balance	- 4.2	+ 0.4	- 3.8
4 Factor income (net)	- 5.4	+ 0.1	- 5.0
5 Current transfers			
from non-residents	4.8	1.4	4.1
to non-residents	4.1	3.2	4.9
Balance	+ 0.7	- 1.8	- 0.8
Balance on current account	+ 0.7	+ 6.3	- 1.3
II Capital transfers (net) <sup>3</sup>	+ 0.5	- 0.1	+ 0.4
III Financial account (net capital exports: -)			
Direct investment	+ 9.1	- 0.9	- 15.1
German investment abroad	+ 5.9	- 3.1	- 16.6
Foreign investment in Germany	+ 3.2	+ 2.2	+ 1.5
Portfolio investment	- 2.6	- 10.2	+ 0.8
German investment abroad	- 12.6	+ 0.2	- 2.7
of which			
Shares	- 6.5	- 5.0	+ 3.8
Bonds and notes	- 3.0	+ 1.9	- 4.1
Foreign investment in Germany	+ 10.0	- 10.4	+ 3.5
of which			
Shares	+ 1.7	+ 0.5	- 1.2
Bonds and notes	+ 16.0	- 3.9	+ 4.2
Financial derivatives	+ 1.1	+ 0.7	- 0.2
Credit transactions	+ 2.0	- 12.2	- 0.6
Credit institutions	+ 30.5	- 21.1	+ 2.5
of which			
Short-term	+ 29.9	- 18.9	+ 10.2
Enterprises and individuals	- 11.9	+ 8.7	- 9.3
General government	- 0.4	- 0.9	- 0.6
Bundesbank	- 16.2	+ 0.9	+ 6.9
Other investment	- 0.3	- 0.1	- 0.2
Overall balance on financial account	+ 9.4	- 22.8	- 15.3
IV Change in the foreign reserves at transaction values (increase: -) <sup>4</sup>	- 1.7	+ 1.2	- 0.1
V Balance of unclassifiable transactions	- 8.8	+ 15.4	+ 16.2

<sup>1</sup> Special trade according to the official foreign trade statistics (source: Federal Statistical Office). — <sup>2</sup> Mainly warehouse transactions for account of residents and deduction of goods returned. — <sup>3</sup> Including the acquisition/disposal of non-produced non-financial assets. — <sup>4</sup> Excluding allocation of SDRs and excluding changes due to value adjustments.

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are to be classified as credit transactions and which are essentially due to balances in connection with the payment system TARGET.

The foreign reserves of the Bundesbank rose at transaction values by €0.1 billion in January.

*Foreign  
reserves*

## The Eurosystem's monetary policy framework – experience to date and measures to improve its efficiency

The Eurosystem's monetary policy instruments have served well in their first four years. They have enabled the Eurosystem to achieve its operational goal, the effective steering of short-term money market rates, and to signal its monetary policy objectives in a sufficiently precise and differentiated manner. The Eurosystem nonetheless carried out a thorough efficiency analysis of its monetary policy instruments during 2002 and presented suggestions for operational and technical improvements for discussion in a public consultation procedure. The principal aim was to avoid speculative underbidding in the main refinancing operations and to achieve some consolidation of the range of monetary policy instruments. To be more specific, the proposals included changing the timing of the reserve maintenance period, shortening the maturity of the main refinancing operations to one week and suspending the longer-term refinancing operations. Taking account of the numerous comments and suggestions made by the Eurosystem's monetary policy counterparties and by financial sector associations, the Governing Council of the ECB decided in January 2003 to implement the first two measures in the first quarter of 2004 but not to suspend the longer-term refinancing operations.

## Functions of the monetary policy instruments

### *Interdependence of the instruments*

The Eurosystem has a number of instruments which it can use to implement its monetary policy. This can be explained not least by the fact that in order to maintain continuity when the transition was made to the third stage of European economic and monetary union, it was decided to include instruments that had proved their worth in various participating member states in the set of monetary policy instruments. Nonetheless, certain instruments predominate. They are closely interrelated in operational terms and, to an extent, interdependent. In the public consultation procedure, the form of the minimum reserve system, the regular open market operations and the standing facilities were accordingly presented as a single discussion package.

### *Reserve requirements*

All euro-area credit institutions have to comply with minimum reserve requirements, the aim being to create, or enlarge, a structural liquidity shortage at the banks vis-à-vis the Eurosystem. This ensures that the credit institutions are sufficiently dependent on refinancing through the Eurosystem and that their demand for central bank money is stabilised. This in turn lays the foundation for efficient money market management by means of regular, liquidity-providing open market operations. The credit institutions have to comply with their minimum reserve requirements only as an average of a reserve maintenance period lasting several weeks, the aim being for the institutions to attenuate the daily fluctuations in money market liquidity by varying

their compliance profile. Average compliance thus curbs the volatility of the overnight rate, thereby stabilising money market interest rates. The institutions' holdings of required reserves are remunerated at the average marginal rate of allotment in the main refinancing operations over the reserve maintenance period concerned, with the result that the minimum reserve requirement represents virtually no cost factor for the credit institutions. Excess reserves, however, are not remunerated and shortfalls are subject to sanctions.

The possible range of fluctuations of the overnight rate in the interbank market is restricted by the interest rates on the two standing facilities. The deposit facility can be used to absorb excess liquidity and the marginal lending facility can provide additional overnight liquidity – but only up to the level of the required collateral.

### *Standing facilities*

While the Governing Council of the ECB signals the general stance of monetary policy by the rates on the standing facilities, it uses the regular open market operations (main and longer-term refinancing operations) to steer the current interest rate and to manage the liquidity situation in the money market, in particular the evolution of the overnight rate. In addition to the minimum reserves, credit institutions' refinancing needs are geared to the market factors determining liquidity (such as the volume of banknotes in circulation, the Eurosystem's net foreign reserves and government deposits at the national central banks). Apart from the regular refinancing operations, the Eurosystem can draw on a range of further open market operations as and

### *Open market operations*



when required in order to affect liquidity or interest rates primarily on a short-term basis.

*Main  
refinancing  
operations*

The main refinancing operations are the key element in the Eurosystem's operational monetary policy approach. By changing the minimum bid rate (variable rate tenders) or the fixed interest rate (fixed rate tenders), the Governing Council of the ECB signals its monetary policy stance and steers the terms at the short end of the money market, the starting point in the monetary policy transmission process. The main refinancing operations cover most of the refinancing needs. They are offered on a weekly basis with a two-week maturity, meaning that at any given time, two overlapping main tender operations are outstanding. The main refinancing operations are carried out by the national central banks in the Eurosystem in a decentralised auction procedure in accordance with standard criteria. The allotment decision for the Eurosystem as a whole is taken by the Executive Board of the ECB in line with the monetary policy stance decided by the Governing Council of the ECB.

*Longer-term  
refinancing  
operations*

The longer-term refinancing operations are conducted once a month as variable rate tenders with no minimum bid rate and a maturity of around three months. These basic tenders are not used to give monetary policy signals. The market is therefore informed in advance of the volume of the allotment and the Eurosystem operates merely as a "rate taker". This type of operation is intended to provide, in particular, smaller credit institutions which are less active in the money market with longer-term basic refinancing direct-

ly from the central bank, reflecting one aspect of the Bundesbank's former, traditional rediscount credit. The allotment volume for the longer-term refinancing operations is generally determined for one year in advance in line with liquidity needs in such a way as to leave the Eurosystem sufficient room for manoeuvre in the main refinancing operations.

### Efficiency of the monetary policy instruments

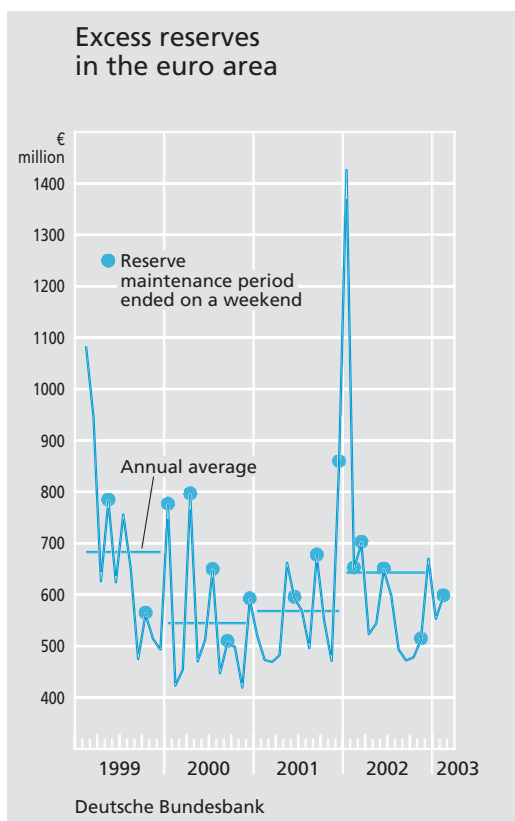
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The Eurosystem's monetary policy framework has been shown to function well. First, the Eurosystem has sent the intended monetary policy signals promptly to the markets; second, the volatility of the overnight rate has been contained despite the low frequency of interventions in the money market; and third, as a rule the liquidity needs have been met and money market developments stabilised by the weekly main refinancing operations, with ultimately little use being made of the standing facilities and only very rare use of fine-tuning operations. Finally, cross-border liquidity transfers among the banks have also helped to keep money market interest rates at the European financial centres virtually identical, with the result that it was not inaccurate to speak of a well-integrated European money market.

Nonetheless, it became clear that the instruments did not function completely smoothly under all conditions and thus left scope for enhancing efficiency. For example, the timing of the reserve maintenance period – from the

*Experience  
since the start  
of monetary  
union...*

*... with the  
minimum  
reserves...*



24th day of a month to the 23rd of the following month – sometimes proved problematic. The Italian tax payment date, which is accompanied by wide fluctuations of government balances at the Banca d'Italia that are difficult to forecast, systematically coincided with the last day of the reserve maintenance period. This meant that even after the final tender allotment of the period, fairly large risks for liquidity and interest rate developments persisted right up to the end of the reserve maintenance period. This problem became somewhat less acute from July 2002 onwards because from that date most tax payments to the Italian government's cash account at the Banca d'Italia have generally been made before the 23rd day of a month. Moreover, the credit institutions incur costs if the end of the reserve maintenance period

falls on a weekend or on a TARGET holiday. In order to play safe and especially to avoid penalties for reserve shortfalls, credit institutions are inclined to hold higher credit balances at the national central banks on the last business day of a reserve maintenance period than are absolutely necessary. This results in larger, generally unremunerated excess reserves than when the end of the maintenance period falls on a business day. However, reserve management can also become expensive for the banks if the reserve maintenance period starts on a non-business day. In that case recourse to the standing facilities which is concentrated at the end of the maintenance period is carried forward into the new maintenance period. If the marginal lending facility is used, financing in the new period is relatively expensive. Resources which have been placed in the deposit facility at the end of the reserve maintenance period and thus withdrawn from reserve maintenance, generally have to be raised again in the new period – at greater cost – at the central bank or in the money market.

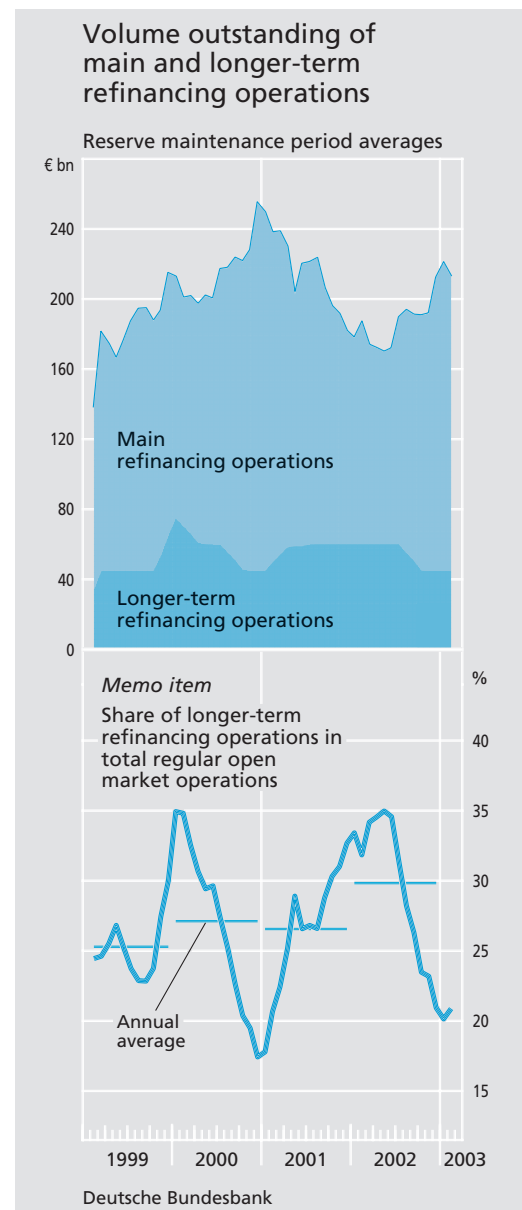
From 1999 to 2002, on average just under three-quarters of the banking industry's liquidity needs were met by main refinancing operations (around €149 billion), while the longer-term refinancing operations, amounting to an average of around €54 billion, covered just over one-quarter of the liquidity deficit. The volume of main tenders was thus – as intended – invariably sufficiently large to promptly offset even sizeable changes in the banks' liquidity needs. The number of bidders in the main refinancing operations has gone down sharply since the start of monetary

*... and with  
the main  
refinancing  
operations*

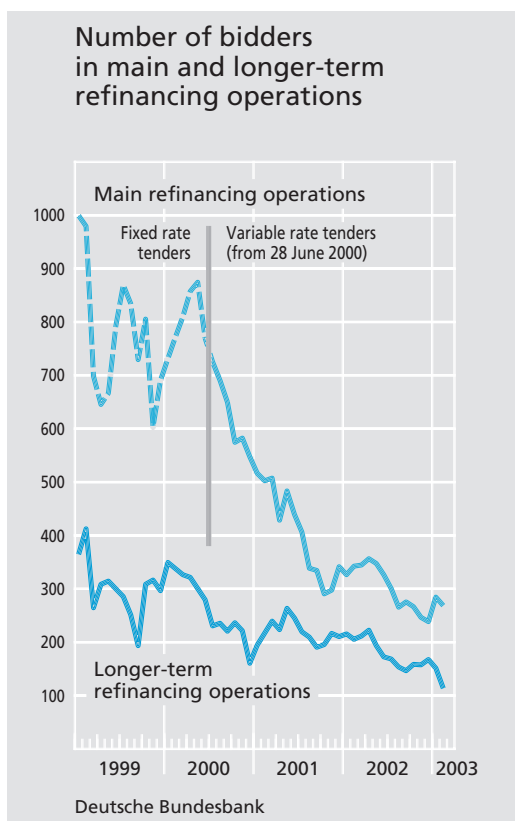
union from an annual average of 777 credit institutions in 1999 to an annual average of 307 in 2002. This development is to be seen, first, in connection with the general pattern of consolidation in the banking industry and the concomitant centralisation of liquidity management; second, participation in the main refinancing operations turned out to be dependent on the tender procedure and on the interest rate expectations prevailing in the market. For example, from mid-2000 when the changeover was made from fixed rate to variable rate tenders, there has been a specially marked decline in tender participation, as smaller, risk-averse credit institutions, in particular, have been pulling out of the tender operations (see chart on page 20). The decline in bidder interest should be seen as related to the complexities of the variable rate tender, which make it difficult for the credit institutions to make an appropriate market-oriented bid decision. Expectations of a reduction in interest rates, which became more frequent from spring 2001 onwards, may also have led to somewhat lower bidder interest. Nonetheless, a large degree of competition was still evident in the tender operations and there were no signs of oligopolistic structures.

*Overbidding in fixed rate tenders and changeover to variable rate tenders*

From the point of view of the Eurosystem and the market players, the most important modification to date in the use of the monetary policy instruments was the changeover from fixed rate tenders to variable rate tenders with a minimum bid rate starting with the main refinancing operations in June 2000. The advantage of fixed rate tenders for monetary policy was that they enable an extreme-



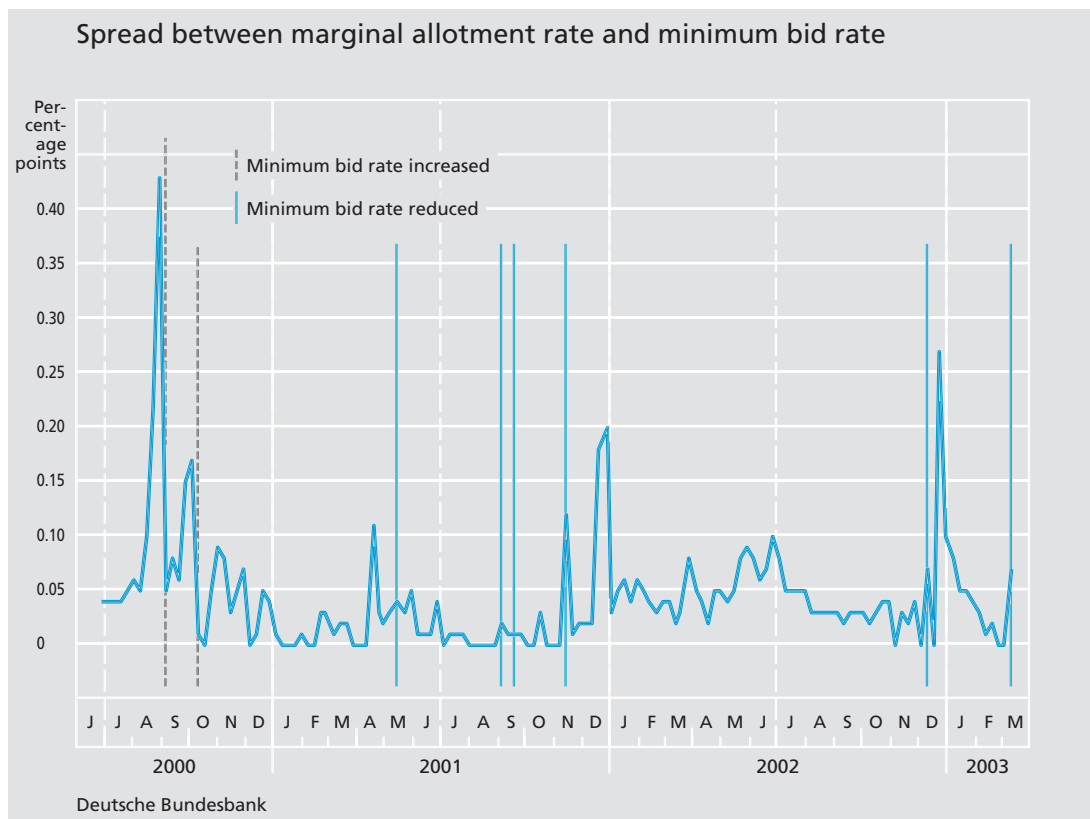
ly clear signal of the monetary policy stance to be given. It also meant, however, that the counterparties could offer large amounts with relatively little risk, as the ECB has invariably geared the allotment amount to the liquidity need in order to stabilise money market rates. In the spring of 2000 market participants' expectations of an interest rate increase had become broadly entrenched, resulting in vast overbidding in the main re-



financing operations, which were still being offered as fixed rate tenders. The allotment ratio finally fell to below 1%. The changeover to variable rate tenders effectively eliminated the appeal of speculative overbidding. From the purely technical perspective of liquidity management, speculative overbidding was largely unproblematic; however, it does make higher demands of the banking system in managing its portfolios of eligible assets, which are required to collateralise central bank credit, and in redistributing central bank liquidity in the interbank market after the tender allotment. In the event of very high overbidding, it is almost impossible for the individual institutions to estimate the volume likely to be allotted to it as even small, unexpected changes in the allotment ratio lead to large changes in the allotment to individual banks.

Following the transition to variable rate tenders with a minimum bid rate, the first occurrence of the phenomenon of “underbidding” took place in February 2001, in an environment of high expectations of a cut in interest rates. In anticipation of an interest rate cut within the ongoing reserve maintenance period, bidding by the credit institutions in the main refinancing operation was so restrained that the total bid volume was insufficient to allow the amount which would have been appropriate from a liquidity policy perspective to be allotted. In the event of speculative underbidding, the Eurosystem has so far decided to tolerate the temporary rise in the volatility of money market rates (caused by a short-term liquidity shortage in the market) and to cover at least part of the remaining liquidity need only in the forthcoming main tender(s) in the current reserve maintenance period. This signalled to the counterparties that they also have to bear the cost risk of speculative behaviour. Although the rise in volatility was restricted to the short end of the money market, this can also impair the signals about the current monetary policy stance. Against this background, the Governing Council of the ECB decided in November 2001 to take decisions relating to the monetary policy stance only at its first meeting of the month. Opportunities for speculative underbidding, with ensuing distortions on the market for overnight money, were thus reduced considerably. All in all, the Eurosystem also gave an effective monetary policy signal by means of the variable rate tender with a minimum bid rate, but the marginal as well as the weighted allotment rate were generally close to the Eurosystem’s bench-

*Underbidding in the variable rate tender*



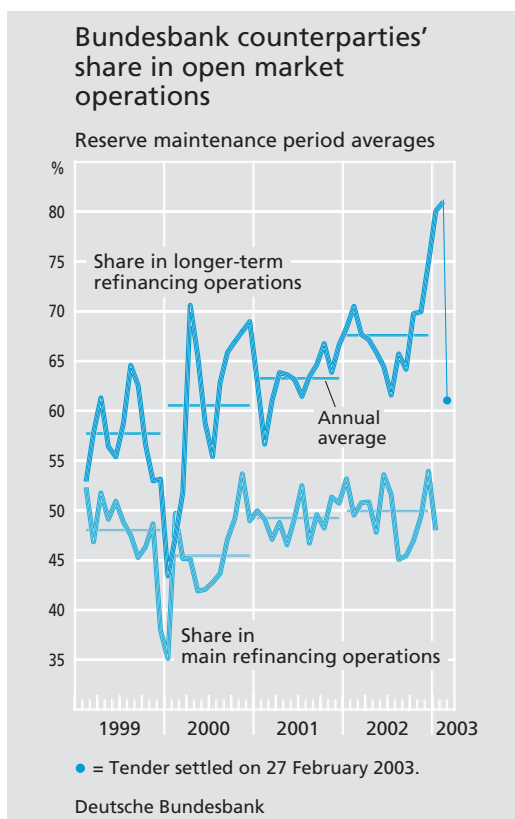
mark. Larger deviations were limited to periods in which there were clear expectations of a change in the interest rate.

#### *Tender splitting*

One of the side-effects of underbidding is a divergence in the volumes of the two outstanding main refinancing operations, which, from a technical and operational perspective, can lead to difficulties. Since April 2002 the seven-day operations (tender split operations) carried out singly at the same time as the two-week tender for the purpose of evening out the tender volumes are considered, also with regard to their form, to be main refinancing operations and are thus included in the calculation of the remuneration of minimum reserves.

Since the start of monetary union bidder participation in the longer-term refinancing operations has also declined, albeit less markedly than in the main tenders (see chart on page 20). Whereas an average of somewhat more than 300 credit institutions took part in the basic tenders in 1999, average participation in 2002 was only 186 institutions. However, the ratio of bid volume to allotment volume per auction has not changed significantly since mid-2000 (similar to the corresponding ratio for the main tender). It averages out at just under 2 (slightly less for the main tender). The group of banks which participate regularly in the longer-term tenders is extremely heterogeneous and participation by smaller credit institutions, ie the target group, has not yet been seen to be particularly significant. Since the start of monetary union

*Experience with the longer-term refinancing operations*



German credit institutions have been among the most active bidders in the longer-term refinancing operations; this is also reflected particularly in their persistently large allotment share.

*Basic tender comparatively expensive*

With regard to the interest rates offered, a comparison of the marginal allotment rate in the longer-term refinancing operations and the three-month Eonia swap rate shows that basic refinancing is a relatively expensive way for the credit institutions to ensure that they have sufficient liquidity. While the average spread between the marginal allotment rate in the main tender and the two-week Eonia swap rate between April 2001 and February 2003 was relatively stable around zero, the corresponding spread for the longer-term refinancing operations averaged

2½ basis points. Furthermore, a slight broadening of the spread on three-month maturities has been observed since the second half of 2002, although at least part of this can be attributed to typical seasonal bidding behaviour relating to the credit institutions' end-of-year liquidity arrangements. All in all, these observations could be taken as an indication that credit institutions have recently been accorded greater importance to the provision of longer-term liquidity. Given the limited money market liquidity for longer-term funds, this assessment seems reasonable. The longer-term refinancing operations also had advantages in connection with the provision of liquidity for the millennium changeover; the tender volume was temporarily increased and a larger amount of basic liquidity supply was thus available during the millennium changeover period. This had a stabilising effect on bank balances and prevented a feared liquidity shortage.

### Public consultation procedure

Triggered by the aforementioned underbidding problem in the main refinancing operations, the Eurosystem's monetary policy framework was thoroughly reviewed last year. As a result, the Governing Council of the ECB formulated measures which seemed appropriate to remove the inefficiencies detected, and in autumn 2002 asked the credit institutions, banking associations and financial market groups in the euro area to indicate their views on the proposed operational and technical changes in a public consultation

*Suggested improvements to the efficiency of the monetary policy framework*

procedure. The following specific changes were put forward for discussion.

- The reserve maintenance period should be timed to coincide with the monthly monetary policy meeting of the Governing Council of the ECB and would thus begin on the settlement day of the main refinancing operation immediately following the first Governing Council meeting of the month. The adjustment of the interest rates on the standing facilities would likewise coincide with the start of a reserve maintenance period.
- In order to avoid the main refinancing operations hanging over into the subsequent reserve maintenance period, the maturity of the main refinancing operations should be shortened to one week.
- Suspension of the longer-term refinancing operations was also proposed because it had become apparent that the original target group (smaller institutions which were not active on the money market) had not been reached.

Changing the timing of the reserve maintenance period would mean that the maintenance period would always begin on a TARGET business day and that recourse to the standing facilities at the end of the maintenance period would no longer hang over into the new maintenance period. Furthermore, the maintenance period would generally end on a TARGET business day, making it easier to carry out the final fine-tuning of the reserve maintenance. As a rule, the central bank rate

would not be changed during a reserve maintenance period, thus reducing the probability of speculative over or underbidding. Simultaneously reducing the maturity of the main tenders to one week would mean that interest rate expectations would be unlikely to continue to affect the bidding behaviour of the counterparties within a reserve maintenance period.

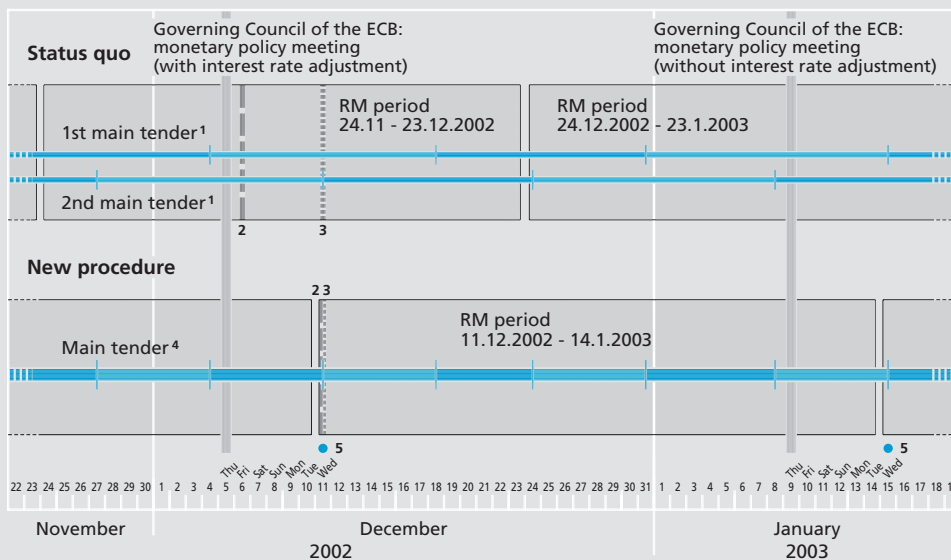
All market players welcomed the public consultation procedure, which was seen as making a positive contribution to transparency. The numerous responses received by the ECB and the national central banks conveyed a detailed and varied picture of the credit institutions' and banking associations' views and preferences. It also became clear that, despite the room for improvement of the monetary policy instruments noted by the Governing Council of the ECB, the financial sector did not think that the monetary policy transmission and the functioning of the money market had been seriously impeded by occasional over and underbidding.

The vast majority of the euro-area institutions consulted were in favour of changing the timing of the reserve maintenance period. The German institutions and banking associations which took part in the consultation procedure also signalled their agreement with the suggestion to make the reserve maintenance period more flexible. However, views differed about the benefits of avoiding underbidding. Larger institutions which are active in the money market generally viewed speculative underbidding and the concomitant volatility on the overnight money market in a positive

*Responses to  
the public  
consultation  
procedure...*

*... with regard  
to changing  
the timing  
of the reserve  
maintenance  
period*

### Change in the reserve maintenance period and the maturity of the main refinancing operations\*



\* Status quo and new procedure over the period from November 2002 to January 2003. — 1 Two-week maturity. — 2 Interest rate on standing facilities adjusted. — 3 Minimum bid rate adjusted. — 4 One-week maturity. — 5 Settlement of first main tender after monetary policy meeting of the Governing Council of the ECB; reserve maintenance period also starts.

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light as this ultimately also opens up opportunities to make gains. Otherwise, underbidding, as opposed to using money market derivative instruments, was felt to be a less efficient and professional means of speculating on the interest rate decisions of the Governing Council of the ECB. The main advantage for smaller institutions was the reduced volatility on the overnight money market, as this enhances their liquidity management. The overall positive response to the proposal, including from German institutions, seems to have had more to do with expected cost reductions arising from the fact that the reserve maintenance period will no longer start or end on a weekend or on TARGET holidays. By far the majority of the respondent credit institutions did not expect any major technical problems to be caused by changing over to

reserve maintenance periods of varying length, although it was suggested that the Eurosystem publish a "reserve maintenance calendar" (similar to the tender calendar) in good time.

The long time span between an interest rate decision and its taking effect was seen as critical. The six-day time span between the meeting of the Governing Council of the ECB on the Thursday and the start of the new reserve maintenance period on the following Wednesday was considered exceptionally long, especially as changes to the interest rates on the standing facilities only take effect on the value date of the main refinancing operation immediately following the monetary policy meeting of the Governing Council. In addition, with regard to the Eurosystem's liquidity

*... the time span between decision and interest rate adjustment taking effect...*



management, it was noticed that the last main tender in the reserve maintenance period is always settled six days before the end of the period. As the quality of the liquidity forecasts tends to decline the longer the forecasting horizon, the view was that there would be greater risk of sub-optimal allotments in the main tender and of money market rates being systematically more volatile at the end of the reserve maintenance period.

*...shortening  
the maturity  
of the main  
refinancing  
operations...*

The proposed shortening of the maturity of the main refinancing operations to one week as a complementary measure to the change in the reserve maintenance period was approved by the euro-area banks with some reservations. Most of the institutions saw the shortening of the main tender maturity as a logical complement to the changed timing of the reserve maintenance period, helping to prevent speculative underbidding in the future. The concerns expressed by the credit institutions had mainly to do with the additional operational risks associated with the move away from overlapping main refinancing operations and the effect of greater uncertainty on liquidity management. If the Eurosystem or individual bidders were to run into major technical difficulties during the tender procedures, a far greater proportion of the total refinancing volume would be affected than in the case of two overlapping operations. Moreover, concern was expressed that if only one main refinancing operation were outstanding, the institutions might be inclined to make price-boosting safety bids in order to avoid being given an underallotment or a zero allotment. This could lead to a "structural" increase in the marginal and

weighted allotment rates and make refinancing more expensive overall. In changing over to a single one-week main refinancing operation, it should also be borne in mind that an institution which is given a zero allotment – owing to the resultant higher volume to be raised via the market – might find it more pertinent to have recourse to the money market. As a possible means of offsetting the shortening of the main tender maturity, various market players suggested introducing a monthly "maintenance period tender", which would make basic liquidity available for the duration of the maintenance period.

Besides the German institutions, which traditionally take an active part in basic refinancing, virtually all other credit institutions which participated in the consultation procedure were against the suspension of the longer-term refinancing operations. Basic refinancing was said to play an important role for the institutions in balancing the maturity structure of their refinancing. In addition, the importance of basic tenders as part of forward-looking liquidity planning was stressed, this having been promoted in the BIS recommendations "Sound practices for managing liquidity in banking organisations".

*...and  
suspending  
the longer-term  
refinancing  
operations*

Most credit institutions did not consider unsecured longer-term money market operations, or the interbank repo market, to be entirely viable substitutes for longer-term central bank refinancing. The view is that longer-term, unsecured money market lending has never had the necessary depth of liquidity. The eligible assets for a general col-

*Broad approval  
of the basic  
tender owing  
to a lack of  
alternatives  
on the  
interbank  
market*

lateral repo operation<sup>1</sup> differ from those which can be used for central bank refinancing; longer maturities are also not very liquid. Basic tenders thus offer banks the opportunity to build up a broader refinancing basis which is diversified in terms of maturity; they therefore represent an important, stabilising element in their liquidity management.

*Request for  
increase in  
basic tender*

As a counterweight to the planned shortening of the maturity of the main refinancing operations, the credit institutions frequently asked for the volume of basic refinancing to be increased. The view was that this could counter a reduction in the average refinancing maturity. In particular, an increase in the volume of longer-term refinancing operations could mitigate the higher operational and liquidity management risks associated with the planned consecutive one-week main tenders.

### Decision of the Governing Council of the ECB

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At its meeting on 23 January 2003 the Governing Council of the ECB decided to change

the timing of the reserve maintenance period, as suggested, to coincide with the monthly monetary policy meeting of the Governing Council of the ECB. Changes to the interest rates on the standing facilities will also take effect at the start of the reserve maintenance period and the maturity of the main refinancing operations will be shortened to one week. Given the strong support for retaining the longer-term refinancing operations, it was decided not to suspend them. The two approved changes will be implemented in the first quarter of 2004. This will ensure that the Eurosystem and its counterparties will have enough time to make the technical adjustments that have become necessary as a result of changing the timing of the reserve maintenance period and shortening the maturity of the main refinancing operations.

*Changes in the  
first quarter  
of 2004*

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<sup>1</sup> Whereas a special collateral repo operation is executed in order to attain a particular security, the general collateral repo operation has to do primarily with obtaining liquidity. A comparatively broader range of assets (in particular, euro-area government bonds) are accepted as collateral for a general collateral repo operation.

## Macroeconomic aspects of share price developments

As investment and financing instruments, shares played a rather minor role in the German financial system for many years. During the course of the 1990s, however, investors and companies in Germany, too, increasingly took the more direct route via the securities markets. This development has experienced a major setback with the collapse of stock market prices during the past few years. In the longer term, however, the importance of the equity market within the German financial system can be expected to continue to increase, and with it the influence of share price movements on saving, investment and consumption decisions and, ultimately, on the general level of prices. This article first provides a brief overview of the significance of shares as an investment and financing instrument and then examines the determinants of share prices and their implications for macroeconomic developments.

### Shares as an investment and financing instrument

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In line with the boom of all the world's major equity markets in the second half of the 1990s, the German stock market's importance for the German economy increased substantially. In spring 2000 the market value of shares listed in Germany reached a level of just under €1.7 trillion, or 82% of GDP, compared with 22% at the end of 1995. After

*Significance  
of the equity  
market in  
Germany*

### International comparison of stock market capitalisation as a percentage of GDP

%			
Region	1996	2001	2002 <sup>1</sup>
Germany	28	58	31
Euro area	34	69	46
United States	129	137	105
United Kingdom	127	150	108
Japan	70	59	54

Sources: Eurostat (GDP), World Federation of Exchanges (stock market capitalisation, end-of-year levels). — <sup>1</sup> GDP forecasts.

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peaking in March 2000, however, market capitalisation fell sharply owing to the steep slide in share prices. At the end of 2002 the market value of German listed public limited companies (PLCs) had fallen to "only" €647 billion, or 31% of GDP, and has continued to decrease since then. While this ratio is still higher than it was in the mid-1990s, prior to the onset of the exceptional stock market boom, the significance of equity markets remains much smaller in Germany than in other industrial countries such as the USA (105% of GDP) or the UK (108%) with a long-established equity culture.

#### Share issuance

During the bear market in the last three years, moreover, the number of domestic listed enterprises declined. The total at the end of January 2003 (1,003 PLCs) was neverthe-

less greater than in the mid-1990s, when fewer than 700 companies were listed. The key factor in this rise was the boom in initial public offerings (IPOs) on the *Neuer Markt* segment of the German stock market; in other regulated market segments, however, the number of listed companies declined. Although the amount of capital raised via the equity market likewise receded distinctly following the bull market in the second half of the 1990s, on a longer-term view the trend towards equity financing seems to be continuing.

However, it is too early to speak of a major shift in macroeconomic financing patterns towards the equity market. The corporate landscape in Germany has traditionally been dominated by non-corporations (sole proprietors and small and medium-sized partnerships). As for German corporations, they are largely run as private limited companies (*Gesellschaft mit beschränkter Haftung, GmbH*) or limited partnerships in which private limited companies are partners (*GmbH & Co. KG*), whereas public limited companies still play a much less significant role. The number of PLCs showed a marked rise only during the boom in the late 1990s. This trend continued subsequently, but on a greatly diminished scale. At the same time, the focus of share issuance shifted from listed companies to non-listed companies, whose equity financing outstripped capital funding via the stock exchange in the last two years.

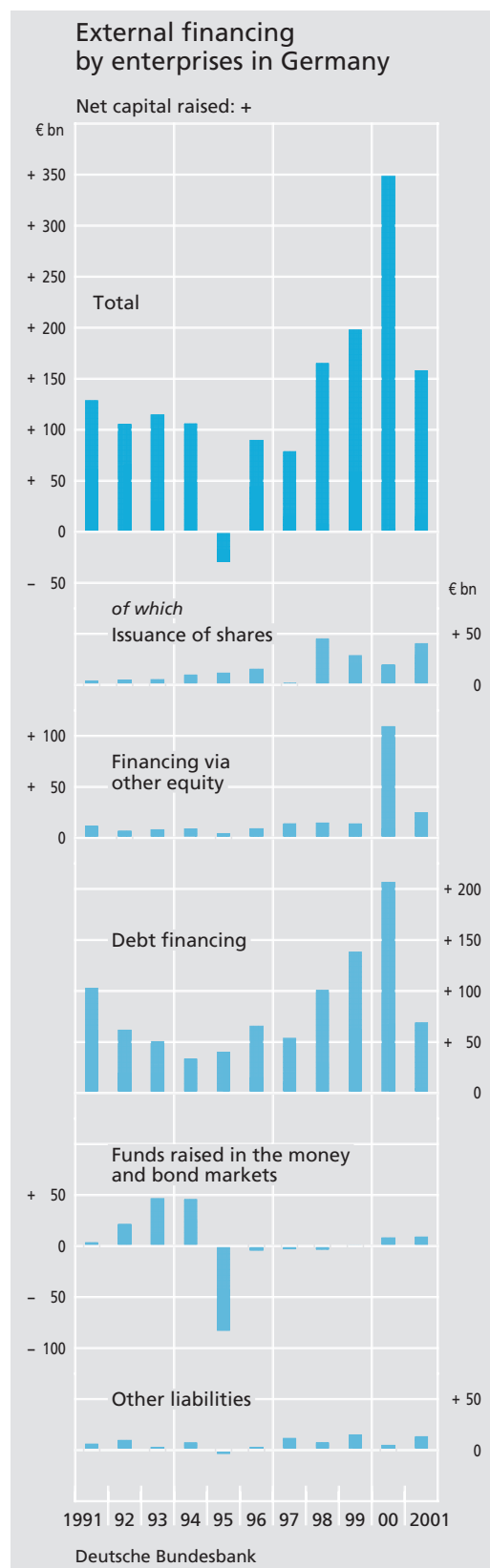
*Number of public limited companies*

Public limited companies have thus apparently weathered the ups and downs of equity price movements on the stock markets to be-

come more attractive over time. Choosing this particular corporate legal status leaves open the option of an IPO at a later date. This prospect has been made more attractive by changes in the legal setting – notably as a result of the Financial Market Promotion Acts and the tax reform adopted in 2001. These extra benefits also outweigh the additional costs associated with the organisational requirements contained in the German Stock Corporation Act and the corresponding disclosure rules. This development has been reinforced by legislative efforts to make it easier for enterprises to obtain access to the capital market. The new insolvency legislation, which has weakened the previously strong position of creditors and has thus tended to make debt financing more expensive, might also prompt enterprises indirectly to see equity financing in a new light. This will probably be further bolstered by banks' reassessment of credit risk, since the generally stronger capital base of PLCs gives them a better risk standing. Taken together, these factors will continue to strengthen the role of equity financing in the future.

*Shares as an investment instrument*

For many years shares were unpopular among investors in Germany as they were considered a particularly risky form of investment. Moreover, for their old-age provision, large segments of the population relied heavily on their claims under the pay-as-you-go statutory pension system, which was supplemented by company pension schemes and capital accumulation in the form of private life assurance policies. An important role was also played by savings with banks and investment in real property. Many people, however,



saw no need to make additional private old-age provision by investing in the equity market.<sup>1</sup> A certain change in attitude has taken place since the mid-1990s. The debate on the problems involved in funding the statutory pension insurance scheme has caused the public to become more aware of the need for private old-age provision. In addition, the long period of rising share prices, accompanied by falling nominal interest rates, helped direct attention to shares as an alternative investment vehicle. The euphoric mood with which the markets celebrated the liberalisation and privatisation of the telecommunications sector and the dramatic upswing in the other “new growth industries”, however, also raised overblown expectations which were ultimately dashed, causing considerable damage to the incipient equity market culture.

As in the past, only a small minority (around 8%) of the German population directly hold shares in companies,<sup>2</sup> although this figure was even lower in the mid-1990s, at around 6%. What has spread much faster, however, is indirect equity ownership through mutual funds. Now nearly 9% of Germans have shares in equity-based mutual funds. The total value of shares held by households directly and indirectly made up around 14% of their financial assets at the end of 2001, compared to less than 10% in 1995.

## Share price swings between bull and bear markets

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The trends outlined in the previous section indicate that, despite the serious setbacks in the past few years, shares have undoubtedly acquired greater long-term importance as an investment and financing instrument in Germany. Movements on equity markets interest monetary policy makers above all because they can provide insights into market participants’ changing attitudes regarding the situation of, and outlook for, the economy. At the same time, these movements are closely linked to the other segments of the financial markets. The risk of exaggerated share price swings followed by downward corrections constitutes a particular danger – and not only for investors and savers. In fact, these phenomena may also have repercussions on the functional ability of the financial system and hence potentially on the effectiveness of monetary policy as well.

In the past few years the financial market infrastructure has improved considerably, and this has not gone unnoticed by investors. The deregulation of international capital movements and innovations in information and communication technology (ICT) have made securities trading and settlement much cheaper and faster. In addition, the volume of information available to investors and the vel-

*Macro-economic importance of share prices*

*Recent developments*

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<sup>1</sup> See also Deutsche Bundesbank, Funded old-age provision and the financial markets, *Monthly Report*, July 2002, pp 25-39.

<sup>2</sup> See Deutsches Aktieninstitut, Factbook 2002, and Kurzstudie (short survey) 1/2003, Frankfurt am Main, with information from Infratest surveys concerning the population over 14 years of age; latest information as at the end of 2002.

ocity with which it can be provided and processed have increased enormously. Today, market participants have at their fingertips a vast volume of up-to-date information from all over the world to which they can react immediately by adjusting their portfolios. As a consequence, markets have indeed become more sensitive to changes in information in the past few years. The downside of this development is that it has encouraged investors to focus more on the short term. Uncertainty is much more likely now to lead to high share price volatility, which in turn may amplify uncertainty (at least in the short run) – including outside the financial markets.

*Structural weaknesses*

These risks have been highlighted by various structural weaknesses which have become apparent during the bear market which has prevailed on major equity markets for the past three years. They include, for instance, the poor quality of some market-relevant data and information which even extends to glaring examples of fraudulent accounting practices. In principle, all market participants have an interest in reliable data on the business developments of listed enterprises in a system of checks and balances policed by independent auditors and financial analysts. However, this can function only if all participants, also in their own interest, maintain their integrity and respect the rules of the market. During the stock market boom, which was accompanied by high growth targets, checks and balances took a back seat to short-term gain. Especially where the “new economy” was concerned, many companies switched to remunerating their employees to a large extent by stock options. The rising asset prices

also led firms to make very optimistic assumptions regarding their pension scheme obligations. As a consequence, the focus of management was often narrowed to boosting their own company’s share price in the short term without taking due account of their company’s underlying performance. In some cases this took the form of exaggerated self-marketing, as happened when some start-ups abused the instrument of ad hoc disclosures on the *Neuer Markt* stock exchange segment. In other cases, such as in the USA, management often sought to meet market expectations by submitting supplementary and uncertified financial statements. In these “pro forma” financial statements earnings were often overstated, in some cases by not listing employee stock options as expenses.

As a result, the principle of “shareholder value” was frequently turned on its head. Some audit firms showed increasing interest in acquiring additional consultancy contracts from enterprises whose financial statements they had to certify. Securities trading firms focused their attention more and more on lucrative IPO business, for which favourable analyses were an important prerequisite. Such conflicts of interest harbour the danger of overstating the profit situation and the profit outlook. Insufficient monitoring of reported corporate earnings and overly optimistic forecasts had a similar effect. The quality of market-relevant information has thus become a core issue to which the various economic policy decision-making bodies and committees will have to give intensive thought in the future at both a national and international level.

*Incentive problems*

## Factors determining share prices

*Assessing the  
share price level*

Even given reliable data, the task of assessing the appropriateness of the equity market's valuation would still be difficult and subject to major uncertainty. Many investors rely on professional analysts' earnings forecasts, although these are likewise not foolproof. Central banks, too, are partly reliant on such information when making their own assessments. Ultimately, careful analysis of earnings forecasts is the only way to even approximately recognise the danger of overvaluation in a reasonably timely manner.

*Speculative  
price bubbles*

Naturally, it is easier to recognise speculative bubbles with the benefit of hindsight. Today it seems clear that during the bull markets of the late 1990s the share prices of many companies, especially in the area of telecommunications, media and technology (TMT), had begun to become decoupled from the fundamentals. Herding behaviour on the part of investors may be one reason for such overvaluation. The trend in securities investment is clearly moving towards involving institutional asset managers, whose expertise and analytical advantages can be beneficial to general market developments. However, even professional portfolio managers often have virtually no scope for taking positions against the market trend.<sup>3</sup> That is how excessive swings can come to acquire increasing momentum and, for a while at least, become self-perpetuating until the trend eventually reverses.

*Share prices  
and profits*

Thus the massive collapse of share prices in 2000 took place at a price level which, measured by fundamental ratios, was already con-

sidered extremely high. One indication of this is the average price-earnings ratio (P/E ratio) for companies listed in important market indices such as the German blue-chip share price index DAX or the Dow Jones EuroStoxx index. In the mid-1990s DAX shares had already attained P/E ratios which, on the basis of actual profits, averaged 26, and thus twice their levels in the late 1980s and early 1990s.

Other indicators, such as a PLC's share price to cash flow ratio, show a similar picture. Looking at the overall market index, a very close correlation can be expected over the medium term between operating profit and reported profit. After all, dividend payments and other distributions ultimately depend on the actual earnings trend. The average dividend yield on DAX shares declined correspondingly from around 4% at the end of the 1980s and the beginning of the 1990s to 1½% by the end of the 1990s.

The fact that equity market quotations were able to remain high for as long as they did, however, is due not so much to inefficiencies in the processing of information on equity markets, which may be suggested at first sight by comparisons of the ratios mentioned above, than to optimistic profit expectations in the second half of the 1990s. Average profit growth expectations for DAX-listed companies for a rolling three-year period rose by more than 15% a year, compared with around 7% in the late 1980s and early 1990s. Looking back, these forecasts have

*Cash flow and  
dividend*

*Key role  
of profit  
expectations*

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<sup>3</sup> See Arnsward, T (2001), Investment behaviour of German equity fund managers, Economic Research Centre of the Deutsche Bundesbank, *Discussion paper 08/01*.



proved to be unrealistic and exaggerated. However, they were a key driving factor of share price movements until early 2000.

*Share prices  
and capital  
market rates*

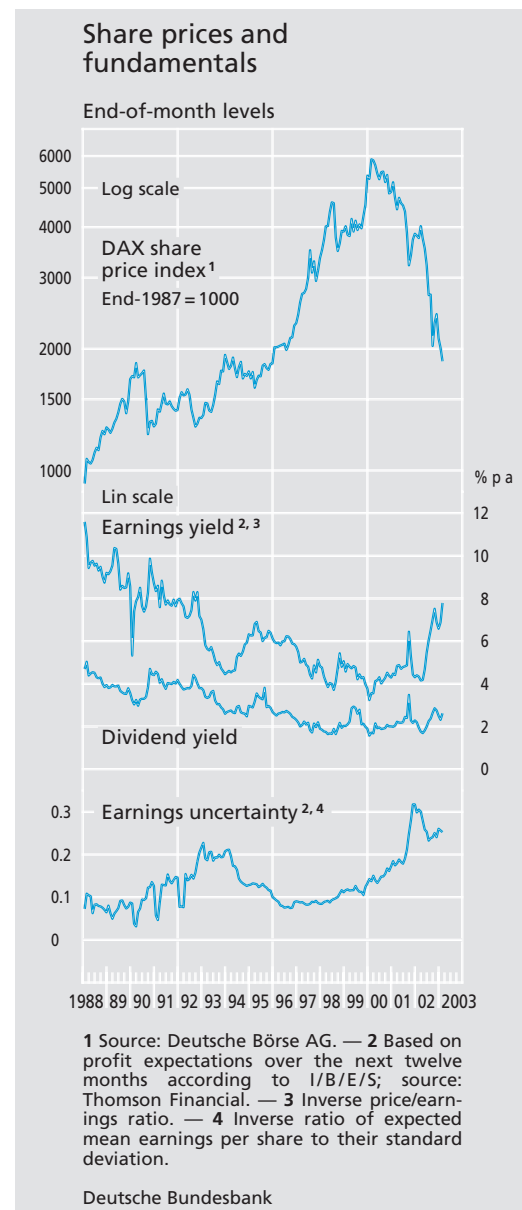
However, the pattern of development of a given share price is characterised not just by the prevailing market expectations concerning the company's earnings but also by expected returns on alternative forms of investment such as, notably, fixed-income securities. The long bull market in the second half of the 1990s should thus also be seen in the context of the concurrent marked decrease in interest rates on the capital market.

*Equity pricing  
with the  
dividend  
discount model*

In addition, the stock market prices depend on how investors assess risk. For a given level of risk aversion, increased risk perception on the part of investors can cause the shares concerned to come under pressure; conversely, their prices will rise once uncertainty recedes. In what are called "dividend discount models", the implied risk premia contained in the share price are calculated as residuals (see explanations on page 35).<sup>4</sup> These approaches rely on the idea that the fair valuation of an equity corresponds to the present value of all future dividends. Based on this framework the implied risk premium can be derived by comparing the expected total yield on the respective equity investment (the "internal" rate of return) with the yield on comparatively risk-free assets, interpreting the differential as the premium required by investors for incurring higher risk on the equity market.

*Risk premium  
as an indicator  
of the valuation  
level*

The risk premium can vary considerably over time as a function of the economic and political environment as well as of the state of the



market. A basis for assessing share prices is given by comparing the premia contained in these prices with historical values. If the pre-

<sup>4</sup> The three-stage dividend discount model widely used in practice calculates the implied premium under the assumption that, in a transitional phase, the forecast profit growth rates will converge to a long-run target rate which in turn is composed of the long-term real interest rate and the risk premium itself. See Panigirtzoglou, N and Scammell, R, Analysts' earnings forecasts and equity valuations, Bank of England, *Quarterly Bulletin*, Vol 42, 1, pp 59-65, 2002.

mium is well below a "normal" value (which is determined on a case-to-case basis), this indicates a relatively high level of valuation. By this token, the implied risk premium at the beginning of 2000 on an equity portfolio embracing the DAX index was well below the average value of the end of the 1980s and the beginning of the 1990s but has latterly returned to that level following the sharp falls in share prices. In fact, there are many signs at the moment of the existence of a high risk premium. For one thing, the geopolitical tensions caused by the Iraq crisis are weighing heavily on stock exchanges; for another, there is still great uncertainty concerning the outlook for growth, which is expressed in the wide spread of corporate profit forecasts. Although this spread has narrowed somewhat since spring 2002, it remains much greater than that prevailing at the time of the steep fall in earnings in 1994.

### Implications of share price movements on real activity

*Stock market and the business cycle*

In view of the assessment of overall economic growth which they imply, share price movements on the stock markets are often used as leading indicators of cyclical developments. Indeed, share prices usually do lead both consumer confidence<sup>5</sup> and business confidence.<sup>6</sup> However the underlying causes and effects can vary greatly. Share price movements may reflect market participants' earnings prospects without causing them. But it is also possible that share price movements – via the wealth effects that they trigger, for instance – may themselves become a determinant of

business activity. In that case, expectations regarding share price changes and changes in the economic situation which they cause can be mutually reinforcing.

The increased importance of shares as an investment instrument has also raised the potential for corresponding wealth effects to occur. One important transmission channel is through assets held by households who consume not only out of current disposable income but also depending on the value of their savings. Econometric studies indicate that the correlation between equity assets and households' consumption has indeed become closer over the past decade. These estimations, suggest that for a €100 loss in German households' equity wealth, their expenditure on consumption will decrease by €1 to €2. This is a very low ratio compared with countries that have relatively large equity markets and a corresponding larger share ownership by households.<sup>7</sup> Given the size of the fall in share prices on the German equity markets, which last year alone amounted to around 40%, this direct wealth effect could therefore have reduced consumption growth, based on the above computation results, by between 0.2 and 0.4 percentage point. Moreover, falling share prices may have contributed to the pronounced consumption restraint via other transmission channels, too.

*Wealth effects on consumer demand*

<sup>5</sup> Consumer confidence defined according to the EU Business and Consumer Survey for Germany.

<sup>6</sup> See Ifo business survey for the manufacturing industry.

<sup>7</sup> See Ludwig, A and Sløk, T, The Impact of Stock Prices and House Prices on Consumption in OECD Countries, *IMF Working Paper 02/1*, 2002.

## Calculating the implied risk premium using dividend discount models

In a simple dividend discount model the value of a share or, alternatively, the index being looked at when valuing the total market, is equivalent to the present value of all future expected dividend payments:

$$P_0 = \sum_{t=1}^{\infty} \frac{D_t}{1 + R_t}$$

where  $P_0$  is the current share price or index value,  $D_t$  the expected dividend at time  $t$  and  $R_t$  the discount rate for the timespan  $t$ . The discount rate, which can also be interpreted as the rate of return required by investors, is made up of the risk-free interest rate for the period under consideration and a risk premium which reflects uncertainty about future dividends.

Assuming a constant payment ratio  $\bar{b}$  the dividend growth rate  $g$  in a steady-state equilibrium corresponds to the return on equity ROE multiplied by the retention rate  $1-\bar{b}$ .<sup>1</sup> The required return on equity corresponds over the long run to the cost of capital, which is made up of an equity risk premium ERP and a risk-free interest rate  $r$ . If a constant rate  $g$  is assumed, then for the price level  $P_t$  the following equation holds:<sup>2</sup>

$$P_t = \frac{D_t (1 + g)}{(ERP + r) - g}$$

where  $g = ROE (1-\bar{b})$ . Since  $P_t$ ,  $D_t$  and  $r$  can all be observed on the market, the implied risk

premium can be calculated. High share prices indicate that market participants require only a small risk premium for holding shares.

In the three-stage dividend discount model, there are three distinct phases of dividend growth. For an initial phase of  $A$  years it is assumed that the dividend growth rate  $g$  is constant. Since a constant observable dividend payment rate  $\bar{b}$  is also assumed, in this stage  $g$  can be calculated with the help of long-run analyst estimates of profit growth.<sup>3</sup> In a second phase lasting  $B$  years,  $g$  is assumed to continuously approach its above-mentioned steady-state equilibrium value, which it reaches in the third phase. The price level  $P_t$  is approximated as follows:<sup>4</sup>

$$P_t = \frac{D_t [(1 + g) + (A + \frac{B}{2})(g^* - g)]}{(ERP + r) - g}$$

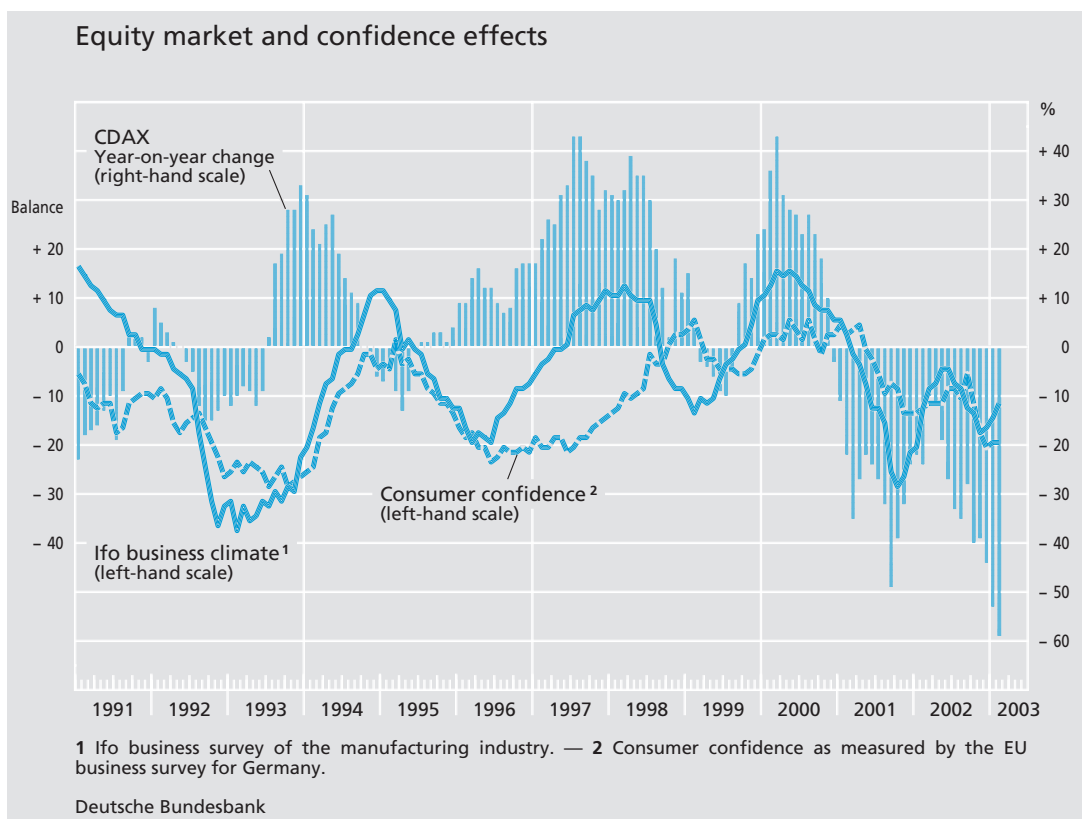
where  $g^*$  is the dividend growth rate based on analysts' estimates. The term

$$\frac{D_t (A + \frac{B}{2})(g^* - g)}{(ERP + r) - g}$$

reflects the portion of the value based on the dividend growth of the first two stages deviating from the steady-state equilibrium value  $g$ . That way the implied risk premium can also be derived in this type of dividend discount model, where short-run deviations from long-run dividend growth are taken into account.

<sup>1</sup> The dividend growth rate  $g$  is positively correlated to the retention rate  $1-\bar{b}$  because retained profits are invested in the future growth of the enterprise. — <sup>2</sup> It is assumed that  $ERP + r > g$ . — <sup>3</sup> Such estimates are provided, for example, by the Institutional Brokers Estimate System (IBES). —

<sup>4</sup> This equation is based on the three-stage dividend discount model developed by Fuller and Hsia. See Fuller, RJ and Hsia, C-C (1984), A Simplified Common Stock Valuation Model, *Financial Analysts Journal*, September-October, pp 49-56.



However, owing to the extreme volatility of share prices and the continuing heightened uncertainty, it is impossible to tell whether the reactions of private investors to last year's decrease in share prices have run their course. It is likely that the marginal propensity to consume also varies among the different categories of income and wealth. High-income households with a large volume of wealth can normally take declining share prices in their stride, tending to base their consumption decisions more on their long-term income outlook. The fact that equity ownership is concentrated precisely on such higher-income households may explain, at least in part, the relatively low wealth elasticity of private consumption in Germany.<sup>8</sup>

As a source of corporate finance, the equity market has dried up for the time being during the current bear market. This, too, can have an adverse effect on economic growth; however, in macroeconomic terms this effect is virtually negligible since, even during the boom years from 1996 to 2000, the percentage of total corporate finance in Germany accounted for by funds raised on the equity market was only around 7%. In individual sectors such as the technology sector, by contrast, the acquisition of capital on the equity market played a much greater role in the second half of the 1990s.

Moreover, the falling value of technology shares on the stock exchanges indirectly put a

*Effect on firms' financing and investment decisions*

<sup>8</sup> See Deutsches Aktieninstitut, Factbook 2002, p 08.3-E-A.

## Estimating wealth effects

The relationship between wealth and consumption is based on the permanent income hypothesis. This hypothesis states that household consumption is driven by (human and non-human) wealth – ie by the present value of future income. Decomposing wealth into the current value of future labour income, on the one hand, and real and financial (non-human) wealth, on the other, the intertemporal budget constraint faced by households can be written as follows:

$$A_{t+1} = (1 + r_{t+1}) \cdot [A_t + Y_t - C_t]$$

Future real and financial assets  $A_{t+1}$  are equal to current non-consumed labour income  $Y_t - C_t$ , remunerated at the rate  $r_{t+1}$ , and current assets  $A_t$  remunerated at the same rate. Solving forward, the current value of planned future consumption equals the consumers' total assets, ie real and financial assets  $A_t$  plus the current value of their expected future labour income:

$$E_t \sum_{i=0}^{\infty} \frac{C_{t+i}}{(1+r_t)^{-1} \prod_{j=0}^i (1+r_{t+j})} = A_t + E_t \sum_{i=0}^{\infty} \frac{Y_{t+i}}{(1+r_t)^{-1} \prod_{j=0}^i (1+r_{t+j})}$$

Lettau and Ludvigson<sup>1</sup> show that, given stationary consumption growth and stationary expectations of future asset returns, there exists an equilibrium relationship between the log consumption of households  $c_t$ , their log labour income  $y_t$  and their log assets  $a_t$ :

$$c_t = \alpha y_t + (1 - \alpha) a_t + \varepsilon_t$$

where  $\varepsilon_t$  is a mean zero stationary random variable. The coefficients  $\alpha$  and  $(1-\alpha)$  can be interpreted as the long-run income elasticity and the long-run wealth elasticity of consumption, respectively. If the ratio of consumption to assets falls, then so does the long-run marginal propensity to consume out of non-human wealth:

$$\frac{\Delta C_t}{\Delta A_t} = (1 - \alpha) \frac{C_t}{A_t}$$

<sup>1</sup> See Lettau, M and Ludvigson, S, Consumption, Aggregate Wealth and Expected Stock Returns, *Journal of Finance*, Vol LVI, No 3, 2001, pp 815-849. See also Campbell, JY and Mankiw, NG, Consumption, income and interest rates: Re-interpreting the time series evidence, in Blanchard, OJ and Fischer, S, NBER Macroeconomics Annual, MIT Press, Cambridge, MA, 1989. — <sup>2</sup> See Hall, R, Stochastic Implications of the Life Cycle-Permanent Income Hypothesis: Theory and Evidence, *Journal of Political Economy* 86, December 1978, pp 971-987. — <sup>3</sup> See Palumbo, M, Rudd, J

However, rising expected returns on assets have a positive impact on the marginal propensity to consume.

This estimation approach, which postulates a constant wealth elasticity and therefore bears only an indirect relationship to the long-run marginal propensity to consume, contrasts with a method of directly estimating a long-run marginal propensity to consume. It assumes that households base their current consumption on expected future consumption and thus smooth it out over time.<sup>2</sup>  $C_t$  then corresponds to  $E_t(C_{t+i})$  for all points in time  $i$ . Given constant future asset returns  $r$  and stationary expected growth of labour income, the following direct estimation approach applies:<sup>3</sup>

$$\frac{C_t}{Y_t} = \frac{r}{1+r} \frac{A_t}{Y_t} + k + \varepsilon_t$$

where  $k$  is a constant and  $\varepsilon_t$  mean zero deviation of future income growth from the average. An unexpected permanent change in assets  $\Delta A_t$  of one euro, consequently, leads to a permanent change in consumption  $\Delta C_t$  of  $r/(1+r)$  euro. However, this estimation approach is only unbiased if the ratio of current assets  $A_t$  to labour income  $Y_t$  does not predict future increases in labour income.

By decomposing wealth into its components, both the direct estimation approach and the indirect approach<sup>4</sup> can be used to estimate households' marginal propensity to consume out of their equity wealth. For Germany the relevant asset data – which are available for the 1991-2001 period based on the European System of Accounts (ESA 95) – provide some indications. It is estimated that for every euro of change in equity wealth, the marginal propensity to consume is estimated at between one and two cents. That would mean that a 40% reduction in household equity wealth would per se reduce consumption growth by around 0.2 to 0.4 percentage point.

and Whelan, K, On the Relationships between Real Consumption, Income and Wealth, Board of Governors of the Federal Reserve System, Finance and Economics Discussion Series, No 2002/38, 2002. — <sup>4</sup> To estimate the elasticity of consumption to changes in wealth, an error correction model was used in which levels and their first differences were estimated simultaneously. See Stock, JH, Asymptotic Properties of Least Squares Estimators of Cointegrating Vectors, *Econometrica*, Vol 55, 5, pp 1035-1056, 1987.

– hopefully only temporary – end to the hitherto feverish growth of the German venture capital market. Previously the stock market had been an important exit channel for venture capital investors. The plummeting of share prices made this option unattractive and thus also curtailed new investment opportunities. The unprecedented slide in share prices, particularly on the *Neuer Markt*, therefore also caused the net investment of venture capital companies to grind to a halt. Newly established companies are being funded barely at all by venture capital at the moment, and follow-up investment in young companies is being scaled back sharply. Even if the macroeconomic significance of the venture capital market is very small, the reluctance to invest is cause for concern that technological innovation and growth stimuli, which have major long-term benefits, are being postponed.

*International  
repercussions*

Finally, domestic economic growth can depend to a considerable degree on the state of equity markets in other major economies. For one thing, retail and institutional investors alike are increasingly holding foreign equities. For another, the repercussions of stock market movements on the economies of other countries are also relevant to Germany owing to firms' international capital and trading links.

### Monetary policy implications

*Goods and  
asset prices*

The Eurosystem's monetary policy is geared to ensuring stable consumer prices. The stability of asset prices – which also include share

prices – is not an autonomous objective of monetary policy. Thus rising share prices may not be inconsistent with stable consumer prices, if, for instance, they reflect correspondingly positive corporate growth prospects. However, rising share prices not justified by the fundamentals can, through the associated wealth effect, increase macroeconomic demand and thus cause consumer prices to rise. In the extreme, excessive swings in either direction could have an adverse effect on the stability of the financial system.

For these reasons, share prices play an important role as a monetary policy indicator, even though monetary policy is not geared to share price developments. A major factor in this context is the ability of share prices, in connection with other indicators, to provide important information on potentially undesirable developments. In this connection, the ongoing analysis of credit and monetary growth has proved to be helpful. Experience to date has shown that share price increases not justified by the fundamentals are associated with increased lending and thus with accelerated monetary growth. However, a rise in share prices which is accompanied by increased monetary growth does not necessarily indicate the formation of a "bubble", because fundamentally justified asset price increases, too, are likely to coincide with stronger monetary growth.

What this makes clear is that the appropriate course of action for a central bank cannot be inferred from share price movements per se. It is more important that central banks observe developments on equity markets closely

in the light of their impact on consumer price stability and combine them with an analysis of other indicators – especially monetary growth.





## The development of production potential in Germany

Overall production potential and the output gap derived from it are key variables of economic analysis. That applies just as much to an assessment of the cyclical situation as it does to the calculation of structural budget balances. Furthermore, the two variables make it easier to assess the medium-term prospects for growth and incomes and to identify inflationary tensions at an early stage. Estimates show that the increase in German production potential in the second half of the 1990s was slower than in earlier periods and in comparison with other industrial countries. During the past year, production potential is likely to have grown by no more than around 1½% and the negative output gap amounted to around 1½%. In the current year, the output gap is likely to go on widening.

The present situation in Germany is thus characterised not only by a marked slowdown in the economy but also by slow trend growth. Since this gives rise to serious problems, the present article also discusses economic policy approaches for enhancing the growth path. It becomes apparent that further economic reforms are needed – especially on the labour market – to create the conditions for renewed and sustained dynamic growth.

## The concept and significance of production potential

*Major analytical importance*

Production potential and the relative deviation of real gross domestic product (GDP) from that potential – known as the output gap – are key concepts in macroeconomic analysis. Ignoring seasonal and irregular effects, GDP may be broken down conceptually into production potential and a cyclical component.

With a given provision of natural resources, potential – in the sense of overall production potential – is determined by the available production factors of labour and capital, the state of technology as well as policies governing the organisation of the economy and growth. It thus indicates how many products in the form of goods and services can be produced in a given period if the production factors are deployed under prevailing conditions in line with the longer-term average. Production potential which displays sharp growth is therefore generally regarded as a characteristic feature of a vigorous and innovative economy, whereas low rates of potential output growth often point to structural problems. By contrast, the cyclical component, which is reflected in the output gap, provides information on the degree to which the potential supply is used. The output gap may therefore be employed as an aggregate tension indicator for the product market providing, along with other variables, information on demand-side inflationary pressure.

Owing to its construction, the output gap is, moreover, an important starting point for as-

sessing cyclical effects on the government budget balance. Thus, this variable – interacting with the responsiveness of the labour market and the specific design of the government system of taxes, levies and transfers – determines the level at which the cyclically induced part of the budget balance is to be estimated and how important the automatic stabilisers are.<sup>1</sup> Neither potential nor the output gap can be observed directly, however. They have to be estimated. The calculations may rely either on methods which are purely statistical or on ones based more on economic considerations.

### Many different estimation methods

Given its great importance, production potential has to be estimated as precisely as possible. There exists an almost untold number of methods and variants available for this purpose.<sup>2</sup> For the sake of simplicity, a distinction can be made between approaches that are more statistical or more theory-based. By surveying enterprises, it is also possible to obtain direct information on the utilisation of their plant capacity, but this cannot generally substitute for an estimate of the overall output gap. In Germany, such surveys exist only for industry and construction. These two sectors,

*Alternative estimation methods*

<sup>1</sup> See Deutsche Bundesbank, Problems associated with calculating "structural" budget deficits, *Monthly Report*, April 1997, pp 31-45, and Deutsche Bundesbank, Cyclical adjustment of the public sector financial balance in Germany – a disaggregated approach, *Monthly Report*, April 2000, pp 31-45.

<sup>2</sup> An overview is provided by the European Central Bank, for example. See Potential output growth and output gaps; concept, uses and estimates, *ECB Monthly Bulletin*, October 2000, pp 37-47, and C Schumacher, *Alternative Schätzansätze für das Produktionspotential im Euroraum*, Baden-Baden (2002).

which together account for just under one-quarter of total value added, display very wide cyclical fluctuations, however, which are by no means typical of the economy as a whole.

The statistical methods attempt to estimate the underlying trend of overall output from the time series. A simple log-linear trend is occasionally used, for example. As a constant trend growth over long periods is often not very plausible in economic terms, segmented trends with (specified) structural breaks are also employed. Alternatively, the trend may be construed as a purely stochastic variable. In this way, say, the cyclical component may be determined by using a Beveridge-Nelson decomposition.<sup>3</sup>

Besides the trend functions, statistical filters also come into consideration. The often-used Hodrick and Prescott method,<sup>4</sup> for example, makes two requirements of a separation of trend and cycle. First, the profile of the trend values should be as smooth as possible. Second, the actual values should deviate from the trend as little as possible. Since both criteria are in competition, the relative weighting of the smoothness and adjustment properties is set in advance. The higher the weighting of the smoothness criterion is set, the more strongly the trend values are smoothed. There is an intense debate on the appropriate selection of this parameter.<sup>5</sup> Essentially, this concerns the question of how long a typical business cycle is. For example, in the case of annual data, a smoothing parameter having the value of around eight corresponds to a reference cycle duration

of seven to eight years. The frequently used value of 100 corresponds to a reference cycle of 16 years.

The length of the reference cycle is also crucial for the band-pass filter as applied by Baxter and King.<sup>6</sup> The band-pass filter defines which fluctuations in the time series are to be assessed as cyclical and which as an irregular component or trend. For annual data, for example, it is customary to use a (2.8) filter, ie fluctuations which last for a minimum of two years and a maximum of eight years are regarded as cyclical.

The practical advantages of filter methods lie in the fact that they are straightforward in terms of their technical application and that they may be applied in the same way to different time series and are thus also suited to describing stylised facts. Moreover, they are highly transparent and easy to comprehend. Nevertheless, they also have major drawbacks: they are not explicitly anchored in economic theory, for example. Furthermore, at

<sup>3</sup> The cyclical component matches the predictable changes in the time series; the trend is produced by a series of unpredicted shocks. The frequently used univariate decomposition often results in implausibly variable trend profiles and is not examined in further detail below. On the procedure, see S Beveridge and C R Nelson (1981), A New Approach to Decomposition of Economic Time Series into Permanent and Transitory Components with Particular Attention to Measurement of the "Business Cycle", *Journal of Monetary Economics* 7, pp 151-174.

<sup>4</sup> See R J Hodrick and E C Prescott (1997), Postwar U.S. Business Cycles: An Empirical Investigation. *Journal of Money, Credit, and Banking* 29, pp 1-16.

<sup>5</sup> See M Mohr (2001), *Ein disaggregierter Ansatz zur Berechnung konjunkturbereinigter Budgetsalden für Deutschland: Methoden und Ergebnisse*, Discussion paper, Economic Research Centre of the Deutsche Bundesbank 13/01.

<sup>6</sup> See M Baxter and R King (1999), Measuring Business Cycles: Approximate Band-Pass Filters for Economic Time Series, *Review of Economic and Statistics* 81, pp 575-593.

least the filter methods are predicated on the cyclical phenomenon being describable in terms of a symmetrical, comparatively regular fluctuation around a trend. Diagnosis of cases of very long-lasting overutilisation or underutilisation is ruled out owing to their construction. Finally, applying such methods harbours the risk of creating only spurious cycles, which play no more than a minor role in the unadjusted series.

*Economic approaches*

In the more theory-derived methods, the production potential is based explicitly on its economic determinants. Such methods include, say, the approaches oriented to the capital stock used by the German Council of Economic Experts and the German Institute for Economic Research. These methods are based on the simplified concept of an aggregate production function with a limiting production factor. Estimates based on aggregate production functions with more than one factor are also usual. This is the way in which the European Commission makes its estimates for the countries of the EU.<sup>7</sup> For a long time, the Bundesbank also based its estimates of German production potential on a – somewhat more flexible – production function.<sup>8</sup> The relevant vector-autoregressive models may also be counted among the structural approaches. In these models, shocks which drive the business cycle are identified by long-term restrictions. Such calculations have their theoretical basis in models of aggregate supply and demand.

*Assessment of theory-based methods*

The advantage of such theory-based methods is that they allow more detailed information to be gained concerning the factors under-

lying potential growth. They thus yield more in terms of both analysis and economic policy. By decomposing the components, the causes of decelerations or accelerations in growth can be identified and defined more closely. Nevertheless, the distinction between statistical and theory-based approaches is, in practice, less strict than it may first appear. Filters and trend adjustments are also needed in structural approaches, for instance. That applies, say, to the approximation of technical progress, which is not directly observable, and to the rate of structural unemployment. In the single factor approach as well, potential capital productivity is determined using a trend adjustment.

### Estimation results

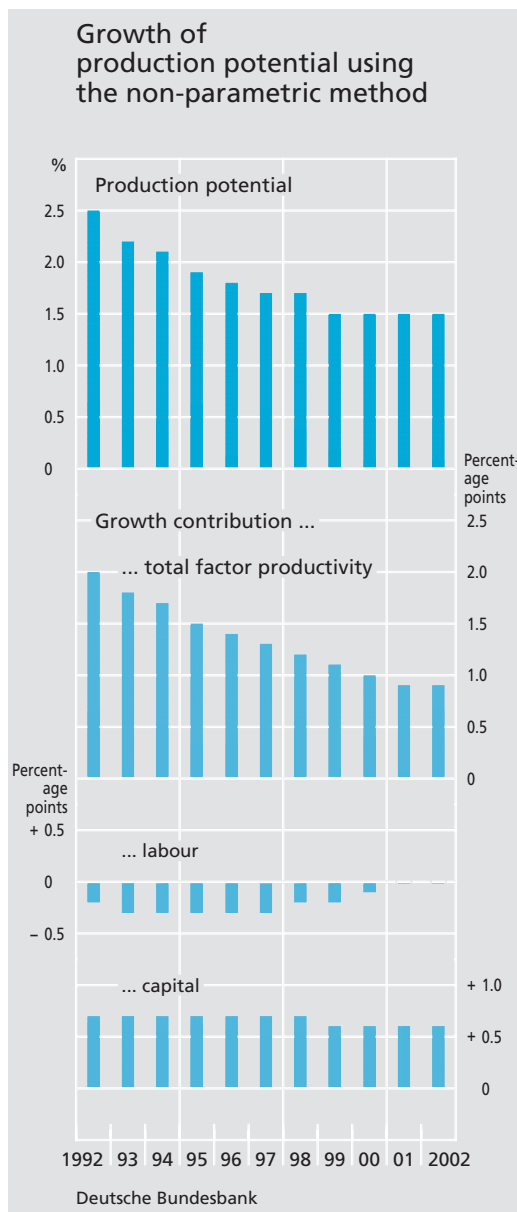
As mentioned above, the Bundesbank used to base its estimation of potential on an aggregate production function,<sup>9</sup> in which overall output depends on the input factors of labour and capital and on technology. Production potential was calculated by estimating the function parameters and by inserting potential values for the input factors. Following German reunification, however, the im-

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<sup>7</sup> The Commission applies a Cobb-Douglas function based on the assumption of a substitution elasticity of one between the production factors of labour and capital. See C Denis, K McMorrow and W Roeger (2002), Production function approach to calculating potential growth and output gaps – estimates for the EU member states and the US. European Commission, Economic Paper No 176, [http://europa.eu.int/comm/economy\\_finance](http://europa.eu.int/comm/economy_finance)

<sup>8</sup> A CES production function was used. In this type of function, the substitution elasticity is not *a priori* set at one.

<sup>9</sup> See Deutsche Bundesbank, Recalculation of the production potential of the Federal Republic of Germany, *Monthly Report*, October 1981, pp 30-36 and Production potential in Germany and its determinants, *Monthly Report*, August 1995, pp 39-53.



plementation of this concept produced considerable practical problems. Attempts to estimate a CES-type production function in a self-contained approach showed implausible parameter values, for example. Furthermore, the function proved to be structurally inconstant. It is true that an attempt can be made to eliminate these estimation problems<sup>10</sup> by determining the coefficients using multi-stage approaches or on the basis of linear ap-

proximations. For the purposes of calculating the potential, this procedure proves to be not very robust, however.

Below, therefore, potential will be determined using a non-parametric approach which combines economic concepts and statistical methods. Using a growth decomposition, the rate of change in GDP ( $\Delta \ln(Y)$ ) is distributed among the contributions made by the input factors of labour (L) and capital (K) and the change in total factor productivity ( $\Delta \ln(A)$ ). The symbol  $\alpha$  denotes the income share of the factor labour.<sup>11</sup>

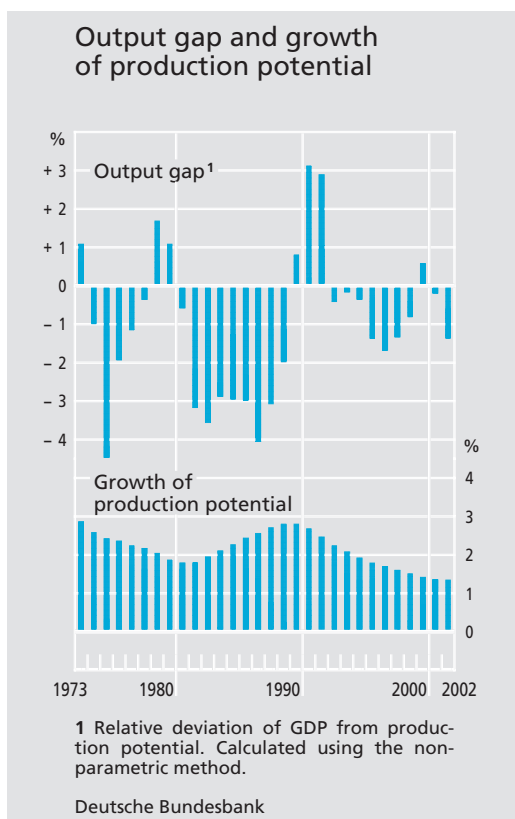
*Non-parametric approach*

$$\Delta \ln Y_t = \Delta \ln A_t + \alpha_t \Delta \ln L_t + (1 - \alpha_t) \Delta \ln K_t$$

When calculating the potential growth rate, potential values are inserted for the production factors and total factor productivity. These are produced by means of a statistical procedure employing a Hodrick-Prescott filter with a smoothing factor of 100. Furthermore, the income share of the production factors is not a *priori* constant. This allows the calcula-

<sup>10</sup> See M A Dimitz (2001), Output gaps and technological progress in European Monetary Union, Bank of Finland Discussion Papers, No 20 and W Bolt and P J A van Els (2000), Output Gap and Inflation in the EU, DNB Staff reports No 44, Amsterdam.

<sup>11</sup> See K-H Tödter and L von Thadden (2001), *Ein nicht-parametrischer Ansatz zur Schätzung des Produktionspotentials*, mimeo. Frankfurt am Main, and K Kamada and K Masuda (2001), Effects of Measurement Error on the Output Gap in Japan, Monetary and Economic Studies, pp 109-154. In the cyclical adjustment of general government fiscal balances, a purely statistical trend adjustment procedure is used as part of a "disaggregated approach". See Deutsche Bundesbank, Cyclical adjustment of the public sector financial balance in Germany – a disaggregated approach, *Monthly Report*, April 2000, *op cit* and C Bouthevillain *et al*, Cyclically adjusted budget balances, An alternative approach, ECB Working Paper, September 2001.



tion to be based on a broad class of production functions.

#### Data problems

Nevertheless, a number of problems arise with regard to the data. At present, for example, data on fixed assets for the period before 1991 calculated in accordance with the new standard – ie based on ESA 95 – do not exist. The same applies to the number of hours worked. In both cases, therefore, the rates of change according to the old calculation standard were used as a stopgap. The break in the statistics resulting from German reunification may be eliminated by chaining the time series. This is based on the assumption that, at the time of unification, GDP in eastern Germany roughly matched potential. In the light of more detailed studies, too, this would appear to be plausible.<sup>12</sup> On grounds

of data availability and comparability, the following comments relate to the national economy as a whole. Owing to the end point problem when using filter methods, a consensus forecast is used below.

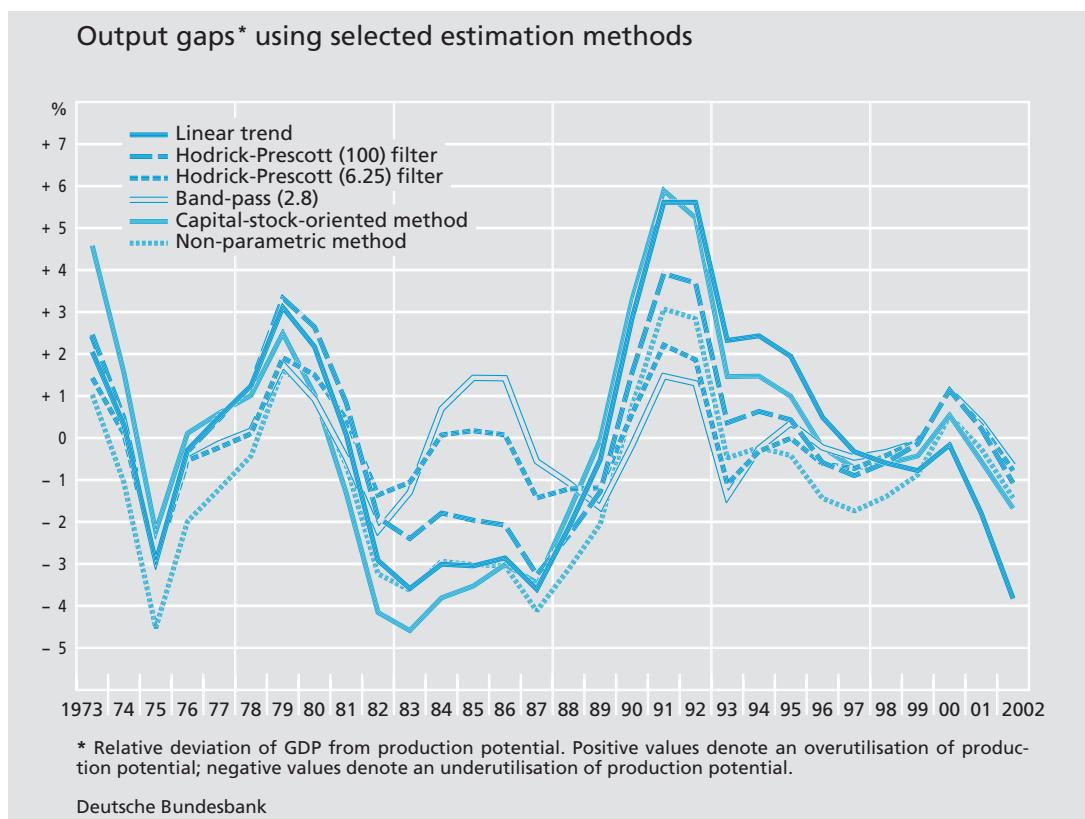
The results of the non-parametric method are shown in the adjacent chart. For 2002, growth in production potential is thus around 1½% and the output gap is roughly -1½%. A comparison over time reveals that the growth rate of production potential may be rated as decidedly low. Overall capacity utilisation is also low, although its figure last year was still above the level typical of periods of recession. This means that, at present, a period of cyclical slowdown is coinciding with only moderate trend growth. Seen in this light, the German economy is suffering from a chronic weakness of growth and sluggish demand.

#### Comparison with other methods

The scientific literature has proposed a number of criteria for assessing output gaps.<sup>13</sup> These criteria may be adopted for the purpose of comparing the results of the non-parametric method with the values produced by other approaches. According to those criteria, the estimates of the implied output gap

<sup>12</sup> See T Westermann (1995), *Das Produktionspotential in Ostdeutschland*, Economic Research Centre of the Deutsche Bundesbank, Discussion paper 4/1995, Frankfurt a.M.

<sup>13</sup> See, for example, G Gamba-Mendez and D Rodriguez-Palenzuela (2001), *Assessment Criteria for Output Gap Estimates*, ECB Working Paper No 54, Frankfurt am Main, and G Rünstler (2002), *The Information Content of Real-Time Output Gap Estimates: An Application to the Euro-Area*, ECB Working Paper No 182, Frankfurt am Main.



should not be in stark contradiction with the available findings of surveys on enterprises' capacity utilisation. Although such surveys, as explained above, are not, by themselves, an appropriate criterion for determining the overall output gap, they do constitute the only information which is ascertained directly and not just estimated. For that reason, it is an obvious matter to check whether the cyclical turning points implied by the estimation methods match those of the surveys. The chart on this page does show, in fact, that the cyclical turning points of all the methods under consideration here bear quite similar dates.

tial should, on average, be smaller than those in GDP, for instance. Furthermore, the implied output gaps, when viewed over the long term, should not deviate significantly from zero. Above and beyond that, the output gap should not display any trend since a business cycle, by definition, can only have a limited duration. Calculations using selected procedures show that the cited criteria are mostly fulfilled. There are exceptions, however. The fluctuation intensity of survey-based potential is just as high as that of GDP itself, for example. This is not the case for the other methods used.

*Time series properties*

Statistical properties of the time series are also important for assessing the estimates. The fluctuation intensity of changes in poten-

The output gap is also regarded as an indicator of inflationary tensions. What information content its estimated value has for future price developments may be examined using

*Indicator property for price pressure*

the triangle model,<sup>14</sup> which explains overall price developments as follows:

$$\pi_t = \beta_0 + \beta_1\pi_{t-1} + \beta_2(y_{t-1} - y_{t-1}^*) + \beta_3z_t + e_t$$

In this,  $\pi$  stands for the inflation rate,  $(y-y^*)$  for the output gap and  $z$  is a measure of supply shocks (in this instance, the rate of change in the HWWA Raw Materials Price Index in national currency). The parameters  $\beta_0$ ,  $\beta_1$ ,  $\beta_2$  and  $\beta_3$  denote the coefficients to be estimated. Studies show that most of the output gaps display a significant unidirectional influence on the inflation rate. However, this does not apply to those methods which assume a very flexible trend profile.

The usual methods of calculating the output gap are, in themselves, quite useful indicators of inflationary pressure. Nevertheless, by way of qualification, it has to be pointed out that the output gap is no more than one explanatory factor among several for general inflation. Surges in costs (wage-price spirals) or liquidity overhangs are often also an important factor. Moreover, the calculation above gives the results of an in-sample forecast. The out-of-sample forecasting properties of such equations are generally less satisfactory.

*Sensitivity of  
the estimates*

For a cyclical analysis and any monetary or fiscal policy conclusions that may be drawn from it, it is important to know the unavoidable margin of error when calculating potential and the output gap and to keep it as small as possible. One indication of the stability of the underlying relationships is if newly added values do not essentially change the estimate of potential for the past.<sup>15</sup>

In order to test the sensitivity or robustness of the methods used here with regard to additional data, the procedures investigated were applied step by step to the 1990s. Revisions of the original data were ignored<sup>16</sup> and forecasts were left aside when using the filter methods. The results show that the estimated values change – in some instances, significantly – with all the methods if additional values are incorporated into the estimate. The calculations for the end of the series are therefore invariably to be interpreted with caution. There are no apparent qualitative differences between the various methods, however.

All things considered, there exists a notable margin of uncertainty concerning the current size of the output gap. Which of the various estimation approaches is to be preferred is not the only factor. A certain margin of error remains, in fact, even if the dataset and the estimation method are not at issue.<sup>17</sup> This does limit the value of potential calculations but, even so, the calculations of potential provide significant points of reference for

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<sup>14</sup> See R J Gordon (1997), The Time Varying NAIRU and its Implications for Economic Policy, *Journal of Economic Perspectives* 11, pp 11-32. It would also be possible to use the P-star model.

<sup>15</sup> See A Orphanides (2002), Monetary Policy Rules and the Great Inflation. *American Economic Review* 92, pp 115-120. See also L Ball and R R Tchaidze (2002), The FED and the New Economy, *American Economic Review* 92, pp 108-114.

<sup>16</sup> In the terminology of Orphanides and van Norden, these are thus “quasi-real-time” data. In order to form a final judgement, an analysis of a complete “real time” dataset on the Orphanides and van Norden model would also be needed for Germany. See A Orphanides and S van Norden (2002), The Unreliability of Output Gap Estimates in Real Time, *The Review of Economics and Statistics* 84, pp 569-583.

<sup>17</sup> See European Central Bank, Potential output growth and output gaps ..., *op cit*, p 47 ff.



macroeconomic analysis and thoughts on economic policy.

### Implications of decelerating potential growth

*Importance of potential growth ...*

Irrespective of the specific estimation method applied, most of the calculations for Germany show a noticeable slowdown in potential growth since the mid-1990s. A continuation of this trend would have far-reaching implications.

*... for assessing the economy, ...*

Low trend growth will not lead *per se* to the German economy becoming more susceptible to fluctuations – in other words, the size of the trend deviations will not necessarily increase. Instead of the growth cycle typical of the post-war period, however, periods of (absolute) decline in the overall output level would occur more frequently than before. This might intensify pressure on monetary and fiscal policymakers to take discretionary measures even in the event of only minor deviations from the trend as a fall in level has often been a sign of severe economic crisis.

*... the labour market ...*

Persistently low potential growth would also have serious consequences for the labour market. The connection between the labour and product markets may be illustrated by a relationship which has entered the literature as Okun's Law. This states that an increase in employment (or a decrease in unemployment) takes place only when there is perceptible growth in overall output. The long-term potential increase in employment depends on the "employment threshold".<sup>18</sup> This value de-

notes the growth rate of overall output at which, with a given supply of labour, employment starts to increase (or unemployment starts to decrease). If the production potential growth rate cannot be increased, the employment threshold has to fall if unemployment is to be reduced. Real wage moderation can play a substantial part in this.

Low potential growth also restricts the scope for distribution in wage policy. Further weakening of potential growth may lead to an increase in the structural unemployment rate if the smaller scope for distribution is not taken fully into account in the wage formation process. A study for the United States<sup>19</sup> attributes the extremely positive development on the US labour market in the 1990s to a phenomenon of this kind in reverse. The rapid productivity growth in the United States was reflected only very slowly in the wage formation process, although the increased issuance of share options to employees admittedly also played a part in this. This resulted in a period of real wage moderation which reduced trend unemployment. As empirical corroboration for this hypothesis, reference is made to the fact that the trend in the unemployment rate and the trend rise in labour productivity in the USA moved in opposing directions, ie unemployment tended to fall in periods of high productivity growth and *vice versa*.<sup>20</sup>

*... and wage formation*

<sup>18</sup> See Deutsche Bundesbank, Productivity developments in Germany, *Monthly Report*, September 2002, pp 47-61.

<sup>19</sup> L Ball and R Moffitt (2001), Productivity Growth and the Phillips Curve, NBER Working Paper No 8421, Cambridge MA.

<sup>20</sup> See J Stock and M Watson (2001), Prices, Wages and the U.S. NAIRU in the 1990s, <http://ksghome.harvard.edu/~JStock.Academic.Ksg/pdf/sage2.pdf>.

*Production  
potential and  
fiscal policy*

Potential growth is also of major importance for fiscal policy since it represents the scope for growth in spending if the tax and social security ratio or the deficit ratio are to remain unchanged. Furthermore, potential growth has a substantial impact on the long-term relationship between the deficit and debt ratios. In the long run, the debt ratio (ratio of government debt to GDP) converges to a value measured by the relationship between the deficit ratio and the nominal rate of growth. Thus, a constant 60% debt ratio (the ceiling as envisaged in the Maastricht Treaty), given, say, a nominal 5% growth rate, would be compatible with a 3% deficit ratio. Given real potential growth at 1.5%, keeping the general inflation rate below 2% (in line with the stated objective of the ECB) yields an average nominal growth rate of, at most, 3% to 3.5%. The mathematical deficit ratio for a debt-to-GDP ratio of 60% that is stable in the long term would have to set lower accordingly. What also has to be taken into account is that the Stability and Growth Pact contains a more far-reaching commitment to achieving a budget which is structurally "close to balance or in surplus" so as to lower the debt ratio on a permanent basis.

### **Economic policy approaches to strengthening potential growth**

*Weak growth  
not predomi-  
nantly cyclical in  
origin*

Irrespective of the method of calculation, what has been written above leads to the conclusion that the rate of increase in production potential in Germany is, at present, slow in comparison with western Germany before reunification and other industrial countries,

especially the United States (see chart on page 51). The ECB estimates potential growth for the euro area to be between 2% and 2½%. Although potential growth in western Germany in the early 1980s was not much higher than now either, it later accelerated again markedly.

Now, Germany has been in a period of quasi-stagnation for more than two and a half years and future prospects are quite subdued. At the same time, countries showing a cyclical profile similar to that of Germany in the 1990s have been able to achieve higher economic growth and a significant reduction in unemployment. This points to a structural growth weakness in Germany. In this connection, the slump in investment over the past couple of years has to be a cause for increasing concern, particularly as fixed asset formation was by no means broadly based or buoyant anyway. Capital expenditure on replacement and renovation now accounts for three-quarters of total gross asset formation and the net investment ratio is currently at no more than 3½% of GDP. Apart from replacement and renovation, only investment in rationalisation continues to play a significant role. Given an increase in the capital stock (excluding dwellings) of less than 2% annually, this means that there is virtually no scope left for creating additional jobs.

The problems besetting a unified Germany have undoubtedly also played a considerable part in the growth slowdown of the German economy. Unity did offer numerous advantages as well as fresh possibilities, but the indiscriminate adoption of many west German

*Coping with  
a unified  
Germany  
curbing  
growth ...*

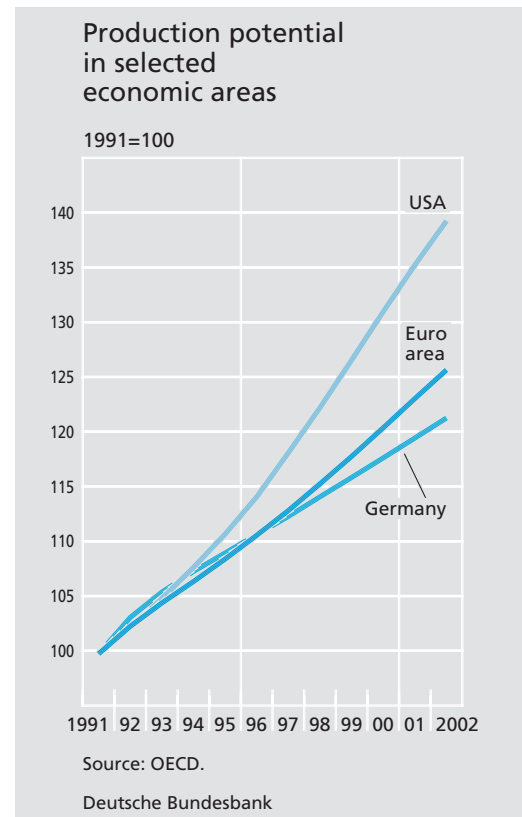
regulations and of a pay policy that placed an excessive strain on east German firms' productivity meant that a lot of opportunities were not used. As a result, the restructuring process and the adjustment crisis in construction in eastern Germany as well as the high level of west-east transfers are weighing on growth in the German economy as a whole.

*...but economic policy is the crucial factor*

A large number of empirical studies – such as that by the German Council of Economic Experts<sup>21</sup> – show that the medium-term growth differentials between economies are due to differences, first, in the factors which promote growth (fixed asset formation in the corporate sector, formation of human capital, research and development, price stability, degree of openness of the economy and public sector investment) and, second, in factors impeding growth (direct and indirect taxation, government debt, social security contributions, rigidities on the factor and product markets). This widely held view is shared, for example, by the authors of a working paper published by the OECD.<sup>22</sup> This paper uses a cross-section study to show that privatisation and liberalisation on product and labour markets tend to enhance the growth of total factor productivity – the most important element influencing overall potential growth.

*Significance of labour market rigidities*

From an economic point of view, high unemployment represents a major unused production potential. The inadequate deployment of the production factor labour may be traced back, not least, to rigidities on the labour market, which result in a high level of structural unemployment. Conditions on the labour market are the key to understanding



the weakness of growth. Thus, the factor labour has made only a minor contribution to economic growth in Germany over the past few years in comparison with other European countries and, in particular, the United States. According to IMF calculations, the low degree of wage moderation exercised for a long time in Germany was a contributory factor in this.<sup>23</sup> In contrast to other countries, substantial wage substitutes, including generous regulations on early retirement, have led over time to a high reservation wage. There has also been insufficient differentiation in pay.

<sup>21</sup> See German Council of Economic Experts (2002), Annual Report 2002/03, "Twenty proposals for employment and growth", Wiesbaden.

<sup>22</sup> See G Nicoletti and S Scarpetta (2003), Regulation, Productivity and Growth: OECD Evidence, OECD Working Paper No 347, Paris.

<sup>23</sup> See IMF (2002), Germany: Selected Issues, Washington D.C.

Moreover, the effective marginal burden of the factor labour has increased. It is essential to correct such undesirable developments and make the labour markets significantly more flexible if the pace of growth is to accelerate.

*Strengths of  
the German  
economy*

Weak growth can be overcome with resolute reforms, especially as the German economy still has its strengths. Its products continue to be very competitive in terms of price and quality, for example. German exports' world

market share is clear evidence of this.<sup>24</sup> Also, Germany is a country with a generally good infrastructure. Analyses of technological efficiency and innovative capacity show that the German economy – notwithstanding all its specific problems – still has comparative advantages. This means that essential underlying conditions for faster growth continue to be in place.

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<sup>24</sup> See Deutsche Bundesbank, Germany's world market shares, *Monthly Report*, November 2002, p 40.

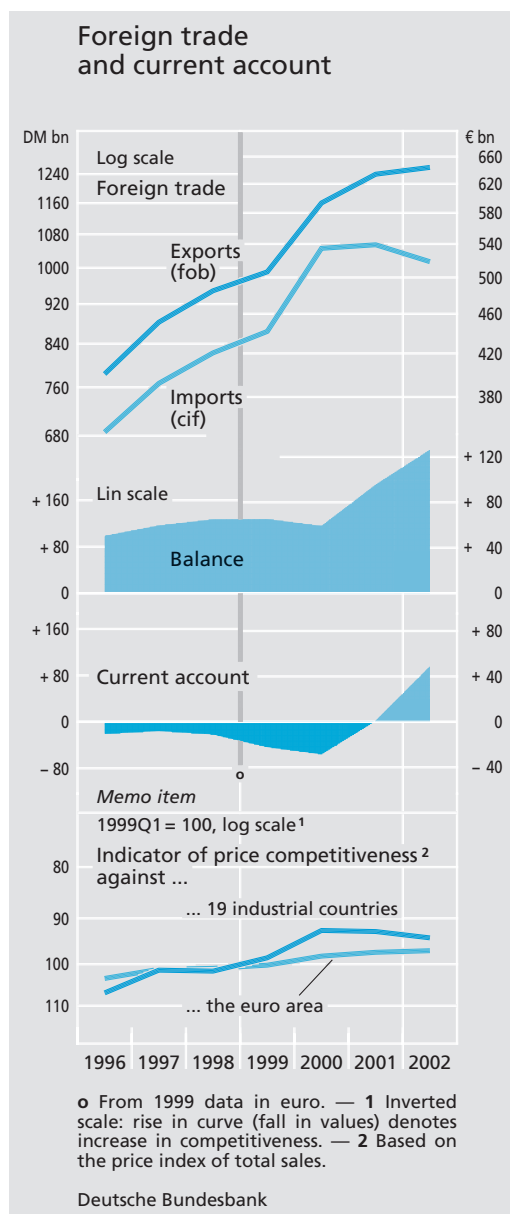
## German balance of payments in 2002

Economic and political uncertainty also left their mark on Germany's transactions with non-residents in 2002. After all, the tensions associated with the Iraq conflict, the falling prices on the stock markets and the shifts in exchange rate patterns did not provide an environment that encouraged a lasting recovery in the world economy. Despite these difficult underlying conditions, German exporters were fairly successful in maintaining their position on their foreign markets, which were growing more slowly. At the same time, weakness in domestic demand resulted in a discernible decline in the imports of goods. These factors, together with a substantial improvement in the terms of trade, enabled the trade surplus to expand to a "record" €126 billion. Consequently, the surplus on current account also rose sharply to 2.3% of gross domestic product. In the case of financial transactions the uncertainty on the part of internationally operating investors was reflected in a discernible reluctance to make cross-border investment and a preference for "safe" assets. This ultimately resulted in net capital inflows into Germany through both portfolio investment and direct investment and, at the same time, to substantial outflows of capital in the field of non-securitised credit transactions.

## Current account

### Exports

German exporting enterprises did not operate in an easy business environment last year. They had to contend, for example, with the detrimental effects posed by uncertainty about future developments in the world economy and demand on major export markets. It is true that world economic growth accelerated to an estimated 3% in 2002 (from 2¼% a year earlier); however, German export markets grew much more slowly. Another factor was the appreciation of the euro and the associated concerns about what effects the deterioration in price competitiveness would have on German export turnover. All of these factors were reflected in a downturn in orders received from abroad, especially in the second half of 2002. It was under these circumstances that the real expansion in the exports of German enterprises amounted to only 1½% (compared with almost 6% in 2001). Despite that, sales of German products on the more sluggishly growing export markets fared rather well. German exporters probably maintained their world market share for the most part. The appreciation of the euro has not had a very noticeable impact on the export of goods so far because, in the first place, about 43% of German exports go to other euro-area countries and because there has been virtually no change in Germany's competitive position with respect to these countries. Generally speaking, the loss in German price competitiveness on an average of 2002 therefore amounted to only 1.5% while the effective appreciation of the euro amounted to 3%. In the second place, German enterprises are still benefiting from



the improved market conditions during the first few years of monetary union, with the result that Germany's relative competitive position was still fairly favourable even at the end of 2002. Furthermore, experience has shown that exchange rate movements take some time to influence trade flows.

Last year German exporters received their strongest stimuli from countries outside the

*Regional  
breakdown  
of exports*

euro area. In those countries whose general economic output grew more rapidly than that of the euro-area countries German exporters recorded a 2½% increase in turnover although this increase varied considerably from one country to another. At 7½%, growth in turnover in central and eastern Europe was particularly strong. Since trading with these countries has been growing continually more intense for some years, they now account for 11½% of total German exports. There was also a particular momentum in the trade with China (+19½%), which last year was one of the fastest growing countries in the world. German exporters also achieved significant increases in turnover (+6½%) in their trade with the OPEC countries, which continued to benefit from substantial income from oil. By contrast, trade with the United States declined discernibly. Turnover fell by almost 2% in 2002 whereas a year earlier there had been an increase of almost 10%. Exports of German products to the United States, whose share of German foreign trade amounts to approximately 10½%, have probably been curbed most by the falling demand for capital goods in the United States and possibly also by the appreciation of the euro against the US dollar. Much the same is presumably true of Japan although Japan has much less impact on the development of German foreign trade. Exports to Japan actually fell by more than 7% on an annual average of 2002. Owing to the persistent weakness in economic growth in Japan, however, exports to Japan had been declining in the previous year, too. The virtual absence of economic recovery in the euro area was probably the main reason for German producers' modest growth in

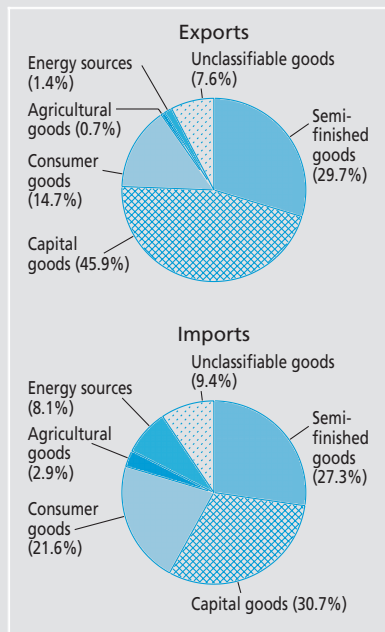
**Regional trend in foreign trade**

2002		
Country/group of countries	Percentage share	Percentage change in absolute value from previous year
<b>Exports</b>		
All countries	100.0	1.6
<i>of which</i>		
Euro-area countries	42.6	0.3
Other EU countries	12.1	3.1
United States	10.3	- 1.8
Central and east European countries in transition	11.6	7.5
Japan	1.9	- 7.1
Emerging markets in South-East Asia	3.9	1.1
China	2.2	19.6
OPEC countries	2.2	6.7
<b>Imports</b>		
All countries	100.0	- 3.8
<i>of which</i>		
Euro-area countries	41.6	- 2.0
Other EU countries	9.9	- 6.5
United States	7.7	- 13.0
Central and east European countries in transition	13.5	2.5
Japan	3.6	- 16.9
Emerging markets in South-East Asia	5.1	- 6.9
China	4.0	5.6
OPEC countries	1.3	- 15.3

Deutsche Bundesbank

### Foreign trade by selected categories of goods

2002



Deutsche Bundesbank

sales there. Exports to the other euro-area countries grew by less than ½%, thereby putting a discernible brake on external stimuli, given these countries' enormous importance for German exporters.

Almost all economic sectors in Germany were affected by the generally moderate foreign demand.<sup>1</sup> Given the sharp decline in investment in machinery and equipment in many countries, exports of capital goods, which, with a share of 46%, are an extremely important part of German exports, fared comparatively well (-½%). The car industry, whose export turnover in 2002 – as in the previous year – increased significantly (5%), was a major driving force here; this also enabled suppliers to increase prices. By contrast, manufacturers of ICT goods recorded a reduc-

tion in their export business (-4 ½% in nominal terms). However, lower prices, particularly in the case of IT products where prices were reduced by more than 4%, depressed the value of exports. The year-on-year fall in export turnover in the chemical industry was even sharper, at 7%, although here, too, a reduction in export prices (-1.2%) played a role.

The divergence in export price trends in the individual economic sectors shows that enterprises responded in different ways to the specific competitive conditions in their respective export markets and to changes in their own cost structures. However, to some extent pricing might have been influenced by particular regional trading relationships and the choice of invoicing currency. While approximately 75% of all German exports are invoiced in euro and 16% in US dollars, in trade with countries outside the euro area only 54% of exports are invoiced in euro and almost 29% in US dollars. To maintain market shares, especially in the dollar area, German exporters may have reduced some of the euro selling prices. Overall, however, there was hardly any change in export prices in 2002 (-0.1%).

In the year under review imports of goods were just under 4% below those in the previous year. In 2001 they had risen by approximately 1%. To a large extent, however, the reduction in the value of imports is a reflection of price effects; import prices fell by

*Export prices*

*Imports*

*Breakdown of exported goods*

<sup>1</sup> The analysis of developments in foreign trade by sector has become more difficult because for 2002 a significant percentage of foreign trade has not yet been broken down by category of goods. This has seriously impaired the informative value of a year-on-year comparison.



2.5%. Both the appreciation of the euro and, despite the increase in oil prices towards the end of the year, the more favourable prices of energy imports curbed prices on the import side. Even so, imports declined in real terms, too, owing to the depressed demand in Germany; they were down by 1½%.

*Regional  
breakdown  
of imports*

The declining demand for imported goods affected almost all supplier countries. For example, the imports of goods from the United States fell by 13% year on year. Much of this fall is probably the reflection of price effects stemming from exchange rate movements. At approximately 17%, the decline in the case of Japan was even greater in terms of the average rate of change over the year – and this despite the fact that Japanese exporters had already sustained huge falls in sales on the German market in the previous year (-14½%). Much the same can be said of suppliers in the emerging economies in South-East Asia, who experienced a 7% fall in sales in Germany. Imports of goods from the OPEC countries fell by 15½% in 2002; this was due not only to the decline in the import prices of crude oil but, evidently, also to a decline in the imported volume. At all events, Germany's imports of energy sources in 2002 were substantially below the level in the previous year (-11½%). Given the fact that German imports of goods from other euro-area countries are largely unaffected by exchange rate factors, the year-on-year fall of 2% in value is essentially a reflection of the lower domestic demand for imported goods. Trade with the transition countries in central and eastern Europe constituted one important exception to the generally negative devel-

opment in imports even if suppliers from these countries were no longer able to achieve the former high growth rates in Germany either. After all, the sales of these countries in Germany in 2002 rose by 2½%. Owing to the close production ties, the central and east European countries further expanded their position in German foreign trade both on the import and on the export side.

The lower level of output in Germany is also reflected in the breakdown of imports by category of goods.<sup>2</sup> For example, the value of imports of semi-finished goods in 2002 was 14% lower than in 2001. The demand for foreign capital goods was likewise down on the previous year in terms of value (-8%); this reflects a corresponding downturn in investment in machinery and equipment in Germany and affected foreign manufacturers in the IT sector (-12½%) and foreign manufacturers of mechanical engineering products (-10%), in particular. Only the imports of consumer goods slightly exceeded the previous year's level (by ½%).

*Breakdown of  
imported goods*

As a result of the divergent movements in exports and imports, the trade balance again rose sharply in 2002 and closed at a record €126 billion; this means that it was €30½ billion more than in the previous year. Furthermore, the current account benefited from a smaller deficit on invisible current transactions with non-residents. When taken together, all of these developments expanded the surplus on current account to €49 billion whereas the

*Balances within  
the balance of  
trade and in  
current account*

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<sup>2</sup> See footnote 1.

## Major items of the balance of payments

€ billion			
Item	2000	2001	2002
<b>I Current account</b>			
<b>1 Foreign trade</b>			
Exports (fob)	597.4	638.3	648.3
Imports (cif)	538.3	542.8	522.1
Balance	+ 59.1	+ 95.5	+ 126.2
<b>2 Services (balance)</b>	- 49.9	- 51.2	- 38.3
of which			
Foreign travel (balance)	- 37.4	- 37.4	- 36.0
<b>3 Factor income (balance)</b>	- 2.4	- 10.4	- 6.7
of which			
Investment income (balance)	- 1.9	- 10.2	- 6.3
<b>4 Current transfers (balance)</b>	- 28.4	- 27.4	- 26.6
Balance on current account <sup>1</sup>	- 28.5	+ 1.0	+ 48.9
<b>II Balance of capital transfers <sup>2</sup></b>	+ 6.8	- 0.4	- 0.2
<b>III Financial account <sup>3</sup></b>			
Direct investment	+ 158.7	- 9.1	+ 14.3
Portfolio investment	- 155.8	+ 26.6	+ 37.0
Financial derivatives	- 5.5	+ 6.3	- 0.5
Credit transactions <sup>4</sup>	+ 39.4	- 42.0	- 129.5
Balance on financial account	+ 36.9	- 18.2	- 78.7
<b>IV Change in the foreign reserves at transaction values (increase: -) <sup>5</sup></b>	+ 5.8	+ 6.0	+ 2.1
<b>V Balance of unclassifiable transactions</b>	- 21.0	+ 11.6	+ 28.0

<sup>1</sup> Includes supplementary trade items. — <sup>2</sup> Including the acquisition/disposal of non-produced non-financial assets. — <sup>3</sup> Net capital exports: -. For details see the table "Financial transactions" on page 64. — <sup>4</sup> Including Bundesbank investment and other public and private investment. — <sup>5</sup> Excluding allocation of SDRs and changes due to value adjustments.

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current account balance in 2001 had been almost in balance (+€1 billion). In terms of gross domestic product the current account surplus therefore amounted to 2.3%.

The year-on-year decline in the deficit on services was much greater in 2002 for the first time since the 1980s. The deficit fell by €13 billion to just under €38½ billion. This was due to a 9% increase in income and a 2% decrease in expenditure. The main reason for this divergence was the outcome of insurance services and other services in which a broad range of different services is listed. The surplus in the case of insurance services surged from just under €1 billion in 2001 to €6½ billion last year. This was due primarily to a sharp rise on the income side. The much greater income of re-insurance companies from contributions and premiums since the terrorist attacks on 11 September 2001 was not offset in 2002 by corresponding expenditure on claims for damages. Contrary to the trend in the past few years when the deficit had steadily increased, net expenditure in the case of the other service transactions fell below the previous year's level for the first time in more than ten years. Following a deficit of almost €25 billion in 2001, the sub-balance ran a deficit of approximately €16 ½ billion last year. Net expenditure declined principally in the case of patents and licences as well as in the case of advertising and trade fairs and the film industry. Moreover, there was an increase in the net income from government services.

*Service transactions*

Developments in foreign travel likewise contributed to the improvement in the services

*Foreign travel*

account last year.<sup>3</sup> In 2002 the foreign travel account ran a deficit of €36 billion, approximately €1½ billion less than in 2001. Owing to the uncertain economic and earnings prospects and possibly also as a result of terrorist attacks in holiday countries, German residents evidently reduced their expenditure on travelling abroad more sharply (-3%) than did foreigners travelling to Germany (-1½%). Expenditure by German holiday makers and business travellers on trips to the United States fell particularly markedly – by almost one-fifth. As it is precisely the longer-haul trips overseas that often have to be booked well in advance, it was evidently here that the more favourable prices in these destinations resulting from the appreciation of the euro failed to have a positive effect. Conversely, US travellers spent less in Germany in 2002 than in previous years. There was hardly any change in the amount spent on travelling to other euro-area countries which account for about half of total travel expenditure. Finally, expenditure on trips to the central and east European countries, which have been enjoying greater popularity in recent years, increased slightly (+1%).

*Factor income*

Net expenditure in the case of cross-border factor payments declined in 2002 by just under €4 billion to €6½ billion. This was due primarily to developments in investment income expenditure, which declined by almost €4 billion more than income and, consequently, reduced the deficit on investment earnings to just under €6½ billion. Owing to the uncertainty on the share markets, bonds have been in great demand by investors for some time, a development which is reflected

in increasing cross-border payments of bond yields. Income in 2002 increased by almost €1½ billion faster than expenditure. Although this means that the shifts in interest rate and exchange rate patterns did not have a discernible effect on bond interest payments, they appear to have contributed substantially to the improvement of €1½ billion in the balance on credit interest payments to a surplus of just over €1 billion. The deficit on proceeds from direct investment was almost unchanged at just over €½ billion in 2002. Owing to the poor state of profitability in many enterprises, both domestic and foreign, income and expenditure each declined by €2½ billion.

The deficit on current transfers to and from non-residents declined by approximately €1 billion to €26½ billion last year. The deficit in the case of public transfers fell by almost €1½ billion to just over €15½ billion as the net payments to the EU budget went down by €1½ billion to just under €11 billion. This decrease was due both to the larger payments to Germany from the EU budget in connection with the structural policies and to the small payment by Germany to the EU, especially as a result of the smaller EU share in German revenue from value added tax. By contrast, the balance on private-sector transfers deteriorated by €½ billion and ran a deficit of €11 billion. One of the reasons for this was the increase in insurance payments to non-residents. Capital transfers were almost

*Current transfers*

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<sup>3</sup> A new method of estimating foreign travel was introduced at the time of the annual revision for 2002; this is explained in detail on p 60 ff.

## Capturing foreign travel in the balance of payments statistics from January 2001

This issue of the *Monthly Report* contains data on foreign travel which have been obtained for the first time by means of a new collection system. This change became necessary because the quality of the data that had been used hitherto for estimating foreign travel declined significantly as a result of the introduction of euro banknotes and coins on 1 January 2002 or the data sources themselves ceased to exist.

Until the end of 2001 data on the receipts from and expenditure on foreign travel were collected indirectly. The relevant information was not obtained from the travellers themselves but from banks and credit card companies which settle a large proportion of travel transactions by buying and selling foreign currency and settle payments made through ec cards and credit cards. This information was supplemented by reports from tour operators on their cross-border transfers and by data from some European partner countries on the buying and selling of Deutsche Mark banknotes in their respective home markets. The monthly receipts from and expenditure on travel were estimated on the basis of this information.

As many travel-related transactions are still settled in cash, the introduction of euro banknotes and coins resulted in a not insignificant information gap, especially in the euro-area countries,<sup>1</sup> some of which are among the most important partner countries for German foreign travel; this applies both with respect to estimating the level of travel expenditure and establishing the regional breakdown. A direct survey of travellers on the basis of household samples now makes up for the lack of this information. The survey is based on the foreign travel of (domestic) residents and the total amount they spend on it. This survey has now been undertaken on an ongoing basis since the beginning of 2001 in order to compare the new results with the data collected under the old method for at least a year and to be able to subject the findings to a quality test.

The figures extrapolated on the basis of the survey for 2001 show that the resident population in Germany made about 167 million foreign trips during that year and spent a total of

€58 billion on these. Expenditure previously shown in the balance of payments for this period had amounted to €51½ billion and was therefore 11%, or just over €6 billion, lower than the extrapolated survey result.

Generally speaking, the seasonal pattern of the new data on foreign travel is fairly consistent with the pattern of the data collected under the old system. However, the expenditure in the summer months – when travel is at its peak – had previously been underestimated. One reason for these seasonal shifts is that under the collection system used until the end of 2001 it was often difficult to establish precisely when the trips associated with the payments by ec cards and credit cards had actually been made. In the case of the household sample, by contrast, the actual date of the trip can be determined more accurately because the persons participating in the survey are asked the times of the trip and the related payments.

A comparison of the old and new compilation methods leads to different results with respect to the regional breakdown.

- In the case of the EU countries the results of the survey are almost entirely in line with the earlier data. For example, the discrepancies in 2001 amounted to slightly more than 1% in the case of these countries as a whole and to as little as ½% in the case of the euro-area countries. The new data also confirm earlier calculations, which had shown that the previous method of estimating had probably been tending to overstate German travel expenditure in the case of some countries such as Italy and the United Kingdom. The level of expenditure established by the household survey is also confirmed by the corresponding data from the partner countries in these instances.
- Larger discrepancies occur in the case of countries outside the EU. According to the results of the survey, expenditure by German travellers outside the EU was €6½ billion, or 38%, more in 2001 than had previously been estimated. Evidently the estimated use of Deutsche Mark banknotes as a payment medium in these countries had been far too

<sup>1</sup> Problems also arose in a number of countries outside the euro area where the use of Deutsche Mark banknotes had previously

played a special role. Turkey, for example, is a case in point. —  
<sup>2</sup> Less important destinations are rarely captured by the sample

low. This appears to be particularly true in the case of a few classic holiday countries outside the EU, notably Turkey and some central and east European transition countries such as Croatia, Hungary and Bulgaria, for which earlier studies had already indicated an underestimation. The travel expenditure now being established by the new compilation method is also greater in the case of some long-haul destinations than the level previously published in the balance of payments. For example, the level of travel expenditure in 2001 was 13% higher in the case of the United States and 30% higher in the case of the developing countries.

All in all, the results of the household survey are fairly reliable in the case of foreign travel expenditure as a whole and in the case of the regional breakdown of the most important destinations. As already mentioned, this is confirmed by the corresponding results provided by the respective countries themselves. This means that the results of the sampling procedure can be used not only to close the information gap vis-à-vis the euro area. They can also be used for countries outside the EU despite the greater differences between the old and the new data.

While the direct survey provides a satisfactory quality of foreign travel data on the expenditure side, the side which is clearly of greater importance in Germany's case, the situation is less favourable on the receipts side. There is no substitute in this case for the loss of information on the use of cash. Consequently, travel receipts in the case of the euro-area countries can be estimated only on the basis of the data on payments made by ec cards and credit cards and by bank settlements that are still available. This information will be used in combination with the monitoring of possible changes in paying habits (for example, whether greater use is being made of cash instead of the ec card since the introduction of euro banknotes and coins in the destination country) to extrapolate total receipts from foreign travel. The accommodation statistics provided by the Federal Statistical Office are used to check the calculations. This provides a reliable indication of the trend for most of the euro-area countries. The

survey, if at all, with the result that reliable extrapolation is not possible.

corresponding data from the major partner countries are also included in the calculations. An increase of more than €1 billion is obtained on the receipts side as a result of the annual revision for 2001. However, this change is due mainly to late reports.

To prevent breaks arising from the changeover to the new system, a development which would be likely in the case of countries outside the EU in particular, country-specific and region-specific factors, which apply to earlier years (in some cases dating back to 1971), are calculated on the basis of the figures for the "link" year of 2001. Survey results for 2002 are already available up to the end of the third quarter. For the fourth quarter of 2002 and all subsequent years the initial results of the household survey will be available five months after the respective reporting period at the earliest, for example, not before the end of August 2003 in the case of the first quarter of 2003. For that reason provisional figures will have to be estimated. The existing trend up to the end of 2002 will be updated for all euro-area countries and other major destination countries and regions using an ARIMA estimate. The outcome of test calculations for 2001 has indicated that this is possible with acceptable results for a limited period. Analyses based on the remaining primary data will also be made in order to take account of special effects in 2002 – for example, the impact of the terrorist attacks of 11 September 2001.

Overall, the sample survey has reliably closed the gap that had arisen in foreign travel data in the euro area. Furthermore, the survey has the advantage that additional information on, for example, the reason for the trip (business or private), the duration of the trip, the mode of transport used and the percentage of package holidays is now available. As a result, the analyses of a wider range of issues will be possible. Owing to the increase in sampling error,<sup>2</sup> however, the availability of country results is restricted, and this must be seen as a disadvantage of the household survey. This is also the reason why in future quarterly and annual results will be published only for major destination countries and regions.

in balance last year whereas in 2001 there had been a deficit of just under €½ billion.

## Financial transactions

### *Trends in financial transactions*

Sluggish growth in the world economy, financial scandals – especially in the United States – and the smouldering Iraq crisis overshadowed events on the international financial markets last year. This led to – sometimes massive – losses on the share markets, and global bond yields fell sharply again. At the same time, the euro recorded rapid and sustained gains during the year. Internationally operating investors showed greater risk-awareness in this environment and became discernibly restrained in their cross-border investments. This can be seen both in the declining flows of capital to and from Germany and in the comparatively moderate amounts of funds which residents and non-residents alike were investing internationally in securities and corporate participating interests. The upshot was net capital imports through portfolio transactions and direct investment and in the case of non-securitised credit transactions much greater outflows of funds from Germany. As a result, aggregate net capital exports far exceeded the current account surplus recorded for 2002, a development which indicates problems in the statistical recording of financial transactions and makes the analysis of the balance of payments more difficult.

### *Portfolio investment*

Net capital imports through portfolio investment alone were somewhat greater, at €37 billion, in 2002 than in the year before (€26½ billion). However, the rise in the net

flows conceals the overall restraint observed in the case of internationally operating investors last year. German investors, in particular, showed far less interest in pursuing the internationalisation of their portfolios than they had done in earlier years. For example, they acquired no more than €69 billion worth of securities issued by foreign borrowers in 2002 compared with €129½ billion in 2001. This is the smallest amount German savers have invested in such paper for six years.

Despite the fact that the falling capital market yields during the year would have provided holding gains, German residents significantly reduced their investment, especially new investment on foreign bond markets. Their investment of €51 billion in longer-term foreign debt securities in 2002 was only slightly more than half the sum they had invested in this paper the year before (€95 billion). As euro-denominated bonds have normally accounted for the bulk of German acquisitions of bonds and notes since the start of monetary union (2002: €49½ billion), it is possible that, in addition to the general increase in the preference for liquidity, the significant decline last year in the yield advantage of bonds issued in other euro-area countries over comparable German paper played a role in the downturn. At the end of 2002 the yield advantage on ten-year government bonds was only 13 basis points. However, owing to the strength of the euro and the positive interest rate spread that existed almost throughout the year vis-à-vis the United States or Japan, for example, German investors did not regard foreign currency issues as an attractive alternative either (acquisitions in 2002: €1 billion).

*German  
investment in ...*

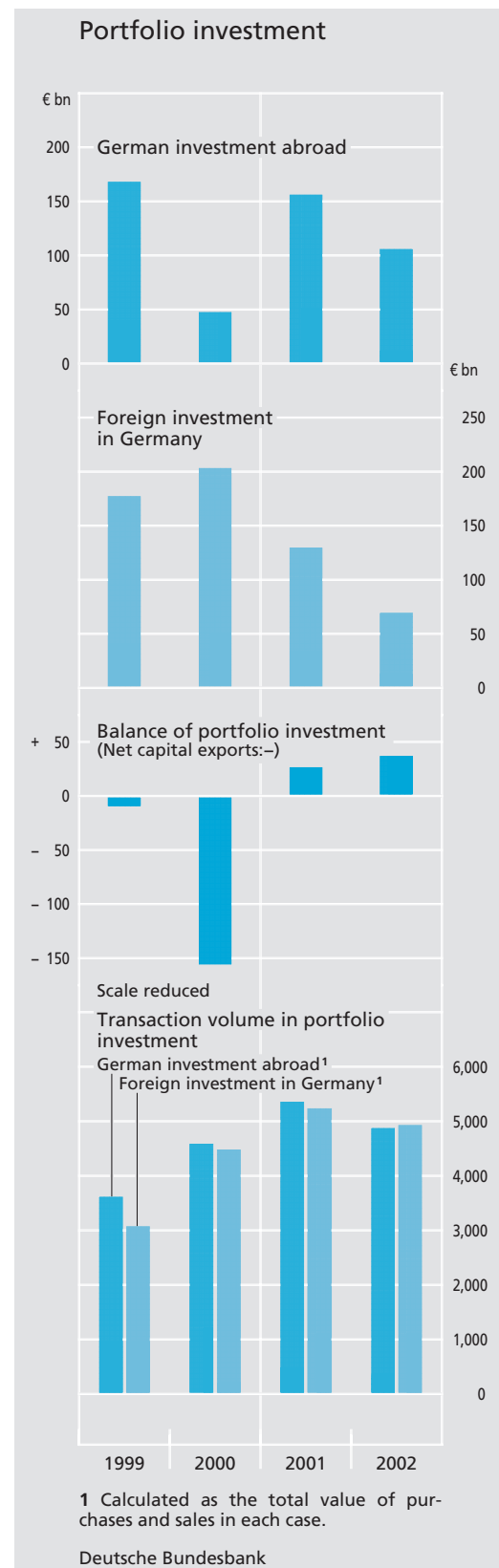
*... foreign  
bonds and  
notes*

... foreign  
shares

Much the same is also true of foreign equities, which make up only a very small part of German investors' portfolios. At €5½ billion, their investments in foreign shares in 2002 amounted to only a mere fraction of the average sum that they had invested in this instrument over the past few years. Evidently, German savers responded to the uncertain economic climate and the less optimistic expectations of many enterprises about their profitability, a state of affairs that was reflected throughout the world in a sharp fall in share prices. The exchange rate risk, which was considered significant, may also have been a contributory factor in the reluctance to invest in cross-border shares outside the euro area. A clear example of this investor behaviour is provided by the United States where – notably in the first half of the year – news about balance sheet “irregularities” in major firms additionally curbed the incentive to invest in the share market. Overall, German residents purchased no more than €½ billion worth of US equities whereas on an average of 1999, 2000 and 2001 they had invested about €16½ billion in this type of paper. The reluctance to invest in foreign shares was also apparent in the equally dwindling interest in investment fund certificates of foreign origin (€7 billion), which traditionally invest a large part of the funds they receive in foreign shares. By contrast, German savers increased their demand for foreign money market paper (€6 billion) whereas in the previous year they had sold such paper for €1 billion net.

Foreign  
investment in ...

A further downturn in portfolio investment was also observed in financial flows in the op-



## Financial transactions

€ billion, net capital exports: –

Item	2000	2001	2002
1 Direct investment	+ 158.7	– 9.1	+ 14.3
German investment abroad	– 61.7	– 47.0	– 26.1
Foreign investment in Germany	+ 220.4	+ 37.9	+ 40.4
2 Portfolio investment	– 155.8	+ 26.6	+ 37.0
German investment abroad	– 203.4	– 129.6	– 69.0
Shares	– 102.3	– 15.6	– 5.3
Investment fund certificates	– 32.5	– 19.7	– 6.8
Bonds and notes	– 70.3	– 95.1	– 50.8
Money market paper	+ 1.7	+ 0.9	– 6.1
Foreign investment in Germany	+ 47.6	+ 156.2	+ 106.0
Shares	– 35.9	+ 88.6	+ 16.8
Investment fund certificates	+ 11.0	+ 1.1	– 0.2
Bonds and notes	+ 74.0	+ 81.2	+ 79.2
Money market paper	– 1.4	– 14.8	+ 10.2
3 Financial derivatives <sup>1</sup>	– 5.5	+ 6.3	– 0.5
4 Credit transactions	+ 41.3	– 40.6	– 128.0
Credit institutions	+ 13.8	– 76.3	– 102.2
Long-term	– 24.5	– 43.2	– 13.5
Short-term	+ 38.3	– 33.1	– 88.7
Enterprises and individuals	+ 4.6	– 7.8	+ 4.1
Long-term	+ 4.1	+ 9.5	+ 4.7
Short-term	+ 0.5	– 17.3	– 0.7
General government	– 19.4	+ 16.8	+ 5.5
Long-term	– 1.5	+ 0.0	+ 0.1
Short-term	– 17.9	+ 16.8	+ 5.4
Bundesbank	+ 42.4	+ 26.6	– 35.4
5 Other investment	– 1.9	– 1.3	– 1.5
6 Balance of all statistically recorded capital flows	+ 36.9	– 18.2	– 78.7
<i>Memo item</i>			
Change in the foreign reserves at transaction values (increase: –) <sup>2</sup>	+ 5.8	+ 6.0	+ 2.1

<sup>1</sup> Securitised and non-securitised options and financial futures contracts. — <sup>2</sup> Excluding allocation of SDRs and changes due to value adjustments.

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posite direction, ie in the case of foreign investment in Germany. Total securities acquisitions by non-residents in Germany in 2002 amounted €106 billion compared with €156 billion a year earlier. This means that they were actually lower than in 1998 and 1999.<sup>4</sup> One reason for last year's decline is the extremely weak performance in the final quarter of 2002 when foreign investors withdrew funds from the German securities markets after using German paper as a safe haven, especially in the summer months. The reversal might also have had something to do with non-residents' uncertainty about the outcome of the fiscal debate in the fourth quarter of 2002 even though non-residents would have been largely unaffected by the regulations under consideration.

Non-residents' diminished propensity to invest was particularly noticeable on the German share market. For example, their expenditure of €17 billion on German shares was just under one-fifth of the amount that had flowed into Germany in this way in 2001. That is still an enormous slump even if account is taken of the fact that the fall in the value of share transactions captured in the balance of payments was in line with the fall in share prices.<sup>5</sup> It is possible that the sluggish economic growth in Germany together with the less optimistic expectations about profits

... German shares

<sup>4</sup> It was only in 2000 that net portfolio investment by non-residents in Germany in recent years was lower than in 2002. However, the result at that time was due to a statistical book transfer in connection with a major corporate acquisition. See Deutsche Bundesbank, German balance of payments in 2000, *Monthly Report*, March 2001, p 59 ff.

<sup>5</sup> The decline in prices in terms of the end-of-year DAX index amounted to 44% last year and was therefore unusually large on an international comparison.



discouraged non-residents from investing more on the German share market. There were actually small net outflows of capital in connection with German investment fund certificates in 2002 whereas in the previous year non-residents had invested as much as €1 billion in investment companies' share certificates.

... German  
bonds and  
notes

Contrary to this general trend, the sum of investable funds which foreign investors spent on German interest-bearing securities – ie longer-term bonds and notes and money market paper – amounted to €89½ billion last year. That was €23 billion more than in 2001. However, there were divergent developments in the individual maturity segments and in the various instruments. Last year, for example, non-residents invested fairly heavily in Federal bonds (€49 billion), which are regarded as a safe haven in times of political uncertainty and which, in terms of the usual yield spreads between German government bonds and the bonds of other euro-area countries in previous years, were a comparatively favourable investment. The situation was somewhat different in the case of private-sector bonds, however. These attracted no more than €30 billion in foreign funds compared with €73 billion in 2001. Owing to investors' strong preference for liquidity, however, there also appears to have been shifts from bank debt certificates into money market paper. At all events, paper with a maturity of one year or less was very popular with foreign investors last year. They bought €10 billion worth of it after appearing as sellers (€15 billion) in this market segment the year before.

Given the rugged world economic climate, the three-year-long bear market on stock exchanges and the uncertain global security situation, Germany experienced a fairly satisfactory level of inward and outward direct investment last year.<sup>6</sup> €14½ billion net flowed into Germany through direct investment in 2002 whereas in the year before there had been net capital exports of €9 billion in this field.

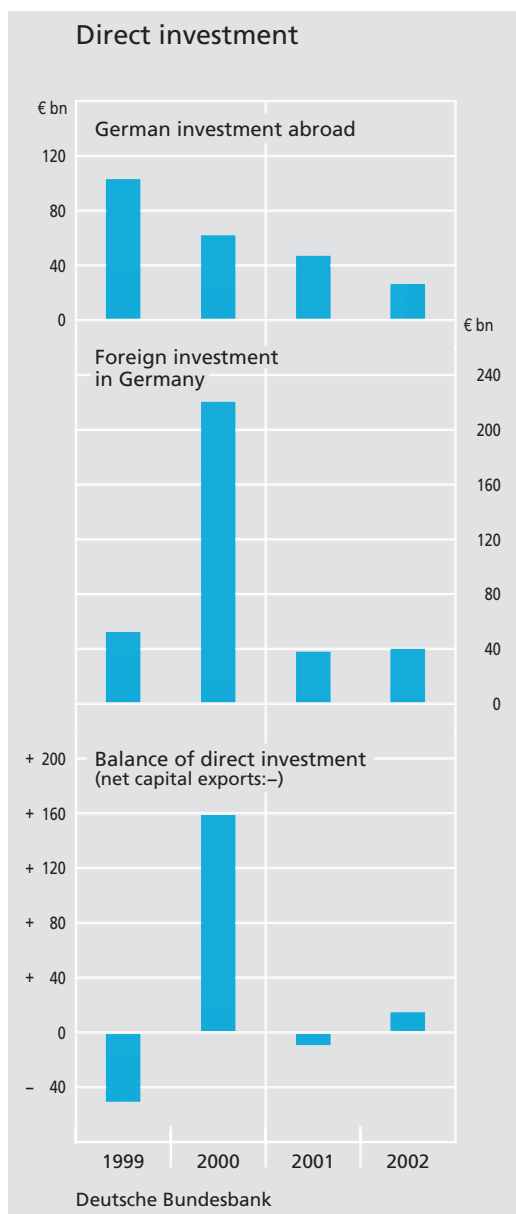
*Direct  
investment*

In 2002 foreign enterprises invested €40½ billion in Germany, which was actually somewhat more than in the previous year (€38 billion). As in previous years it was primarily enterprises domiciled in other euro-area countries, as well as some from the United Kingdom and the United States, that continued to expand their presence on the German market. Even so, despite the recent success in attracting foreign capital and given the economic strength of Germany, enterprises in non-euro-area countries still engage in less direct investment here than in other euro-area countries. Germany, with a share of just under 32% in the euro area's gross domestic product, accounted for only 13% of the investable funds that flowed into the euro area in 2002. It is possible, however, that a substantial part of direct investment from non-euro-area countries also flowed into Germany

*Foreign direct  
investment in  
Germany*

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<sup>6</sup> According to estimated figures from UNCTAD, there was a 27% decline in direct investment worldwide last year. There also appears to have been a reversal in the direction of the main flows of direct investment. For example, countries such as the United Kingdom and the United States sustained serious reductions in inward direct investment (-75% and -67% respectively) whereas investment in the euro area fell by only 16%. The euro area attracted €130 billion, which is estimated to be just under one-quarter of total global direct investment last year. In 2001 it had amounted to about 20%.



via holding companies domiciled in neighbouring countries. That would explain the fairly large proportion of investment undertaken by euro-area enterprises in Germany.

Conversely, German firms invested €26 billion abroad in 2002 after extending their sphere of activity abroad by another €47 billion a year earlier. The decline was due not only to the fall in goodwill but presumably also

to poor profitability of German enterprises. Moreover, the excessively optimistic expectations in the telecommunications and IT sectors, which had long been the driving force behind cross-border acquisitions, increasingly gave way to a more realistic assessment of the situation. It is interesting in terms of a regional breakdown that German firms sold participating interests on balance in the United States last year (€1 billion) whereas in previous years the United States had almost always occupied the leading position among the host countries with respect to German direct investment. In the United Kingdom as well as in other euro-area countries, by contrast, German enterprises strengthened their international presence – even if here, too, the amounts invested were smaller.

The figures on German outward investment shown in the statistics were also depressed by the large amounts borrowed by German enterprises from their branches abroad (reverse investment). These loans are often used as a means of passing on the proceeds from international bonds which German enterprises' financing subsidiaries domiciled abroad have issued there. Loan repayments reduced Germany's participating interests abroad by approximately €28 billion.

As in the case of portfolio investment and direct investment the non-securitised cross-border financial operations of public authorities resulted in net capital imports (of €5½ billion) in 2002. The Federal Government drew on funds which had accrued to it from the auction of UMTS licences and which it was now withdrawing from its foreign accounts. Enter-

*Credit transactions of non-banks*

*German direct investment abroad*

prises and individuals also reduced their bank balances abroad on balance and used some of the funds to finance their acquisition of cross-border participating interests. All in all, they repatriated €4 billion last year.

*Credit transactions of the banking system*

A substantial countermovement to the aforementioned capital imports occurred in the banking sector (including the Bundesbank's external transactions that are classified as credit transactions), which recorded net outflows of funds amounting to €137½ billion in 2002. German credit institutions accounted for €102 billion of this sum, predominantly at the short end of the market (€89 billion). As in the previous year the outflows of funds stemmed primarily from the non-securitised lending operations of German credit institutions, ie the granting of advances and loans to foreign partners, which expanded far more quickly than the corresponding deposits and borrowing operations. At the same time, funds amounting to €35½ billion were exported via the accounts of the Bundesbank. This money was primarily in connection with asset balances arising within the payment system TARGET.

*Foreign reserves of the Bundesbank*

The foreign reserves of the Bundesbank, which are shown separately from the credit transactions in the balance of payments, declined by a further €2 billion at transaction values last year after falling by €6 billion in each of the previous two years. If calculated at market prices at the end of 2002, the decline in the foreign reserves was even greater,

at just over €8 billion, owing to the weakness in the US dollar. At 31 December 2002 the German foreign reserves amounted to €85 billion.

The net capital exports arising from the non-securitised credit transactions of the banking sector often greatly exceeded the net payments received from the other current and financial transactions with non-residents recently. In the balancing system used in the balance of payments this has resulted in "statistically unclassifiable transactions", ie a balancing item. Statistical recording problems in connection with the introduction of euro banknotes and coins, higher reporting thresholds and the large turnover in portfolio investment might have contributed to the tendency of this statistical "gap" to increase. To improve the data quality the portfolio transactions recorded in the balance of payments statistics were rechecked to ensure their completeness and plausibility. By virtue of the changes in stocks recorded in the safe custody account statistics it was possible to allocate part of the unclassifiable transactions to portfolio investment, with the result that the statistical discrepancies could at least be reduced through additional estimates. The balancing item for 2001 after the revisions now amounts to €11½ billion, but for 2002 it is still as much as €28 billion. As the results of the safe custody account statistics are not yet available for last year, however, this figure might be revised downwards later.

*Balancing item*



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## Abbreviations and symbols

---

- e estimated
- p provisional
- pe partly estimated
- r revised
- ... Data available at a later date
- . Data unknown, not to be published or not meaningful
- 0 Less than 0.5 but more than nil
- nil

Discrepancies in the totals are due to rounding.

## I Key economic data for European monetary union

### 1 Monetary developments and interest rates

Period	Money stock in various definitions 1 2				Determinants of the money stock 1			Interest rates			
	M1	M2	M 3 3		MFI lending, total	MFI lending to enterprises and individuals	Monetary capital formation 4	EONIA 5, 7	3-month EURIBOR 6, 7	Yield on European government bonds outstanding 8	
				3-month moving average (centred)							
	Change from previous year, in %							% p. a. as a monthly average			
2001 Jul	3.4	4.4	5.7	5.7	5.8	8.2	2.7	4.51	4.47	5.2	
Aug	3.6	4.4	5.9	6.2	5.5	7.7	2.3	4.49	4.35	5.0	
Sep	5.0	5.1	7.0	6.8	5.2	7.1	2.5	3.99	3.98	5.0	
Oct	5.2	5.5	7.6	7.5	5.1	6.9	2.6	3.97	3.60	4.8	
Nov	5.9	6.0	8.0	7.9	5.4	7.0	3.6	3.51	3.39	4.6	
Dec	5.5	6.4	8.1	8.0	5.2	6.7	4.7	3.34	3.34	4.9	
2002 Jan	6.6	6.7	7.9	7.9	5.2	6.2	4.8	3.29	3.34	5.0	
Feb	6.2	6.3	7.6	7.6	5.1	6.0	4.8	3.28	3.36	5.1	
Mar	6.0	6.3	7.4	7.5	4.8	5.4	4.7	3.26	3.39	5.3	
Apr	6.6	6.3	7.4	7.5	4.4	5.1	4.6	3.32	3.41	5.3	
May	6.7	6.7	7.8	7.5	4.5	5.3	5.2	3.31	3.47	5.3	
Jun	6.8	6.4	7.3	7.4	4.4	5.3	4.3	3.35	3.46	5.2	
Jul	7.6	6.5	7.2	7.2	4.0	4.8	5.0	3.30	3.41	5.0	
Aug	7.6	6.4	7.2	7.2	4.2	5.1	5.3	3.29	3.35	4.7	
Sep	8.2	6.6	7.2	7.1	4.3	5.0	5.2	3.32	3.31	4.5	
Oct	8.3	6.8	6.9	7.0	4.3	4.9	5.0	3.30	3.26	4.6	
Nov	9.2	6.9	7.0	6.9	3.9	4.6	5.0	3.30	3.12	4.6	
Dec	9.8	6.5	6.8	7.1	4.1	4.7	4.3	3.09	2.94	4.4	
2003 Jan	9.8	6.7	7.4	...	4.2	4.8	4.6	2.79	2.83	4.2	
Feb	...	...	...	...	...	...	...	2.76	2.69	4.0	

1 Source: ECB. — 2 Seasonally adjusted. — 3 Excluding holdings of money market fund shares/units by non-residents of the euro area. — 4 Longer-term liabilities to euro area non-MFIs. — 5 Euro OverNight Index

Average. — 6 Euro InterBank Offered Rate. — 7 See also footnotes to table VI.5., p. 44\*. — 8 GDP-weighted yield on ten-year government bonds; from 2001 Euro12.

### 2 Foreign trade and payments \*

Period	Selected items of the EMU balance of payments							Euro exchange rates 1		
	Current account			Capital account				Dollar rate	Effective exchange rate 3	
	Balance	of which Trade balance	Balance	Direct investment	Securities transactions 2	Credit transactions	Monetary reserves		nominal	real 4
	€ million							Euro/US-\$	1st q 1999=100	
2001 Jul	- 790	+ 10,548	- 25,607	- 2,803	- 4,527	- 18,313	+ 36	0.8607	85.4	86.9
Aug	+ 5,257	+ 7,428	- 6,123	- 5,910	+ 204	- 4,485	+ 4,068	0.9005	87.7	89.0
Sep	+ 743	+ 6,019	- 21,326	- 15,612	+ 46,607	- 50,706	- 1,615	0.9111	88.0	89.4
Oct	+ 4,122	+ 11,397	- 22,033	+ 4,005	- 1,535	- 21,843	- 2,661	0.9059	88.0	89.7
Nov	+ 2,668	+ 8,846	- 6,834	+ 11,690	+ 17,096	- 35,681	+ 60	0.8883	86.8	88.5
Dec	+ 2,295	+ 10,439	- 3,197	+ 831	- 17,117	+ 7,232	+ 5,856	0.8924	87.7	89.9
2002 Jan	- 94	+ 3,109	- 49,540	+ 9	- 38,477	- 5,759	- 5,313	0.8833	87.6	90.0
Feb	+ 4,399	+ 9,999	+ 6,741	- 8,915	- 11,195	+ 24,396	+ 2,455	0.8700	86.8	89.1
Mar	+ 7,444	+ 13,222	+ 16,327	- 6,091	- 569	+ 23,192	- 205	0.8758	86.8	89.3
Apr	- 5,284	+ 7,823	+ 13,626	+ 9,301	+ 13,475	- 17,512	+ 8,361	0.8858	87.2	89.7
May	+ 2,339	+ 10,037	+ 2,313	+ 1,308	+ 27,508	- 28,401	+ 1,897	0.9170	88.6	91.2
Jun	+ 5,810	+ 12,876	- 44,979	- 18,537	+ 13,361	- 36,286	- 3,517	0.9554	90.6	93.3
Jul	+ 5,704	+ 16,166	- 20,932	- 6,600	- 1,265	- 10,515	- 2,552	0.9922	91.7	94.5
Aug	+ 10,882	+ 12,079	- 13,401	+ 3,147	+ 3,691	- 21,994	+ 1,756	0.9778	91.1	93.6
Sep	+ 8,656	+ 11,570	- 21,334	- 3,197	+ 17,383	- 31,720	- 3,800	0.9808	91.2	93.8
Oct	+ 3,718	+ 11,698	- 21,469	- 5,019	+ 19,391	- 37,977	+ 2,136	0.9811	91.7	94.4
Nov	+ 10,281	+ 13,560	- 28,585	+ 3,919	+ 8,575	- 38,504	- 2,575	1.0014	92.5	95.2
Dec	+ 8,114	+ 10,541	- 10,065	+ 9,647	- 15,193	- 3,332	- 1,186	1.0183	93.6	96.7
2003 Jan	...	...	...	...	...	...	...	1.0622	95.8	98.9
Feb	...	...	...	...	...	...	...	1.0773	97.1	100.3

\* Source: ECB. — 1 See also tables X.12 and 13, p. 74–75. — 2 Including financial derivatives. — 3 Vis-a-vis a narrow group of countries. — 4 Based on consumer prices.

## I. Key economic data for European monetary union

### 3. General economic indicators

Period	Belgium	Germany	Finland	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Spain	EMU 7
<b>Real gross domestic product <sup>1</sup></b>													
2000	3.7	2.9	5.5	3.8	4.2	10.0	3.1	8.9	3.3	3.5	3.7	4.2	3.5
2001	0.8	0.6	0.6	1.8	4.1	5.7	1.8	1.0	1.3	0.7	1.6	2.7	1.4
2002	0.7	0.2	1.6	1.2	4.0	...	0.4	...	0.3	...	...	2.0	0.8
2001 3rd qtr	0.8	0.4	0.1	1.9	3.5	4.3	1.9	...	1.1	0.3	0.9	2.5	1.3
4th qtr	- 0.5	- 0.1	- 0.5	0.7	3.7	1.1	0.7	...	0.6	- 0.4	1.0	2.6	0.6
2002 1st qtr	- 0.5	- 1.2	- 1.3	0.4	4.5	4.7	- 0.5	...	- 0.1	0.4	1.0	1.9	- 0.1
2nd qtr	0.3	0.4	3.0	1.1	4.2	6.6	0.2	...	0.2	1.0	1.2	2.1	0.9
3rd qtr	1.4	1.0	2.1	1.5	3.7	6.9	0.6	...	0.7	0.9	- 0.5	1.9	1.3
4th qtr	...	0.5	2.7	1.4	3.4	...	1.1	...	0.3	...	...	2.2	0.9
<b>Industrial production <sup>1, 2</sup></b>													
2000	5.3	6.2	11.2	3.5	0.5	15.4	4.8	4.3	4.0	8.9	- 1.9	4.0	5.5
2001	- 1.0	0.5	- 1.0	0.9	1.4	10.2	- 1.2	1.8	1.4	0.8	3.1	- 1.1	0.4
2002	2.2	6 p - 1.4	...	- 1.0	0.3	7.8	- 2.3	...	- 1.8	0.2	- 0.5	0.2	- 0.8
2001 3rd qtr	- 0.9	- 1.1	- 3.3	2.4	2.5	3.6	- 1.3	2.5	1.2	0.2	0.8	- 0.4	- 0.2
4th qtr	- 5.2	- 3.7	- 4.7	- 2.2	0.1	- 2.6	- 5.6	1.3	- 1.5	- 2.4	1.8	- 2.0	- 3.6
2002 1st qtr	- 0.8	- 4.0	...	- 2.6	- 1.1	3.0	- 3.4	- 2.7	- 2.9	- 2.1	- 1.6	- 3.9	- 2.8
2nd qtr	2.9	- 1.8	...	- 0.3	2.4	11.3	- 2.3	5.9	- 2.9	2.4	1.7	1.0	- 0.7
3rd qtr	3.9	- 0.4	...	- 1.1	- 1.2	10.6	- 2.9	- 0.5	- 1.5	0.3	0.2	1.4	- 0.5
4th qtr	2.9	6 p 0.7	...	0.1	1.1	6.8	- 0.2	...	0.3	0.2	- 2.2	2.5	0.9
<b>Capacity utilisation <sup>3</sup></b>													
2000	84.0	85.9	86.8	87.5	78.1	78.6	78.8	87.8	84.7	84.5	81.2	80.6	84.2
2001	82.3	85.1	85.7	87.4	77.6	78.4	78.9	88.7	84.6	83.1	81.7	79.6	83.6
2002	79.6	82.0	82.7	85.3	77.0	75.9	77.3	85.1	82.9	80.6	79.4	77.2	81.2
2001 4th qtr	80.2	83.3	84.5	86.3	76.8	75.2	77.9	87.8	83.8	81.4	79.7	78.3	82.2
2002 1st qtr	79.2	82.4	82.0	85.5	75.4	77.5	76.9	86.9	83.5	80.9	77.9	76.3	81.1
2nd qtr	79.6	81.5	82.7	85.8	76.7	76.3	77.3	84.3	82.9	80.6	79.4	77.0	81.2
3rd qtr	80.1	82.0	83.0	85.3	79.0	72.8	76.9	83.8	82.5	80.5	79.1	76.3	81.0
4th qtr	79.6	82.1	83.1	84.7	76.8	76.9	78.0	85.3	82.8	80.4	81.2	79.3	81.5
2003 1st qtr	79.3	82.1	82.2	84.4	75.8	74.5	77.5	84.1	82.5	80.5	77.7	78.6	81.1
<b>Unemployment rate <sup>4</sup></b>													
2000	6.9	7.8	9.8	9.3	11.0	4.3	10.4	2.3	2.8	3.7	4.1	11.3	8.5
2001	6.7	7.7	9.1	8.5	10.4	3.9	9.4	2.0	2.4	3.6	4.1	10.6	8.0
2002	7.3	8.2	9.1	8.7	...	4.4	...	2.4	2.7	4.3	5.0	11.4	8.3
2002 Aug.	7.3	8.3	9.2	8.8	...	4.4	9.0	2.5	2.8	4.3	5.2	11.5	8.3
Sep.	7.3	8.3	9.1	8.8	...	4.4	9.0	2.5	2.9	4.4	5.3	11.5	8.4
Oct.	7.4	8.4	9.0	8.8	...	4.4	8.9	2.6	2.9	4.3	5.5	11.6	8.4
Nov.	7.5	8.4	9.0	8.9	...	4.4	...	2.6	3.0	4.3	5.7	11.6	8.5
Dec.	7.6	8.5	9.0	8.9	...	4.4	...	2.7	3.1	4.4	5.9	11.8	8.5
2003 Jan.	7.7	8.6	9.0	9.0	...	4.5	...	2.7	...	4.3	6.1	11.9	8.6
Feb.	...	8.7	...	...	...	4.5	...	...	...	4.2	...	11.9	...
<b>Harmonised index of consumer prices <sup>1</sup></b>													
2000	2.7	1.4	3.0	1.8	2.9	5.3	2.6	3.8	2.3	2.0	2.8	3.5	2.1
2001	2.4	2.2	2.7	1.8	3.7	4.0	2.3	2.4	5.1	2.3	4.4	2.8	2.4
2002	1.6	1.3	2.0	1.9	3.9	4.7	2.6	2.1	3.9	1.7	3.7	3.6	2.2
2002 Aug.	1.3	1.1	1.8	1.8	3.8	4.5	2.6	2.0	3.8	2.1	3.9	3.7	2.1
Sep.	1.2	1.1	1.4	1.8	3.8	4.5	2.8	2.2	3.7	1.6	3.8	3.5	2.1
Oct.	1.3	1.2	1.7	1.9	3.9	4.4	2.8	2.5	3.6	1.7	4.1	4.0	2.2
Nov.	1.1	1.1	1.7	2.1	3.9	4.7	2.9	2.7	3.4	1.7	4.1	3.9	2.3
Dec.	1.3	1.1	1.7	2.2	3.5	4.6	3.0	2.8	3.5	1.7	4.0	4.0	2.3
2003 Jan.	1.2	1.0	1.4	1.9	3.3	4.7	2.9	3.3	2.9	p 1.7	4.0	3.8	2.2
Feb.	...	e 1.1	...	...	4.2	5.1	2.6	3.2	3.2	...	...	3.8	...
<b>General government financial balance <sup>5</sup></b>													
1999	- 0.5	- 1.5	1.9	- 1.6	- 1.9	2.2	- 1.8	3.6	0.7	- 2.3	- 2.4	- 1.1	- 1.3
2000	0.1	1.1	7.0	- 1.3	- 1.8	4.4	- 0.5	5.6	2.2	- 1.5	- 2.9	- 0.6	0.2
2001	0.4	- 2.8	4.9	- 1.4	- 1.2	1.5	- 2.2	6.1	0.1	0.2	- 4.1	- 0.1	- 1.5
<b>General government debt <sup>5</sup></b>													
1999	114.9	61.2	46.8	58.5	105.1	49.7	114.5	6.0	63.1	64.9	54.4	63.1	71.9
2000	109.2	60.2	44.0	57.3	106.2	39.1	110.5	5.6	55.8	63.6	53.3	60.5	69.4
2001	107.6	59.5	43.4	57.3	107.0	36.4	109.8	5.6	52.8	63.2	55.5	57.1	69.2

Sources: National data, European Commission, Eurostat, European Central Bank. Latest data are partly based on press reports and are provisional. — 1 Annual percentage changes; GDP of Greece and Portugal is calculated from seasonally adjusted data. — 2 Manufacturing, mining, gas and electricity; adjusted for working-day variations (except France and Spain). — 3 Manufacturing, in %; seasonally adjusted; data are collected in January, April, July and October. — 4 Standardised, as a percentage of

persons in civilian employment; seasonally adjusted. — 5 As a percentage of GDP; Maastricht Treaty definition, ESA95; including proceeds from sales of UMTS licenses in 2000 and 2001. — 6 Adjusted in advance by the Federal Statistical Office by way of estimates to the results of the Quarterly Production Survey for the fourth quarter (industry in Germany: + 1.6 %). — 7 Including Greece (Harmonised index of consumer prices, General government financial balance and General government debt only from 2001).

## II Overall monetary survey in the European monetary union

### 1 The money stock and its counterparts\*)

Period	I Lending to non-banks (non-MFIs) in the euro area					II Net claims on non-euro-area residents			III Monetary capital formation at monetary financial institutions (MFIs) in the euro area				
	Total	Enterprises and individuals		Public authorities		Total	Claims on non-euro-area residents	Liabilities to non-euro-area residents	Total	Deposits with an agreed maturity of over 2 years	Deposits at agreed notice of over 3 months	Debt securities with maturities of over 2 years (net) 2	Capital and reserves 3
		Total	of which Securities	Total	of which Securities								
<b>European monetary union (€ billion) 1</b>													
2001 Oct	24.5	36.8	8.4	- 12.3	- 9.6	25.0	43.7	18.7	18.6	- 0.3	- 1.7	12.7	7.9
Nov	72.5	48.6	- 1.1	23.8	7.9	27.2	66.0	38.8	18.9	- 1.6	- 1.1	18.7	2.9
Dec	39.3	45.9	24.1	- 6.6	- 10.3	- 9.1	- 26.2	- 17.2	28.6	7.3	0.1	7.6	13.6
2002 Jan	36.3	17.5	5.0	18.7	21.9	- 14.3	- 0.1	14.1	25.2	3.6	- 3.6	11.0	14.2
Feb	28.8	24.9	8.7	3.9	1.2	- 11.0	0.3	11.3	9.0	1.6	- 1.0	9.3	- 0.8
Mar	70.7	48.5	- 10.4	22.1	16.9	- 5.6	19.9	25.5	23.8	3.7	- 1.3	18.7	2.7
Apr	26.1	44.6	3.0	- 18.5	1.5	- 2.6	18.0	20.6	- 6.3	- 0.2	- 1.9	1.0	- 5.2
May	39.0	32.1	3.9	6.9	9.7	39.0	73.9	34.9	25.8	3.5	- 1.2	19.7	3.7
Jun	32.6	32.5	- 6.9	0.1	- 1.3	41.0	- 26.8	- 67.8	- 5.5	3.3	- 0.2	8.6	- 17.1
Jul	- 18.9	- 15.1	- 12.3	- 3.8	- 2.0	2.7	- 2.4	- 5.1	24.7	1.3	- 0.0	13.8	9.6
Aug	- 6.9	7.1	6.8	- 14.0	- 3.1	14.3	- 10.5	- 24.8	14.1	2.2	0.2	2.7	9.0
Sep	54.6	40.3	4.9	14.3	11.5	18.1	65.5	47.4	22.8	1.0	0.4	12.1	9.3
Oct	28.0	31.0	12.4	- 3.0	- 2.6	29.5	55.0	25.5	9.3	1.3	- 1.0	9.1	- 0.1
Nov	41.3	26.2	6.8	15.1	6.1	35.1	84.7	49.6	22.4	3.6	- 0.5	16.6	2.7
Dec	50.9	58.4	20.9	- 7.5	- 14.9	17.9	- 35.1	- 53.0	0.6	13.5	0.1	- 10.1	- 2.9
2003 Jan	49.2	28.9	- 4.6	20.2	19.6	16.0	4.2	- 11.8	37.0	- 4.0	0.5	38.7	1.7
<b>German contribution (€ billion)</b>													
2001 Oct	- 0.2	4.6	3.3	- 4.8	- 6.0	9.6	7.6	- 2.0	2.4	- 0.8	- 1.8	1.6	3.4
Nov	15.7	6.2	- 0.4	9.5	- 0.9	30.5	15.3	- 15.2	7.6	- 1.6	- 1.0	8.9	1.3
Dec	18.9	22.1	10.8	- 3.1	4.2	19.1	- 18.0	- 37.1	- 0.8	1.4	0.1	- 4.7	2.5
2002 Jan	- 7.3	- 8.7	1.5	1.3	1.0	- 21.5	- 5.2	16.3	2.8	1.9	- 3.6	2.7	1.9
Feb	1.8	0.1	- 3.2	1.7	4.2	1.8	- 0.3	- 2.1	5.0	1.2	- 1.0	3.2	1.6
Mar	- 1.0	- 2.4	- 9.5	1.4	3.0	7.6	10.6	3.0	13.3	3.5	- 1.1	10.1	0.9
Apr	11.0	9.9	5.8	1.1	5.2	- 20.2	- 3.0	17.2	- 7.7	- 1.3	- 1.9	- 2.1	- 2.4
May	6.6	3.7	- 0.2	2.9	8.4	10.7	24.6	13.9	0.4	- 0.4	- 1.1	2.2	- 0.4
Jun	- 19.8	- 12.6	- 11.1	- 7.2	- 2.2	25.7	0.1	- 25.6	- 0.5	- 0.7	- 0.2	2.3	- 1.9
Jul	7.2	- 7.4	- 2.8	14.6	6.1	- 16.5	- 5.7	10.8	11.2	0.5	0.1	8.2	2.4
Aug	- 1.7	5.8	6.4	- 7.5	2.2	11.0	6.4	- 4.5	8.9	- 0.2	0.1	5.2	3.7
Sep	12.0	10.8	- 0.7	1.2	4.1	14.9	31.0	15.6	1.5	- 0.5	- 0.5	2.0	0.5
Oct	4.6	5.8	7.4	- 1.2	- 4.6	17.8	11.6	- 6.1	0.1	1.9	- 0.8	- 0.3	- 0.7
Nov	9.4	4.6	4.3	4.8	3.5	19.2	32.0	12.8	5.8	4.1	- 0.6	0.4	1.9
Dec	5.7	17.8	6.8	- 12.1	- 8.5	2.2	- 40.5	- 42.7	- 9.8	3.1	0.2	- 17.0	2.4
2003 Jan	10.5	- 6.0	- 1.6	16.4	10.8	- 3.7	8.7	12.4	4.2	- 1.7	- 2.0	4.1	3.8
<b>German contribution (DM billion)</b>													
2001 Oct	- 0.4	9.0	6.4	- 9.4	- 11.7	18.8	14.9	- 3.8	4.7	- 1.5	- 3.6	3.1	6.7
Nov	30.7	12.2	- 0.7	18.6	- 1.7	59.7	29.9	- 29.8	14.9	- 3.1	- 1.9	17.3	2.6
Dec	37.0	43.2	21.2	- 6.1	8.2	37.3	- 35.2	- 72.5	- 1.5	2.7	0.1	- 9.2	4.8
2002 Jan	- 14.4	- 16.9	2.9	2.6	2.0	- 42.0	- 10.1	31.9	5.6	3.7	- 7.1	5.3	3.7
Feb	3.5	0.2	- 6.3	3.3	8.3	3.5	- 0.6	- 4.1	9.8	2.4	- 2.0	6.3	3.1
Mar	- 2.0	- 4.7	- 18.6	2.7	5.9	14.9	20.8	5.9	26.1	6.8	- 2.2	19.8	1.7
Apr	21.4	19.3	11.4	2.2	10.3	- 39.5	- 5.8	33.7	- 15.0	- 2.5	- 3.8	- 4.1	- 4.6
May	13.0	7.2	- 0.4	5.8	16.3	21.0	48.1	27.1	0.7	- 0.7	- 2.2	4.3	- 0.7
Jun	- 38.7	- 24.7	- 21.6	- 14.0	- 4.3	50.2	0.1	- 50.1	- 1.0	- 1.4	- 0.4	4.5	- 3.7
Jul	14.0	- 14.5	- 5.5	28.5	11.9	- 32.3	- 11.2	21.1	21.9	1.1	0.1	16.0	4.7
Aug	- 3.4	11.3	12.5	- 14.7	4.3	21.5	12.6	- 8.9	17.4	- 0.3	0.3	10.2	7.3
Sep	23.5	21.1	- 1.4	2.4	8.0	29.1	60.6	30.5	3.0	- 1.0	- 0.9	3.9	1.0
Oct	9.1	11.4	14.6	- 2.3	- 9.0	34.7	22.8	- 12.0	0.2	3.8	- 1.6	- 0.7	- 1.3
Nov	18.4	8.9	8.5	9.5	6.9	37.5	62.5	25.1	11.4	8.1	- 1.2	0.8	3.7
Dec	11.2	34.9	13.3	- 23.7	- 16.7	4.2	- 79.2	- 83.5	- 19.2	6.0	0.5	- 33.3	4.7
2003 Jan	20.4	- 11.7	- 3.1	32.1	21.0	- 7.2	17.1	24.2	8.2	- 3.3	- 3.9	8.0	7.5

\* The data in this table are based on the consolidated balance sheet of monetary financial institutions (MFIs) (Table II.2); statistical breaks have been eliminated from the flow figures. — 1 Source: ECB. — 2 Excluding MFIs' portfolios; for the German contribution: excluding German MFIs' portfolios of securities issued by MFIs in the euro area. — 3 After deduction of inter-MFI participations. — 4 For the European monetary union: including the counterparts of monetary liabilities of central governments. For Germany: as of 2003, also including DM banknotes still in circulation (see also footnote 7). — 5 The German contributions to the Eurosystem's

monetary aggregates should on no account be interpreted as national monetary aggregates and are therefore not comparable with the erstwhile German money stocks M1, M2 or M3. — 6 In Germany, bank debt securities with maturities of up to one year are classed as money market paper; up to the January 2002 *Monthly Report* they were published in this table together with money market fund shares. — 7 From 2002, euro currency in circulation; up to end-2002, including national banknotes and coins still in circulation. Excluding euro-area MFIs' cash in hand denominated in euro or

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IV De- posits of central gov- ernments	V Other factors		VI Money stock M3 (balance I plus II less III less IV less V) 5,6,10										Period
	Total 4	of which Intra- Eurosysteem liability/ claim related to banknote issue 11	Total	Money stock M2						Repo trans- actions	Money market fund shares (net) 2,10	Money market paper and debt securities with maturities of up to 2 years (net) 2,6,10	
				Total	Money stock M1			Deposits with an agreed maturity of up to 2 years 8	Deposits at agreed notice of up to 3 months 8,9				
					Total	Currency in circu- lation 7	Overnight deposits 8						
<b>European Monetary union (€ billion) 1</b>													
5.4	1.5	-	24.1	2.6	- 12.6	- 14.2	1.6	3.3	11.8	9.5	11.5	0.6	2001 Oct
- 3.0	29.3	-	54.5	48.7	32.0	- 15.7	47.8	1.9	14.8	- 9.2	9.7	5.2	Nov
- 11.2	- 86.7	-	99.9	116.4	63.8	- 40.0	103.8	11.1	41.5	- 7.4	- 1.3	- 7.8	Dec
10.4	- 4.4	-	9.1	- 26.2	- 40.6	6.8	- 47.3	- 6.7	21.1	- 2.3	19.5	- 0.2	2002 Jan
6.9	1.8	-	0.7	- 10.7	- 10.8	- 6.2	- 4.6	- 4.0	4.1	- 4.9	10.4	- 3.9	Feb
1.7	1.2	-	39.0	27.1	11.4	14.0	- 2.6	12.3	3.4	8.4	3.3	0.2	Mar
0.0	- 13.3	-	42.6	39.8	40.2	7.4	32.8	5.4	- 5.8	- 1.5	7.9	- 3.6	Apr
- 8.5	13.0	-	47.8	27.5	14.3	12.2	2.1	10.9	2.3	6.7	4.0	9.5	May
6.0	48.0	-	25.2	46.3	60.6	12.0	48.6	- 20.6	6.3	- 6.1	- 7.3	- 7.8	Jun
- 3.1	- 24.8	-	13.2	- 15.9	- 22.9	11.0	- 33.8	4.2	2.8	- 0.7	12.0	- 8.6	Jul
- 11.0	- 9.2	-	13.2	- 7.9	- 27.3	4.4	- 31.7	13.5	6.0	7.7	12.3	1.1	Aug
1.6	3.5	-	44.7	41.4	62.5	5.6	56.9	- 23.3	2.2	2.4	- 2.7	3.6	Sep
5.5	22.7	-	20.4	18.5	- 8.6	7.2	- 15.8	20.4	6.7	- 2.8	2.0	2.7	Oct
- 4.3	- 15.4	-	72.8	65.0	61.2	7.5	53.8	- 7.3	11.1	- 4.4	14.7	- 2.6	Nov
- 11.0	- 2.9	-	82.9	96.3	74.0	19.8	54.2	- 8.0	30.3	- 3.2	- 6.6	- 3.7	Dec
15.1	- 2.8	-	16.3	- 21.6	- 51.4	- 8.0	- 43.4	3.1	26.6	14.2	22.0	1.6	2003 Jan
<b>German contribution (€ billion)</b>													
- 1.6	4.1	-	4.5	0.4	- 3.3	- 6.0	2.6	0.9	2.8	6.5	0.7	- 3.1	2001 Oct
1.1	18.8	-	18.7	19.3	20.3	- 7.5	27.8	- 3.8	2.8	- 5.3	0.6	4.2	Nov
- 7.4	27.1	-	19.2	13.2	- 9.5	- 24.4	14.9	6.3	16.5	0.9	1.7	3.4	Dec
1.0	- 6.3	- 11.6	26.3	- 25.7	- 18.0	12	- 4.1	- 13.8	- 10.2	2.4	- 2.4	0.6	2002 Jan
- 0.7	- 4.9	- 3.4	4.1	- 0.1	3.9	4.5	- 0.6	- 3.5	- 0.5	1.0	0.5	2.8	Feb
- 0.0	- 8.6	- 3.4	1.9	1.5	- 0.0	2.6	- 2.6	1.6	- 0.1	0.2	- 0.2	0.5	Mar
- 1.9	- 1.4	1.3	1.7	0.2	12.4	3.1	9.3	- 4.8	- 7.3	- 0.3	- 0.3	2.1	Apr
0.7	- 0.6	2.9	16.8	12.6	8.7	2.5	6.2	4.5	- 0.6	1.3	0.4	2.5	May
0.5	- 5.1	1.0	10.9	15.7	16.4	3.3	13.1	0.3	- 1.0	- 0.6	- 0.5	- 3.7	Jun
- 1.1	- 13.7	2.0	5.8	- 3.2	- 1.5	3.7	- 5.1	- 0.2	- 1.5	- 1.0	0.3	- 1.8	Jul
1.3	- 4.3	3.2	3.3	- 0.4	- 4.3	0.9	- 5.2	3.7	0.1	1.2	1.3	1.2	Aug
1.0	10.7	2.2	13.7	8.4	16.5	1.6	14.9	- 9.0	1.0	6.4	0.1	- 0.8	Sep
- 1.6	8.5	2.0	15.5	11.7	2.7	1.5	1.2	6.8	2.2	- 1.0	0.6	4.2	Oct
- 0.6	- 6.1	1.5	29.5	32.1	34.3	2.5	31.8	- 5.6	3.3	- 3.2	- 0.2	0.8	Nov
0.0	- 3.8	1.5	22.8	25.4	5.3	4.3	1.0	7.2	12.8	- 3.1	- 0.5	0.9	Dec
- 0.8	7.3	0.5	- 3.9	- 9.5	- 10.0	- 0.7	- 9.3	- 3.7	4.1	4.2	2.5	- 1.1	2003 Jan
<b>German contribution (DM billion)</b>													
- 3.1	8.1	-	8.7	0.8	- 6.5	- 11.6	5.2	1.7	5.5	12.7	1.4	- 6.1	2001 Oct
2.2	36.8	-	36.6	37.7	39.8	- 14.6	54.4	- 7.5	5.5	- 10.4	1.2	8.1	Nov
- 14.5	52.9	-	37.6	25.9	- 18.6	- 47.8	29.2	12.3	32.2	1.8	3.3	6.6	Dec
1.9	- 12.3	22.7	51.5	- 50.3	- 35.1	12	- 8.1	- 27.0	- 19.9	4.7	- 4.7	1.2	2002 Jan
- 1.3	- 9.7	- 6.6	8.1	- 0.2	7.5	8.8	- 1.2	- 6.8	- 0.9	1.9	1.0	5.4	Feb
- 0.1	- 16.8	6.6	3.8	2.9	- 0.1	5.0	- 5.1	3.1	- 0.1	0.3	- 0.4	1.0	Mar
- 3.7	- 2.8	2.5	3.3	0.4	24.2	6.1	18.1	- 9.4	- 14.4	- 0.6	- 0.6	4.1	Apr
1.4	- 1.2	5.6	32.9	24.6	16.9	4.8	12.1	8.8	- 1.2	2.6	0.8	4.9	May
0.9	- 10.0	2.0	21.4	30.6	32.0	6.5	25.6	0.6	- 2.0	- 1.2	- 1.0	- 7.2	Jun
- 2.1	- 26.8	4.0	11.3	- 6.3	- 2.9	7.2	- 10.1	- 0.4	- 2.9	- 2.0	0.6	- 3.6	Jul
2.6	- 8.4	6.2	6.5	- 0.8	- 8.4	1.8	- 10.1	7.3	0.2	2.3	2.6	2.4	Aug
2.0	21.0	4.2	26.8	16.5	32.2	3.1	29.1	- 17.5	1.9	12.5	0.2	- 1.5	Sep
- 3.2	16.6	4.0	30.2	22.8	5.3	2.9	2.4	13.2	4.3	- 2.0	1.2	8.2	Oct
- 1.3	- 12.0	2.8	57.6	62.7	67.1	4.9	62.2	- 10.9	6.4	- 6.4	- 0.3	1.6	Nov
0.1	- 7.4	3.0	44.6	49.6	10.5	8.5	2.0	14.1	25.1	- 6.0	- 0.9	1.8	Dec
- 1.6	14.2	1.0	- 7.6	- 18.6	- 19.5	- 1.4	- 18.1	- 7.2	8.1	8.3	4.9	- 2.1	2003 Jan

in currencies of the euro area. From 2002 the German contribution contains the euro banknote volume put into circulation by the Bundesbank according to the accounting regime chosen by the Eurosysteem (see footnote 3 on banknote circulation in Table III.2). The volume of currency actually put into circulation by the Bundesbank can be calculated by adding to this total the item "Intra-Eurosysteem liability/claim related to banknote issue". — 8 For European monetary union: including the monetary liabilities of central governments (Post Office, Treasury). — 9 In Germany, only savings

deposits. — 10 Paper held by residents outside the euro area has been eliminated. — 11 For the German contribution: the difference between the volume of euro banknotes actually issued by the Bundesbank and the amount disclosed in accordance with the accounting regime chosen by the Eurosysteem (see also footnote 3 on banknote circulation in Table III.2). — 12 Includes statistically non-eliminated decrease of €11.6 billion (DM22.7 billion) owing to the change in the method of recording banknote circulation (see also footnotes 7 and 11).

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### 2 Consolidated balance sheet of monetary financial institutions (MFIs)\*

End of year/month	Total assets or liabilities	Assets									Claims on non- euro-area residents	Other assets
		Lending to non-banks (non-MFIs) in the euro area										
		Total	Enterprises and individuals				Public authorities					
			Total	Loans	Debt securities 2	Shares and other equities	Total	Loans	Debt securities 3			
<b>European monetary union (€ billion) <sup>1</sup></b>												
2001 Oct	13,424.2	9,339.1	7,325.2	6,451.6	329.9	543.7	2,014.0	827.2	1,186.8	2,742.5	1,342.5	
Nov	13,574.5	9,413.9	7,379.6	6,501.9	333.1	544.6	2,034.3	843.3	1,191.0	2,827.6	1,333.0	
Dec	13,576.7	9,451.3	7,424.4	6,519.3	336.9	568.1	2,026.9	847.7	1,179.2	2,807.8	1,317.6	
2002 Jan	13,667.3	9,495.6	7,444.4	6,534.4	341.9	568.1	2,051.1	844.8	1,206.3	2,829.6	1,342.2	
Feb	13,657.2	9,520.6	7,465.4	6,548.7	349.9	566.7	2,055.3	847.5	1,207.8	2,833.2	1,303.4	
Mar	13,694.4	9,594.9	7,513.2	6,606.1	346.6	560.5	2,081.7	852.6	1,229.1	2,845.2	1,254.2	
Apr	13,680.2	9,612.5	7,550.9	6,641.2	342.9	566.8	2,061.7	832.4	1,229.3	2,826.5	1,241.2	
May	13,711.6	9,645.0	7,573.6	6,659.7	345.0	568.9	2,071.5	829.2	1,242.3	2,845.8	1,220.7	
Jun	13,642.3	9,667.1	7,598.0	6,691.1	343.0	563.9	2,069.1	830.1	1,239.0	2,731.2	1,243.9	
Jul	13,679.1	9,652.9	7,587.0	6,692.6	345.3	549.1	2,065.9	828.5	1,237.4	2,756.7	1,269.5	
Aug	13,649.2	9,645.5	7,592.5	6,692.3	341.0	559.1	2,053.0	818.0	1,235.0	2,745.3	1,258.4	
Sep	13,822.3	9,700.5	7,626.6	6,726.8	350.8	549.1	2,073.9	820.8	1,253.2	2,813.5	1,308.3	
Oct	13,863.8	9,726.2	7,657.3	6,742.7	353.1	561.5	2,068.8	820.4	1,248.5	2,863.5	1,274.1	
Nov	14,010.7	9,761.6	7,678.0	6,754.5	356.7	566.8	2,083.6	829.2	1,254.4	2,937.0	1,312.1	
Dec	13,929.6	9,780.7	7,724.4	6,778.0	367.7	578.6	2,056.4	836.2	1,220.2	2,838.2	1,310.7	
2003 Jan	14,004.8	9,866.2	7,763.2	6,815.6	379.6	568.1	2,103.0	827.7	1,275.3	2,834.2	1,304.3	
<b>German contribution (€ billion)</b>												
2001 Oct	4,334.4	3,288.4	2,579.9	2,271.3	64.4	244.2	708.6	496.2	212.4	818.3	227.6	
Nov	4,336.2	3,303.9	2,587.2	2,279.0	64.8	243.4	716.6	506.6	210.0	837.9	194.5	
Dec	4,328.2	3,321.6	2,608.3	2,289.4	66.0	252.9	713.3	499.3	213.9	821.2	185.4	
2002 Jan	4,321.4	3,315.2	2,600.6	2,280.2	66.9	253.4	714.6	499.7	215.0	820.0	186.2	
Feb	4,322.9	3,316.3	2,600.1	2,283.4	65.1	251.6	716.2	497.1	219.1	822.1	184.4	
Mar	4,334.0	3,315.0	2,597.6	2,290.4	67.2	240.1	717.4	495.4	221.9	829.6	189.3	
Apr	4,330.7	3,324.0	2,605.7	2,293.1	69.0	243.7	718.3	491.2	227.1	816.6	190.1	
May	4,341.9	3,327.7	2,606.9	2,294.6	69.2	243.2	720.8	485.6	235.2	827.5	186.7	
Jun	4,291.6	3,309.3	2,596.0	2,294.8	69.7	231.6	713.3	480.4	232.8	800.0	182.3	
Jul	4,303.6	3,317.5	2,589.5	2,291.3	69.8	228.4	728.0	489.0	239.0	801.2	184.9	
Aug	4,307.0	3,315.3	2,594.9	2,289.8	67.1	238.0	720.4	479.8	240.6	810.2	181.5	
Sep	4,355.6	3,327.5	2,605.3	2,301.6	66.5	237.3	722.2	477.0	245.2	841.9	186.1	
Oct	4,370.5	3,332.3	2,611.3	2,299.8	69.8	241.7	721.0	480.4	240.6	850.3	188.0	
Nov	4,413.9	3,341.1	2,615.3	2,299.5	69.6	246.2	725.8	481.7	244.1	879.3	193.5	
Dec	4,359.5	3,344.6	2,630.8	2,304.4	66.6	259.8	713.8	478.4	235.4	823.8	191.1	
2003 Jan	4,360.7	3,353.2	2,623.2	2,298.5	66.1	258.7	730.0	484.0	246.0	824.1	183.4	
<b>German contribution (DM billion)</b>												
2001 Oct	8,477.3	6,431.6	5,045.8	4,442.3	126.0	477.5	1,385.8	970.5	415.3	1,600.5	445.1	
Nov	8,481.0	6,461.8	5,060.2	4,457.3	126.7	476.1	1,401.6	990.9	410.7	1,638.7	380.5	
Dec	8,465.3	6,496.5	5,101.4	4,477.7	129.1	494.7	1,395.0	976.6	418.4	1,606.2	362.6	
2002 Jan	8,451.9	6,484.0	5,086.3	4,459.7	130.9	495.7	1,397.7	977.3	420.4	1,603.7	364.2	
Feb	8,454.8	6,486.2	5,085.4	4,465.9	127.4	492.1	1,400.8	972.2	428.6	1,607.8	360.7	
Mar	8,476.5	6,483.6	5,080.5	4,479.6	131.4	469.5	1,403.1	969.0	434.1	1,622.6	370.3	
Apr	8,470.2	6,501.2	5,096.3	4,484.9	134.9	476.6	1,404.8	960.6	444.2	1,597.2	371.8	
May	8,492.0	6,508.4	5,098.7	4,487.8	135.3	475.6	1,409.8	949.7	460.0	1,618.4	365.2	
Jun	8,393.6	6,472.4	5,077.4	4,488.2	136.2	452.9	1,395.0	939.6	455.4	1,564.7	356.6	
Jul	8,417.2	6,488.5	5,064.7	4,481.5	136.6	446.6	1,423.8	956.4	467.4	1,567.0	361.7	
Aug	8,423.8	6,484.3	5,075.2	4,478.5	131.2	465.5	1,409.0	938.4	470.6	1,584.5	355.0	
Sep	8,518.8	6,508.1	5,095.6	4,501.5	130.0	464.1	1,412.5	932.9	479.7	1,646.6	364.0	
Oct	8,548.0	6,517.3	5,107.2	4,497.9	136.5	472.7	1,410.1	939.5	470.6	1,663.0	367.6	
Nov	8,632.8	6,534.6	5,115.1	4,497.3	136.2	481.6	1,419.5	942.1	477.4	1,719.7	378.5	
Dec	8,526.4	6,541.5	5,145.4	4,507.0	130.3	508.1	1,396.1	935.7	460.4	1,611.2	373.7	
2003 Jan	8,528.7	6,558.3	5,130.5	4,495.4	129.2	505.9	1,427.8	946.6	481.2	1,611.8	358.7	

\* Monetary financial institutions (MFIs) comprise banks (including building and loan associations), money market funds, and the European Central Bank and national central banks (the Eurosystem). — 1 Source: ECB. — 2 Including money market paper of enterprises. — 3 Including Treasury bills and other money market paper of public authorities. — 4 From 2002, euro currency in

circulation; up to end-2002, also including national banknotes and coins still in circulation (see also footnote 8 on p 12\*). Excluding MFIs' cash in hand (in euro). From 2002 the German contribution includes the volume of euro banknotes put into circulation by the Bundesbank in accordance with the

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Liabilities											End of year/month
Currency in circulation 4	Deposits of non-banks (non-MFIs) in the euro area										
	Total	of which in euro 5	Enterprises and individuals								
			Total	Overnight	With agreed maturities of			At agreed notice of 6			
					up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months		
<b>European monetary union (€ billion) 1</b>											
	295.5	5,493.0	5,144.7	5,183.4	1,678.9	938.6	81.1	1,136.1	1,232.4	116.4	2001 Oct
	279.7	5,552.5	5,200.8	5,249.5	1,728.6	944.2	79.9	1,134.9	1,246.6	115.3	Nov
	239.7	5,698.1	5,360.0	5,403.0	1,826.5	952.2	80.0	1,142.4	1,286.5	115.3	Dec
	246.5	5,669.6	5,318.9	5,363.4	1,773.6	948.3	79.5	1,146.2	1,304.0	111.8	2002 Jan
	240.3	5,671.3	5,311.3	5,359.8	1,768.1	946.9	78.7	1,148.1	1,307.2	110.8	Feb
	254.3	5,686.3	5,327.3	5,376.5	1,769.8	954.6	80.4	1,151.5	1,310.6	109.5	Mar
	261.7	5,711.2	5,355.4	5,401.0	1,797.8	959.7	81.0	1,150.8	1,304.2	107.5	Apr
	273.9	5,713.5	5,366.7	5,409.7	1,801.1	961.3	81.5	1,153.0	1,306.4	106.4	May
	285.8	5,749.3	5,407.9	5,438.3	1,844.4	938.5	81.5	1,155.0	1,312.7	106.2	Jun
	296.8	5,725.7	5,384.9	5,422.5	1,816.1	948.2	82.6	1,154.1	1,315.4	106.2	Jul
	301.2	5,688.0	5,358.6	5,396.2	1,783.7	959.7	83.3	1,142.5	1,320.6	106.4	Aug
	306.7	5,730.1	5,399.2	5,434.7	1,837.3	941.0	82.9	1,143.6	1,323.2	106.8	Sep
	313.9	5,745.4	5,410.6	5,446.2	1,819.2	964.2	82.8	1,144.9	1,329.4	105.8	Oct
	321.4	5,799.5	5,466.9	5,504.6	1,871.3	956.8	82.4	1,148.3	1,340.5	105.3	Nov
	341.2	5,876.1	5,563.9	5,588.6	1,924.6	947.6	81.0	1,160.8	1,369.2	105.3	Dec
	312.0	5,874.6	5,541.9	5,574.2	1,884.4	950.9	79.2	1,162.8	1,390.9	105.9	2003 Jan
<b>German contribution (€ billion)</b>											
	99.9	2,077.6	1,982.9	1,945.0	475.5	241.8	18.6	650.0	444.8	114.4	2001 Oct
	92.4	2,103.2	2,006.3	1,973.0	504.0	240.7	18.7	648.7	447.5	113.5	Nov
	68.0	2,135.1	2,048.0	2,010.0	519.0	244.7	18.6	650.2	463.9	113.6	Dec
7	63.8	2,113.2	2,024.0	1,989.9	506.4	236.6	18.5	652.0	466.4	110.0	2002 Jan
	68.3	2,108.1	2,019.4	1,986.2	505.6	235.1	17.1	653.5	465.9	109.0	Feb
	70.9	2,109.1	2,021.9	1,989.1	504.1	237.3	17.1	656.8	465.9	107.8	Mar
	74.0	2,100.4	2,015.8	1,984.7	513.9	234.0	17.1	655.2	458.6	105.9	Apr
	76.5	2,107.7	2,023.6	1,987.3	519.1	234.2	17.1	654.1	457.9	104.8	May
	79.8	2,119.3	2,035.6	1,997.1	530.9	234.4	17.3	653.0	457.0	104.6	Jun
	83.4	2,112.5	2,030.5	1,993.2	525.8	235.8	17.6	653.9	455.5	104.6	Jul
	84.3	2,098.8	2,018.1	1,979.2	521.5	239.6	17.6	640.1	455.6	104.8	Aug
	85.9	2,105.7	2,023.7	1,987.6	536.6	233.0	17.5	639.6	456.5	104.3	Sep
	87.4	2,115.1	2,035.2	2,003.0	538.0	243.7	17.5	641.5	458.8	103.5	Oct
	89.9	2,147.3	2,066.9	2,035.6	569.5	237.6	17.9	645.7	462.0	102.9	Nov
	94.2	2,170.7	2,092.1	2,054.2	567.8	242.4	18.2	648.0	474.8	103.1	Dec
	84.9	2,160.6	2,082.9	2,049.3	561.2	239.8	18.6	649.6	478.9	101.2	2003 Jan
<b>German contribution (DM billion)</b>											
	195.4	4,063.4	3,878.2	3,804.2	929.9	472.9	36.3	1,271.3	869.9	223.8	2001 Oct
	180.7	4,113.6	3,924.1	3,858.9	985.8	470.7	36.5	1,268.7	875.2	222.0	Nov
	132.9	4,175.9	4,005.5	3,931.2	1,015.2	478.6	36.4	1,271.6	907.4	222.1	Dec
7	124.8	4,133.1	3,958.6	3,891.8	990.5	462.7	36.2	1,275.2	912.2	215.1	2002 Jan
	133.6	4,123.1	3,949.5	3,884.6	988.8	459.9	33.5	1,278.1	911.3	213.1	Feb
	138.7	4,125.0	3,954.6	3,890.3	986.0	464.2	33.5	1,284.6	911.3	210.9	Mar
	144.7	4,108.0	3,942.5	3,881.8	1,005.1	457.6	33.5	1,281.5	897.0	207.1	Apr
	149.6	4,122.4	3,957.8	3,886.7	1,015.2	458.1	33.5	1,279.4	895.7	204.9	May
	156.0	4,145.0	3,981.3	3,906.0	1,038.3	458.5	33.8	1,277.2	893.8	204.5	Jun
	163.2	4,131.7	3,971.2	3,898.4	1,028.4	461.2	34.4	1,279.0	890.9	204.6	Jul
	165.0	4,105.0	3,947.1	3,871.0	1,020.0	468.6	34.5	1,252.0	891.0	204.9	Aug
	168.1	4,118.3	3,958.0	3,887.3	1,049.4	455.7	34.3	1,251.0	892.9	204.0	Sep
	170.9	4,136.7	3,980.5	3,917.6	1,052.2	476.7	34.3	1,254.7	897.2	202.4	Oct
	175.8	4,199.8	4,042.5	3,981.3	1,113.8	464.7	35.1	1,262.9	903.6	201.3	Nov
	184.3	4,245.5	4,091.8	4,017.7	1,110.5	474.0	35.5	1,267.4	928.6	201.7	Dec
	166.0	4,225.7	4,073.8	4,008.0	1,097.7	469.0	36.4	1,270.5	936.6	197.8	2003 Jan

accounting regime chosen by the Eurosystem (see footnote 3 on banknote circulation in Table III.2). The volume of currency actually put into circulation by the Bundesbank can be calculated by adding to this total the item "Intra-Eurosystem liability/claim related to banknote issue" (see "Other

liability items"). — 5 Excluding central governments deposits. — 6 In Germany, only saving deposits. — 7 Includes decrease of €11.6 billion (DM22.7 billion) owing to the change in the method of recording banknote circulation (see also footnote 4).

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### 2 Consolidated balance sheet of monetary financial institutions (MFIs) (cont'd)\*

Liabilities (cont'd)														
Deposits of non-banks (non-MFIs) in the euro area (cont'd)														
Public authorities									Repo transactions with non-banks in the euro area			Debt securities		
End of year/month	Central governments	Other public authorities							Total	of which Enterprises and individuals	Money market fund shares (net) <sup>3</sup>	Total	of which denominated in euro	
		Total	Overnight	With agreed maturities of			At agreed notice of <sup>2</sup>							
				up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months						
<b>European monetary union (€ billion) <sup>1</sup></b>														
2001 Oct	153.3	156.3	71.4	53.4	1.6	26.8	2.5	0.5	235.1	227.2	392.3	1,767.9	1,481.4	
Nov	150.2	152.8	69.5	51.9	1.6	26.7	2.6	0.5	225.9	218.3	400.8	1,760.3	1,454.6	
Dec	139.0	156.0	69.7	54.9	1.7	26.7	2.6	0.5	218.5	214.6	398.0	1,760.7	1,447.7	
2002 Jan	148.9	157.3	74.1	51.4	1.7	27.0	2.5	0.5	216.2	211.4	416.6	1,775.8	1,457.5	
Feb	155.7	155.7	75.1	49.4	1.7	26.6	2.5	0.5	221.1	215.8	427.0	1,778.1	1,456.9	
Mar	157.5	152.3	69.3	51.8	1.6	26.7	2.5	0.5	229.6	224.9	431.2	1,793.0	1,468.5	
Apr	157.5	152.7	71.9	50.0	1.4	26.6	2.5	0.4	228.1	223.8	437.5	1,785.4	1,460.7	
May	149.0	154.8	68.8	55.2	1.4	26.6	2.4	0.4	234.8	230.7	442.6	1,804.9	1,475.7	
Jun	155.0	156.0	71.6	53.3	1.5	26.7	2.4	0.4	229.6	225.9	439.2	1,788.3	1,470.9	
Jul	151.9	151.3	69.3	51.4	1.5	26.3	2.4	0.4	228.8	224.9	450.3	1,796.0	1,473.8	
Aug	141.0	150.8	67.8	52.4	1.5	26.3	2.4	0.4	236.5	231.9	463.4	1,814.2	1,493.3	
Sep	146.3	149.1	70.7	48.4	1.3	25.9	2.4	0.4	238.3	234.4	460.4	1,812.9	1,491.3	
Oct	151.8	147.4	72.2	45.3	1.3	25.6	2.5	0.4	235.6	232.1	462.7	1,823.0	1,490.3	
Nov	147.5	147.4	71.9	45.6	1.3	25.6	2.5	0.4	229.6	225.8	477.1	1,831.7	1,491.9	
Dec	136.4	151.1	75.8	45.1	1.4	25.6	2.8	0.4	226.4	224.0	470.1	1,814.5	1,482.9	
2003 Jan	154.6	145.8	71.3	45.7	1.2	24.3	2.8	0.4	240.6	237.4	551.8	1,816.4	1,487.6	
<b>German contribution (€ billion)</b>														
2001 Oct	55.4	77.1	15.3	35.8	1.0	22.8	1.7	0.5	9.4	9.4	29.6	813.4	707.5	
Nov	56.6	73.6	14.7	33.0	1.0	22.7	1.7	0.5	4.0	4.0	30.7	792.9	678.1	
Dec	49.1	75.9	14.6	35.2	1.2	22.7	1.7	0.5	4.9	4.9	32.6	791.9	676.0	
2002 Jan	50.1	73.3	13.6	33.3	1.2	23.0	1.7	0.5	2.5	2.5	34.5	795.7	672.2	
Feb	49.4	72.5	13.8	32.6	1.2	22.7	1.7	0.5	3.5	3.5	35.4	801.2	678.8	
Mar	49.4	70.6	12.6	32.0	1.2	22.8	1.6	0.5	3.7	3.7	35.8	811.6	687.2	
Apr	47.5	68.2	11.8	30.6	1.0	22.7	1.6	0.4	3.4	3.4	35.9	808.5	685.1	
May	48.2	72.3	12.4	34.2	1.0	22.7	1.6	0.4	4.7	4.7	35.4	810.5	683.8	
Jun	48.7	73.5	13.8	34.1	1.1	22.6	1.6	0.4	4.1	4.1	35.0	805.1	684.0	
Jul	47.6	71.7	13.9	32.3	1.0	22.5	1.5	0.4	3.1	3.1	35.6	813.3	687.2	
Aug	48.9	70.7	13.0	32.2	1.0	22.6	1.6	0.4	4.3	4.3	37.1	836.1	702.8	
Sep	49.9	68.2	13.1	30.0	0.9	22.2	1.6	0.4	10.7	10.7	37.0	837.1	702.4	
Oct	48.3	63.7	12.8	26.0	0.9	22.0	1.6	0.4	9.6	9.6	37.6	840.5	695.4	
Nov	47.7	64.1	13.1	26.2	0.9	21.9	1.6	0.4	6.4	6.4	37.5	840.8	691.9	
Dec	47.7	68.7	15.7	27.7	1.0	22.2	1.6	0.4	3.3	3.3	33.0	826.5	678.6	
2003 Jan	46.9	64.5	12.7	26.9	1.0	21.8	1.7	0.4	7.6	7.6	35.5	824.9	702.1	
<b>German contribution (DM billion)</b>														
2001 Oct	108.4	150.8	30.0	70.0	2.0	44.5	3.3	1.0	18.3	18.3	57.8	1,590.9	1,383.8	
Nov	110.6	144.0	28.7	64.5	2.0	44.4	3.4	1.0	7.9	7.9	60.0	1,550.7	1,326.2	
Dec	96.1	148.5	28.6	68.9	2.3	44.4	3.4	1.0	9.7	9.6	63.7	1,548.9	1,322.2	
2002 Jan	98.0	143.3	26.6	65.1	2.4	45.0	3.3	0.9	5.0	5.0	67.6	1,556.3	1,314.8	
Feb	96.7	141.8	27.0	63.8	2.4	44.4	3.3	0.9	6.9	6.9	69.2	1,567.0	1,327.7	
Mar	96.6	138.1	24.6	62.6	2.4	44.5	3.2	0.9	7.2	7.2	70.0	1,587.3	1,344.1	
Apr	92.9	133.3	23.1	59.9	2.0	44.4	3.1	0.9	6.6	6.6	70.2	1,581.3	1,339.9	
May	94.3	141.4	24.2	66.8	2.0	44.4	3.1	0.9	9.2	9.2	69.3	1,585.2	1,337.4	
Jun	95.2	143.8	26.9	66.7	2.1	44.2	3.0	0.9	8.1	8.1	68.5	1,574.7	1,337.8	
Jul	93.1	140.3	27.2	63.2	2.0	44.1	3.0	0.8	6.1	6.1	69.7	1,590.6	1,344.1	
Aug	95.7	138.3	25.3	62.9	2.0	44.1	3.1	0.8	8.3	8.3	72.5	1,635.3	1,374.5	
Sep	97.7	133.3	25.5	58.7	1.8	43.4	3.1	0.8	20.8	20.8	72.3	1,637.3	1,373.7	
Oct	94.5	124.6	25.1	50.9	1.7	43.0	3.0	0.8	18.9	18.9	73.6	1,643.9	1,360.2	
Nov	93.2	125.3	25.7	51.2	1.7	42.8	3.1	0.8	12.5	12.5	73.3	1,644.6	1,353.3	
Dec	93.3	134.4	30.8	54.2	1.9	43.5	3.2	0.8	6.5	6.5	64.5	1,616.5	1,327.3	
2003 Jan	91.7	126.1	24.9	52.6	1.9	42.7	3.2	0.8	14.8	14.8	69.4	1,613.4	1,373.2	

\* Monetary financial institutions (MFIs) comprise banks (including building and loan associations), money market funds, and the European Central Bank and national central banks (the Eurosystem). — 1 Source: ECB. — 2 In Germany: only savings deposits. — 3 Excluding holdings of MFIs; for the German contribution: excluding German MFIs' portfolios of securities issued by MFIs in the euro area. — 4 In Germany, bank debt securities with maturities of up to one year are classed as money market paper; up to the January 2002 *Monthly Report* they were published in this table together with money market fund shares. — 5 Excluding liabilities arising from

securities issued. — 6 After deduction of inter-MFI participations. — 7 The German contributions to the Eurosystem's monetary aggregates should on no account be interpreted as national monetary aggregates and are therefore not comparable to the erstwhile German money stocks M1, M2 or M3. — 8 From 2003, including DM banknotes still in circulation (see also footnote 4 on p 10\*). — 9 For the German contribution: the difference between the volume of euro banknotes actually issued by the Bundesbank and the amount disclosed in accordance with the accounting regime chosen by the Eurosystem (see also footnote 3 on banknote circulation in Table III.2). —



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issued (net) <sup>3</sup>							Memo item						Monetary liabilities of central governments (Post, Office, Treasury) <sup>14</sup>	End of year/month
							Other liability items		Monetary aggregates <sup>7</sup>					
With maturities of			Liabilities to non-euro-area residents <sup>5</sup>	Capital and reserves <sup>6</sup>	Excess of inter-MFI liabilities	Total <sup>8</sup>	of which Intra-Eurosystem-liability/claim related to banknote issue <sup>9</sup>	M1 <sup>10</sup>	M2 <sup>11</sup>	M3 <sup>12</sup>	Monetary capital formation <sup>13</sup>			
up to 1 year <sup>4</sup>	over 1 year and up to 2 years	over 2 years												
<b>European monetary union (€ billion) <sup>1</sup></b>														
...	...	1,617.0	2,665.2	981.1	5.5	1,588.7	–	2,111.6	4,497.9	5,274.7	3,877.9	142.5	2001 Oct	
...	...	1,606.6	2,729.9	982.6	10.4	1,632.4	–	2,144.3	4,548.2	5,327.1	3,866.6	143.7	Nov	
...	...	1,613.6	2,723.1	995.2	– 8.5	1,551.8	–	2,207.9	4,664.6	5,427.0	3,893.7	150.7	Dec	
...	...	1,632.9	2,759.5	1,007.5	2.0	1,573.6	–	2,168.4	4,639.7	5,414.3	3,925.9	158.0	2002 Jan	
...	...	1,638.8	2,768.0	1,011.5	1.1	1,538.8	–	2,157.4	4,628.7	5,415.5	3,936.2	158.7	Feb	
...	...	1,655.8	2,791.3	1,010.7	1.3	1,496.6	–	2,168.5	4,654.8	5,452.9	3,954.6	159.8	Mar	
...	...	1,650.2	2,774.0	1,004.6	– 8.9	1,486.6	–	2,207.2	4,691.2	5,491.4	3,940.1	161.0	Apr	
...	...	1,660.6	2,755.1	1,008.8	– 7.3	1,485.2	–	2,219.3	4,712.8	5,534.2	3,955.7	160.8	May	
...	...	1,655.2	2,620.0	985.8	10.7	1,533.6	–	2,277.9	4,752.8	5,554.3	3,929.3	161.0	Jun	
...	...	1,670.1	2,648.2	993.4	– 2.9	1,542.7	–	2,256.1	4,742.8	5,547.3	3,950.5	159.2	Jul	
...	...	1,687.0	2,616.4	1,004.3	– 0.2	1,525.4	–	2,228.6	4,734.3	5,560.7	3,967.0	161.7	Aug	
...	...	1,680.8	2,674.8	1,015.9	– 5.0	1,588.0	–	2,291.0	4,775.7	5,605.7	3,973.4	161.8	Sep	
...	...	1,688.7	2,697.9	1,013.9	3.3	1,568.2	–	2,282.3	4,793.5	5,625.5	3,979.3	162.7	Oct	
...	...	1,698.9	2,737.8	1,016.0	– 4.0	1,601.5	–	2,342.3	4,857.3	5,695.3	3,994.6	163.5	Nov	
...	...	1,685.0	2,629.3	995.8	4.3	1,571.8	–	2,424.4	4,958.4	5,783.3	3,973.0	169.7	Dec	
...	...	1,711.6	2,629.1	997.4	8.2	1,574.6	–	2,350.3	4,912.7	5,809.2	4,002.4	174.1	2003 Jan	
<b>German contribution (€ billion)</b>														
19.1	39.6	754.6	747.4	263.0	– 37.5	331.6	–	590.7	1,334.3	1,432.0	1,805.4	–	2001 Oct	
16.9	42.4	733.6	736.7	264.4	– 21.8	333.7	–	611.1	1,353.7	1,447.7	1,783.4	–	Nov	
17.9	44.5	729.5	702.1	265.3	10.6	317.7	–	601.6	1,367.0	1,466.9	1,781.7	–	Dec	
22.4	35.1	738.2	724.3	267.2	– 0.1	320.2	11.6	583.8	1,341.5	1,436.1	1,790.8	–	2002 Jan	
22.3	37.6	741.2	721.4	272.1	– 0.6	313.4	8.2	587.7	1,341.4	1,440.2	1,798.9	–	Feb	
22.7	37.7	751.2	721.6	272.4	– 2.7	311.6	11.6	587.6	1,342.8	1,442.6	1,811.4	–	Mar	
22.9	38.7	746.9	728.3	270.0	– 1.1	311.4	12.9	599.7	1,342.7	1,441.9	1,801.1	–	Apr	
25.2	39.4	745.9	730.3	269.8	– 8.2	315.1	15.7	607.9	1,354.0	1,458.7	1,797.8	–	May	
23.1	38.1	743.9	687.4	265.5	– 24.8	320.1	16.7	624.4	1,369.8	1,470.1	1,790.1	–	Jun	
21.9	38.7	752.7	705.4	267.7	– 39.0	321.5	18.8	623.1	1,366.9	1,466.2	1,801.9	–	Jul	
24.5	37.5	774.2	698.5	272.4	– 50.5	326.0	22.0	618.8	1,366.4	1,469.6	1,814.5	–	Aug	
24.4	36.8	775.9	713.6	274.4	– 48.6	339.8	24.1	635.6	1,375.1	1,483.9	1,816.9	–	Sep	
28.2	37.1	775.2	706.9	272.8	– 42.1	342.7	26.2	638.2	1,386.7	1,499.3	1,815.4	–	Oct	
28.1	38.1	774.7	717.3	274.2	– 47.5	347.9	27.6	672.5	1,418.7	1,528.7	1,819.8	–	Nov	
28.3	39.0	755.3	661.0	277.7	– 56.9	350.0	29.1	677.8	1,443.4	1,550.8	1,806.8	–	Dec	
33.6	34.9	753.4	665.7	283.0	– 50.3	348.8	29.6	658.9	1,425.6	1,532.9	1,809.3	–	2003 Jan	
<b>German contribution (DM billion)</b>														
37.4	77.5	1,475.9	1,461.8	514.5	– 73.4	648.6	–	1,155.3	2,609.6	2,800.7	3,531.1	–	2001 Oct	
33.0	82.9	1,434.8	1,440.8	517.2	– 42.6	652.7	–	1,195.3	2,647.6	2,831.4	3,488.0	–	Nov	
35.1	87.0	1,426.8	1,373.1	518.9	20.8	621.4	–	1,176.7	2,673.6	2,869.1	3,484.7	–	Dec	
43.9	68.6	1,443.8	1,416.6	522.6	– 0.3	626.3	22.7	1,141.9	2,623.7	2,808.8	3,502.5	–	2002 Jan	
43.7	73.6	1,449.7	1,411.0	532.1	– 1.1	613.0	16.1	1,149.4	2,623.5	2,816.9	3,518.3	–	Feb	
44.5	73.6	1,469.2	1,411.4	532.8	– 5.3	609.5	22.7	1,149.2	2,626.3	2,821.6	3,542.8	–	Mar	
44.8	75.7	1,460.8	1,424.5	528.0	– 2.1	609.0	25.2	1,172.9	2,626.0	2,820.1	3,522.7	–	Apr	
49.3	77.0	1,458.9	1,428.3	527.7	– 16.1	616.4	30.7	1,189.0	2,648.2	2,853.0	3,516.1	–	May	
45.1	74.6	1,455.0	1,344.4	519.3	– 48.5	626.1	32.8	1,221.2	2,679.1	2,875.4	3,501.1	–	Jun	
42.9	75.6	1,472.1	1,379.6	523.6	– 76.2	628.9	36.7	1,218.7	2,673.3	2,867.6	3,524.2	–	Jul	
47.8	73.3	1,514.2	1,366.1	532.8	– 98.8	637.6	43.0	1,210.3	2,672.4	2,874.3	3,548.9	–	Aug	
47.7	71.9	1,517.6	1,395.7	536.6	– 95.0	664.6	47.2	1,243.0	2,689.4	2,902.2	3,553.5	–	Sep	
55.2	72.6	1,516.2	1,382.6	533.5	– 82.4	670.2	51.2	1,248.2	2,712.1	2,932.4	3,550.7	–	Oct	
54.9	74.4	1,515.2	1,403.0	536.3	– 92.9	680.4	54.0	1,315.3	2,774.6	2,989.8	3,559.3	–	Nov	
55.4	76.3	1,477.2	1,292.7	543.2	– 111.2	684.6	57.0	1,325.6	2,823.1	3,033.1	3,533.8	–	Dec	
65.7	68.3	1,473.5	1,301.9	553.4	– 98.5	682.3	57.9	1,288.6	2,788.3	2,998.1	3,538.7	–	2003 Jan	

<sup>10</sup> Currency in circulation (from 2002, euro currency in circulation; up to end-2002, including national banknotes and coins still in circulation), overnight deposits (excluding central governments' deposits), and (for the euro area) central governments' overnight monetary liabilities, which are not included in the consolidated balance sheet. From 2002 the German contribution includes the euro banknote volume put into circulation by the Bundesbank in accordance with the accounting regime chosen by the Eurosystem (see footnote 3 on banknote circulation in Table III.2). The volume of currency actually put into circulation by the Bundesbank can be

calculated by adding to this total the item "Intra-Eurosystem liability/claim related to banknote issue". — <sup>11</sup> M1 plus deposits with agreed maturities of up to 2 years and at agreed notice of up to 3 months (excluding central governments' deposits) and (for the euro area) central governments' monetary liabilities with such maturities. — <sup>12</sup> M2 plus repo transactions, money market fund shares, money market paper and debt securities up to 2 years. — <sup>13</sup> Deposits with agreed maturities of over 2 years and at agreed notice of over 3 months, debt securities with maturities of over 2 years, capital and reserves. — <sup>14</sup> Non-existent in Germany.

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### 3 Banking system's liquidity position \* Stocks

€ billion; period averages of daily positions

Reserve maintenance period ending in 1	Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) 5	Base money 6
	Monetary policy operations of the Eurosystem					Other liquidity- absorbing operations	Banknotes in circulation 3	Central government deposits	Other factors (net) 4			
	Net assets in gold and foreign currency	Main refinancing operations	Longer- term refinancing operations	Marginal lending facility	Other liquidity- providing operations					Deposit facility		
<b>Eurosystem 2</b>												
2000 Oct	396.3	176.5	45.7	0.5	–	0.2	–	354.5	47.4	102.5	114.4	469.1
Nov	398.6	183.7	45.0	0.2	–	0.2	–	352.7	49.8	109.2	115.7	468.6
Dec	394.4	210.4	45.0	0.4	–	0.2	–	360.4	61.1	111.1	117.4	478.0
2001 Jan 7	383.7	205.3	45.0	0.5	–	0.6	–	368.3	52.2	94.2	119.1	488.0
Feb	377.9	188.9	49.8	2.6	–	0.4	–	354.8	57.0	86.3	120.7	476.0
Mar	375.6	185.2	54.1	0.4	–	0.5	–	353.0	53.0	87.7	121.0	474.5
Apr	382.1	172.4	58.4	2.2	–	0.5	–	354.6	49.5	89.1	121.4	476.4
May	384.4	144.0	59.1	0.4	17.0	0.6	–	352.7	39.4	87.5	124.8	478.1
Jun	385.0	161.7	59.1	0.2	–	0.4	–	351.1	41.3	87.5	125.7	477.3
Jul	397.6	161.9	59.9	0.2	–	0.4	–	350.8	42.5	98.8	127.1	478.3
Aug	402.1	164.0	60.0	0.1	–	0.2	–	347.6	48.8	101.8	127.8	475.6
Sep	401.3	147.1	60.0	0.5	3.5	0.4	–	335.4	45.2	105.4	126.1	461.9
Oct	389.9	136.7	60.0	1.1	–	0.1	–	325.2	43.6	93.6	125.1	450.4
Nov	385.0	132.3	60.0	0.2	–	0.3	–	311.3	46.1	93.1	126.7	438.3
Dec	383.7	122.5	60.0	0.5	12.4	0.8	–	298.0	43.5	109.3	127.4	426.2
2002 Jan	385.2	118.5	60.0	0.4	3.7	0.6	–	344.3	38.3	54.2	130.4	475.2
Feb	386.0	127.3	60.0	0.2	–	0.1	–	306.2	49.6	85.2	132.6	438.8
Mar	386.7	114.6	60.0	0.2	–	0.1	–	283.3	54.2	91.8	132.1	415.6
Apr	395.4	112.7	60.0	0.4	–	0.2	–	285.9	55.9	95.3	131.2	417.3
May	397.7	110.6	60.0	0.1	–	0.3	–	293.7	49.2	93.5	131.7	425.6
Jun	396.2	112.6	60.0	0.5	–	0.4	–	300.8	45.1	91.2	131.8	433.0
Jul	369.1	130.4	60.0	0.2	–	0.2	–	313.4	54.4	60.3	131.4	445.0
Aug	360.0	139.2	55.2	0.1	–	0.1	–	322.7	50.9	50.8	129.9	452.8
Sep	362.3	140.9	50.8	0.1	–	0.2	–	323.6	49.1	51.7	129.6	453.4
Oct	370.0	146.1	45.3	0.1	–	0.1	–	329.2	45.6	58.2	128.3	457.6
Nov	372.1	147.5	45.0	0.1	–	0.1	–	334.0	42.8	58.6	129.3	463.4
Dec	371.5	168.1	45.0	1.1	2.0	0.2	–	350.7	51.7	55.5	129.5	480.5
2003 Jan	360.9	176.3	45.0	0.5	–	0.3	–	353.5	43.7	53.7	131.6	485.4
Feb	356.4	168.6	45.0	0.3	–	0.3	–	340.7	50.2	48.0	131.1	472.2
<b>Deutsche Bundesbank</b>												
2000 Oct	97.0	87.2	30.7	0.3	–	0.1	–	131.1	0.1	49.5	34.5	165.7
Nov	98.2	99.1	30.7	0.2	–	0.1	–	130.1	0.1	63.0	34.9	165.1
Dec	97.6	103.5	31.1	0.2	–	0.1	–	132.0	0.1	65.0	35.2	167.4
2001 Jan	93.0	103.1	28.4	0.3	–	0.3	–	131.2	0.1	57.7	35.6	167.1
Feb	90.3	93.2	28.3	1.3	–	0.2	–	126.7	0.1	50.0	36.2	163.1
Mar	89.1	87.6	33.2	0.2	–	0.4	–	126.2	0.1	47.6	35.9	162.4
Apr	90.1	84.5	37.4	1.5	–	0.2	–	126.2	0.1	50.7	36.4	162.8
May	90.0	67.4	37.8	0.2	7.5	0.5	–	124.8	0.1	47.6	37.4	162.7
Jun	89.7	79.9	37.5	0.1	–	0.3	–	123.6	0.1	45.7	37.5	161.4
Jul	92.8	85.4	37.0	0.1	–	0.3	–	121.8	0.1	55.5	37.7	159.7
Aug	94.2	77.0	38.2	0.1	–	0.2	–	119.3	0.1	52.0	37.8	157.3
Sep	93.7	73.3	38.9	0.1	1.3	0.1	–	115.4	0.1	54.6	37.1	152.7
Oct	91.3	66.3	40.2	0.5	–	0.1	–	110.8	0.1	50.1	37.3	148.2
Nov	89.8	68.2	38.5	0.2	–	0.2	–	104.6	0.1	53.8	38.0	142.9
Dec	89.4	62.4	40.1	0.2	5.0	0.5	–	96.6	0.1	67.1	37.8	134.9
2002 Jan	89.9	63.3	41.1	0.3	1.4	0.3	–	91.7	0.1	64.9	39.0	131.0
Feb	89.9	63.3	42.4	0.1	–	0.0	–	78.5	0.1	78.6	38.6	117.2
Mar	90.0	58.5	40.7	0.2	–	0.1	–	79.7	0.1	71.2	38.3	118.1
Apr	92.3	57.6	40.4	0.3	–	0.2	–	80.8	0.1	71.8	37.9	118.8
May	92.3	53.1	39.7	0.1	–	0.3	–	83.8	0.1	63.1	38.0	122.0
Jun	91.6	60.6	38.8	0.1	–	0.3	–	85.4	0.1	67.3	38.1	123.8
Jul	84.7	67.6	37.1	0.2	–	0.2	–	89.2	0.1	62.0	38.1	127.5
Aug	82.5	63.1	36.4	0.0	–	0.1	–	92.2	0.1	51.8	37.9	130.2
Sep	82.4	64.4	32.7	0.1	–	0.1	–	92.4	0.0	49.1	37.9	130.4
Oct	84.0	69.0	31.7	0.1	–	0.1	–	94.0	0.1	53.0	37.6	131.6
Nov	84.3	73.2	31.6	0.1	–	0.1	–	94.6	0.1	56.5	37.9	132.6
Dec	84.4	91.1	33.8	0.9	0.7	0.2	–	99.3	0.1	73.5	37.8	137.3
2003 Jan	82.3	85.1	36.1	0.5	–	0.1	–	98.3	0.1	66.9	38.6	137.0
Feb	81.4	81.6	36.5	0.2	–	0.3	–	95.5	0.1	65.6	38.3	134.1

Discrepancies may arise from rounding. — \* The banking system's liquidity position is defined as the current account holdings in euro of euro-area credit institutions with the Eurosystem. Amounts are derived from the consolidated financial statement of the Eurosystem and the financial statement of the Bundesbank. — 1 The reserve maintenance period of the ESCB's minimum reserve system starts on the 24th of each month and ends on the 23rd of the following month. — 2 Source: ECB. — 3 From 2002, euro bank-

notes and other banknotes which have been issued by the national central banks of the Eurosystem and which are still in circulation. In accordance with the accounting procedure chosen by the Eurosystem for the issue of euro banknotes, 8% of the total value of the euro banknotes in circulation are allocated on a monthly basis to the ECB. The counterpart of this adjustment is shown under „Other factors“. The remaining 92% of the value of the euro banknotes in circulation is allocated, likewise on a monthly basis,

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Flows

Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) <sup>5</sup>	Base money <sup>6</sup>	Reserve maintenance period ending in <sup>1</sup>
Net assets in gold and foreign currency	Monetary policy operations of the Eurosystem				Deposit facility	Other liquidity-absorbing operations	Banknotes in circulation <sup>3</sup>	Central government deposits	Other factors (net) <sup>4</sup>			
	Main refinancing operations	Longer-term refinancing operations	Marginal lending facility	Other liquidity-providing operations								
<b>Eurosystem <sup>2</sup></b>												
+ 14.7	+ 3.4	- 5.4	+ 0.2	-	+ 0.0	-	- 0.3	- 9.2	+ 21.3	+ 1.1	+ 0.8	2000 Oct
+ 2.3	+ 7.2	- 0.7	- 0.3	-	+ 0.0	-	- 1.8	+ 2.4	+ 6.7	+ 1.3	- 0.5	Nov
- 4.2	+ 26.7	- 0.0	+ 0.2	-	+ 0.0	-	+ 7.7	+ 11.3	+ 1.9	+ 1.7	+ 9.4	Dec
- 10.7	- 5.1	± 0.0	+ 0.1	-	+ 0.4	-	+ 7.9	- 8.9	- 16.9	+ 1.7	+ 10.0	2001 Jan 7
- 5.8	- 16.4	+ 4.8	+ 2.1	-	- 0.2	-	- 13.5	+ 4.8	- 7.9	+ 1.6	- 12.0	Feb
- 2.3	- 3.7	+ 4.3	- 2.2	-	+ 0.1	-	- 1.8	- 4.0	+ 1.4	+ 0.3	- 1.5	Mar
+ 6.5	- 12.8	+ 4.3	+ 1.8	-	- 0.0	-	+ 1.6	- 3.5	+ 1.4	+ 0.4	+ 1.9	Apr
+ 2.3	- 28.4	+ 0.7	- 1.8	+ 17.0	+ 0.1	-	- 1.9	- 10.1	- 1.6	+ 3.4	+ 1.7	May
+ 0.6	+ 17.7	± 0.0	- 0.2	- 17.0	- 0.2	-	- 1.6	+ 1.9	± 0.0	+ 0.9	- 0.8	Jun
+ 12.6	+ 0.2	+ 0.8	+ 0.0	-	+ 0.0	-	- 0.3	+ 1.2	+ 11.3	+ 1.4	+ 1.0	Jul
+ 4.5	+ 2.1	+ 0.1	- 0.1	-	- 0.2	-	- 3.2	+ 6.3	+ 3.0	+ 0.7	- 2.7	Aug
- 0.8	- 16.9	± 0.0	+ 0.4	+ 3.5	+ 0.2	-	- 12.2	- 3.6	+ 3.6	- 1.7	- 13.7	Sep
- 11.4	- 10.4	+ 0.0	+ 0.6	- 3.5	- 0.3	-	- 10.2	- 1.6	- 11.8	- 1.0	- 11.5	Oct
- 4.9	- 4.4	- 0.0	- 0.9	-	+ 0.2	-	- 13.9	+ 2.5	- 0.5	+ 1.6	- 12.1	Nov
- 1.3	- 9.8	± 0.0	+ 0.3	+ 12.4	+ 0.5	-	- 13.3	- 2.6	+ 16.2	+ 0.7	- 12.1	Dec
+ 1.5	- 4.0	- 0.0	- 0.1	- 8.7	- 0.2	-	+ 46.3	- 5.2	- 55.1	+ 3.0	+ 49.0	2002 Jan
+ 0.8	+ 8.8	± 0.0	- 0.2	- 3.7	- 0.5	-	- 38.1	+ 11.3	+ 31.0	+ 2.2	- 36.4	Feb
+ 0.7	- 12.7	+ 0.0	+ 0.0	-	+ 0.0	-	- 22.9	+ 4.6	+ 6.6	- 0.5	- 23.2	Mar
+ 8.7	- 1.9	- 0.0	+ 0.2	-	+ 0.1	-	+ 2.6	+ 1.7	+ 3.5	- 0.9	+ 1.7	Apr
+ 2.3	- 2.1	- 0.0	- 0.3	-	+ 0.1	-	+ 7.8	- 6.7	- 1.8	+ 0.5	+ 8.3	May
- 1.5	+ 2.0	+ 0.0	+ 0.4	-	+ 0.1	-	+ 7.1	- 4.1	- 2.3	+ 0.1	+ 7.4	Jun
- 27.1	+ 17.8	- 0.0	- 0.3	-	- 0.2	-	+ 12.6	+ 9.3	- 30.9	- 0.4	+ 12.0	Jul
- 9.1	+ 8.8	- 4.8	- 0.1	-	- 0.1	-	+ 9.3	- 3.5	- 9.5	- 1.5	+ 7.8	Aug
+ 2.3	+ 1.7	- 4.4	+ 0.0	-	+ 0.1	-	+ 0.9	- 1.8	+ 0.9	- 0.3	+ 0.6	Sep
+ 7.7	+ 5.2	- 5.5	- 0.0	-	- 0.1	-	+ 5.6	- 3.5	+ 6.5	- 1.3	+ 4.2	Oct
+ 2.1	+ 1.4	- 0.3	+ 0.0	-	- 0.0	-	+ 4.8	- 2.8	+ 0.4	+ 1.0	+ 5.8	Nov
- 0.6	+ 20.6	+ 0.0	+ 1.0	+ 2.0	+ 0.1	-	+ 16.7	+ 8.9	- 3.1	+ 0.2	+ 17.1	Dec
- 10.6	+ 8.2	± 0.0	- 0.6	- 2.0	+ 0.1	-	+ 2.8	- 8.0	- 1.8	+ 2.1	+ 4.9	2003 Jan
- 4.5	- 7.7	± 0.0	- 0.2	-	+ 0.0	-	- 12.8	+ 6.5	- 5.7	- 0.5	- 13.2	Feb
<b>Deutsche Bundesbank</b>												
+ 4.5	+ 5.3	- 3.1	+ 0.0	-	+ 0.0	-	- 0.3	+ 0.0	+ 6.9	+ 0.1	- 0.2	2000 Oct
+ 1.2	+ 11.8	- 0.0	- 0.2	-	± 0.0	-	- 1.0	+ 0.0	+ 13.4	+ 0.4	- 0.6	Nov
- 0.6	+ 4.5	+ 0.5	+ 0.1	-	+ 0.0	-	+ 1.9	+ 0.0	+ 2.1	+ 0.4	+ 2.3	Dec
- 4.6	- 0.5	- 2.7	+ 0.1	-	+ 0.2	-	- 0.8	- 0.0	- 7.4	+ 0.3	- 0.2	2001 Jan
- 2.7	- 9.8	- 0.1	+ 1.0	-	- 0.1	-	- 4.6	- 0.0	- 7.7	+ 0.6	- 4.0	Feb
- 1.2	- 5.6	+ 4.8	- 1.2	-	+ 0.1	-	- 0.5	- 0.0	- 2.4	- 0.4	- 0.7	Mar
+ 1.0	- 3.1	+ 4.3	+ 1.3	-	- 0.2	-	- 0.0	+ 0.0	+ 3.1	+ 0.5	+ 0.4	Apr
- 0.1	- 17.2	+ 0.3	- 1.2	+ 7.5	+ 0.3	-	- 1.4	+ 0.0	- 3.1	+ 1.1	- 0.1	May
- 0.3	+ 12.5	- 0.3	- 0.1	- 7.5	- 0.2	-	- 1.2	+ 0.0	- 1.9	+ 0.1	- 1.3	Jun
+ 3.2	+ 5.5	- 0.5	+ 0.0	-	+ 0.0	-	- 1.9	- 0.0	+ 9.9	+ 0.2	- 1.7	Jul
+ 1.3	- 8.4	+ 1.2	- 0.1	-	- 0.2	-	- 2.4	- 0.0	- 3.5	+ 0.2	- 2.4	Aug
- 0.4	- 3.7	+ 0.7	+ 0.1	+ 1.3	- 0.0	-	- 3.9	+ 0.0	+ 2.6	- 0.7	- 4.7	Sep
- 2.4	- 7.0	+ 1.3	+ 0.4	- 1.3	- 0.0	-	- 4.7	- 0.0	- 4.5	+ 0.2	- 4.5	Oct
- 1.5	+ 2.0	- 1.7	- 0.3	-	+ 0.2	-	- 6.1	+ 0.0	+ 3.7	+ 0.7	- 5.3	Nov
- 0.4	- 5.8	+ 1.7	+ 0.0	+ 5.0	+ 0.3	-	- 8.1	+ 0.0	+ 13.3	- 0.1	- 7.9	Dec
+ 0.4	+ 0.9	+ 1.0	+ 0.1	- 3.6	- 0.2	-	- 4.8	- 0.0	- 2.2	+ 1.1	- 3.9	2002 Jan
+ 0.0	+ 0.1	+ 1.3	- 0.2	- 1.4	- 0.3	-	- 13.2	- 0.0	+ 13.6	- 0.4	- 13.8	Feb
+ 0.1	- 4.9	- 1.7	+ 0.1	-	+ 0.0	-	+ 1.2	- 0.0	- 7.4	- 0.3	+ 0.9	Mar
+ 2.4	- 0.9	- 0.3	+ 0.1	-	+ 0.1	-	+ 1.0	+ 0.0	+ 0.6	- 0.4	+ 0.7	Apr
- 0.0	- 4.5	- 0.7	- 0.2	-	+ 0.1	-	+ 3.0	+ 0.0	- 8.7	+ 0.1	+ 3.3	May
- 0.7	+ 7.5	- 0.9	+ 0.1	-	- 0.0	-	+ 1.6	- 0.0	+ 4.2	+ 0.2	+ 1.8	Jun
- 6.9	+ 7.0	- 1.7	+ 0.0	-	- 0.1	-	+ 3.8	+ 0.0	- 5.3	- 0.1	+ 3.7	Jul
- 2.2	- 4.5	- 0.7	- 0.1	-	- 0.1	-	+ 3.0	- 0.0	- 10.2	- 0.2	+ 2.7	Aug
- 0.1	+ 1.3	- 3.7	+ 0.0	-	+ 0.1	-	+ 0.2	- 0.0	- 2.8	- 0.0	+ 0.2	Sep
+ 1.6	+ 4.6	- 1.0	+ 0.0	-	- 0.0	-	+ 1.5	+ 0.0	+ 3.9	- 0.3	+ 1.2	Oct
+ 0.4	+ 4.3	- 0.1	- 0.0	-	- 0.0	-	+ 0.7	+ 0.0	+ 3.5	+ 0.3	+ 1.0	Nov
+ 0.1	+ 17.8	+ 2.2	+ 0.9	+ 0.7	+ 0.1	-	+ 4.7	± 0.0	+ 17.1	- 0.2	+ 4.6	Dec
- 2.1	- 6.0	+ 2.4	- 0.5	- 0.7	- 0.0	-	- 1.0	- 0.0	- 6.7	+ 0.8	- 0.2	2003 Jan
- 0.9	- 3.4	+ 0.4	- 0.2	-	+ 0.1	-	- 2.8	- 0.0	- 1.2	- 0.3	- 2.9	Feb

to the NCBS, with each NCB showing in its balance sheet the percentage of the euro banknotes in circulation that corresponds to its paid-up share in the ECB's capital. The difference between the value of the euro banknotes allocated to an NCB and the value of the euro banknotes which that NCB has put into circulation is likewise shown under „Other factors“. From 2003 euro banknotes only. — 4 Remaining items in the consolidated financial

statement of the Eurosystem and the financial statement of the Bundesbank. — 5 Equal to the difference between the sum of liquidity-providing factors and the sum of liquidity-absorbing factors. — 6 Calculated as the sum of the „deposit facility“, „banknotes in circulation“ and „credit institutions' current account holdings“. — 7 Entry of Greece into the euro area on 1 January, 2001.

III Consolidated financial statement of the Eurosystem

1 Assets\*

€ billion

On reporting date/ End of month 1	Total assets	Gold and gold receivables	Claims on non-euro-area residents denominated in foreign currency			Claims on euro-area residents denominated in foreign currency	Claims on non-euro-area residents denominated in euro		
			Total	Receivables from the IMF	Balances with banks, security investments, external loans and other external assets		Total	Balances with banks, security investments and loans	Claims arising from the credit facility under ERM II
<b>Eurosystem <sup>2</sup></b>									
2002 Jun 14	783.6	139.4	261.8	30.8	231.1	22.9	5.1	5.1	-
21	793.7	139.4	263.2	34.5	228.7	22.0	5.0	5.0	-
28	3 780.8	3 128.3	3 238.0	3 32.6	3 205.3	3 19.7	4.5	4.5	-
Jul 5	764.7	128.3	237.9	32.5	205.4	19.3	4.6	4.6	-
12	765.6	128.3	239.4	32.5	206.9	19.5	4.8	4.8	-
19	776.0	128.3	240.1	32.4	207.7	20.2	4.9	4.9	-
26	783.5	128.3	240.9	32.3	208.6	20.4	4.9	4.9	-
Aug 2	771.6	128.3	240.1	32.3	207.8	20.0	4.9	4.9	-
9	768.6	128.3	239.4	32.1	207.3	19.3	4.8	4.8	-
16	763.5	128.3	237.4	32.4	205.0	19.4	4.9	4.9	-
23	764.1	128.3	240.0	32.4	207.6	17.9	4.8	4.8	-
30	770.8	128.3	238.5	32.4	206.0	17.0	5.3	5.3	-
Sep 6	765.6	128.3	239.7	32.5	207.2	18.5	4.8	4.8	-
13	762.1	128.3	241.4	32.4	209.0	18.2	4.6	4.6	-
20	772.6	128.3	243.0	32.4	210.6	18.5	4.8	4.8	-
27	772.8	128.3	242.5	32.4	210.1	18.3	5.0	5.0	-
Oct 4	3 778.3	3 131.2	3 248.3	3 32.6	3 215.7	3 18.5	4.5	4.5	-
11	778.7	131.2	247.2	32.6	214.6	19.4	4.2	4.2	-
18	774.3	131.2	246.4	32.5	213.9	19.6	4.2	4.2	-
25	798.0	131.2	246.6	32.4	214.2	21.0	4.6	4.6	-
Nov 1	779.7	131.2	244.9	32.3	212.6	21.0	4.3	4.3	-
8	777.5	131.2	246.4	32.1	214.3	19.8	3.8	3.8	-
15	773.3	131.1	246.9	32.0	214.9	20.4	3.9	3.9	-
22	788.7	131.1	246.9	32.0	214.9	21.0	3.8	3.8	-
29	796.5	131.1	245.6	32.0	213.6	20.0	3.5	3.5	-
Dec 6	812.7	131.1	248.4	32.0	216.4	20.1	3.7	3.7	-
13	818.7	131.0	250.7	31.9	218.8	20.2	3.7	3.7	-
20	820.4	131.0	248.6	31.9	216.6	20.2	3.7	3.7	-
27	832.6	130.9	248.6	32.5	216.1	19.9	4.0	4.0	-
2003 Jan 3	3 795.0	3 130.7	3 236.8	3 31.3	3 205.5	3 19.9	4.0	4.0	-
10	786.6	130.7	237.1	31.3	205.7	16.6	4.1	4.1	-
17	773.3	130.7	235.4	31.2	204.2	15.6	4.4	4.4	-
24	778.9	130.7	231.8	31.2	200.6	16.6	4.4	4.4	-
31	786.7	130.6	233.3	31.2	202.2	18.3	4.9	4.9	-
Feb 7	782.0	130.6	231.4	31.1	200.3	17.5	5.3	5.3	-
14	775.4	130.6	229.8	31.2	198.6	17.3	5.7	5.7	-
21	784.8	130.3	228.0	31.2	196.8	17.7	6.2	6.2	-
28	790.6	130.3	228.3	31.2	197.2	17.3	5.9	5.9	-
<b>Deutsche Bundesbank</b>									
2001 Apr	239.1	32.7	59.4	7.7	51.7	-	0.3	0.3	-
May	229.8	32.7	58.8	7.7	51.1	-	0.3	0.3	-
Jun	3 247.3	3 35.5	3 60.3	3 8.2	3 52.2	-	0.3	0.3	-
Jul	241.0	35.4	60.4	8.2	52.3	-	0.3	0.3	-
Aug	238.4	35.4	60.0	8.1	51.9	-	0.3	0.3	-
Sep	3 233.4	3 35.4	3 59.1	3 9.0	3 50.2	-	0.3	0.3	-
Oct	226.6	35.4	59.5	8.8	50.7	-	0.3	0.3	-
Nov	225.6	35.4	59.9	8.7	51.3	-	0.3	0.3	-
Dec	3 239.9	3 35.0	3 58.2	3 8.7	3 49.5	-	0.3	0.3	-
2002 Jan	230.6	35.0	60.0	8.8	51.2	-	0.3	0.3	-
Feb	221.4	35.0	59.9	8.8	51.1	-	0.3	0.3	-
Mar	3 227.4	3 38.5	3 59.6	3 8.8	3 50.8	-	0.3	0.3	-
Apr	205.3	38.5	58.0	8.3	49.6	-	0.3	0.3	-
May	218.3	38.5	56.6	8.4	48.2	-	0.3	0.3	-
Jun	3 217.9	3 35.4	3 51.2	3 8.8	3 42.4	-	0.3	0.3	-
Jul	211.3	35.4	51.8	8.8	43.0	-	0.3	0.3	-
Aug	218.3	35.4	50.9	8.7	42.2	-	0.3	0.3	-
Sep	3 221.9	3 36.2	3 52.7	3 8.8	3 44.0	-	0.3	0.3	-
Oct	226.4	36.2	52.1	8.6	43.5	-	0.3	0.3	-
Nov	229.9	36.2	53.0	8.6	44.4	-	0.3	0.3	-
Dec	3 240.0	3 36.2	3 48.8	3 8.3	3 40.5	-	0.3	0.3	-
2003 Jan	233.9	36.2	48.9	8.2	40.7	-	0.3	0.3	-
Feb	236.2	36.2	49.2	8.2	41.0	-	0.3	0.3	-

\* The consolidated financial statement of the Eurosystem comprises the financial statement of the European Central Bank (ECB) and the financial statements of the national central banks of the euro-area member states

(NCBs).— The balance sheet items for foreign currency, securities, gold and financial instruments are valued at market rates at the end of the quarter.— 1 For the Eurosystem: financial statement for specific weekly dates;

III Consolidated financial statement of the Eurosystem

Lending to euro-area credit institutions related to monetary policy operations denominated in euro							Credits related to margin calls	Other claims on euro-area credit institutions denomi- nated in euro	Securities of euro-area residents denominated in euro	General government debt denominated in euro	Other assets	On reporting date/ End of month 1
Total	Main refinancing operations	Longer-term refinancing operations	Fine-tuning reverse operations	Structural reverse operations	Marginal lending facility							
<b>Eurosystem <sup>2</sup></b>												
167.0	107.0	60.0	-	-	0.0	0.0	0.2	30.1	67.7	89.2		
175.9	112.0	60.0	-	-	3.9	0.0	0.2	30.2	67.7	90.1	2002 Jun	14
201.0	140.0	60.0	-	-	0.9	0.0	0.5	30.5	67.7	90.7		21
187.0	127.0	60.0	-	-	0.0	0.0	0.4	30.6	67.7	88.8	Jul	5
186.0	126.0	60.0	-	-	0.0	0.0	0.4	30.5	67.7	89.1		12
194.4	134.0	60.0	-	-	0.4	0.0	0.2	30.7	67.7	89.5		19
204.7	149.0	55.0	-	-	0.7	0.0	0.4	30.7	67.7	85.5		26
194.0	139.0	55.0	-	-	0.0	0.0	0.4	30.5	67.7	85.6	Aug	2
192.1	137.0	55.0	-	-	0.0	0.0	0.4	30.6	67.6	86.0		9
189.1	134.0	55.0	-	-	0.1	0.0	0.2	30.7	67.2	86.3		16
189.0	134.0	55.0	-	-	0.0	0.0	0.1	30.9	67.2	85.7		23
197.0	147.0	50.0	-	-	0.0	0.0	0.4	31.4	67.2	85.8		30
191.0	141.0	50.0	-	-	0.0	0.0	0.2	31.5	67.2	84.2	Sep	6
186.1	136.0	50.0	-	-	0.0	0.0	0.2	31.5	67.2	84.7		13
194.0	144.0	50.0	-	-	0.0	0.0	0.2	31.5	67.2	85.1		20
194.1	149.0	45.0	-	-	0.1	0.0	0.3	31.5	67.2	85.6		27
190.4	145.0	45.0	-	-	0.4	0.0	0.6	32.1	67.2	85.5	Oct	4
191.0	146.0	45.0	-	-	0.0	0.0	0.6	32.3	67.2	85.5		11
187.1	142.0	45.0	-	-	0.0	0.1	0.4	32.3	67.2	85.8		18
209.1	164.0	45.0	-	-	0.0	0.1	0.2	32.1	67.2	86.0		25
190.1	145.0	45.0	-	-	0.1	0.0	0.4	32.3	67.2	88.4	Nov	1
189.0	144.0	45.0	-	-	0.0	0.0	0.4	32.6	67.2	87.1		8
183.1	138.0	45.0	-	-	0.1	0.0	0.4	32.7	67.2	87.6		15
196.3	150.0	45.0	-	-	1.2	0.0	0.2	33.1	67.2	89.1		22
206.1	161.0	45.0	-	-	0.1	0.0	0.3	33.2	67.2	89.4		29
219.7	173.8	45.0	-	-	0.9	0.0	0.2	33.2	67.2	89.1	Dec	6
221.8	176.8	45.0	-	-	0.0	0.0	0.2	33.2	67.1	90.7		13
223.8	168.5	45.0	10.0	-	0.3	0.0	0.2	33.3	67.1	92.7		20
236.6	191.5	45.0	-	-	0.0	0.0	0.1	33.1	66.3	93.1		27
225.1	180.0	45.0	-	-	0.0	0.1	0.1	27.8	44.5	106.0	2003 Jan	3
219.1	174.0	45.0	-	-	0.0	0.1	0.1	27.9	44.5	106.6		10
208.6	161.0	45.0	-	-	2.6	0.0	0.2	28.0	44.5	105.9		17
215.3	170.0	45.0	-	-	0.3	0.0	0.2	28.5	44.5	106.9		24
219.2	174.0	45.0	-	-	0.2	0.0	0.3	29.1	44.5	106.5		31
214.0	169.0	45.0	-	-	0.0	0.0	0.3	30.7	44.4	107.7	Feb	7
206.2	161.0	45.0	-	-	0.1	0.0	0.3	31.7	44.4	109.4		14
216.2	170.0	45.0	-	-	1.1	0.0	0.3	32.6	44.4	109.2		21
223.2	178.0	45.0	-	-	0.1	0.0	0.6	33.5	44.4	107.2		28
<b>Deutsche Bundesbank</b>												
124.0	86.3	37.7	-	-	0.0	-	0.0	-	4.4	18.2	2001 Apr	
115.1	77.3	37.7	-	-	0.1	-	0.0	-	4.4	18.4	May	
128.2	91.2	36.9	-	-	0.1	-	0.0	-	4.4	18.6	Jun	
121.8	83.5	38.3	-	-	0.0	-	0.0	-	4.4	18.7	Jul	
114.0	74.5	39.1	-	-	0.4	-	0.0	-	4.4	24.2	Aug	
111.7	70.2	40.3	-	-	1.2	-	0.0	-	4.4	22.4	Sep	
108.2	69.8	38.4	-	-	0.1	-	0.0	-	4.4	18.7	Oct	
106.8	45.0	40.4	-	21.3	0.2	-	0.0	-	4.4	18.7	Nov	
123.0	80.5	41.1	-	-	1.4	-	0.0	-	4.4	18.9	Dec	
112.3	69.5	42.8	-	-	0.0	-	0.0	-	4.4	18.6	2002 Jan	
103.7	61.7	40.4	-	-	1.6	-	0.0	-	4.4	18.1	Feb	
106.8	65.7	40.4	-	-	0.7	-	0.0	-	4.4	17.7	Mar	
86.6	46.7	39.6	-	-	0.3	-	0.0	-	4.4	17.5	Apr	
101.0	62.3	38.6	-	-	0.1	-	0.0	-	4.4	17.4	May	
109.1	71.2	36.9	-	-	0.9	-	0.0	-	4.4	17.5	Jun	
98.2	61.8	36.4	-	-	0.0	-	0.0	-	4.4	21.2	Jul	
100.3	68.3	32.0	-	-	0.0	-	0.0	-	4.4	26.9	Aug	
104.2	72.4	31.7	-	-	0.1	-	0.0	-	4.4	24.0	Sep	
103.9	72.4	31.6	-	-	0.0	-	0.0	-	4.4	29.4	Oct	
111.1	77.0	34.0	-	-	0.1	-	0.0	-	4.4	24.8	Nov	
125.5	87.1	36.1	-	-	2.2	-	0.0	-	4.4	24.8	Dec	
124.3	87.5	36.6	-	-	0.2	-	0.0	-	4.4	19.8	2003 Jan	
126.3	91.6	34.7	-	-	0.0	-	0.0	-	4.4	19.7	Feb	

for the Bundesbank: up to end-2001, financial statement for the last Friday of each month; from 2002, end-of-month financial statement. — 2 Source:

ECB. — 3 Changes are due mainly to revaluations at the end of the quarter.



### III Consolidated financial statement of the Eurosystem

Liabilities to non-euro-area residents denominated in euro	Liabilities to euro-area residents denominated in foreign currency	Liabilities to non-euro-area residents denominated in foreign currency			Counterpart of special drawing rights allocated by the IMF	Other liabilities <sup>6</sup>	Intra-Eurosystem liability related to banknote issue <sup>3</sup>	Revaluation accounts	Capital and reserves	On reporting date/ End of month <sup>1</sup>
		Total	Deposits, balances and other liabilities	Liabilities arising from the credit facility under ERM II						
<b>Eurosystem <sup>4</sup></b>										
8.3	1.4	20.0	20.0	—	7.0	62.4	—	136.9	64.3	2002 Jun 14
8.9	1.4	19.1	19.1	—	7.0	62.9	—	136.9	64.3	21
8.4	1.6	5 16.9	5 16.9	—	6.5	5 64.4	—	5 99.1	64.3	28
8.5	1.2	16.9	16.9	—	6.5	63.3	—	99.1	64.3	Jul 5
8.6	1.2	18.8	18.8	—	6.5	63.3	—	99.1	64.3	12
8.6	1.5	20.0	20.0	—	6.5	64.5	—	99.1	64.3	19
9.0	1.3	21.5	21.5	—	6.5	59.3	—	99.1	64.3	26
9.4	1.4	20.4	20.4	—	6.5	59.1	—	99.1	64.3	Aug 2
8.6	1.3	19.7	19.7	—	6.5	59.9	—	99.1	64.3	9
8.6	1.3	17.3	17.3	—	6.5	60.5	—	99.1	64.3	16
9.1	1.3	18.4	18.4	—	6.5	60.0	—	99.1	64.3	23
9.0	1.3	16.1	16.1	—	6.5	59.8	—	99.1	64.3	30
8.7	1.3	15.1	15.1	—	6.5	60.0	—	99.1	64.3	Sep 6
8.6	1.3	16.6	16.6	—	6.5	60.0	—	99.1	64.3	13
9.0	1.5	18.1	18.1	—	6.5	60.7	—	99.1	64.3	20
8.9	1.4	17.9	17.9	—	6.5	60.5	—	99.1	64.3	27
9.2	1.3	18.1	18.1	—	6.6	5 62.5	—	5 106.3	64.3	Oct 4
8.5	1.3	18.0	18.0	—	6.6	62.6	—	106.3	64.3	11
8.3	1.4	17.3	17.3	—	6.6	63.5	—	106.3	64.3	18
8.4	1.6	18.8	18.8	—	6.6	63.6	—	106.3	64.3	25
8.4	1.4	17.3	17.3	—	6.6	64.3	—	106.3	64.2	Nov 1
8.5	1.4	17.0	17.0	—	6.6	62.7	—	106.3	64.2	8
8.4	1.6	17.1	17.1	—	6.6	64.7	—	106.3	64.2	15
8.3	1.7	19.3	19.3	—	6.6	63.4	—	106.3	64.4	22
8.6	1.3	17.3	17.3	—	6.6	62.9	—	106.3	64.4	29
8.5	1.3	20.0	20.0	—	6.6	62.6	—	106.3	64.4	Dec 6
8.4	1.3	22.4	22.4	—	6.6	63.0	—	106.3	64.5	13
9.5	1.4	20.7	20.7	—	6.6	63.7	—	106.3	64.4	20
8.8	1.2	20.1	20.1	—	6.6	64.1	—	106.3	64.4	27
11.6	1.1	5 21.0	5 21.0	—	6.3	5 73.8	—	5 82.8	64.3	2003 Jan 3
8.3	1.1	19.7	19.7	—	6.3	73.6	—	82.8	64.2	10
8.3	1.1	17.3	17.3	—	6.3	74.0	—	82.8	64.2	17
8.9	1.1	15.0	15.0	—	6.3	74.2	—	82.8	64.1	24
9.4	1.1	15.8	15.8	—	6.3	73.7	—	82.8	64.1	31
8.5	1.0	15.8	15.8	—	6.3	73.3	—	82.8	64.1	Feb 7
8.5	1.0	15.2	15.2	—	6.3	72.7	—	82.8	64.4	14
8.4	1.0	14.1	14.1	—	6.3	74.5	—	82.8	63.5	21
8.7	1.0	14.1	14.1	—	6.3	70.2	—	82.8	64.4	28
<b>Deutsche Bundesbank</b>										
6.8	0.0	—	—	—	1.7	17.8	.	41.4	5.1	2001 Apr
7.2	0.0	—	—	—	1.7	17.1	.	41.4	5.1	May
6.8	0.0	—	—	—	1.8	23.2	.	5 45.2	5.1	Jun
6.8	0.0	—	—	—	1.8	28.0	.	45.2	5.1	Jul
6.8	0.0	—	—	—	1.8	14.4	.	45.2	5.1	Aug
6.8	0.0	1.8	1.8	—	1.7	15.3	.	5 41.8	5.1	Sep
6.9	0.0	3.0	3.0	—	1.7	26.8	.	41.8	5.1	Oct
6.9	0.0	4.1	4.1	—	1.7	16.4	.	41.8	5.1	Nov
7.3	0.0	1.4	1.4	—	1.7	47.8	.	5 41.6	5.1	Dec
7.1	0.0	3.3	3.3	—	1.7	30.6	11.6	41.6	5.1	2002 Jan
7.0	0.0	3.2	3.2	—	1.7	32.6	8.2	41.6	5.1	Feb
7.0	0.0	5 3.0	5 3.0	—	1.7	30.9	11.6	5 44.8	5.1	Mar
7.0	0.0	2.4	2.4	—	1.7	9.1	12.9	44.8	5.1	Apr
7.0	0.0	1.6	1.6	—	1.7	12.7	15.7	44.8	5.1	May
6.9	0.0	2.3	2.3	—	1.6	20.9	16.7	5 35.5	5.1	Jun
7.1	0.0	3.0	3.0	—	1.6	8.9	18.8	35.5	5.1	Jul
7.1	0.0	2.3	2.3	—	1.6	9.2	22.0	35.5	5.1	Aug
7.2	0.0	2.8	2.8	—	1.6	10.2	24.1	5 37.3	5.1	Sep
7.1	0.0	2.4	2.4	—	1.6	10.6	26.2	37.3	5.1	Oct
7.1	0.0	3.1	3.1	—	1.6	10.5	27.6	37.3	5.1	Nov
7.1	0.0	1.8	1.8	—	1.6	11.1	29.1	5 34.2	5.0	Dec
7.8	0.0	2.2	2.2	—	1.6	17.6	29.6	34.2	5.0	2003 Jan
7.3	0.0	2.4	2.4	—	1.6	19.1	31.9	34.2	5.0	Feb

counterpart of this adjustment is disclosed as an "Intra-Eurosystem liability related to banknote issue". The remaining 92% of the value of the euro banknotes in circulation is also allocated to the NCBs on a monthly basis, and each NCB shows in its balance sheet the share of the euro banknotes issued which corresponds to its paid-up share in the ECB's capital. The difference between the value of the euro banknotes allocated to the NCB

according to the aforementioned accounting regime and the value of euro banknotes put into circulation is also disclosed as an "Intra-Eurosystem claim/ liability related to banknote issue". — <sup>4</sup> Source: ECB. — <sup>5</sup> Changes are due mainly to revaluations at the end of the quarter. — <sup>6</sup> For the Deutsche Bundesbank: from 2003, including DM banknotes still in circulation (see also footnote 2).





euro area <sup>3</sup>										Claims on non-euro-area residents		Other assets	Period
to non-banks in other member states									Total	of which Loans <sup>3</sup>	Other assets		
Public authorities			Total	Enterprises and individuals		Public authorities		Secur- ities					
Secur- ities	Total	Loans <sup>3</sup>		Secur- ities <sup>4</sup>	Total	of which Loans <sup>3</sup>	Total		Loans <sup>3</sup>				
<b>End of year or month</b>													
248.1	941.9	650.1	291.8	78.2	39.6	39.6	38.6	8.3	30.3	548.8	479.6	189.2	1994
250.0	1,086.3	792.2	294.1	88.2	39.4	39.2	48.8	11.3	37.6	608.5	526.0	209.4	1995
269.7	1,169.1	857.8	311.4	102.8	36.8	36.8	66.0	17.2	48.8	678.1	575.3	224.4	1996
300.6	1,228.2	911.0	317.2	139.2	41.9	41.2	97.3	23.4	73.9	839.6	710.2	253.1	1997
394.5	1,254.9	939.1	315.8	218.0	62.5	56.0	155.5	35.6	119.9	922.0	758.0	302.2	1998
233.0	632.1	488.4	143.7	168.8	65.3	35.9	103.6	20.7	82.8	511.2	404.2	185.8	1999
259.1	616.9	478.5	138.4	187.3	83.8	44.2	103.5	20.0	83.5	622.4	481.7	218.1	2000
261.3	587.8	468.7	119.1	232.3	111.3	53.7	121.0	26.2	94.8	727.3	572.0	174.3	2001
265.5	585.9	448.0	137.9	247.7	124.7	63.6	123.0	25.5	97.5	738.1	589.2	180.0	2002
290.7	599.6	477.1	122.5	219.3	99.5	48.3	119.9	24.0	95.9	689.7	536.9	231.9	2001 Apr
287.1	598.0	475.5	122.5	227.5	103.5	48.4	123.9	24.3	99.7	698.1	541.1	238.4	May
260.7	597.1	469.2	127.8	225.2	104.4	50.8	120.8	24.5	96.3	693.2	535.9	230.4	Jun
259.5	607.6	470.3	137.3	224.5	103.2	49.7	121.4	24.0	97.3	663.1	510.4	214.1	Jul
257.0	597.3	469.5	127.8	227.5	102.0	49.2	125.6	24.1	101.5	683.8	531.3	212.6	Aug
252.9	584.5	466.8	117.7	228.0	103.5	51.1	124.5	23.8	100.7	712.8	558.0	214.6	Sep
255.1	583.8	467.7	116.1	225.5	105.2	51.7	120.3	24.1	96.2	722.0	563.7	215.5	Oct
252.8	594.3	477.4	116.9	225.7	107.8	52.4	117.9	24.8	93.1	741.7	584.8	182.8	Nov
261.3	587.8	468.7	119.1	232.3	111.3	53.7	121.0	26.2	94.8	727.3	572.0	174.3	Dec
261.6	588.1	469.5	118.5	235.6	113.5	54.7	122.1	25.7	96.4	723.8	569.9	173.1	2002 Jan
258.2	589.2	466.9	122.3	237.2	114.6	56.1	122.6	25.8	96.8	721.8	566.7	172.6	Feb
248.6	586.6	464.3	122.3	245.0	118.7	60.1	126.3	26.7	99.6	730.8	574.6	178.3	Mar
254.0	587.2	460.4	126.9	246.7	120.1	61.5	126.6	26.4	100.2	721.2	568.3	179.3	Apr
253.6	588.6	455.2	133.4	249.0	121.3	62.6	127.7	26.0	101.8	734.8	580.6	176.1	May
244.6	581.6	450.0	131.6	245.4	118.1	61.5	127.2	26.0	101.2	712.6	559.4	171.7	Jun
239.9	592.3	458.1	134.2	249.3	118.1	59.8	131.2	26.5	104.7	712.9	557.9	174.2	Jul
249.1	583.7	448.5	135.2	246.6	114.3	58.3	132.3	26.9	105.4	722.0	566.9	170.7	Aug
248.3	584.2	445.3	138.9	248.3	114.7	59.3	133.6	27.2	106.3	752.3	597.5	174.9	Sep
254.2	586.0	448.3	137.7	246.9	116.4	59.1	130.5	27.6	102.9	762.2	608.7	176.7	Oct
258.2	591.7	449.2	142.5	248.2	118.6	61.0	129.6	28.0	101.6	791.0	634.2	182.4	Nov
265.5	585.9	448.0	137.9	247.7	124.7	63.6	123.0	25.5	97.5	738.1	589.2	180.0	Dec
263.4	599.8	453.0	146.7	247.6	121.8	60.5	125.8	26.5	99.3	738.3	591.8	176.2	2003 Jan
<b>Changes <sup>1</sup></b>													
13.1	110.9	113.1	- 2.1	10.0	- 0.2	- 0.4	10.2	3.0	7.3	59.7	46.3	20.2	1995
19.7	82.9	65.5	17.3	14.6	- 2.6	- 2.5	17.2	6.0	11.2	69.5	49.3	15.1	1996
30.8	59.1	53.3	5.8	36.5	5.1	4.4	31.4	6.1	25.3	159.4	132.9	28.6	1997
92.3	25.8	28.1	- 2.3	77.1	18.9	13.0	58.3	12.5	45.7	83.9	52.0	55.3	1998
30.4	1.3	7.7	- 6.4	48.4	12.2	6.4	36.2	2.0	34.2	33.1	13.8	31.3	1999
27.3	- 11.4	- 6.7	- 4.6	17.8	16.8	7.2	1.0	- 0.3	1.2	103.9	71.9	32.5	2000
2.4	- 26.5	- 9.8	- 16.7	31.3	24.3	7.7	7.0	2.2	4.8	110.1	86.6	- 9.9	2001
5.7	- 0.8	- 20.2	19.4	18.3	15.9	12.0	2.4	- 0.6	3.0	65.7	64.1	- 0.4	2002
- 3.6	- 1.7	- 1.6	- 0.1	6.9	3.5	- 0.4	3.5	0.1	3.4	- 4.1	- 6.5	6.4	2001 May
- 26.3	- 0.9	- 6.2	5.4	- 2.0	1.0	2.4	- 3.0	0.2	- 3.2	- 3.7	- 4.2	- 8.0	Jun
- 1.3	10.6	1.0	9.6	- 0.0	- 0.9	- 0.8	0.9	- 0.3	1.2	- 21.9	- 18.4	- 16.4	Jul
- 2.4	- 8.4	- 0.7	- 7.7	3.7	- 0.8	- 0.1	4.5	0.2	4.3	31.3	30.2	- 1.6	Aug
- 4.2	- 12.9	- 2.8	- 10.1	0.3	1.5	1.9	- 1.1	- 0.3	- 0.8	27.3	25.1	2.1	Sep
2.2	- 0.7	0.9	- 1.5	- 2.5	1.6	0.5	- 4.1	0.3	- 4.4	7.1	3.9	0.8	Oct
- 2.3	10.7	9.8	0.9	1.3	2.5	0.6	- 1.2	0.6	- 1.8	16.3	18.0	1.3	Nov
8.6	- 6.3	- 8.8	2.4	6.6	3.4	1.2	3.2	1.4	1.8	- 15.9	- 14.6	- 8.5	Dec
0.3	0.3	0.8	- 0.5	3.0	2.1	0.9	1.0	- 0.6	1.5	- 6.4	- 6.4	- 1.2	2002 Jan
- 3.0	1.2	- 2.6	3.8	1.6	1.1	1.3	0.5	0.1	0.4	- 1.2	- 2.7	- 0.4	Feb
- 9.6	- 2.4	- 2.6	0.2	7.9	4.1	4.1	3.8	1.0	2.8	11.3	11.5	5.6	Mar
5.7	0.6	- 3.9	4.5	2.2	1.8	1.7	0.5	- 0.2	0.7	- 1.2	1.1	0.8	Apr
- 0.3	1.6	- 5.1	6.7	3.0	1.6	1.5	1.4	- 0.3	1.6	25.8	23.0	- 3.0	May
- 9.0	- 7.0	- 5.1	- 1.9	- 2.7	- 2.6	- 0.5	- 0.2	0.2	- 0.4	0.6	- 0.3	- 4.5	Jun
- 4.5	10.7	8.1	2.6	3.5	- 0.3	- 2.0	3.8	0.4	3.4	- 6.1	- 7.1	2.5	Jul
8.5	- 7.9	- 9.6	1.7	- 2.6	- 3.0	- 0.9	0.4	- 0.1	0.5	7.4	7.1	- 3.5	Aug
- 0.1	- 0.1	- 3.2	3.1	1.8	0.5	1.1	1.3	0.4	0.9	31.2	31.4	4.3	Sep
5.9	1.8	3.1	- 1.2	- 1.6	1.4	- 0.2	- 3.0	0.4	- 3.4	12.2	11.8	1.7	Oct
4.0	5.7	0.9	4.8	1.4	2.3	2.0	- 0.9	0.4	- 1.3	31.1	27.5	5.7	Nov
7.8	- 5.3	- 0.8	- 4.6	0.6	6.9	3.1	- 6.3	- 2.3	- 4.0	- 39.1	- 32.8	- 8.4	Dec
- 1.6	13.4	4.6	8.8	0.2	- 2.8	- 2.8	3.0	1.1	2.0	8.7	10.1	- 3.8	2003 Jan

collection from the banks' portfolios prior to maturity) and trust funds. — <sup>3</sup> Up to December 1998, including fiduciary loans and bill-based lending

instead of bill holdings. — <sup>4</sup> Including debt securities arising from the exchange of equalisation claims.



IV Banks

in other member states <sup>8</sup>				Deposits of central governments <sup>4</sup>		Liabilities arising from repos with non-banks in the euro area <sup>9</sup>	Money market fund shares issued <sup>10</sup>	Debt securities issued <sup>10</sup>		Liabilities to non-euro-area residents	Capital and reserves	Other Liabilities	Period
With agreed maturities		At agreed notice		Total	of which domestic central governments			Total	of which with maturities of up to 2 years <sup>10</sup>				
Total <sup>4</sup>	of which up to 2 years <sup>7</sup>	Total	of which up to 3 months			Total	of which domestic central governments			Total	of which with maturities of up to 2 years <sup>10</sup>		
<b>End of year or month</b>													
68.7	11.8	7.3	7.3	108.2	108.2	-	31.3	1,441.2	81.9	336.8	305.2	357.8	1994
97.3	11.4	8.3	8.3	111.0	111.0	-	39.1	1,608.1	70.3	393.9	325.0	391.0	1995
120.6	9.0	9.2	9.2	114.6	114.6	-	34.0	1,804.3	54.4	422.1	350.0	438.8	1996
145.8	9.2	9.4	9.4	108.3	108.3	-	28.6	1,998.3	62.5	599.2	388.1	511.3	1997
168.3	13.8	9.7	9.7	111.2	111.2	-	34.8	2,248.1	80.2	739.8	426.8	574.8	1998
99.7	8.9	4.8	3.7	46.6	45.9	2.0	20.8	1,323.6	97.4	487.9	262.6	281.1	1999
96.3	6.7	4.7	3.3	69.9	67.6	0.4	19.3	1,417.1	113.3	599.8	298.1	318.4	2000
92.4	9.0	5.2	3.8	49.1	46.9	4.9	33.2	1,465.9	129.3	647.6	319.2	300.8	2001
74.6	9.9	4.7	3.6	47.7	45.6	3.3	36.8	1,465.9	140.9	599.4	343.7	311.5	2002
95.6	7.7	5.0	3.5	58.1	55.5	1.4	23.3	1,460.3	116.3	725.9	301.8	327.6	2001 Apr
97.1	8.4	5.0	3.5	59.0	55.1	1.8	23.4	1,466.2	117.4	744.6	304.7	320.5	May
96.1	8.7	5.0	3.5	58.9	55.2	1.1	24.2	1,468.0	118.0	717.9	307.2	313.0	Jun
94.2	8.0	5.0	3.5	59.8	55.3	1.7	25.0	1,473.1	123.7	682.5	310.3	303.3	Jul
94.0	8.4	5.0	3.6	59.9	54.5	4.6	26.5	1,468.1	123.5	693.7	312.6	304.9	Aug
92.3	7.3	5.0	3.6	57.0	54.0	2.8	28.0	1,471.1	125.6	692.2	314.2	314.0	Sep
94.4	9.8	5.0	3.6	55.4	53.4	9.4	29.6	1,473.1	126.7	690.0	318.2	315.8	Oct
93.8	9.3	5.1	3.7	56.5	53.6	4.0	30.7	1,448.5	123.8	677.1	321.3	317.6	Nov
92.4	9.0	5.2	3.8	49.1	46.9	4.9	33.2	1,445.4	129.3	647.6	319.2	300.8	Dec
91.8	8.1	5.1	3.8	50.1	47.4	2.5	35.0	1,450.5	122.2	668.3	320.1	291.1	2002 Jan
89.6	7.3	5.1	3.8	49.4	47.3	3.5	35.9	1,462.8	125.4	664.8	322.2	287.3	Feb
92.0	9.3	5.0	3.7	49.4	46.9	3.7	35.8	1,479.4	129.0	666.4	323.3	281.6	Mar
89.4	8.3	4.7	3.5	47.5	45.8	3.4	35.9	1,478.2	133.1	673.4	325.3	289.7	Apr
89.1	9.5	4.7	3.4	48.2	45.6	4.7	35.4	1,480.6	134.6	673.3	329.0	291.6	May
86.7	8.5	4.6	3.4	48.7	45.9	4.1	35.0	1,472.6	133.1	628.9	331.1	294.7	Jun
87.0	8.7	4.6	3.4	47.6	45.8	3.1	35.6	1,471.6	133.7	640.9	336.8	293.9	Jul
75.5	9.7	4.6	3.4	48.9	45.8	4.3	37.1	1,489.4	135.9	636.3	341.2	294.8	Aug
74.2	8.8	4.5	3.4	49.9	46.7	10.7	37.0	1,490.2	137.0	647.7	344.8	305.5	Sep
73.9	9.1	4.5	3.4	48.3	46.8	9.6	37.6	1,485.9	137.5	642.5	343.7	306.0	Oct
75.6	9.4	4.5	3.4	47.6	46.3	6.4	37.5	1,496.8	148.2	653.5	343.0	309.8	Nov
74.6	9.9	4.7	3.6	47.7	45.6	3.3	36.8	1,465.9	140.9	599.4	343.7	311.5	Dec
74.8	10.4	4.7	3.6	46.9	45.2	7.6	38.5	1,467.8	145.6	602.9	343.8	302.9	2003 Jan
<b>Changes <sup>1</sup></b>													
28.6	- 0.4	1.0	1.0	2.8	2.8	-	7.8	166.9	- 11.5	57.2	19.8	36.0	1995
23.3	- 2.4	0.9	0.9	3.6	3.6	-	5.1	196.3	- 15.9	28.1	25.0	47.8	1996
25.1	0.2	0.2	0.2	6.2	6.2	-	4.5	194.8	8.1	172.3	37.1	71.2	1997
24.0	4.6	0.3	0.3	2.9	2.9	-	6.2	263.3	28.1	151.4	28.8	68.3	1998
5.9	1.5	- 0.2	- 1.3	1.9	1.2	0.6	3.5	168.0	65.1	89.7	38.0	7.7	1999
- 4.5	- 0.5	- 0.1	- 0.3	23.1	21.6	- 1.6	- 1.5	90.6	15.9	97.8	35.3	54.6	2000
- 4.6	1.6	0.2	0.4	20.5	20.4	- 4.6	13.3	59.5	18.6	34.8	20.9	1.1	2001
- 2.6	1.1	- 0.5	- 0.3	1.4	1.3	- 1.6	4.2	18.8	14.8	- 2.1	25.9	9.7	2002
1.0	0.1	- 0.0	0.0	0.9	0.4	0.4	0.0	1.3	1.0	2.2	2.1	0.2	2001 May
- 0.9	0.3	0.0	0.0	0.1	0.1	- 0.7	0.9	2.8	0.5	- 25.2	2.6	- 8.3	Jun
- 1.4	- 0.6	0.0	0.0	0.9	0.1	0.6	0.8	7.7	5.8	- 25.0	3.6	- 13.8	Jul
0.3	0.4	0.0	0.0	0.1	0.8	2.9	1.5	- 2.9	- 0.5	24.7	2.9	- 1.1	Aug
- 1.8	- 1.1	0.0	0.0	- 2.9	- 0.5	- 1.7	1.5	2.5	2.0	- 3.7	1.5	9.6	Sep
1.9	2.5	0.0	0.0	- 1.6	- 0.6	6.5	1.6	1.6	0.2	- 4.9	4.0	2.7	Oct
- 0.8	- 0.6	0.0	0.0	1.1	0.1	- 5.3	1.1	8.5	0.3	- 17.1	2.8	4.9	Nov
- 1.5	- 0.2	0.1	0.2	- 7.4	- 6.6	0.9	1.9	- 3.2	5.5	- 32.0	- 1.6	- 13.8	Dec
- 0.8	- 0.9	- 0.1	- 0.0	1.0	0.5	- 2.4	2.0	4.0	- 2.4	15.1	0.7	- 6.0	2002 Jan
- 2.2	- 0.9	- 0.1	- 0.0	0.7	0.2	1.0	0.8	12.7	3.2	- 2.8	2.3	- 3.3	Feb
2.5	2.0	- 0.0	- 0.0	0.0	0.3	0.2	- 0.1	16.9	3.6	3.7	1.2	- 5.8	Mar
- 2.3	- 1.0	- 0.3	- 0.3	- 1.9	- 1.2	- 0.3	0.2	0.9	4.1	15.9	2.3	5.8	Apr
0.2	1.3	- 0.1	- 0.0	0.7	0.1	1.3	- 0.0	6.2	1.7	12.6	4.1	- 1.8	May
- 1.8	- 1.0	- 0.0	0.0	0.5	0.3	- 0.6	- 0.3	- 4.1	- 2.1	- 28.2	2.5	6.2	Jun
- 0.1	0.2	- 0.1	- 0.0	- 1.1	- 0.1	- 1.0	0.6	- 3.4	- 1.2	5.4	5.2	1.5	Jul
2.2	1.0	- 0.0	- 0.0	1.4	0.0	1.2	1.2	1.5	2.2	- 2.6	4.7	0.2	Aug
- 1.3	- 0.9	- 0.0	- 0.0	1.0	0.8	6.4	0.1	1.0	1.0	12.4	3.5	10.5	Sep
- 0.3	0.4	- 0.0	- 0.0	- 1.7	0.1	- 1.0	0.7	- 3.8	0.6	- 4.6	- 1.1	1.4	Oct
1.8	0.3	- 0.0	- 0.0	- 0.6	- 0.5	- 3.2	- 0.2	11.9	10.7	13.2	- 0.5	3.2	Nov
- 0.6	0.6	0.2	0.2	0.1	- 0.7	- 3.1	- 0.8	- 24.8	- 6.6	- 42.1	1.0	- 2.4	Dec
0.5	0.6	- 0.0	0.0	- 0.8	- 0.4	4.2	1.9	4.6	2.8	11.3	3.2	- 5.2	2003 Jan

contracts (see Table IV.12). — **6** For the German contribution: up to the end of 1998, including deposits under savings and loan contracts (see also footnote 5). — **7** Up to December 1998, with maturities of less than four years. — **8** Excluding deposits of central governments. — **9** Data collected separately from 1999 only; up to December 1998, included in the deposits

with agreed maturities of up to two years. — **10** In Germany, debt securities with maturities of up to one year are classed as money market paper; up to the January 2002 *Monthly Report* they were published together with money market fund shares.

## IV Banks

### 2 Principal assets and liabilities of banks (MFIs) in Germany, by category of banks\*

€ billion

End of month	Number of reporting institutions	Balance sheet total	Cash in hand and credit balances with central banks	Lending to banks (MFIs)			Lending to non-banks (non-MFIs)				Participating interests	Other assets	
				Total	of which		Total	of which					
					Balances and loans	Securities issued by banks		Loans for up to and including 1 year	for more than 1 year	Bills			Securities issued by non-banks
<b>All categories of banks</b>													
2002 Aug	2,424	6,331.8	59.6	2,281.4	1,614.9	657.2	3,563.4	446.1	2,573.3	4.9	523.3	152.9	274.6
Sep	2,394	6,381.8	55.6	2,312.2	1,646.9	654.8	3,580.4	468.0	2,568.3	4.8	522.9	154.8	278.7
Oct	2,373	6,399.9	57.1	2,321.2	1,663.3	648.0	3,583.0	464.4	2,575.3	4.8	522.0	157.2	281.4
Nov	2,365	6,495.3	55.0	2,400.9	1,732.2	649.8	3,592.4	468.5	2,572.5	4.8	530.2	159.1	288.0
Dec	2,365	6,452.3	63.5	2,381.9	1,727.4	645.6	3,556.0	450.0	2,566.9	4.7	518.7	163.8	287.1
2003 Jan	2,355	6,420.3	55.5	2,356.7	1,707.1	638.9	3,565.0	454.2	2,565.2	4.5	523.3	161.1	281.9
<b>Commercial banks <sup>5</sup></b>													
2002 Dec	273	1,829.7	24.4	659.8	527.6	127.2	929.0	227.3	538.5	2.3	150.8	96.3	120.2
2003 Jan	272	1,826.6	19.6	652.6	520.0	126.7	938.9	228.1	539.8	2.1	157.5	93.3	122.1
<b>Big banks <sup>6</sup></b>													
2002 Dec	4	1,056.2	13.1	377.4	316.5	57.9	506.6	125.4	283.2	1.4	89.8	85.3	73.8
2003 Jan	4	1,058.5	11.2	373.6	317.1	53.4	515.0	125.8	283.7	1.3	96.4	82.5	76.2
<b>Regional banks and other commercial banks</b>													
2002 Dec	186	664.9	10.7	226.8	161.7	63.2	381.8	83.7	238.7	0.8	55.4	10.2	35.4
2003 Jan	186	662.3	7.3	226.8	159.1	66.1	382.4	83.5	239.5	0.8	55.4	10.0	35.6
<b>Branches of foreign banks</b>													
2002 Dec	83	108.6	0.5	55.6	49.4	6.1	40.6	18.2	16.6	0.1	5.6	0.8	10.9
2003 Jan	82	105.9	1.0	52.2	43.7	7.2	41.4	18.9	16.6	0.1	5.7	0.8	10.3
<b>Land banks</b>													
2002 Dec	14	1,324.2	3.2	664.2	539.2	123.7	573.9	68.2	411.1	0.3	91.0	33.9	49.0
2003 Jan	14	1,312.7	3.5	653.4	534.4	117.5	574.7	71.1	409.7	0.4	89.7	33.8	47.4
<b>Savings banks</b>													
2002 Dec	520	997.9	20.3	243.0	88.7	153.6	695.2	78.7	524.7	1.4	89.9	14.5	25.0
2003 Jan	510	976.7	18.5	226.8	73.6	152.5	692.4	77.5	524.9	1.3	88.3	14.7	24.3
<b>Regional institutions of credit cooperatives</b>													
2002 Dec	2	198.5	0.7	125.5	88.9	36.4	54.6	11.3	24.6	0.1	18.0	10.3	7.4
2003 Jan	2	196.1	1.3	123.8	87.3	36.5	54.3	11.2	24.3	0.1	18.1	10.3	6.4
<b>Credit cooperatives</b>													
2002 Dec	1,489	559.7	13.2	145.3	68.5	75.9	378.0	49.6	290.1	0.7	37.3	5.4	17.8
2003 Jan	1,489	554.9	11.4	144.4	67.1	76.1	376.0	48.3	289.5	0.7	37.1	5.5	17.7
<b>Mortgage banks</b>													
2002 Dec	25	872.6	1.2	223.1	146.6	75.6	625.6	8.3	519.7	-	97.5	1.2	21.5
2003 Jan	26	875.9	1.1	227.2	149.9	76.3	628.6	10.9	518.8	-	98.4	1.2	17.8
<b>Building and loan associations</b>													
2002 Dec	28	163.8	0.0	37.1	25.4	11.7	117.7	1.6	105.7	.	10.4	0.4	8.6
2003 Jan	28	163.5	0.0	36.7	25.1	11.6	117.8	1.6	105.8	.	10.4	0.4	8.6
<b>Banks with special functions</b>													
2002 Dec	14	505.9	0.5	283.9	242.5	41.4	182.0	5.1	152.6	-	23.8	1.9	37.6
2003 Jan	14	513.8	0.3	291.8	249.7	41.8	182.4	5.5	152.5	-	23.8	1.9	37.5
<b>Memo item: Foreign banks <sup>7</sup></b>													
2002 Dec	132	385.9	3.3	159.1	118.2	40.7	197.5	40.3	116.9	0.2	39.8	1.7	24.3
2003 Jan	130	382.2	3.6	155.5	110.5	43.5	198.2	39.9	116.6	0.2	41.1	1.6	23.2
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>													
2002 Dec	49	277.4	2.8	103.5	68.7	34.6	156.9	22.1	100.3	0.1	34.2	0.9	13.3
2003 Jan	48	276.3	2.6	103.2	66.8	36.3	156.8	21.0	100.0	0.1	35.4	0.8	12.9

\* For the period up to December 1998, section IV (except for Table IV.1) shows the assets and liabilities of banks (excluding building and loan associations) in liabilities of monetary financial institutions (MFIs) in Germany. The assets and liabilities of foreign branches, of money market funds (which are also classified as MFIs) and of the Bundesbank are not

included. For the definitions of the respective items, see the footnotes to Table IV.3. — 1 For building and loan associations: Including deposits under savings and loan contracts (see Table IV. 12). — 2 Included in time deposits. — 3 Excluding deposits under savings and loan contracts (see also footnote 2). — 4 Including subordinated negotiable bearer debt

IV Banks

Deposits of banks (MFIs)			Deposits of non-banks (non-MFIs)							Bearer debt securities outstanding <sup>4</sup>	Bank savings bonds	Capital including published reserves, participation rights capital, funds for general banking risks	Other liabilities	End of month
Total	of which		Total	of which			Memo item Liabilities arising from repos <sup>2</sup>	Savings deposits <sup>3</sup>						
	Sight deposits	Time deposits		Sight deposits	Time deposits <sup>1</sup>	for up to and including 1 year		for more than 1 year <sup>1</sup>	Total					
<b>All categories of banks</b>														
1,788.7	207.1	1,581.3	2,351.1	561.9	352.3	755.5	35.9	568.6	461.6	112.9	1,527.7	290.0	374.4	2002 Aug
1,805.6	265.8	1,539.6	2,369.7	582.0	353.1	753.2	45.0	569.1	462.6	112.3	1,530.9	290.5	385.2	Sep
1,817.5	246.1	1,571.1	2,380.0	581.3	355.6	760.7	43.9	570.4	464.8	111.9	1,525.7	290.3	386.4	Oct
1,869.8	282.5	1,587.0	2,408.9	615.0	347.1	762.0	46.5	573.1	468.1	111.7	1,534.5	291.0	391.1	Nov
1,858.3	229.1	1,628.9	2,405.1	609.1	337.1	761.4	33.6	586.2	480.9	111.3	1,505.3	291.7	391.9	Dec
1,837.8	247.4	1,590.2	2,401.1	600.9	342.9	758.8	46.2	588.3	485.1	110.3	1,506.4	294.9	380.1	2003 Jan
<b>Commercial banks <sup>5</sup></b>														
701.5	121.7	579.5	655.2	268.4	158.1	128.5	29.2	91.1	76.1	9.1	223.2	104.9	144.9	2002 Dec
697.6	135.8	561.5	660.9	263.4	167.2	128.8	41.4	92.5	77.9	9.0	221.7	105.5	140.8	2003 Jan
<b>Big banks <sup>6</sup></b>														
428.8	82.3	346.5	322.6	125.0	99.9	75.3	23.9	21.6	19.5	0.8	159.2	67.0	78.5	2002 Dec
429.8	96.6	333.1	326.0	114.4	114.1	74.7	39.2	22.1	20.1	0.7	159.5	67.0	76.2	2003 Jan
<b>Regional banks and other commercial banks</b>														
194.1	30.9	163.0	318.3	137.6	52.5	50.4	2.1	69.4	56.5	8.4	63.9	35.1	53.5	2002 Dec
189.9	26.9	162.8	322.0	143.2	49.3	50.9	1.3	70.4	57.8	8.3	62.2	35.6	52.6	2003 Jan
<b>Branches of foreign banks</b>														
78.6	8.5	70.0	14.3	5.8	5.8	2.7	3.2	0.0	0.0	0.0	0.0	2.9	12.8	2002 Dec
77.9	12.3	65.6	12.9	5.9	3.8	3.2	0.9	0.0	0.0	0.0	0.0	2.9	12.1	2003 Jan
<b>Land banks</b>														
472.6	51.1	421.5	302.4	41.4	38.5	207.4	2.0	14.5	13.2	0.5	419.1	62.6	67.5	2002 Dec
460.3	60.1	400.2	303.9	42.7	37.7	208.3	3.2	14.7	13.4	0.5	417.3	64.2	67.0	2003 Jan
<b>Savings banks</b>														
228.3	11.9	216.5	634.2	181.7	65.5	10.4	-	303.9	242.6	72.8	46.0	44.6	44.8	2002 Dec
218.9	5.8	213.2	628.1	177.7	63.6	10.5	-	303.9	243.8	72.5	44.5	44.6	40.5	2003 Jan
<b>Regional institutions of credit cooperatives</b>														
116.1	33.0	83.1	29.7	5.7	5.6	18.4	1.8	-	-	0.0	31.9	9.7	11.1	2002 Dec
113.6	33.2	80.4	30.1	6.8	4.9	18.4	1.0	-	-	0.0	31.9	10.1	10.4	2003 Jan
<b>Credit cooperatives</b>														
76.9	2.4	74.5	399.1	109.3	60.3	24.6	-	176.3	148.7	28.5	32.7	28.7	22.3	2002 Dec
76.1	2.4	73.7	397.0	107.8	59.9	24.5	-	176.7	149.6	28.2	32.5	28.7	20.6	2003 Jan
<b>Mortgage banks</b>														
121.0	4.3	116.7	142.3	1.2	4.0	136.8	0.5	0.1	0.0	0.2	564.7	18.7	25.9	2002 Dec
124.5	4.1	120.4	142.3	1.5	3.6	137.1	0.4	0.1	0.0	0.1	565.3	18.9	24.9	2003 Jan
<b>Building and loan associations</b>														
29.9	2.0	27.9	104.3	0.3	0.7	102.9	-	0.3	0.3	0.1	6.9	7.1	15.5	2002 Dec
29.2	2.0	27.2	104.5	0.3	0.6	103.1	-	0.3	0.3	0.1	7.1	7.1	15.6	2003 Jan
<b>Banks with special functions</b>														
111.9	2.8	109.1	138.0	1.2	4.4	132.4	0.2	-	-	-	180.8	15.3	59.9	2002 Dec
117.5	3.9	113.6	134.3	0.9	5.4	128.1	0.2	-	-	-	186.1	15.8	60.2	2003 Jan
<b>Memo item: Foreign banks <sup>7</sup></b>														
140.9	21.5	119.3	105.2	51.4	17.2	27.2	3.6	6.9	6.6	2.5	96.6	13.0	30.3	2002 Dec
137.1	22.4	114.6	104.8	54.1	14.1	27.1	1.3	7.1	6.8	2.4	95.5	13.3	31.6	2003 Jan
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>														
62.3	12.9	49.3	90.9	45.6	11.5	24.5	0.5	6.9	6.6	2.5	96.6	10.2	17.4	2002 Dec
59.2	10.1	49.0	91.8	48.2	10.3	23.8	0.4	7.1	6.8	2.4	95.5	10.4	19.5	2003 Jan

securities; excluding non-negotiable bearer debt securities. — <sup>5</sup> Commercial banks comprise the sub-groups "Big banks", "Regional banks and other commercial banks" and "Branches of foreign banks". — <sup>6</sup> Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Bayerische Hypo- und Vereinsbank AG. — <sup>7</sup> Sum of the banks majority-owned by foreign banks and

included in other categories of banks and the category "Branches (with dependent legal status) of foreign banks" — <sup>8</sup> Separate presentation of the banks majority-owned by foreign banks included in the categories "Regional banks and other commercial banks" and "Mortgage banks".













IV Banks

lending 2,6													Period
prises and individuals 1,2					to public authorities 2								
Loans			Securities 6	Memo item Fiduciary loans 9	Total	Loans			Secur- ities 6,10	Equal- isation claims 11	Memo item Fiduciary loans 9	Total	
Total	Medium- term 7	Long- term 8				Total	Medium- term 7	Long- term 8					
End of year or month*													
2,241.5	253.9	1,987.5	134.2	66.1	821.4	537.1	36.8	500.3	193.5	75.3	15.5	1993	
2,390.4	228.3	2,162.0	203.2	68.3	891.8	577.0	34.5	542.5	230.5	68.1	16.1	1994	
2,522.0	214.1	2,307.9	192.9	70.6	1,036.2	713.0	74.5	638.4	234.4	71.3	17.5	1995	
2,713.3	215.8	2,497.5	205.9	88.0	1,103.6	773.0	69.5	703.6	231.3	81.3	18.0	1996	
2,900.0	216.2	2,683.8	234.1	89.3	1,167.2	833.8	53.0	780.8	239.2	76.0	18.3	1997	
3,104.5	206.8	2,897.8	292.4	85.4	1,193.2	868.8	33.1	835.7	235.4	71.6	17.3	1998	
1,764.8	182.5	1,582.3	178.9	49.2	605.6	459.5	30.9	428.6	108.6	37.5	8.7	1999	
1,838.9	192.8	1,646.0	199.7	50.1	593.9	455.9	30.4	425.5	104.9	33.1	8.4	2000	
1,880.5	191.1	1,689.4	189.7	48.9	556.0	440.3	25.6	414.6	111.8	4.0	8.0	2001	
1,909.8	193.5	1,716.3	169.9	47.3	552.1	417.1	27.4	389.7	132.0	3.0	7.5	2002	
1,862.7	189.7	1,672.9	189.7	49.4	571.6	446.2	26.6	419.7	121.4	4.0	8.2	2001 Aug	
1,866.1	190.0	1,676.1	185.1	49.2	558.8	444.1	25.7	418.4	110.7	4.0	8.2	Sep	
1,870.9	189.8	1,681.1	188.0	49.1	556.9	443.9	25.5	418.4	109.0	4.0	8.1	Oct	
1,876.6	190.0	1,686.6	188.0	48.8	556.8	442.9	25.6	417.3	110.0	4.0	8.1	Nov	
1,880.5	191.1	1,689.4	189.7	48.9	556.0	440.3	25.6	414.6	111.8	4.0	8.0	Dec	
1,880.9	189.1	1,691.8	197.3	48.7	555.7	439.6	26.7	412.9	112.2	3.9	8.0	2002 Jan	
1,882.5	189.3	1,693.3	189.1	48.5	556.8	436.6	26.1	410.5	116.2	3.9	8.0	Feb	
1,882.3	189.4	1,692.9	179.4	48.2	552.7	432.2	25.6	406.6	116.5	3.9	7.9	Mar	
1,884.5	189.8	1,694.7	184.8	48.2	556.0	431.9	26.2	405.7	120.1	3.9	7.9	Apr	
1,888.0	189.9	1,698.1	184.7	48.1	559.5	430.1	26.3	403.8	125.5	3.9	7.9	May	
1,891.0	191.2	1,699.9	175.6	47.6	553.4	426.4	24.4	402.0	123.0	3.9	7.8	Jun	
1,897.5	191.7	1,705.8	171.0	47.5	556.8	425.8	24.5	401.3	128.0	3.0	7.7	Jul	
1,901.6	192.3	1,709.3	171.6	47.5	558.1	426.2	24.7	401.5	128.9	3.0	7.7	Aug	
1,900.6	192.1	1,708.6	168.2	47.3	559.3	423.3	24.6	398.7	133.1	3.0	7.7	Sep	
1,906.5	193.8	1,712.6	170.1	47.5	556.8	422.1	24.7	397.4	131.8	3.0	7.6	Oct	
1,907.6	192.5	1,715.1	172.4	47.3	557.8	417.7	25.5	392.2	137.1	3.0	7.7	Nov	
1,909.8	193.5	1,716.3	169.9	47.3	552.1	417.1	27.4	389.7	132.0	3.0	7.5	Dec	
1,909.4	194.8	1,714.6	167.1	47.0	557.4	414.2	30.0	384.2	140.3	3.0	7.7	2003 Jan	
Changes*													
+ 198.7	- 29.2	+ 227.9	+ 48.5	+ 1.9	+ 58.2	+ 26.2	- 2.4	+ 28.5	+ 38.3	- 6.9	+ 0.7	1994	
+ 176.0	- 1.9	+ 177.9	+ 3.3	+ 5.9	+ 91.8	+ 91.8	+ 15.3	+ 76.6	- 0.4	- 1.2	+ 1.5	1995	
+ 204.4	+ 1.6	+ 202.8	+ 14.0	+ 3.1	+ 70.4	+ 65.7	- 5.5	+ 71.2	- 3.3	+ 8.0	+ 0.1	1996	
+ 189.0	+ 0.3	+ 188.7	+ 29.5	+ 1.4	+ 62.6	+ 60.6	- 18.0	+ 78.6	+ 7.0	- 5.3	+ 0.2	1997	
+ 205.7	- 8.9	+ 214.6	+ 56.5	- 3.9	+ 25.3	+ 35.0	- 20.0	+ 55.0	- 4.4	- 4.4	- 0.9	1998	
+ 121.8	+ 25.1	+ 96.8	+ 24.6	+ 0.3	+ 0.0	+ 8.5	+ 6.2	+ 2.3	- 7.8	- 0.6	- 0.1	1999	
+ 71.8	+ 6.9	+ 64.9	+ 22.1	+ 0.8	- 7.7	- 3.8	- 0.4	- 3.5	- 3.1	- 0.8	- 0.3	2000	
+ 41.9	- 2.8	+ 44.7	- 9.8	- 1.2	- 35.4	- 16.5	- 5.5	- 10.9	+ 10.1	- 29.1	- 0.4	2001	
+ 26.6	- 2.1	+ 28.7	- 19.0	- 1.6	- 3.4	- 23.1	+ 1.0	- 24.1	+ 20.7	- 1.0	- 0.5	2002	
+ 8.1	+ 0.9	+ 7.2	- 3.0	+ 0.9	- 7.4	- 0.4	- 0.0	- 0.4	- 7.0	+ 0.0	- 0.0	2001 Aug	
+ 3.4	+ 0.3	+ 3.1	- 4.6	- 0.1	- 12.2	- 2.1	- 0.8	- 1.3	- 10.1	+ 0.0	- 0.0	Sep	
+ 5.1	+ 0.1	+ 5.0	+ 2.9	- 0.1	- 1.9	- 0.3	- 0.3	- 0.0	- 1.6	- 0.0	- 0.0	Oct	
+ 5.3	- 0.1	+ 5.3	- 0.1	- 0.2	+ 0.1	- 1.0	+ 0.1	- 1.1	+ 1.1	+ 0.0	+ 0.0	Nov	
+ 4.1	+ 1.2	+ 3.0	+ 1.8	+ 0.1	- 0.6	- 2.6	+ 0.1	- 2.7	+ 2.0	+ 0.0	- 0.1	Dec	
+ 0.3	- 2.1	+ 2.4	+ 7.8	- 0.3	- 0.3	- 0.7	+ 1.0	- 1.7	+ 0.5	- 0.0	- 0.0	2002 Jan	
+ 1.7	+ 0.2	+ 1.5	- 8.1	- 0.2	+ 1.1	- 3.0	- 0.6	- 2.4	+ 4.1	- 0.0	- 0.0	Feb	
+ 0.1	+ 0.4	- 0.3	- 9.8	- 0.2	- 3.9	- 4.4	- 0.5	- 3.9	+ 0.5	- 0.0	- 0.0	Mar	
+ 2.4	+ 0.4	+ 2.0	+ 5.8	- 0.1	+ 3.3	- 0.3	+ 0.6	- 0.9	+ 3.6	+ 0.0	- 0.0	Apr	
+ 3.8	+ 0.2	+ 3.6	- 0.0	- 0.0	+ 3.6	- 1.9	+ 0.0	- 1.9	+ 5.5	+ 0.0	- 0.0	May	
- 0.5	- 1.9	+ 1.4	- 9.0	- 0.5	- 6.1	- 3.6	- 1.8	- 1.8	- 2.4	- 0.0	- 0.1	Jun	
+ 6.4	+ 0.5	+ 5.9	- 4.4	- 0.1	+ 3.4	- 0.7	+ 0.0	- 0.7	+ 5.0	- 1.0	- 0.1	Jul	
+ 4.1	+ 0.6	+ 3.5	- 0.1	+ 0.0	+ 2.1	+ 0.4	+ 0.3	+ 0.2	+ 1.6	+ 0.0	- 0.0	Aug	
- 1.0	- 0.3	- 0.7	- 2.8	- 0.2	+ 0.6	- 2.9	- 0.1	- 2.8	+ 3.5	+ 0.0	- 0.0	Sep	
+ 5.8	+ 1.8	+ 4.1	+ 1.9	+ 0.2	- 2.5	- 1.2	+ 0.1	- 1.3	- 1.3	- 0.0	- 0.0	Oct	
+ 1.3	- 2.8	+ 4.1	+ 2.3	- 0.1	+ 1.0	- 4.3	+ 0.0	- 4.4	+ 5.4	+ 0.0	+ 0.0	Nov	
+ 2.2	+ 1.0	+ 1.3	- 2.5	- 0.0	- 5.7	- 0.6	+ 1.9	- 2.5	- 5.1	- 0.0	- 0.1	Dec	
- 0.4	- 0.0	- 0.4	- 3.2	- 0.2	+ 5.8	- 2.9	+ 0.3	- 3.3	+ 8.7	- 0.0	+ 0.2	2003 Jan	

money market paper; excluding mobilisation and liquidity paper. — 6 From 1999, breakdown of securities by medium and long-term lending no longer possible. — 7 Up to December 1998, maturity or period of notice of more than one year to less than four years; from 1999, more than one year up to and including five years. — 8 Up to December 1998, maturity or period of

notice of four years and more; from 1999, of more than five years. — 9 From 1999, no longer included in lending (see also footnote 2). — 10 Excluding debt securities arising from the exchange of equalisation claims (see also footnote 11). — 11 Including debt securities arising from the exchange of equalisation claims.

IV Banks

6 Lending by banks (MFIs) in Germany to domestic enterprises and resident individuals, housing loans, sectors of economic activity \*

€ billion

Period	Lending to domestic enterprises and resident individuals (excluding holdings of negotiable money market paper and excluding securities portfolios) <sup>1</sup>													
	Total	of which				Lending to enterprises and self-employed persons								
		Mortgage loans, total	Housing loans			Total	of which Housing loans	Manufacturing	Electricity, gas and water supply, mining <sup>2</sup>	Construction	Wholesale and retail trade <sup>3</sup>	Agriculture, forestry and fishing	Transport, storage and communication	Financing institutions <sup>4</sup> (excluding MFIs) and insurance enterprises
			Total	Mortgage loans secured by residential real estate	Other housing loans									
<b>Lending, total</b>														
1999	2,094.2	899.3	991.3	691.5	299.9	1,209.0	332.0	166.2	33.7	67.1	173.0	31.1	47.2	27.5
2000	2,187.3	955.2	1,030.8	737.6	293.2	1,267.8	344.1	174.9	35.9	68.2	173.2	31.4	49.1	34.2
2001 Dec	2,236.3	981.4	1,053.9	757.7	296.2	1,295.6	346.1	174.3	36.7	67.9	172.9	31.3	50.0	39.0
2002 Mar	2,230.8	983.7	1,055.7	759.9	295.7	1,291.7	345.8	173.8	38.1	68.5	169.3	31.6	51.7	39.0
Jun	2,233.7	994.1	1,060.2	768.0	292.2	1,287.1	345.9	171.5	39.4	68.2	167.0	32.0	51.5	36.5
Sep	2,242.7	1,000.0	1,064.3	770.7	293.6	1,286.1	344.5	168.2	38.3	66.9	165.7	32.5	50.5	42.1
Dec	2,241.2	1,008.9	1,068.7	776.3	292.4	1,277.3	340.1	161.5	37.4	64.6	162.6	31.3	51.3	39.5
<b>Short-term lending</b>														
1999	329.4	–	17.6	–	17.6	276.9	11.8	57.3	4.3	17.9	61.4	4.5	10.6	8.8
2000	348.4	–	15.9	–	15.9	294.6	10.7	61.5	6.2	17.9	62.2	4.2	10.1	10.5
2001 Dec	355.8	–	15.9	–	15.9	304.1	10.6	59.6	5.5	17.8	63.5	4.1	9.3	14.2
2002 Mar	348.5	–	15.1	–	15.1	299.5	10.1	59.1	6.6	18.5	61.1	4.3	10.5	15.7
Jun	342.6	–	14.4	–	14.4	293.2	9.4	58.6	7.3	18.4	60.0	4.6	9.6	12.1
Sep	342.1	–	14.1	–	14.1	291.2	9.1	56.6	6.1	17.5	59.3	4.8	8.8	17.0
Dec	331.4	–	14.5	–	14.5	281.1	9.3	52.0	5.1	15.9	58.7	4.2	8.4	13.6
<b>Medium-term lending <sup>8</sup></b>														
1999	182.5	–	42.6	–	42.6	109.1	13.4	16.7	1.7	6.9	13.0	3.4	6.3	4.0
2000	192.8	–	39.3	–	39.3	120.1	12.8	17.6	1.5	7.0	13.3	3.4	6.9	9.1
2001 Dec	191.1	–	37.1	–	37.1	120.1	12.0	18.5	1.9	6.5	13.4	3.2	7.2	7.7
2002 Mar	189.4	–	36.4	–	36.4	120.0	11.9	18.8	1.9	6.4	13.2	3.3	7.7	6.4
Jun	191.2	–	35.9	–	35.9	120.9	11.7	17.8	2.2	6.6	13.2	3.3	8.1	6.5
Sep	192.1	–	35.7	–	35.7	121.0	11.6	18.0	2.4	6.6	13.3	3.3	8.1	6.7
Dec	193.5	–	36.1	–	36.1	121.8	11.3	17.9	2.0	6.5	13.5	3.3	8.5	6.8
<b>Long-term lending <sup>1,9</sup></b>														
1999	1,582.3	899.3	931.1	691.5	239.7	823.0	306.8	92.3	27.7	42.2	98.7	23.3	30.3	14.7
2000	1,646.0	955.2	975.5	737.6	238.0	853.1	320.6	95.9	28.2	43.4	97.7	23.9	32.1	14.6
2001 Dec	1,689.4	981.4	1,000.9	757.7	243.2	871.4	323.5	96.2	29.4	43.7	96.1	24.0	33.5	17.1
2002 Mar	1,692.9	983.7	1,004.1	759.9	244.2	872.3	323.8	95.9	29.5	43.5	94.9	24.1	33.5	17.0
Jun	1,699.9	994.1	1,009.9	768.0	241.9	873.0	324.8	95.1	29.9	43.2	93.9	24.1	33.8	17.9
Sep	1,708.6	1,000.0	1,014.5	770.7	243.8	873.9	323.8	93.6	29.9	42.8	93.0	24.4	33.5	18.4
Dec	1,716.3	1,008.9	1,018.1	776.3	241.9	874.4	319.4	91.5	30.3	42.2	90.3	23.8	34.4	19.0
<b>Lending, total</b>														
<b>Change during quarter <sup>*</sup></b>														
2002 1st qtr	– 5.7	+ 1.6	+ 1.3	+ 1.4	– 0.2	– 4.1	– 0.4	– 0.2	+ 1.3	+ 0.5	– 3.7	+ 0.3	+ 1.7	+ 0.1
2nd qtr	– 0.3	+ 3.7	+ 3.8	+ 3.4	+ 0.3	– 7.0	– 0.4	– 2.4	+ 1.2	– 0.5	– 2.7	+ 0.3	– 1.3	– 2.7
3rd qtr	+ 8.8	+ 4.8	+ 5.7	+ 3.6	+ 2.1	– 1.2	– 0.6	– 3.4	– 1.1	– 1.4	– 1.4	+ 0.5	– 1.1	+ 5.6
4th qtr	– 1.5	+ 4.3	+ 6.3	+ 3.0	+ 3.3	– 8.7	– 0.9	– 6.2	– 0.9	– 2.3	– 1.4	– 1.2	– 0.1	– 2.7
<b>Short-term lending</b>														
2002 1st qtr	– 7.8	–	– 0.8	–	– 0.8	– 5.1	– 0.6	– 0.5	+ 1.1	+ 0.7	– 2.3	+ 0.2	+ 1.2	+ 1.4
2nd qtr	– 6.0	–	– 0.7	–	– 0.7	– 6.5	– 0.6	– 0.5	+ 0.7	– 0.1	– 1.4	+ 0.3	– 0.9	– 3.5
3rd qtr	– 0.8	–	– 0.2	–	– 0.2	– 2.2	– 0.3	– 2.1	– 1.2	– 0.9	– 0.7	+ 0.2	– 0.8	+ 5.0
4th qtr	– 10.8	–	+ 0.3	–	+ 0.3	– 10.2	+ 0.2	– 4.6	– 1.0	– 1.6	– 0.6	– 0.6	– 0.5	– 3.4
<b>Medium-term lending <sup>8</sup></b>														
2002 1st qtr	– 1.5	–	– 0.6	–	– 0.6	+ 0.1	– 0.1	+ 0.3	+ 0.1	– 0.0	– 0.1	+ 0.1	+ 0.6	– 1.3
2nd qtr	– 1.3	–	– 0.5	–	– 0.5	– 1.0	– 0.2	– 1.1	+ 0.2	+ 0.0	– 0.2	– 0.0	– 0.5	+ 0.1
3rd qtr	+ 0.8	–	– 0.3	–	– 0.3	+ 0.1	– 0.1	+ 0.2	+ 0.1	– 0.0	+ 0.1	+ 0.1	+ 0.1	+ 0.2
4th qtr	– 0.1	–	– 0.4	–	– 0.4	– 0.1	– 0.4	– 0.1	– 0.4	– 0.2	+ 0.1	– 0.1	+ 0.4	+ 0.1
<b>Long-term lending <sup>1,9</sup></b>														
2002 1st qtr	+ 3.6	+ 1.6	+ 2.7	+ 1.4	+ 1.3	+ 0.9	+ 0.3	– 0.0	+ 0.2	– 0.2	– 1.2	+ 0.1	– 0.0	– 0.0
2nd qtr	+ 6.9	+ 3.7	+ 5.0	+ 3.4	+ 1.5	+ 0.5	+ 0.4	– 0.8	+ 0.4	– 0.4	– 1.1	+ 0.0	+ 0.1	+ 0.7
3rd qtr	+ 8.7	+ 4.8	+ 6.2	+ 3.6	+ 2.7	+ 0.9	+ 0.2	– 1.5	+ 0.0	– 0.4	– 0.8	+ 0.2	– 0.4	+ 0.5
4th qtr	+ 9.4	+ 4.3	+ 6.4	+ 3.0	+ 3.5	+ 1.5	– 0.7	– 1.5	+ 0.4	– 0.5	– 0.9	– 0.5	– 0.0	+ 0.6

\* Excluding lending by foreign branches. Up to December 1998, lending by banks (excluding building and loan associations) in Germany; including lending to building and loan associations. From 1999, lending by monetary financial institutions (MFIs) in Germany; breakdown of lending by building and loan associations by areas and sectors estimated. Statistical alterations have been eliminated from the changes. The figures for the latest date are

always to be regarded as provisional; subsequent alterations, which will appear in the following *Monthly Report*, are not specially marked. — <sup>1</sup> Up to December 1998, including loans on a trust basis; from 1999, loans on a trust basis are no longer included in lending. — <sup>2</sup> Including quarrying. — <sup>3</sup> Including the maintenance and repair of motor vehicles and durable consumer goods. — <sup>4</sup> Up to December 1998, excluding credit institutions

## IV Banks

										Lending to employees and other individuals		Lending to non-profit institutions			
Services sector (including the professions) 5				Memo items				Other lending							
Total	of which			Lending to self-employed persons 6	Lending to craft enterprises	Total	Housing loans	Total	of which		Debit balances on wage, salary and pension accounts	Total	of which Housing loans	Period	
	Housing enterprises	Holding companies	Other real estate enterprises						Instalment loans 7						
<b>End of year or quarter *</b>														<b>Lending, total</b>	
663.1	154.1	42.8	168.3	449.4	73.9	871.4	655.7	215.7	105.7	23.6	13.7	3.6	1999		
700.8	162.3	46.8	183.1	459.0	75.0	905.5	683.0	222.6	108.6	24.3	14.0	3.7	2000		
723.3	169.4	50.3	194.3	458.6	74.7	926.7	704.3	222.4	110.7	22.9	14.1	3.5	2001 Dec		
719.7	168.9	49.2	195.6	455.5	75.1	925.4	706.4	219.0	109.5	22.3	13.8	3.5	2002 Mar		
720.9	169.4	48.8	197.9	456.1	74.7	932.5	710.8	221.7	112.3	22.7	14.1	3.5	Jun		
721.9	171.1	47.8	199.8	453.5	74.0	942.1	716.4	225.8	114.6	23.9	14.5	3.4	Sep		
729.2	165.0	50.2	207.2	451.8	72.4	949.5	725.1	224.3	114.3	23.0	14.4	3.5	Dec		
<b>Short-term lending</b>															
112.2	18.6	17.1	27.5	55.9	15.6	51.1	5.7	45.4	2.5	23.6	1.3	0.0	1999		
122.1	19.6	18.1	30.0	57.1	16.2	52.6	5.2	47.4	2.3	24.3	1.2	0.0	2000		
130.1	21.6	20.4	34.1	56.0	15.8	50.3	5.3	45.0	2.8	22.9	1.4	0.0	2001 Dec		
123.8	20.8	18.2	33.3	54.9	16.5	47.9	5.0	42.9	2.5	22.3	1.1	0.0	2002 Mar		
122.6	20.8	18.2	32.5	54.8	16.3	48.2	4.9	43.2	2.5	22.7	1.3	0.0	Jun		
121.0	20.9	17.3	33.0	53.8	16.1	49.2	5.0	44.2	2.5	23.9	1.7	0.0	Sep		
123.3	19.8	19.1	34.7	53.8	14.8	48.5	5.2	43.3	2.4	23.0	1.7	0.0	Dec		
<b>Medium-term lending 8</b>															
57.0	7.1	4.0	12.3	33.3	5.6	72.7	29.2	43.5	31.0	-	0.7	0.1	1999		
61.4	6.8	6.3	13.6	33.1	5.5	72.2	26.4	45.8	33.0	-	0.6	0.1	2000		
61.9	6.7	6.5	14.7	31.2	5.3	70.5	25.0	45.4	33.4	-	0.6	0.1	2001 Dec		
62.2	6.7	7.2	14.9	30.7	5.1	68.9	24.5	44.4	32.7	-	0.6	0.1	2002 Mar		
63.2	6.7	6.9	15.4	31.6	5.0	69.7	24.2	45.5	34.1	-	0.6	0.1	Jun		
62.6	6.6	6.6	15.9	31.3	4.9	70.5	24.1	46.4	35.0	-	0.6	0.1	Sep		
63.2	6.2	7.2	16.7	31.2	4.8	71.1	24.7	46.4	35.3	-	0.5	0.1	Dec		
<b>Long-term lending 1,9</b>															
493.9	128.5	21.8	128.5	360.1	52.7	747.5	620.8	126.7	72.2	-	11.7	3.5	1999		
517.3	135.9	22.5	139.5	368.7	53.2	780.8	651.4	129.4	73.3	-	12.2	3.6	2000		
531.3	141.1	23.4	145.6	371.3	53.7	806.0	674.0	132.0	74.4	-	12.1	3.5	2001 Dec		
533.7	141.4	23.8	147.4	369.8	53.4	808.6	676.9	131.7	74.4	-	12.1	3.4	2002 Mar		
535.1	142.0	23.6	150.0	369.6	53.4	814.7	681.7	132.9	75.7	-	12.2	3.4	Jun		
538.3	143.5	24.0	150.9	368.3	53.0	822.4	687.3	135.1	77.0	-	12.2	3.4	Sep		
542.8	139.0	24.0	155.8	366.8	52.8	829.8	695.3	134.6	76.6	-	12.1	3.4	Dec		
<b>Change during quarter *</b>														<b>Lending, total</b>	
- 4.2	- 0.5	- 0.8	+ 1.1	- 2.7	+ 0.3	- 1.3	+ 1.7	- 3.0	- 1.0	- 0.5	- 0.2	- 0.0	2002 1st qtr		
+ 1.0	+ 0.6	- 0.5	+ 2.3	- 0.7	- 0.3	+ 6.3	+ 4.2	+ 2.2	+ 1.6	+ 0.4	+ 0.3	- 0.0	2nd qtr		
+ 1.0	+ 1.3	- 0.2	+ 2.2	- 2.1	- 0.7	+ 9.6	+ 6.4	+ 3.3	+ 2.1	+ 1.2	+ 0.4	- 0.0	3rd qtr		
+ 6.1	- 2.2	+ 2.4	+ 4.8	- 1.5	- 1.7	+ 7.3	+ 7.1	+ 0.2	+ 0.6	- 0.9	- 0.1	+ 0.0	4th qtr		
<b>Short-term lending</b>															
- 7.0	- 0.7	- 2.2	- 0.8	- 1.1	+ 0.7	- 2.3	- 0.3	- 2.1	- 0.3	- 0.5	- 0.3	+ 0.0	2002 1st qtr		
- 1.1	- 0.0	+ 0.1	- 0.8	- 0.1	- 0.2	+ 0.4	- 0.1	+ 0.4	+ 0.1	+ 0.4	+ 0.2	+ 0.0	2nd qtr		
- 1.6	+ 0.1	- 1.0	+ 0.5	- 0.9	- 0.2	+ 1.1	+ 0.1	+ 1.0	+ 0.0	+ 1.2	+ 0.4	+ 0.0	3rd qtr		
+ 2.2	- 1.2	+ 1.8	+ 1.6	- 0.1	- 1.3	- 0.8	+ 0.1	- 0.9	- 0.1	- 0.9	+ 0.1	+ 0.0	4th qtr		
<b>Medium-term lending 8</b>															
+ 0.5	- 0.1	+ 0.9	+ 0.2	- 0.5	- 0.1	- 1.6	- 0.5	- 1.0	- 0.8	-	- 0.0	+ 0.0	2002 1st qtr		
+ 0.5	- 0.0	- 0.4	+ 0.5	- 0.2	- 0.1	- 0.3	- 0.3	- 0.0	+ 0.2	-	+ 0.0	- 0.0	2nd qtr		
- 0.6	- 0.1	- 0.1	+ 0.3	- 0.3	- 0.1	+ 0.8	- 0.1	+ 0.9	+ 1.0	-	- 0.0	- 0.0	3rd qtr		
- 0.0	- 0.4	+ 0.6	+ 0.5	- 0.5	- 0.1	- 0.0	- 0.0	+ 0.0	+ 0.3	-	- 0.0	+ 0.0	4th qtr		
<b>Long-term lending 1,9</b>															
+ 2.2	+ 0.4	+ 0.5	+ 1.7	- 1.1	- 0.3	+ 2.6	+ 2.5	+ 0.1	+ 0.1	-	+ 0.0	- 0.1	2002 1st qtr		
+ 1.6	+ 0.6	- 0.2	+ 2.5	- 0.4	- 0.0	+ 6.3	+ 4.6	+ 1.7	+ 1.3	-	+ 0.1	- 0.0	2nd qtr		
+ 3.2	+ 1.2	+ 1.0	+ 1.4	- 1.0	- 0.3	+ 7.8	+ 6.4	+ 1.4	+ 1.1	-	+ 0.0	- 0.0	3rd qtr		
+ 4.0	- 0.6	+ 0.0	+ 2.7	- 1.0	- 0.3	+ 8.1	+ 7.1	+ 1.0	+ 0.4	-	- 0.1	+ 0.0	4th qtr		

(other than building and loan associations); from 1999, excluding banks (MFIs) and excluding financial leasing institutions; see also footnote 5. — 5 From 1999, including financial leasing institutions. — 6 From 1999, including sole proprietors; up to December 1998, sole proprietors were assigned to enterprises. — 7 Excluding mortgage loans and housing loans,

even in the form of instalment credit. — 8 Up to December 1998, maturity or period of notice of more than 1 year to less than 4 years; from 1999, more than 1 year up to and including 5 years. — 9 Up to December 1998, maturity or period of notice of 4 years and more; from 1999, of more than 5 years.

## IV Banks

### 7 Deposits of domestic non-banks (non-MFIs) at banks (MFIs) in Germany\*

€ billion

Period	Deposits, total	Sight deposits	Time deposits 1,2					Savings deposits 3	Bank savings bonds 4	Memo item			
			Total	for up to and including 1 year	for more than 1 year 2					Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities)	Included in time deposits: liabilities arising from repos	
					Total	for up to and including 2 years	for more than 2 years						
<b>Domestic non-banks, total</b>													
												<b>End of year or month*</b>	
2000	1,945.8	443.4	819.9	274.7	545.2	9.0	536.2	573.5	109.0	42.1	25.9	—	—
2001	2,034.0	526.4	827.0	268.7	558.3	10.3	548.0	574.5	106.0	43.3	26.2	3.1	—
2002	2,085.9	575.6	830.6	258.3	572.3	8.8	563.5	575.3	104.4	42.1	27.9	1.5	—
2002 Feb	2,007.8	511.3	819.7	256.3	563.5	8.6	554.8	572.0	104.8	42.2	26.2	1.2	—
Mar	2,006.6	509.2	821.7	256.4	565.3	8.5	556.8	570.8	104.9	42.1	26.3	1.5	—
Apr	1,999.3	515.7	816.8	252.5	564.3	8.3	556.0	561.8	104.9	42.0	26.3	1.2	—
May	2,009.4	523.8	820.6	255.9	564.7	8.3	556.4	560.1	105.0	41.9	26.3	2.0	—
Jun	2,021.4	536.2	820.6	256.6	564.0	8.4	555.6	558.9	105.7	41.5	26.6	1.4	—
Jul	2,016.2	531.6	821.1	256.3	564.9	8.5	556.4	557.5	106.0	41.6	26.9	1.5	—
Aug	2,013.9	527.2	823.0	259.4	563.6	8.5	555.2	557.8	105.9	41.6	27.1	2.0	—
Sep	2,025.0	540.8	820.6	257.8	562.8	8.4	554.3	558.3	105.3	41.6	27.5	6.7	—
Oct	2,037.6	543.1	829.8	264.2	565.6	8.5	557.1	559.7	105.0	41.6	27.7	7.2	—
Nov	2,062.1	572.4	822.6	254.0	568.7	8.7	560.0	562.4	104.7	41.5	27.9	3.0	—
Dec	2,085.9	575.6	830.6	258.3	572.3	8.8	563.5	573.3	104.4	42.1	27.9	1.5	—
2003 Jan	2,076.4	565.2	830.3	255.7	574.6	8.6	565.9	577.4	103.5	42.1	28.0	3.5	—
												<b>Changes*</b>	
2001	+ 88.5	+ 82.3	+ 8.1	- 6.0	+ 14.1	+ 1.3	+ 12.8	+ 1.1	- 2.9	+ 1.0	+ 0.3	+ 3.1	—
2002	+ 51.7	+ 48.4	+ 4.1	- 10.2	+ 14.3	- 1.5	+ 15.8	+ 0.8	- 1.6	- 1.1	+ 1.8	- 1.6	—
2002 Feb	- 2.0	- 0.2	- 0.1	- 1.5	+ 1.4	- 1.5	+ 2.9	- 1.4	- 0.3	- 0.2	+ 0.1	+ 0.2	—
Mar	- 1.2	- 2.0	+ 2.0	+ 0.1	+ 1.8	- 0.2	+ 2.0	- 1.2	+ 0.1	- 0.1	+ 0.1	+ 0.3	—
Apr	- 7.3	+ 6.5	- 4.9	- 3.9	- 1.0	- 0.2	- 0.8	- 9.0	+ 0.1	- 0.1	+ 0.0	- 0.4	—
May	+ 11.1	+ 8.2	+ 4.5	+ 3.9	+ 0.6	+ 0.1	+ 0.5	- 1.7	+ 0.1	- 0.1	+ 0.1	+ 0.8	—
Jun	+ 11.1	+ 11.9	- 0.3	+ 0.6	- 0.8	+ 0.0	- 0.9	- 1.2	+ 0.7	- 0.3	+ 0.1	- 0.6	—
Jul	- 5.3	- 4.7	+ 0.5	- 0.3	+ 0.9	+ 0.1	+ 0.8	- 1.4	+ 0.3	+ 0.0	+ 0.3	+ 0.1	—
Aug	- 2.3	- 4.4	+ 1.9	+ 3.1	- 1.2	+ 0.0	- 1.2	+ 0.3	- 0.1	- 0.0	+ 0.2	+ 0.5	—
Sep	+ 10.9	+ 13.5	- 2.6	- 1.7	- 0.9	- 0.1	- 0.8	+ 0.5	- 0.5	- 0.0	+ 0.4	+ 4.7	—
Oct	+ 12.8	+ 2.3	+ 9.5	+ 6.4	+ 3.1	+ 0.1	+ 3.0	+ 1.4	- 0.3	+ 0.0	+ 0.4	+ 0.5	—
Nov	+ 24.5	+ 29.3	- 7.2	- 10.3	+ 3.1	+ 0.2	+ 2.9	+ 2.7	- 0.3	- 0.1	+ 0.2	- 4.3	—
Dec	+ 23.8	+ 3.3	+ 8.0	+ 4.4	+ 3.6	+ 0.1	+ 3.5	+ 12.8	- 0.3	+ 0.6	- 0.0	- 1.5	—
2003 Jan	- 9.5	- 10.4	- 0.3	- 2.6	+ 2.3	- 0.1	+ 2.4	+ 2.1	- 0.9	- 0.0	+ 0.2	+ 2.0	—
<b>Domestic public authorities</b>													
												<b>End of year or month*</b>	
2000	149.1	16.6	127.7	62.1	65.5	1.2	64.4	2.7	2.1	36.0	1.4	—	—
2001	122.7	16.1	102.3	37.7	64.5	1.2	63.3	2.3	2.1	36.6	1.4	—	—
2002	113.9	16.6	93.3	30.9	62.4	0.9	61.5	2.1	1.9	36.3	1.2	—	—
2002 Feb	119.6	14.5	101.0	34.7	66.2	1.2	65.1	2.1	2.0	35.8	1.3	—	—
Mar	117.4	13.8	99.5	34.2	65.3	1.1	64.2	2.1	2.0	35.6	1.3	—	—
Apr	113.7	12.4	97.3	32.9	64.4	0.9	63.5	2.0	2.1	35.5	1.3	—	—
May	116.9	12.7	100.1	35.5	64.6	1.0	63.6	2.0	2.1	35.5	1.3	—	—
Jun	118.5	14.5	99.9	35.7	64.2	1.0	63.2	2.0	2.1	35.2	1.3	—	—
Jul	116.6	14.3	98.2	34.0	64.2	1.0	63.3	2.0	2.1	35.6	1.3	—	—
Aug	115.4	13.4	97.8	33.5	64.4	1.0	63.4	2.0	2.1	35.6	1.3	—	—
Sep	114.3	13.6	96.6	33.7	62.9	0.8	62.1	2.0	2.1	35.5	1.3	—	—
Oct	109.7	13.8	91.9	29.0	62.9	0.8	62.1	2.0	2.0	35.6	1.3	—	—
Nov	109.6	13.6	92.0	29.0	63.0	0.8	62.1	2.0	2.0	35.6	1.3	—	—
Dec	113.9	16.6	93.3	30.9	62.4	0.9	61.5	2.1	1.9	36.3	1.2	—	—
2003 Jan	109.2	13.5	91.8	29.4	62.4	0.9	61.5	2.0	1.9	36.3	1.1	—	—
												<b>Changes*</b>	
2001	- 26.4	- 0.6	- 25.4	- 24.4	- 1.0	+ 0.0	- 1.1	- 0.5	- 0.0	+ 0.7	- 0.0	—	—
2002	- 8.6	+ 0.5	- 8.7	- 6.6	- 2.1	- 0.3	- 1.8	- 0.2	- 0.2	- 0.3	- 0.2	—	—
2002 Feb	- 0.9	+ 0.5	- 1.4	- 1.2	- 0.1	- 0.0	- 0.1	- 0.0	- 0.0	- 0.2	- 0.0	—	—
Mar	- 2.3	- 0.8	- 1.5	- 0.6	- 0.9	- 0.0	- 0.9	- 0.1	+ 0.0	- 0.2	- 0.0	—	—
Apr	- 3.6	- 1.4	- 2.2	- 1.3	- 0.9	- 0.2	- 0.7	- 0.0	+ 0.0	- 0.0	- 0.0	—	—
May	+ 3.4	+ 0.4	+ 3.1	+ 2.9	+ 0.2	+ 0.0	+ 0.1	+ 0.0	+ 0.0	- 0.1	+ 0.0	—	—
Jun	+ 1.5	+ 1.8	- 0.2	+ 0.2	- 0.4	+ 0.0	- 0.4	- 0.0	+ 0.0	- 0.3	- 0.0	—	—
Jul	- 1.9	- 0.2	- 1.7	- 1.7	+ 0.0	- 0.0	+ 0.1	- 0.0	+ 0.0	+ 0.4	+ 0.0	—	—
Aug	- 1.2	- 0.9	- 0.3	- 0.5	+ 0.2	-	+ 0.2	+ 0.1	- 0.0	- 0.0	+ 0.0	—	—
Sep	- 1.1	+ 0.2	- 1.2	+ 0.2	- 1.4	- 0.1	- 1.3	- 0.0	+ 0.0	- 0.1	+ 0.0	—	—
Oct	- 4.6	+ 0.2	- 4.7	- 4.7	- 0.0	- 0.0	- 0.0	- 0.0	- 0.1	+ 0.1	- 0.0	—	—
Nov	- 0.1	- 0.2	+ 0.1	+ 0.1	+ 0.0	+ 0.0	+ 0.0	+ 0.0	- 0.0	- 0.0	+ 0.0	—	—
Dec	+ 4.3	+ 3.0	+ 1.3	+ 1.8	- 0.5	+ 0.1	- 0.6	+ 0.1	- 0.1	+ 0.7	- 0.1	—	—
2003 Jan	- 4.7	- 3.1	- 1.5	- 1.4	- 0.1	- 0.0	- 0.1	- 0.0	- 0.1	+ 0.0	- 0.1	—	—

\* See Table IV.2, footnote \*: statistical breaks have been eliminated from the changes. The figures for the latest date are always to be regarded as

provisional. Subsequent revisions, which appear in the following *Monthly Report*, are not specially marked. — 1 Including subordinated liabilities and

## 7 Deposits of domestic non-banks (non-MFIs) at banks (MFIs) in Germany\* (cont'd)

€ billion

Period	Deposits, total	Sight deposits	Time deposits 1,2				Savings deposits 3	Bank savings bonds 4	Memo item			
			Total	for up to and including 1 year	for more than 1 year 2				Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities)	Included in time deposits: liabilities arising from repos	
					Total	for up to and including 2 years						for more than 2 years
<b>Domestic enterprises and resident individuals</b>												
End of year or month*												
2000	1,796.7	426.8	692.2	212.6	479.6	7.8	471.8	570.8	106.9	6.1	24.5	-
2001	1,911.3	510.4	724.7	231.0	493.7	9.1	484.6	572.3	103.9	6.6	24.8	3.1
2002	1,972.0	559.0	737.3	227.5	509.8	7.9	502.0	573.2	102.5	5.8	26.6	1.5
2002 Feb	1,888.2	496.7	718.8	221.6	497.2	7.5	489.7	569.8	102.8	6.4	24.9	1.2
Mar	1,889.2	495.4	722.2	222.2	500.0	7.3	492.6	568.7	102.8	6.5	25.0	1.5
Apr	1,885.5	503.3	719.5	219.6	499.9	7.4	492.5	559.8	102.9	6.4	25.0	1.2
May	1,892.5	511.1	720.5	220.4	500.1	7.4	492.8	558.0	102.9	6.4	25.0	2.0
Jun	1,903.0	521.8	720.8	220.9	499.8	7.4	492.4	556.9	103.6	6.3	25.3	1.4
Jul	1,899.6	517.3	722.9	222.3	500.6	7.5	493.1	555.5	103.8	6.0	25.6	1.5
Aug	1,898.5	513.8	725.2	225.9	499.3	7.5	491.7	555.8	103.8	6.0	25.8	2.0
Sep	1,910.7	527.3	724.0	224.1	499.8	7.6	492.2	556.3	103.2	6.1	26.2	6.7
Oct	1,927.9	529.3	737.9	235.2	502.7	7.7	495.0	557.7	103.0	5.9	26.3	7.2
Nov	1,952.5	558.8	730.6	224.9	505.7	7.8	497.9	560.5	102.7	5.9	26.5	3.0
Dec	1,972.0	559.0	737.3	227.5	509.8	7.9	502.0	573.2	102.5	5.8	26.6	1.5
2003 Jan	1,967.2	551.7	738.5	226.3	512.2	7.8	504.4	575.4	101.6	5.8	26.9	3.5
Changes*												
2001	+ 115.0	+ 82.9	+ 33.5	+ 18.4	+ 15.1	+ 1.3	+ 13.8	+ 1.5	- 2.9	+ 0.3	+ 0.3	+ 3.1
2002	+ 60.3	+ 47.9	+ 12.8	- 3.6	+ 16.4	- 1.2	+ 17.5	+ 1.0	- 1.4	- 0.8	+ 2.0	- 1.6
2002 Feb	- 1.1	- 0.6	+ 1.2	- 0.3	+ 1.5	- 1.5	+ 3.0	- 1.4	- 0.3	+ 0.0	+ 0.1	+ 0.2
Mar	+ 1.1	+ 1.3	+ 3.4	+ 0.7	+ 2.7	- 0.1	+ 2.9	- 1.1	+ 0.0	+ 0.1	+ 0.1	+ 0.3
Apr	- 3.7	+ 7.9	- 2.7	- 2.6	- 0.1	+ 0.0	- 0.1	- 8.9	+ 0.0	- 0.1	+ 0.0	- 0.4
May	+ 7.6	+ 7.9	+ 1.4	+ 1.0	+ 0.5	+ 0.1	+ 0.4	- 1.7	+ 0.0	- 0.0	+ 0.1	+ 0.8
Jun	+ 9.5	+ 10.1	- 0.1	+ 0.4	- 0.5	+ 0.0	- 0.5	- 1.2	+ 0.7	- 0.1	+ 0.1	- 0.6
Jul	- 3.4	- 4.5	+ 2.2	+ 1.4	+ 0.8	+ 0.1	+ 0.7	- 1.3	+ 0.3	- 0.3	+ 0.3	+ 0.1
Aug	- 1.1	- 3.5	+ 2.3	+ 3.6	- 1.4	+ 0.0	- 1.4	+ 0.2	- 0.1	- 0.0	+ 0.2	+ 0.5
Sep	+ 12.0	+ 13.3	- 1.4	- 1.9	+ 0.5	+ 0.0	+ 0.5	+ 0.5	- 0.5	+ 0.1	+ 0.4	+ 4.7
Oct	+ 17.4	+ 2.0	+ 14.2	+ 11.1	+ 3.1	+ 0.1	+ 3.0	+ 1.4	- 0.2	- 0.1	+ 0.4	+ 0.5
Nov	+ 24.6	+ 29.5	- 7.3	- 10.3	+ 3.1	+ 0.2	+ 2.9	+ 2.7	- 0.3	- 0.0	+ 0.2	- 4.3
Dec	+ 19.5	+ 0.3	+ 6.7	+ 2.6	+ 4.1	+ 0.0	+ 4.1	+ 12.7	- 0.2	- 0.1	+ 0.1	- 1.5
2003 Jan	- 4.8	- 7.3	+ 1.2	- 1.2	+ 2.4	- 0.1	+ 2.5	+ 2.2	- 0.9	- 0.0	+ 0.3	+ 2.0
<b>of which: Domestic enterprises</b>												
End of year or month*												
2000	635.1	158.1	447.6	89.0	358.5	2.7	355.8	5.2	24.2	5.9	14.1	-
2001	668.4	180.0	461.3	91.7	369.6	2.9	366.8	4.3	22.8	6.4	14.3	3.1
2002	700.4	194.6	479.4	99.2	380.2	1.5	378.7	4.4	22.0	5.6	15.8	1.5
2002 Feb	649.7	164.4	458.4	85.1	373.3	1.4	371.9	4.3	22.6	6.2	14.4	1.2
Mar	650.0	160.1	462.9	87.3	375.6	1.4	374.3	4.3	22.6	6.3	14.4	1.5
Apr	651.9	162.1	463.1	87.6	375.5	1.4	374.0	4.3	22.5	6.2	14.4	1.2
May	659.0	167.8	464.5	88.9	375.6	1.4	374.2	4.2	22.5	6.2	14.4	2.0
Jun	665.5	172.7	466.1	90.8	375.2	1.4	373.8	4.3	22.6	6.1	14.7	1.4
Jul	666.4	171.3	468.4	92.6	375.8	1.4	374.4	4.4	22.4	5.8	15.0	1.5
Aug	663.0	166.4	469.8	95.6	374.2	1.4	372.8	4.4	22.4	5.8	15.1	2.0
Sep	676.4	180.1	469.7	95.3	374.4	1.4	373.0	4.4	22.2	5.8	15.5	6.7
Oct	690.0	180.7	482.7	105.6	377.1	1.5	375.7	4.3	22.2	5.7	15.5	7.2
Nov	692.6	189.0	476.9	97.4	379.5	1.6	378.0	4.3	22.3	5.7	15.7	3.0
Dec	700.4	194.6	479.4	99.2	380.2	1.5	378.7	4.4	22.0	5.6	15.8	1.5
2003 Jan	692.7	185.3	480.7	98.5	382.2	1.5	380.7	4.4	22.3	5.6	16.3	3.5
Changes*												
2001	+ 33.6	+ 21.2	+ 14.7	+ 2.6	+ 12.1	+ 0.1	+ 11.9	- 0.9	- 1.3	+ 0.3	+ 0.2	+ 3.1
2002	+ 31.1	+ 13.4	+ 18.3	+ 7.4	+ 10.9	- 1.3	+ 12.2	+ 0.1	- 0.7	- 0.8	+ 1.6	- 1.6
2002 Feb	- 4.5	- 6.9	+ 2.5	+ 1.0	+ 1.4	- 1.5	+ 2.9	+ 0.0	- 0.2	+ 0.0	+ 0.1	+ 0.2
Mar	+ 0.4	- 4.2	+ 4.6	+ 2.2	+ 2.4	- 0.0	+ 2.4	+ 0.0	+ 0.0	+ 0.1	+ 0.1	+ 0.3
Apr	+ 1.9	+ 1.9	+ 0.1	+ 0.3	- 0.2	+ 0.0	- 0.2	- 0.1	- 0.1	- 0.1	- 0.0	- 0.4
May	+ 7.4	+ 5.7	+ 1.7	+ 1.5	+ 0.2	+ 0.0	+ 0.2	- 0.0	+ 0.0	- 0.0	+ 0.0	+ 0.8
Jun	+ 5.7	+ 4.4	+ 1.2	+ 1.7	- 0.5	+ 0.0	- 0.5	+ 0.0	+ 0.1	- 0.1	+ 0.1	- 0.6
Jul	+ 1.2	- 1.4	+ 2.7	+ 1.7	+ 0.9	+ 0.0	+ 0.9	+ 0.1	- 0.2	- 0.3	+ 0.2	+ 0.1
Aug	- 3.5	- 4.9	+ 1.4	+ 3.0	- 1.5	+ 0.0	- 1.5	+ 0.0	- 0.0	- 0.0	+ 0.1	+ 0.5
Sep	+ 12.8	+ 13.2	- 0.2	- 0.4	+ 0.2	+ 0.0	+ 0.2	- 0.0	- 0.2	+ 0.1	+ 0.4	+ 4.7
Oct	+ 13.8	+ 0.6	+ 13.2	+ 10.3	+ 2.9	+ 0.1	+ 2.9	- 0.0	+ 0.0	- 0.1	+ 0.3	+ 0.5
Nov	+ 2.6	+ 8.3	- 5.8	- 8.2	+ 2.4	+ 0.1	+ 2.3	- 0.0	+ 0.1	- 0.0	+ 0.2	- 4.3
Dec	+ 7.9	+ 5.5	+ 2.5	+ 1.8	+ 0.7	- 0.0	+ 0.7	+ 0.1	- 0.3	- 0.1	+ 0.2	- 1.5
2003 Jan	- 7.7	- 9.2	+ 1.3	- 0.7	+ 2.0	- 0.0	+ 2.0	- 0.0	+ 0.2	- 0.0	+ 0.4	+ 2.0

liabilities arising from registered debt securities. — 1 Including deposits under savings and loan contracts (see Table IV.12). — 3 Excluding deposits

under savings and loan contracts (see also footnote 2). — 4 Including liabilities arising from non-negotiable bearer debt securities.

IV Banks

8 Deposits of resident individuals and domestic non-profit institutions at banks (MFIs) in Germany\*

€ billion

Period	Sight deposits						Time deposits 1,2						
	Deposits of resident individuals and domestic non-commercial organisations, total	Total	by creditor group				Total	Total	by creditor group				
			Resident individuals			Domestic non-profit institutions			Resident individuals				
			Total	Self-employed persons	Employees				Other individuals	Total	Self-employed persons	Employees	Other individuals
		<b>End of year or month*</b>											
2000	1,161.5	268.7	259.3	47.7	176.0	35.6	9.4	244.6	225.5	34.9	168.9	21.7	
2001	1,242.9	330.4	320.1	55.8	220.9	43.4	10.2	263.4	242.9	36.3	182.4	24.2	
2002	1,271.6	364.5	352.8	61.3	241.4	50.0	11.7	257.9	238.3	35.2	180.5	22.6	
2002 Aug	1,235.5	347.4	336.4	59.8	230.6	46.0	11.0	255.4	235.5	35.3	177.9	22.3	
Sep	1,234.3	347.1	335.6	58.7	229.3	47.6	11.5	254.2	235.2	35.0	177.5	22.8	
Oct	1,237.9	348.6	337.4	60.5	229.1	47.7	11.2	255.2	235.9	35.3	177.8	22.9	
Nov	1,260.0	369.7	358.6	63.6	244.5	50.4	11.1	253.7	235.1	34.9	177.2	23.0	
Dec	1,271.6	364.5	352.8	61.3	241.4	50.0	11.7	257.9	238.3	35.2	180.5	22.6	
2003 Jan	1,274.5	366.4	354.6	62.9	241.1	50.6	11.8	257.8	238.6	35.5	180.5	22.6	
		<b>Changes*</b>											
2001	+ 81.3	+ 61.7	+ 60.8	+ 8.1	+ 45.0	+ 7.8	+ 0.8	+ 18.8	+ 17.4	+ 1.4	+ 13.5	+ 2.5	
2002	+ 29.2	+ 34.5	+ 33.1	+ 5.6	+ 22.4	+ 5.1	+ 1.5	- 5.5	- 4.2	- 1.0	- 1.1	- 2.1	
2002 Aug	+ 2.4	+ 1.4	+ 1.3	+ 1.1	+ 0.4	- 0.1	+ 0.1	+ 0.8	+ 0.3	+ 0.2	+ 0.1	+ 0.1	
Sep	- 0.8	+ 0.2	- 0.4	- 1.1	+ 0.6	+ 0.1	+ 0.5	- 1.1	- 0.3	- 0.3	+ 0.1	- 0.1	
Oct	+ 3.6	+ 1.5	+ 1.7	+ 1.8	- 0.2	+ 0.1	- 0.3	+ 1.0	+ 0.7	+ 0.3	+ 0.3	+ 0.1	
Nov	+ 22.1	+ 21.1	+ 21.2	+ 3.1	+ 15.5	+ 2.7	- 0.1	- 1.5	- 0.8	- 0.4	- 0.6	+ 0.2	
Dec	+ 11.6	- 5.3	- 5.8	- 2.3	- 3.1	- 0.4	+ 0.5	+ 4.2	+ 3.2	+ 0.3	+ 3.3	- 0.5	
2003 Jan	+ 2.9	+ 1.9	+ 1.8	+ 1.6	- 0.3	+ 0.5	+ 0.1	- 0.1	+ 0.3	+ 0.3	- 0.0	- 0.0	

\* See Table IV.2, footnote\*; statistical breaks have been eliminated from the changes. The figures for the latest date are always to be regarded as provisional. Subsequent revisions, which appear in the following *Monthly*

*Report*, are not specially marked. — 1 Including subordinated liabilities and liabilities arising from registered debt securities. — 2 Including deposits

9 Deposits of domestic public authorities at banks (MFIs) in Germany, by creditor group\*

€ billion

Period	Deposits												
	Domestic public authorities, total	Federal Government and its special funds 1						Land governments					
		Total	Sight deposits	Time deposits		Savings deposits and bank savings bonds 2	Memo item Fiduciary loans	Total	Sight deposits	Time deposits		Savings deposits and bank savings bonds 2	Memo item Fiduciary loans
				for up to and including 1 year	for more than 1 year					for up to and including 1 year	for more than 1 year		
		<b>End of year or month*</b>											
2000	149.1	67.6	2.1	22.6	42.8	0.0	12.5	20.3	3.1	2.1	15.0	0.1	23.3
2001	122.7	46.9	1.6	2.7	42.7	0.0	13.2	19.2	2.7	1.8	14.6	0.1	23.2
2002	113.9	45.6	0.9	3.6	41.1	0.0	13.5	18.9	2.5	1.4	14.9	0.1	22.6
2002 Aug	115.4	45.8	0.6	2.4	42.8	0.0	12.6	19.9	1.8	3.2	14.7	0.1	22.8
Sep	114.3	46.7	0.6	4.2	41.9	0.0	12.6	21.3	2.8	3.7	14.7	0.1	22.7
Oct	109.7	46.8	1.1	3.7	41.9	0.1	12.7	19.6	2.5	2.3	14.7	0.1	22.7
Nov	109.6	46.3	0.6	3.6	42.0	0.1	12.7	18.1	2.0	1.3	14.8	0.1	22.7
Dec	113.9	45.6	0.9	3.6	41.1	0.0	13.5	18.9	2.5	1.4	14.9	0.1	22.6
2003 Jan	109.2	45.2	0.9	2.9	41.4	0.0	13.4	18.8	2.3	1.9	14.5	0.1	22.7
		<b>Changes*</b>											
2001	- 26.4	- 20.4	- 0.4	- 19.9	- 0.1	- 0.0	+ 0.5	- 1.2	- 0.6	- 0.2	- 0.4	+ 0.0	+ 0.1
2002	- 8.6	- 1.3	- 0.6	+ 0.9	- 1.6	+ 0.0	+ 0.3	- 0.3	- 0.1	- 0.4	+ 0.3	- 0.0	- 0.6
2002 Aug	- 1.2	+ 0.0	+ 0.1	- 0.2	+ 0.1	-	- 0.0	- 1.5	- 1.4	- 0.2	+ 0.1	- 0.0	+ 0.0
Sep	- 1.1	+ 0.8	+ 0.1	+ 1.8	- 1.0	+ 0.0	+ 0.0	+ 1.4	+ 1.0	+ 0.5	- 0.0	+ 0.0	- 0.1
Oct	- 4.6	+ 0.1	+ 0.5	- 0.5	+ 0.0	+ 0.1	+ 0.1	- 1.6	- 0.3	- 1.3	- 0.0	- 0.0	+ 0.0
Nov	- 0.1	- 0.5	- 0.5	- 0.1	+ 0.1	-	- 0.0	- 1.5	- 0.5	- 1.1	+ 0.1	+ 0.0	- 0.0
Dec	+ 4.3	- 0.7	+ 0.3	- 0.0	- 0.9	- 0.1	+ 0.8	+ 0.8	+ 0.6	+ 0.1	+ 0.1	- 0.0	- 0.1
2003 Jan	- 4.7	- 0.4	- 0.0	- 0.6	+ 0.3	- 0.0	- 0.1	- 0.1	- 0.2	+ 0.5	- 0.4	+ 0.0	+ 0.1

\* See Table IV.2, footnote\*; excluding deposits of the Treuhand agency and its successor organisations, of the Federal Railways, east German Railways and Federal Post Office, and, from 1995, of Deutsche Bahn AG, Deutsche Post AG and Deutsche Telekom AG, and of publicly-owned enterprises,

which are included in "Enterprises". Statistical breaks have been eliminated from the changes. The figures for the latest date are always to be regarded as provisional. Subsequent revisions, which appear in the following



IV Banks

					Savings deposits <sup>3</sup>				Memo item				
by maturity					Total	Domestic individuals	Domestic non-profit institutions	Bank savings bonds <sup>4</sup>	Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities) <sup>5</sup>	Included in time deposits: liabilities arising from repos	Period	
Domestic non-profit institutions	up to and including 1 year	more than 1 year <sup>2</sup>											
		Total	of which										
		up to and including 2 year	more than 2 years										
<b>End of year or month*</b>													
19.2	123.6	121.1	5.1	116.0	565.5	555.8	9.7	82.7	0.2	10.4	–	2000	
20.6	139.3	124.1	6.2	117.9	568.0	558.6	9.4	81.1	0.2	10.5	–	2001	
19.6	128.3	129.6	6.3	123.3	568.8	559.9	8.9	80.4	0.2	10.8	–	2002	
19.9	130.3	125.1	6.2	118.9	551.4	542.3	9.1	81.4	0.2	10.7	–	2002 Aug	
19.0	128.9	125.4	6.2	119.2	551.9	542.9	9.1	81.0	0.2	10.7	–	Sep	
19.3	129.7	125.5	6.2	119.3	553.4	544.4	9.0	80.8	0.2	10.8	–	Oct	
18.6	127.5	126.2	6.3	119.9	556.1	547.3	8.8	80.4	0.2	10.8	–	Nov	
19.6	128.3	129.6	6.3	123.3	568.8	559.9	8.9	80.4	0.2	10.8	–	Dec	
19.2	127.8	130.0	6.2	123.8	571.0	562.0	9.0	79.3	0.2	10.6	–	2003 Jan	
<b>Changes*</b>													
+ 1.4	+ 15.8	+ 3.0	+ 1.1	+ 1.9	+ 2.5	+ 2.8	– 0.3	– 1.6	+ 0.0	+ 0.0	± 0.0	2001	
– 1.3	– 10.9	+ 5.4	+ 0.1	+ 5.3	+ 0.9	+ 1.3	– 0.5	– 0.7	– 0.0	+ 0.3	–	2002	
+ 0.5	+ 0.6	+ 0.2	+ 0.0	+ 0.2	+ 0.2	+ 0.2	+ 0.0	– 0.0	+ 0.0	+ 0.0	–	2002 Aug	
– 0.9	– 1.5	+ 0.3	+ 0.0	+ 0.3	+ 0.5	+ 0.6	– 0.0	– 0.4	+ 0.0	+ 0.0	–	Sep	
+ 0.3	+ 0.8	+ 0.1	+ 0.0	+ 0.1	+ 1.5	+ 1.5	– 0.0	– 0.2	– 0.0	+ 0.1	–	Oct	
– 0.7	– 2.1	+ 0.7	+ 0.1	+ 0.6	+ 2.8	+ 3.0	– 0.2	– 0.3	+ 0.0	+ 0.0	–	Nov	
+ 1.0	+ 0.8	+ 3.4	+ 0.1	+ 3.4	+ 12.6	+ 12.6	+ 0.1	+ 0.0	– 0.0	– 0.1	–	Dec	
– 0.4	– 0.5	+ 0.4	– 0.1	+ 0.5	+ 2.2	+ 2.1	+ 0.0	– 1.1	+ 0.0	– 0.2	–	2003 Jan	

under savings and loan contracts (see Table IV.12). — <sup>3</sup> Excluding deposits under savings and loan contracts (see also footnote 2). — <sup>4</sup> Including

liabilities arising from non-negotiable bearer debt securities. — <sup>5</sup> Included in time deposits.

Local authorities and local authority associations (including municipal special-purpose associations)						Social security funds						
Total	Sight deposits	Time deposits <sup>3</sup>		Savings deposits and bank savings bonds <sup>2,4</sup>	Memo item Fiduciary loans	Total	Sight deposits	Time deposits		Savings deposits and bank savings bonds <sup>2</sup>	Memo item Fiduciary loans	Period
		for up to and including 1 year	for more than 1 year					for up to and including 1 year	for more than 1 year			
<b>End of year or month*</b>												
30.2	8.9	15.7	2.0	3.6	0.1	31.1	2.5	21.7	5.7	1.2	0.1	2000
27.8	9.2	13.8	1.8	3.1	0.2	28.7	2.7	19.5	5.4	1.1	0.1	2001
27.6	10.5	12.2	2.0	3.0	0.2	21.7	2.7	13.7	4.5	0.9	0.1	2002
26.9	8.6	13.4	1.9	3.0	0.2	22.7	2.4	14.4	4.9	1.0	0.1	2002 Aug
25.2	8.0	12.4	1.9	2.9	0.2	21.1	2.2	13.4	4.5	1.0	0.1	Sep
24.3	8.0	11.5	1.9	2.9	0.2	18.9	2.2	11.4	4.5	0.9	0.1	Oct
25.2	8.6	11.9	1.9	2.9	0.2	19.9	2.5	12.3	4.3	0.9	0.1	Nov
27.6	10.5	12.2	2.0	3.0	0.2	21.7	2.7	13.7	4.5	0.9	0.1	Dec
24.0	7.9	11.2	2.0	2.9	0.2	21.1	2.4	13.4	4.5	0.8	0.1	2003 Jan
<b>Changes*</b>												
– 2.4	+ 0.2	– 2.0	– 0.2	– 0.4	+ 0.0	– 2.4	+ 0.2	– 2.3	– 0.3	– 0.0	– 0.0	2001
+ 0.0	+ 1.3	– 1.4	+ 0.2	– 0.1	+ 0.0	– 7.0	– 0.0	– 5.7	– 1.0	– 0.3	– 0.0	2002
+ 1.9	+ 0.5	+ 1.4	– 0.0	+ 0.0	+ 0.0	– 1.6	– 0.1	– 1.5	+ 0.0	+ 0.0	–	2002 Aug
– 1.7	– 0.7	– 1.0	– 0.0	– 0.0	+ 0.0	– 1.6	– 0.2	– 1.0	– 0.4	– 0.0	– 0.0	Sep
– 0.9	+ 0.0	– 0.9	– 0.0	– 0.0	–	– 2.2	+ 0.0	– 2.0	– 0.0	– 0.2	–	Oct
+ 0.9	+ 0.6	+ 0.3	– 0.0	– 0.0	+ 0.0	+ 1.0	+ 0.3	+ 0.9	– 0.2	– 0.0	–	Nov
+ 2.4	+ 1.9	+ 0.3	+ 0.1	+ 0.1	+ 0.0	+ 1.8	+ 0.2	+ 1.4	+ 0.2	+ 0.0	– 0.0	Dec
– 3.6	– 2.6	– 0.9	– 0.0	– 0.1	+ 0.0	– 0.6	– 0.3	– 0.3	+ 0.0	– 0.0	–	2003 Jan

Monthly Report, are not specially marked. — <sup>1</sup> Federal Railways Fund, Indemnification Fund, Redemption Fund for Inherited Liabilities, ERP Special Fund, "German Unity" Fund, Equalisation of Burdens Fund. — <sup>2</sup> Including

liabilities arising from non-negotiable bearer debt securities. — <sup>3</sup> Including deposits under savings and loan contracts. — <sup>4</sup> Excluding deposits under savings and loan contracts (see also footnote 3).

## IV Banks

### 10 Savings deposits and bank savings bonds of banks (MFIs) in Germany sold to non-banks (non-MFIs)\*

€ billion

Period	Savings deposits <sup>1</sup>								Memo item Interest credited on savings deposits	Bank savings bonds, <sup>3</sup> sold to			
	of residents						of non-residents			non-banks, total	domestic non-banks		foreign non-banks
	Total	Total	at three months' notice		at more than three months' notice		Total	of which At three months' notice			Total	of which With maturities of more than 2 years	
			Total	of which Special savings facilities <sup>2</sup>	Total	of which Special savings facilities <sup>2</sup>							
End of year or month*													
2000	585.2	573.5	450.5	309.0	123.0	104.4	11.7	8.3	19.3	115.9	109.0	94.4	6.8
2001	586.5	574.5	461.9	327.2	112.7	97.2	12.0	8.8	19.9	112.8	106.0	87.2	6.8
2002	586.2	575.3	472.8	343.5	102.4	88.5	10.9	8.1	17.6	111.3	104.4	86.3	6.9
2002 Sep	569.1	558.3	454.7	328.4	103.6	90.0	10.8	7.8	0.5	112.3	105.3	87.2	7.0
Oct	570.4	559.7	456.9	331.1	102.8	89.1	10.7	7.8	0.5	111.9	105.0	86.9	6.9
Nov	573.1	562.4	460.2	334.4	102.2	88.5	10.7	7.9	0.5	111.7	104.7	86.7	6.9
Dec	586.2	575.3	472.8	343.5	102.4	88.5	10.9	8.1	12.2	111.3	104.4	86.3	6.9
2003 Jan	588.3	577.4	477.0	346.6	100.4	87.6	10.9	8.1	1.0	110.3	103.5	85.6	6.8
Changes*													
2001	+ 1.3	+ 1.1	+ 11.4	+ 15.5	- 10.4	- 7.2	+ 0.3	+ 0.5	.	- 2.9	- 2.9	- 7.1	- 0.0
2002	- 0.3	+ 0.8	+ 11.0	+ 16.4	- 10.2	- 8.7	- 1.1	- 0.7	.	- 1.5	- 1.6	- 0.9	+ 0.1
2002 Sep	+ 0.5	+ 0.5	+ 1.0	+ 0.9	- 0.5	- 0.3	- 0.0	- 0.0	.	- 0.6	- 0.5	- 0.4	- 0.0
Oct	+ 1.4	+ 1.4	+ 2.2	+ 2.6	- 0.8	- 0.9	- 0.0	+ 0.0	.	- 0.4	- 0.3	- 0.3	- 0.1
Nov	+ 2.7	+ 2.7	+ 3.3	+ 3.4	- 0.6	- 0.6	- 0.0	+ 0.0	.	- 0.2	- 0.3	- 0.2	+ 0.1
Dec	+ 13.0	+ 12.8	+ 12.6	+ 9.1	+ 0.3	+ 0.0	+ 0.2	+ 0.2	.	- 0.4	- 0.3	- 0.4	- 0.1
2003 Jan	+ 2.1	+ 2.1	+ 4.1	+ 3.0	- 2.0	- 0.9	- 0.0	+ 0.0	.	- 1.0	- 0.9	- 0.7	- 0.0

\* See Table IV.2, footnote\*; statistical breaks have been eliminated from the changes. The figures for the latest date are always to be regarded as provisional. Subsequent revisions, which appear in the following *Monthly Report*, are not specially marked. — 1 Excluding deposits under savings and

loan contracts, which are classified as time deposits. — 2 Savings deposits bearing interest at a rate which exceeds the minimum or basic rate of interest. — 3 Including liabilities arising from non-negotiable bearer debt securities.

### 11 Debt securities and money market paper outstanding of banks (MFIs) in Germany\*

€ billion

Period	Negotiable bearer debt securities and money market paper							Non-negotiable bearer debt securities and money market paper <sup>6</sup>					Subordinated	
	Total <sup>1</sup>	of which				with maturities of			Total	of which with maturities of				
		Floating rate bonds <sup>2</sup>	Zero coupon bonds <sup>2,3</sup>	Foreign currency bonds <sup>4,5</sup>	Certificates of deposit	up to and including 1 year <sup>1</sup>	more than 1 year including 2 years <sup>1</sup>	more than 2 years <sup>1</sup>		up to and including 1 year	more than 1 year including 2 years	more than 2 years		
		negotiable securities	non-negotiable securities											
End of year or month*)														
2000	1,412.5	283.1	22.1	128.2	19.7	87.9	62.7	1,261.9	2.7	0.4	1.0	1.3	38.3	2.4
2001	1,472.3	324.0	16.3	144.1	17.6	46.5	124.9	1,300.9	5.8	3.7	1.0	1.2	43.3	2.4
2002	1,462.9	339.2	16.1	159.5	34.7	62.3	120.1	1,280.5	9.9	7.8	0.7	1.3	42.4	2.3
2002 Sep	1,486.9	346.5	19.3	160.1	31.8	62.3	118.9	1,305.6	9.4	7.3	0.8	1.3	44.0	2.4
Oct	1,482.3	341.7	18.0	164.9	32.6	65.2	115.8	1,301.2	9.3	7.1	0.8	1.4	43.4	2.4
Nov	1,491.4	341.2	18.2	166.4	34.3	71.5	118.1	1,301.8	10.0	7.9	0.7	1.4	43.2	2.4
Dec	1,462.9	339.2	16.1	159.5	34.7	62.3	120.1	1,280.5	9.9	7.8	0.7	1.3	42.4	2.3
2003 Jan	1,463.7	334.4	17.8	163.7	39.3	68.9	115.9	1,278.9	9.8	7.8	0.7	1.3	42.7	2.2
Changes*														
2001	+ 56.2	+ 33.3	- 5.5	+ 15.9	- 2.1	- 41.4	+ 61.7	+ 35.9	+ 3.2	+ 3.4	- 0.1	- 0.1	+ 5.0	± 0.0
2002	+ 9.1	+ 6.3	- 4.5	+ 12.1	+ 16.2	+ 14.2	+ 4.6	- 9.7	+ 4.8	+ 4.9	- 0.3	+ 0.2	- 1.9	- 0.1
2002 Sep	+ 3.8	+ 0.6	- 0.8	+ 3.7	+ 4.0	+ 3.4	- 0.0	+ 0.5	+ 0.1	+ 0.1	- 0.0	- 0.0	- 0.6	- 0.0
Oct	- 4.6	- 4.8	- 1.3	+ 4.9	+ 0.8	+ 2.9	- 3.1	- 4.4	- 0.1	- 0.1	- 0.0	+ 0.1	- 0.5	- 0.0
Nov	+ 9.1	- 0.5	+ 0.1	+ 1.4	+ 1.7	+ 6.3	+ 2.3	+ 0.5	+ 0.7	+ 0.8	- 0.0	- 0.0	- 0.3	+ 0.0
Dec	- 28.4	- 1.9	- 2.1	- 6.9	+ 0.3	- 9.1	+ 2.0	- 21.3	- 0.2	- 0.1	- 0.0	- 0.1	- 0.8	- 0.0
2003 Jan	+ 0.8	- 4.8	+ 1.7	+ 4.2	+ 4.6	+ 6.5	- 4.2	- 1.5	- 0.1	- 0.1	- 0.0	- 0.0	+ 0.4	- 0.2

\* See Table IV.2, footnote\*; statistical breaks have been eliminated from the changes. The figures for the latest date are always to be regarded as provisional. Subsequent revisions, which appear in the following *Monthly Report*, are not specially marked. — 1 Decreases in June 2002 caused by transition to net recording of debt securities outstanding (ie less own debt securities). The statistical break has been eliminated from the changes. —

2 Including debt securities denominated in foreign currencies. — 3 Issue value when floated. — 4 Including floating rate notes and zero coupon bonds denominated in foreign currencies. — 5 Bonds denominated in non-euro-area currencies. — 6 Non-negotiable bearer debt securities are classified among bank savings bonds (see also Table IV.10, footnote 3).

IV Banks

12 Building and loan associations (MFIs) in Germany\*  
Interim statements

€ billion

End of year/month	Number of associ- ations	Balance sheet total	Lending to banks (MFIs)			Lending to non-banks (non-MFIs)				Deposits of banks (MFIs) 5		Deposits of non- banks (non-MFIs)		Bearer debt securi- ties out- stand- ing	Capital (includ- ing pub- lished re- serves) 7	Memo item New con- tracts entered into in year or month 8
			Credit bal- ances and loans (ex- clud- ing building loans) 1	Building loans 2	Bank debt securi- ties 3	Building loans			Secur- ities (in- clud- ing Treasury bills and Treasury discount paper) 4	Deposits under savings and loan con- tracts	Sight and time deposits	Deposits under savings and loan con- tracts	Sight and time de- posits 6			
						Loans under savings and loan con- tracts	Interim and bridging loans	Other building loans								
<b>All building and loan associations</b>																
2002	28	163.8	25.2	0.2	11.7	40.8	58.6	7.9	10.4	0.4	29.5	100.8	3.5	6.9	7.1	79.6
2002 Nov	28	161.4	24.5	0.2	11.6	41.1	57.8	7.7	9.9	0.4	29.1	97.7	3.4	7.2	7.1	7.1
2002 Dec	28	163.8	25.2	0.2	11.7	40.8	58.6	7.9	10.4	0.4	29.5	100.8	3.5	6.9	7.1	9.5
2003 Jan	28	163.5	25.0	0.2	11.6	40.7	58.8	7.9	10.4	0.4	28.9	101.0	3.4	7.1	7.1	7.3
<b>Private building and loan associations</b>																
2002 Nov	17	115.8	19.6	0.1	6.3	26.6	41.1	7.1	7.2	0.2	21.0	66.4	3.3	7.2	4.6	4.5
2002 Dec	17	117.5	19.8	0.1	6.4	26.4	41.7	7.3	7.7	0.3	21.0	68.5	3.3	6.9	4.6	6.0
2003 Jan	17	117.3	19.6	0.1	6.3	26.3	41.8	7.3	7.6	0.3	20.7	68.6	3.3	7.1	4.6	4.6
<b>Public building and loan associations</b>																
2002 Nov	11	45.5	4.9	0.1	5.2	14.5	16.7	0.6	2.7	0.1	8.1	31.3	0.1	-	2.5	2.7
2002 Dec	11	46.3	5.5	0.1	5.3	14.5	16.9	0.6	2.7	0.1	8.5	32.3	0.1	-	2.5	3.5
2003 Jan	11	46.2	5.3	0.1	5.3	14.4	16.9	0.6	2.8	0.1	8.1	32.5	0.2	-	2.5	2.7

Trends in building and loan association business

€ billion

Period	Changes in deposits under savings and loan contracts			Capital promised		Capital disbursed					Disbursement commitments outstanding at end of period		Interest and repayments received on building loans 10		Memo item Housing bonuses re- ceived 12	
	Amounts paid into savings and loan ac- counts 9	Interest credited on deposits under savings and loan con- tracts	Repay- ments of deposits under cancelled savings and loan con- tracts	Total	of which Net alloca- tions 11	Total	Allocations				Newly granted interim and bridging loans and other building loans	Total	of which Under alloca- ted con- tracts	Total		of which Repay- ments during quarter
							Deposits under savings and loan contracts		Loans under savings and loan contracts 9							
							Total	of which Applied to settle- ment of interim and bridging loans	Total	of which Applied to settle- ment of interim and bridging loans						
<b>All building and loan associations</b>																
2002	22.9	2.7	4.3	44.0	29.4	40.6	17.2	3.8	9.3	3.1	14.2	10.9	7.8	14.2	11.2	0.5
2002 Nov	1.9	0.0	0.4	3.4	2.1	3.0	1.2	0.3	0.6	0.2	1.2	10.8	7.8	1.1		0.0
2002 Dec	2.5	2.4	0.4	3.7	2.3	3.5	1.3	0.3	0.7	0.2	1.5	10.9	7.8	1.3	3.0	0.0
2003 Jan	2.1	0.0	0.4	3.8	2.5	3.4	1.5	0.3	0.7	0.3	1.2	10.9	7.8	1.1		0.1
<b>Private building and loan associations</b>																
2002 Nov	1.2	0.0	0.2	2.3	1.3	2.2	0.8	0.2	0.4	0.2	0.9	6.4	4.0	0.8		0.0
2002 Dec	1.6	1.6	0.2	2.5	1.4	2.4	0.9	0.2	0.4	0.2	1.1	6.5	4.0	0.9	1.9	0.0
2003 Jan	1.4	0.0	0.3	2.7	1.7	2.4	1.1	0.3	0.5	0.2	0.9	6.5	4.0	0.7		0.0
<b>Public building and loan associations</b>																
2002 Nov	0.6	0.0	0.1	1.1	0.8	0.9	0.4	0.1	0.2	0.1	0.3	4.4	3.8	0.4		0.0
2002 Dec	0.8	0.8	0.2	1.2	0.9	1.1	0.5	0.1	0.3	0.1	0.4	4.4	3.8	0.4	1.1	0.0
2003 Jan	0.7	-	0.2	1.1	0.8	0.9	0.4	0.1	0.2	0.1	0.3	4.4	3.8	0.4		0.0

\* Excluding assets and liabilities and/or transactions of foreign branches. The figures for the latest date are always to be regarded as provisional. Subsequent revisions, which appear in the following *Monthly Report*, are not specially marked. — 1 Including postal giro account balances, claims on building and loan associations, claims arising from registered debt securities and central bank credit balances. — 2 Loans under savings and loan contracts and interim and bridging loans. — 3 Including money market paper and small amounts of other securities issued by banks. — 4 Including equalisation claims. — 5 Including liabilities to building and loan associations. — 6 Including small amounts of savings deposits. — 7 Including participation rights capital and fund for general banking risks. — 8 Total

amount covered by the contracts; only contracts newly entered into, for which the contract fee has been fully paid. Increases in the sum contracted count as new contracts. — 9 For disbursements of deposits under savings and loan contracts arising from the allocation of contracts see "Capital disbursed". — 10 Including housing bonuses credited. — 11 Only allocations accepted by the beneficiaries; including allocations applied to settlement of interim and bridging loans. — 12 The amounts already credited to the accounts of savers or borrowers are also included in "Amounts paid into savings and loan accounts" and "Interest and repayments received on building loans".

IV Banks

13 Assets and liabilities of the foreign branches and foreign subsidiaries of German banks (MFIs)\*

€ billion

Period	Number of		Balance sheet total	Lending to banks (MFIs)					Lending to non-banks (non-MFIs)					Other assets	
	German banks (MFIs) with foreign branches and/or foreign subsidiaries	foreign branches and/or foreign subsidiaries		Total	Credit balances and loans			Money market paper, securities 2, 3	Total	Loans			Money market paper, securities 2		
					Total	German banks	Foreign banks			Total	to German non-banks	of which enterprises and individuals			to foreign non-banks
<b>Foreign branches</b>															
<b>End of year or month*</b>															
2000	71	212	1,558.2	829.4	722.1	211.0	511.1	107.3	656.7	501.5	21.7	17.1	479.9	155.2	72.0
2001	68	216	1,689.3	870.6	761.6	213.6	548.0	109.0	744.9	549.0	20.6	17.2	528.4	195.9	73.9
2002	60	205	1,407.4	679.9	572.3	198.3	374.0	107.6	668.5	484.0	18.8	15.0	465.1	184.6	59.0
2002 Mar	65	214	1,718.9	905.4	788.3	216.0	572.3	117.1	732.8	540.8	19.1	15.4	521.7	192.0	80.7
Apr	64	213	1,720.0	907.4	764.5	230.2	534.3	143.0	745.1	576.7	19.4	15.3	557.3	168.4	67.4
May	63	212	1,677.0	870.7	737.5	219.5	518.0	133.1	756.6	579.2	19.2	15.0	560.0	177.4	49.7
Jun	63	211	1,548.6	795.4	672.9	206.4	466.5	122.6	694.8	524.6	18.4	14.3	506.2	170.3	58.4
Jul	62	210	1,561.1	776.9	655.0	201.1	453.9	122.0	723.7	544.2	18.7	15.0	525.5	179.5	60.4
Aug	62	210	1,577.0	764.1	642.8	203.2	439.5	121.3	756.6	569.7	18.4	14.8	551.3	186.9	56.3
Sep	61	208	1,559.2	761.8	646.1	201.7	444.4	115.7	752.3	559.7	19.0	15.3	540.7	192.6	45.1
Oct	59	203	1,568.0	758.9	643.9	210.0	433.9	115.0	746.0	550.5	18.7	15.0	531.8	195.5	63.1
Nov	60	204	1,585.7	760.8	646.0	216.9	429.1	114.8	755.5	555.8	19.0	15.7	536.8	199.7	69.4
Dec	60	205	1,407.4	679.9	572.3	198.3	374.0	107.6	668.5	484.0	18.8	15.0	465.1	184.6	59.0
<b>Changes*</b>															
2001	- 3	+ 4	+ 99.1	+ 24.8	+ 26.1	+ 2.3	+ 23.8	- 1.3	+ 72.7	+ 35.6	- 1.1	- 0.0	+ 36.7	+ 37.1	+ 1.6
2002	- 8	- 11	- 139.1	- 133.4	- 139.9	- 15.4	- 124.5	+ 6.5	- 3.6	- 9.2	- 1.9	- 2.2	- 7.3	+ 5.7	- 2.2
2002 Mar	- 3	- 2	- 10.7	- 12.1	- 9.9	- 2.5	- 7.4	- 2.2	- 1.5	- 1.9	- 0.8	- 0.8	- 1.1	+ 0.3	+ 2.9
Apr	- 1	- 1	+ 25.5	+ 13.4	- 13.7	+ 14.1	- 27.8	+ 27.1	+ 25.0	+ 45.4	+ 0.2	- 0.2	+ 45.1	- 20.4	- 12.8
May	- 1	- 1	- 4.3	- 20.5	- 13.0	- 10.6	- 2.4	- 7.5	+ 29.9	+ 17.0	- 0.1	- 0.3	+ 17.1	+ 12.9	- 13.7
Jun	-	- 1	- 80.1	- 55.4	- 47.5	- 13.1	- 34.4	- 7.9	- 37.7	- 36.2	- 0.8	- 0.7	- 35.3	- 1.6	+ 13.1
Jul	- 1	- 1	- 8.2	- 26.9	- 25.1	- 5.3	- 19.7	- 1.9	+ 19.0	+ 11.7	+ 0.2	+ 0.7	+ 11.5	+ 7.3	- 0.2
Aug	-	-	+ 20.8	- 10.9	- 10.7	+ 2.2	- 12.9	- 0.2	+ 35.1	+ 27.4	- 0.3	- 0.2	+ 27.6	+ 7.8	- 3.5
Sep	- 1	- 2	- 14.1	- 1.0	+ 4.6	- 1.5	+ 6.2	- 5.6	- 2.0	- 8.3	+ 0.6	+ 0.5	- 8.9	+ 6.3	- 11.1
Oct	- 2	- 5	+ 11.2	- 2.0	- 1.4	+ 8.3	- 9.7	- 0.6	- 4.9	- 8.0	- 0.3	- 0.4	- 7.7	+ 3.1	+ 18.1
Nov	+ 1	+ 1	+ 24.4	+ 4.3	+ 4.2	+ 6.9	- 2.7	+ 0.2	+ 13.0	+ 8.1	+ 0.4	+ 0.7	+ 7.7	+ 4.9	+ 7.0
Dec	-	+ 1	- 137.1	- 66.1	- 61.2	- 18.6	- 42.6	- 4.9	- 65.2	- 55.4	- 0.2	- 0.7	- 55.2	- 9.8	- 5.8
<b>Foreign subsidiaries</b>															
<b>End of year or month*</b>															
2000	40	170	580.5	248.1	183.8	82.2	101.6	64.3	263.5	203.4	45.4	42.3	158.0	60.1	69.0
2001	46	200	811.5	342.4	262.8	105.7	157.1	79.6	382.2	293.1	51.9	47.7	241.2	89.2	87.0
2002	47	200	704.2	333.7	265.5	125.7	139.8	68.2	300.1	239.1	46.7	42.9	192.4	61.0	70.4
2002 Mar	47	201	813.9	349.4	268.3	105.3	163.0	81.1	368.7	277.4	49.7	46.3	227.7	91.4	95.8
Apr	47	200	760.9	346.8	272.6	108.6	164.0	74.2	325.8	258.1	49.4	46.1	208.7	67.7	88.3
May	48	201	751.8	343.3	269.0	113.0	156.1	74.3	317.6	259.4	49.5	46.4	209.9	58.2	90.9
Jun	48	201	732.2	334.7	261.9	106.2	155.7	72.8	311.4	253.9	48.4	45.2	205.5	57.6	86.0
Jul	48	200	712.7	328.4	255.8	116.8	139.0	72.6	306.6	248.2	48.1	45.0	200.1	58.4	77.7
Aug	49	199	693.7	314.7	242.0	111.9	130.0	72.7	302.7	243.9	47.8	44.8	196.1	58.8	76.3
Sep	48	198	695.5	317.8	246.0	111.0	135.0	71.8	304.2	245.3	47.1	44.2	198.2	58.9	73.5
Oct	47	200	700.6	320.4	249.4	111.4	138.0	71.0	306.6	245.5	46.6	43.7	198.9	61.1	73.6
Nov	47	202	708.2	326.7	256.6	114.0	142.6	70.1	308.5	246.1	47.0	44.1	199.0	62.4	73.0
Dec	47	200	704.2	333.7	265.5	125.7	139.8	68.2	300.1	239.1	46.7	42.9	192.4	61.0	70.4
<b>Changes*</b>															
2001	+ 6	+ 30	+ 229.9	+ 92.5	+ 78.0	+ 23.5	+ 54.6	+ 14.5	+ 119.5	+ 89.1	+ 6.5	+ 5.3	+ 82.7	+ 30.4	+ 17.9
2002	+ 1	± 0	- 78.3	+ 6.7	+ 13.3	+ 20.0	- 6.7	- 6.6	- 70.0	- 42.0	- 5.2	- 4.8	- 36.8	- 28.1	- 15.0
2002 Mar	+ 1	-	+ 11.6	+ 2.0	+ 0.6	+ 3.6	- 2.9	+ 1.4	+ 1.6	+ 0.7	+ 0.3	+ 0.6	+ 0.4	+ 0.9	+ 8.0
Apr	- 1	- 1	- 47.2	+ 0.3	+ 6.1	+ 3.3	+ 2.9	- 5.9	- 40.3	- 16.7	- 0.3	- 0.2	- 16.4	- 23.6	- 7.2
May	+ 1	+ 1	- 1.2	+ 0.7	- 0.6	+ 4.4	- 5.0	+ 1.3	- 5.1	+ 4.4	+ 0.1	+ 0.2	+ 4.3	- 9.5	+ 3.1
Jun	-	-	- 9.6	- 3.5	- 3.6	- 6.8	+ 3.2	+ 0.1	- 1.8	- 1.2	- 1.1	- 1.2	- 0.1	- 0.6	- 4.3
Jul	-	- 1	- 23.8	- 8.6	- 7.7	+ 10.7	- 18.3	- 0.9	- 6.6	- 7.4	- 0.3	- 0.2	- 7.1	+ 0.8	- 8.5
Aug	+ 1	- 1	- 17.9	- 13.0	- 13.4	- 4.9	- 8.5	+ 0.3	- 3.4	- 3.8	- 0.3	- 0.3	- 3.5	+ 0.4	- 1.4
Sep	- 1	- 1	+ 2.2	+ 3.3	+ 4.1	- 0.9	+ 5.0	- 0.8	+ 1.7	+ 1.6	- 0.7	- 0.6	+ 2.3	+ 0.1	- 2.8
Oct	- 1	+ 2	+ 5.5	+ 2.7	+ 3.5	+ 0.4	+ 3.1	- 0.8	+ 2.5	+ 0.4	- 0.5	- 0.4	+ 0.8	+ 2.2	+ 0.2
Nov	-	+ 2	+ 9.0	+ 7.1	+ 7.7	+ 2.6	+ 5.1	- 0.6	+ 2.5	+ 1.2	+ 0.4	+ 0.4	+ 0.8	+ 1.3	- 0.6
Dec	-	- 2	+ 4.6	+ 11.6	+ 12.1	+ 11.7	+ 0.4	- 0.5	- 4.8	- 3.4	- 0.4	- 1.2	- 3.0	- 1.4	- 2.1

\* From March 2000, including the foreign branches of building and loan associations. In this table "foreign" also includes the country of domicile of the foreign branches and foreign subsidiaries. Statistical revisions have been eliminated from the changes. (Breaks owing to changes in the reporting

population have not been eliminated from the flow figures for the foreign subsidiaries.) The figures for the latest date are always to be regarded as provisional; subsequent revisions, which appear in the following *Monthly Report*, are not specially marked. — 1 Several branches in a given

IV Banks

Deposits														Money market paper and debt securities outstanding <sup>5</sup>	Working capital and own funds	Other liabilities <sup>6</sup>	Period
of banks (MFIs)				of non-banks (non-MFIs)						Foreign non-banks							
Total	Total	German banks	Foreign banks	Total	German non-banks <sup>4</sup>												
					Total	Short-term		Medium and long-term									
						Total	of which enterprises and individuals	Total	of which enterprises and individuals								
End of year or month*														Foreign branches			
1,186.1	799.5	158.2	641.4	386.5	60.9	58.4	51.6	2.5	2.4	325.7	272.3	22.0	77.9	2000			
1,271.3	855.3	194.0	661.2	416.0	57.4	54.2	51.2	3.2	3.0	358.6	316.8	24.0	77.2	2001			
1,116.0	758.5	250.1	508.4	357.5	62.6	58.4	55.0	4.2	3.8	294.9	212.1	25.9	53.6	2002			
1,306.0	882.5	199.4	683.1	423.5	62.8	59.6	56.9	3.3	3.1	360.7	310.3	24.3	78.3	2002 Mar			
1,334.9	883.5	209.5	674.0	451.4	77.8	74.5	71.1	3.3	3.2	373.6	303.7	24.5	56.9	Apr			
1,298.2	850.1	213.0	637.1	448.1	75.1	71.8	68.0	3.3	3.2	373.1	293.4	25.0	60.3	May			
1,200.4	791.3	209.8	581.5	409.1	63.6	60.3	56.6	3.3	3.2	345.5	264.5	24.9	58.8	Jun			
1,212.9	788.3	212.5	575.8	424.5	67.2	63.9	60.0	3.4	3.3	357.3	263.1	25.0	60.1	Jul			
1,236.0	791.6	219.1	572.4	444.4	66.1	62.7	58.9	3.4	3.3	378.3	257.0	25.1	58.9	Aug			
1,223.7	787.6	231.3	556.3	436.0	63.8	60.5	57.7	3.4	3.3	372.2	249.5	25.0	61.0	Sep			
1,241.7	804.7	241.6	563.0	437.0	66.3	62.9	59.3	3.3	3.3	370.7	236.1	25.0	65.2	Oct			
1,263.4	834.9	257.4	577.5	428.5	69.2	65.7	62.0	3.5	3.4	359.4	234.9	25.0	62.5	Nov			
1,116.0	758.5	250.1	508.4	357.5	62.6	58.4	55.0	4.2	3.8	294.9	212.1	25.9	53.6	Dec			
Changes*														Foreign subsidiaries			
+ 53.8	+ 36.3	+ 35.2	+ 1.1	+ 17.5	- 3.7	- 4.4	- 0.6	+ 0.7	+ 0.6	+ 21.2	+ 44.6	+ 2.1	- 1.3	2001			
- 53.4	- 31.7	+ 56.0	- 87.7	- 21.7	+ 5.2	+ 4.2	+ 3.8	+ 1.0	+ 0.8	- 26.9	- 104.8	+ 1.8	+ 17.2	2002			
- 12.4	+ 1.8	+ 9.5	- 7.7	- 14.2	- 2.9	- 3.0	- 3.3	+ 0.1	+ 0.1	- 11.2	+ 6.4	- 0.0	- 4.8	2002 Mar			
+ 48.2	+ 13.5	+ 10.1	+ 3.4	+ 34.7	+ 15.0	+ 14.9	+ 14.2	+ 0.0	+ 0.1	+ 19.7	- 6.6	+ 0.2	- 16.2	Apr			
- 8.4	- 15.6	+ 3.5	- 19.0	+ 7.2	- 2.7	- 2.7	- 3.1	+ 0.0	+ 0.0	+ 9.9	- 10.3	+ 0.5	+ 13.8	May			
- 63.1	- 36.5	- 3.2	- 33.4	- 26.6	- 11.4	- 11.5	- 11.3	+ 0.0	+ 0.0	- 15.1	- 29.0	- 0.1	+ 12.1	Jun			
- 2.1	- 11.6	+ 2.7	- 14.3	+ 9.5	+ 3.6	+ 3.5	+ 3.4	+ 0.1	+ 0.1	+ 5.9	- 1.4	+ 0.1	- 4.8	Jul			
+ 26.9	+ 5.3	+ 6.6	- 1.4	+ 21.6	- 1.1	- 1.1	- 1.1	+ 0.0	- 0.0	+ 22.7	- 6.1	+ 0.1	- 0.1	Aug			
- 10.5	- 2.4	+ 12.2	- 14.5	- 8.1	- 2.3	- 2.3	- 1.2	- 0.0	- 0.0	- 5.8	- 7.5	- 0.1	+ 3.9	Sep			
+ 19.5	+ 18.0	+ 10.3	+ 7.6	+ 1.6	+ 2.4	+ 2.5	+ 1.6	- 0.0	- 0.0	- 0.9	- 13.4	- 0.0	+ 5.2	Oct			
+ 26.3	+ 32.9	+ 15.8	+ 17.1	- 6.5	+ 2.9	+ 2.8	+ 2.7	+ 0.1	+ 0.1	- 9.4	- 1.2	- 0.0	- 0.7	Nov			
- 119.2	- 58.7	- 7.3	- 51.4	- 60.5	- 6.6	- 7.3	- 6.9	+ 0.7	+ 0.5	- 53.9	- 22.8	+ 0.9	+ 4.0	Dec			
End of year or month*														Foreign subsidiaries			
414.6	267.9	61.0	207.0	146.7	32.5	29.2	21.9	3.2	3.2	114.2	56.3	34.7	74.9	2000			
576.5	362.5	79.2	283.3	214.0	36.4	32.5	23.9	3.9	3.8	177.6	99.8	47.3	87.9	2001			
503.5	307.7	99.5	208.2	195.7	27.0	22.5	21.1	4.5	4.5	168.7	78.4	43.0	79.3	2002			
578.1	376.1	65.6	310.5	202.0	32.9	29.1	24.1	3.8	3.8	169.1	101.0	48.0	86.8	2002 Mar			
547.7	344.3	66.6	277.7	203.4	33.7	29.9	25.4	3.8	3.7	169.7	81.9	47.1	84.1	Apr			
539.5	339.9	71.3	268.7	199.6	32.3	28.5	24.4	3.8	3.7	167.3	82.1	46.4	83.8	May			
521.7	326.3	72.5	253.8	195.4	31.8	28.1	24.0	3.7	3.7	163.6	81.4	45.4	83.7	Jun			
500.8	307.6	71.5	236.1	193.3	31.7	24.8	20.6	6.9	6.8	161.6	82.9	45.6	83.4	Jul			
490.1	304.0	75.7	228.3	186.1	27.6	23.3	22.8	4.3	4.2	158.5	81.4	44.0	78.2	Aug			
488.8	300.6	78.0	222.6	188.2	28.8	24.1	23.6	4.6	4.6	159.4	81.6	43.3	81.7	Sep			
495.9	301.0	79.1	221.9	194.9	27.7	23.1	22.6	4.6	4.5	167.2	81.7	43.2	79.7	Oct			
502.8	308.8	81.8	227.0	194.0	26.4	22.1	21.6	4.3	4.2	167.6	81.0	43.2	81.1	Nov			
503.5	307.7	99.5	208.2	195.7	27.0	22.5	21.1	4.5	4.5	168.7	78.4	43.0	79.3	Dec			
Changes*														Foreign subsidiaries			
+ 160.9	+ 94.6	+ 18.2	+ 76.3	+ 66.4	+ 3.9	+ 3.3	+ 2.0	+ 0.6	+ 0.6	+ 62.5	+ 43.6	+ 13.7	+ 11.7	2001			
- 47.1	- 37.4	+ 20.3	- 57.8	- 9.7	- 9.4	- 10.0	- 2.9	+ 0.6	+ 0.6	- 0.3	- 21.4	- 4.4	- 5.4	2002			
+ 10.5	+ 15.5	+ 3.7	+ 11.7	- 5.0	- 0.1	- 0.1	- 0.0	-	-	- 4.9	+ 2.1	- 0.3	- 0.6	2002 Mar			
- 25.1	- 28.1	+ 1.0	- 29.1	+ 3.0	+ 0.7	+ 0.8	+ 1.3	- 0.1	- 0.1	+ 2.2	- 19.2	- 0.9	- 2.1	Apr			
- 0.9	+ 0.4	+ 4.6	- 4.2	- 1.4	- 1.4	- 1.4	- 1.0	- 0.0	- 0.0	+ 0.0	+ 0.3	- 0.7	+ 0.2	May			
- 8.7	- 7.4	+ 1.3	- 8.7	- 1.3	- 0.4	- 0.4	- 0.4	- 0.0	- 0.0	- 0.9	- 0.7	- 1.0	+ 0.9	Jun			
- 25.0	- 21.4	- 1.0	- 20.3	- 3.6	- 0.1	- 3.3	- 3.4	+ 3.2	+ 3.2	- 3.5	+ 1.5	+ 0.2	- 0.5	Jul			
- 9.6	- 2.8	+ 4.3	- 7.1	- 6.7	- 4.1	- 1.5	+ 2.2	- 2.6	- 2.6	- 2.7	- 1.5	- 1.6	- 5.2	Aug			
- 1.0	- 3.1	+ 2.3	- 5.4	+ 2.1	+ 1.2	+ 0.8	+ 0.8	+ 0.4	+ 0.4	+ 1.0	+ 0.2	- 0.7	+ 3.6	Sep			
+ 7.4	+ 0.5	+ 1.1	- 0.5	+ 6.8	- 1.1	- 1.0	- 1.0	- 0.1	- 0.1	+ 7.9	+ 0.1	- 0.1	- 1.9	Oct			
+ 8.1	+ 8.6	+ 2.7	+ 5.9	- 0.5	- 1.3	- 1.0	- 1.0	- 0.3	- 0.3	+ 0.8	- 0.7	+ 0.0	+ 1.6	Nov			
+ 8.1	+ 3.5	+ 17.7	- 14.2	+ 4.5	+ 0.6	+ 0.4	- 0.5	+ 0.2	+ 0.2	+ 3.9	- 2.6	- 0.3	- 0.5	Dec			

country of domicile are regarded as a single branch. — 2 Treasury bills, Treasury discount paper and other money market paper, debt securities. — 3 Including own debt securities. — 4 Excluding

subordinated liabilities and non-negotiable debt securities. — 5 Issues of negotiable and non-negotiable debt securities and money market paper. — 6 Including subordinated liabilities.

## V. Minimum reserves

### 1. Reserve ratios

#### Germany

% of liabilities subject to reserve requirements

Applicable from	Sight liabilities	Time liabilities	Savings deposits
1995 August 1	2	2	1.5

#### European monetary union

% of reserve base 1

Applicable from	Ratio
1999 January 1	2

1 Article 3 of the Regulation of the European Central Bank of 1 December 1998 on the application of minimum reserves (excluding liabilities to which a reserve ratio of 0 % applies, pursuant to article 4 (1)).

### 2. Reserve maintenance in Germany up to the end of 1998

– pursuant to the Minimum Reserves Order of the Bundesbank –

DM million

Monthly average 1	Liabilities subject to reserve requirements				Required reserves 2	Actual reserves 3	Excess reserves 4		Shortfall, total
	Total	Sight liabilities	Time liabilities	Savings deposits			Level	as % of the required reserves	
1995 Dec.	2,066,565	579,337	519,456	967,772	36,492	37,337	845	2.3	3
1996 Dec.	2,201,464	655,483	474,342	1,071,639	38,671	39,522	851	2.2	4
1997 Dec.	2,327,879	734,986	476,417	1,116,477	40,975	41,721	745	1.8	3
1998 Dec.	2,576,889	865,444	564,878	1,146,567	45,805	46,432	627	1.4	4

1 Pursuant to sections 5 to 7 of the Minimum Reserves Order. — 2 Amount after applying the reserve ratios to the liabilities subject to reserve requirements (section 5 (1) of the Minimum Reserves Order). — 3 Average credit

balances of the credit institutions subject to reserve requirements on their giro accounts at the Bundesbank. — 4 Actual reserves less required reserves.

### 3. Reserve maintenance in the European monetary union

– from 1999, pursuant to the ECB Regulation governing minimum reserves according to article 19.1 of the ECB/ESCB Statute –

Maintenance period beginning in 1	Reserve base 2	Required reserves before deduction of lump-sum allowance 3	Lump-sum allowance 4	Required reserves after deduction of lump-sum allowance	Actual reserves 5	Excess reserves 6	Shortfall, total 7
<b>European monetary union (€ billion)</b>							
2002 May	6,581.0	131.6	0.6	131.0	131.7	0.6	0.0
June	6,560.9	131.2	0.6	130.7	131.3	0.6	0.0
July	6,490.8	129.8	0.6	129.3	129.7	0.5	0.0
Aug.	6,477.9	129.6	0.6	129.0	129.5	0.5	0.0
Sep.	6,411.9	128.2	0.6	127.7	128.2	0.5	0.0
Oct.	6,460.4	129.2	0.6	128.7	129.2	0.5	0.0
Nov.	6,466.2	129.3	0.5	128.8	129.4	0.6	0.0
Dec. r	6,569.9	131.4	0.5	130.9	131.4	0.6	0.0
2003 Jan. P	6,546.4	130.9	0.5	130.4	131.0	0.6	0.0
<b>Of which: Germany (€ million)</b>							
2002 May	1,903,413	38,068	245	37,823	38,100	276	4
June	1,899,951	37,999	242	37,757	38,040	282	1
July	1,896,682	37,934	238	37,696	37,867	171	4
Aug.	1,892,420	37,848	234	37,614	37,823	209	2
Sep.	1,879,343	37,587	232	37,354	37,545	190	1
Oct.	1,894,298	37,886	232	37,654	37,895	240	5
Nov.	1,887,201	37,744	231	37,513	37,727	214	38
Dec.	1,929,396	38,588	231	38,356	38,574	217	2
2003 Jan. P	1,911,863	38,237	230	38,007	38,280	273	3

1 The reserve maintenance period of the ESCB minimum reserve system starts on the 24th of each month and ends on the 23rd of the following month (the first reserve maintenance period lasted from January 1, 1999 to February 23, 1999). — 2 Article 3 of the Regulation of the European Central Bank of 1 December 1998 on the application of minimum reserves (excluding liabilities to which a reserve ratio of 0 % applies, pursuant to article 4 (1)). — 3 Amount after applying the reserve ratios to the reserve

base. — 4 Article 5 (2) of the Regulation of the European Central Bank of 1 December 1998 on the application of minimum reserves. — 5 Average credit balances of the credit institutions subject to minimum reserve requirements on their reserve accounts at the respective national central bank. — 6 Actual reserves less required reserves after the deduction of the lump-sum allowance. — 7 Required reserves after the deduction of the lump-sum allowance.

## VI. Interest rates

### 1. ECB interest rates

% p.a.			
Applicable from	Deposit facility	Main refinancing operations <sup>1</sup>	Marginal lending facility
1999 Jan. 1	2.00	3.00	4.50
Jan. 4	2.75	3.00	3.25
Jan. 22	2.00	3.00	4.50
Apr. 9	1.50	2.50	3.50
Nov. 5	2.00	3.00	4.00
2000 Feb. 4	2.25	3.25	4.25
Mar. 17	2.50	3.50	4.50
Apr. 28	2.75	3.75	4.75
June 9	3.25	4.25	5.25
Sep. 1	3.50	4.50	5.50
Oct. 6	3.75	4.75	5.75
2001 May 11	3.50	4.50	5.50
Aug. 31	3.25	4.25	5.25
Sep. 18	2.75	3.75	4.75
Nov. 9	2.25	3.25	4.25
2002 Dec. 6	1.75	2.75	3.75
2002 Mar. 7	1.50	2.50	3.50

### 2. Discount and lombard rates of the Bundesbank

% p.a.			
Applicable from	Discount rate	Lombard rate <sup>2, 4, 5</sup>	
1994 Feb. 18	5 1/4	6 3/4	
Apr. 15	5	6 1/2	
May 13	4 1/2	6	
1995 Mar. 31	4	6	
Aug. 25	3 1/2	5 1/2	
Dec. 15	3	5	
1996 Apr. 19	2 1/2	4 1/2	
to			
1998 Dec. 31			

### 3. Base rates

% p.a.		Base rate as per Discount Rate Transition Act <sup>3, 4, 5</sup>
Applicable from		
1999 Jan. 1	2.50	
May 1	1.95	
2000 Jan. 1	2.68	
May 1	3.42	
Sep. 1	4.26	
2001 Sep. 1	3.62	
2002 Jan. 1	2.71	
to		
Apr. 3		
		Base rate as per Civil Code <sup>6</sup>
2002 Jan. 1	2.57	
July 1	2.47	
2003 Jan. 1	1.97	

<sup>1</sup> Up to 21 June 2000 fixed rate tenders, from 28 June 2000 variable rate tenders at minimum bid rate. — <sup>2</sup> From 1 August 1990 to 31 December 1993 this was also the rate for cash advances; from 1 January 1994 cash advances have no longer been granted. Wherever reference is made in an Act to the interest rate applicable for cash advances of the Federal Government, the rate will be replaced by the base rate increased by 1.5 percentage points pursuant to the Discount Rate Transition Act (see also footnote 4 a and 5). Pursuant to the Discount Rate Transition Act, read in conjunction with the Lombard Rate Transition Regulation, the lombard rate is replaced from 1 January 1999 by the rate applied by the European Central Bank (ECB) for its marginal lending facility wherever the lombard rate is used as a reference variable for interest and other payments (see also footnote 4 b and 5). — <sup>3</sup> Pursuant to the Discount Rate Transition Act, read in conjunction with the Regulation Governing the Use of the Base Rate as a Reference Variable, this rate replaces the discount rate from 1 January 1999 wherever the latter is used in contracts and regulations as a reference variable for interest and other payments. This base rate is the discount rate of the Bundesbank which applied on 31 December 1998. It changes from January 1, May 1 and September 1 of each year, and will change for the first time on 1 May 1999 if the interest rate applied by the ECB to its longer-term refinancing operations (marginal rate) has changed by at least 0.5 percentage points (see also footnote 4 c and 5). — <sup>4</sup> Wherever the rates listed in this column are used as a reference variable for interest and other payments in Federal legislation (in

the field of civil law and judicial procedural law), in state legislation (as stipulated in the Act Introducing the Civil Code) or in executory instruments and contracts based on such regulations, the following changes apply as from 1 January 2002: a) the rate for cash advances of the Federal Government is replaced by the base rate in the Civil Code increased by 1.5%, b) the lombard rate is replaced by the ECB's marginal lending facility rate, c) the base rate pursuant to the Discount Rate Transition Act is replaced by the base rate pursuant to section 247 of the Civil Code (see also footnote 5). — <sup>5</sup> Pursuant to Article 4 section 1 of the Act on the Amendment of Provisions concerning the Evaluation of Insurance Enterprises' Capital Investment and the Repeal of the Discount Rate Transition Act, the Discount Rate Transition Act, the Regulation Governing the Use of the Base Rate as a Reference Variable and the Lombard Rate Transition Regulation are repealed. Pursuant to Article 4 section 2 of this act, from 4 April 2002 the discount rate and the base rate under the Discount Rate Transition Act are replaced by the base rate pursuant to section 247 of the Civil Code, the lombard rate is replaced by the interest rate on the marginal lending facility of the ECB, and the interest rate for cash advances of the Federal Government by the base rate pursuant to section 247 of the Civil Code increased by 1.5 percentage points. — <sup>6</sup> Starting at 3.62%, it is adjusted on January 1 and July 1 of each year (for the first time on 1 January 2002) by the percentage points by which the reference variable (most recent main refinancing operation of the ECB, marginal rate) has increased or decreased since the last change in the base rate.

### 4. Eurosystem monetary policy operations allotted through tenders \*

Date of settlement	Bids Amount € millions	Allotment Amount	Fixed rate tenders		Variable rate tenders		Running for ... days
			Fixed rate	Minimum bid rate	Marginal rate <sup>1</sup>	Weighted average rate	
			% p.a.				
<b>Main refinancing operations</b>							
2003 Jan. 29	114,931	83,000	—	2.75	2.79	2.81	14
Feb. 5	115,836	86,000	—	2.75	2.78	2.79	14
Feb. 12	100,544	75,000	—	2.75	2.76	2.78	14
Feb. 19	125,104	95,000	—	2.75	2.77	2.78	13
Feb. 26	110,698	83,000	—	2.75	2.75	2.76	14
Mar. 4	54,090	54,090	—	2.75	2.75	2.75	15
Mar. 12	126,251	106,000	—	2.50	2.57	2.63	13
Mar. 12	75,870	65,000	—	2.50	2.55	2.64	7
<b>Longer-term refinancing operations</b>							
2002 Nov. 28	38,644	15,000	—	—	3.02	3.04	91
Dec. 23	42,305	15,000	—	—	2.93	2.95	94
2003 Jan. 30	31,716	15,000	—	—	2.78	2.80	90
Feb. 27	24,863	15,000	—	—	2.48	2.51	91
<b>Other tender operations</b>							
2002 Dec. 18	28,480	10,000	—	2.75	2.80	2.82	6

Source: ECB. — \* Enlargement of the euro area on 1 January 2001 to include Greece. — <sup>1</sup> Lowest or highest interest rate at which funds were

allotted or collected.

## VI. Interest rates

### 5. Money market rates, by month

% p.a.

Period	Money market rates reported by Frankfurt banks <sup>1</sup>				EONIA <sup>2</sup>	EURIBOR <sup>3</sup>					
	Day-to-day money		Three-month funds			One-week funds	One-month funds	Three-month funds	Six-month funds	Nine-month funds	Twelve-month funds
	Monthly averages	Lowest and highest rates	Monthly averages	Lowest and highest rates	Monthly averages						
2001 Feb.	4.98	4.73 – 5.75	4.74	4.67 – 4.81	4.99	4.83	4.80	4.76	4.67	4.61	4.59
Mar.	4.77	4.20 – 4.93	4.69	4.52 – 4.78	4.78	4.82	4.78	4.71	4.58	4.49	4.47
Apr.	5.04	4.71 – 5.80	4.66	4.52 – 4.80	5.06	4.88	4.78	4.68	4.57	4.50	4.48
May	4.64	4.41 – 4.90	4.62	4.49 – 4.81	4.65	4.66	4.66	4.64	4.56	4.53	4.52
June	4.53	4.30 – 4.85	4.43	4.37 – 4.50	4.54	4.56	4.53	4.45	4.35	4.33	4.31
July	4.51	4.25 – 4.63	4.45	4.38 – 4.50	4.51	4.54	4.52	4.47	4.39	4.33	4.31
Aug.	4.49	4.35 – 4.53	4.33	4.21 – 4.43	4.49	4.51	4.46	4.35	4.22	4.14	4.11
Sep.	3.97	2.95 – 5.50	3.96	3.60 – 4.27	3.99	4.08	4.05	3.98	3.88	3.80	3.77
Oct.	3.96	3.65 – 4.76	3.58	3.48 – 3.65	3.97	3.83	3.72	3.60	3.46	3.39	3.37
Nov.	3.51	3.15 – 4.20	3.37	3.28 – 3.50	3.51	3.48	3.43	3.39	3.26	3.20	3.20
Dec.	3.32	<sup>4</sup> 2.90 – 4.05	3.33	3.26 – 3.36	3.34	3.38	3.42	3.34	3.26	3.24	3.30
2002 Jan.	3.29	2.45 – 3.57	3.32	3.24 – 3.38	3.29	3.35	3.35	3.34	3.34	3.39	3.48
Feb.	3.27	2.90 – 3.35	3.34	3.31 – 3.38	3.28	3.32	3.34	3.36	3.40	3.48	3.59
Mar.	3.25	2.90 – 3.45	3.37	3.33 – 3.45	3.26	3.33	3.35	3.39	3.50	3.65	3.82
Apr.	3.30	3.11 – 3.75	3.39	3.35 – 3.45	3.32	3.32	3.34	3.41	3.54	3.70	3.86
May	3.31	3.21 – 3.50	3.44	3.35 – 3.52	3.31	3.34	3.37	3.47	3.63	3.80	3.96
June	3.35	3.28 – 3.65	3.45	3.40 – 3.48	3.35	3.36	3.38	3.46	3.59	3.73	3.87
July	3.30	3.15 – 3.40	3.39	3.34 – 3.44	3.30	3.34	3.36	3.41	3.48	3.56	3.64
Aug.	3.29	3.26 – 3.36	3.33	3.29 – 3.37	3.29	3.32	3.33	3.35	3.38	3.40	3.44
Sep.	3.31	3.26 – 3.60	3.29	3.25 – 3.34	3.32	3.32	3.32	3.31	3.27	3.23	3.24
Oct.	3.30	3.27 – 3.50	3.24	3.18 – 3.31	3.30	3.31	3.31	3.26	3.17	3.12	3.13
Nov.	3.30	3.10 – 3.48	3.11	3.00 – 3.23	3.30	3.32	3.23	3.12	3.04	3.01	3.02
Dec.	3.07	<sup>5</sup> 2.85 – 3.75	2.93	2.83 – 3.03	3.09	3.02	2.98	2.94	2.89	2.87	2.87
2003 Jan.	2.79	2.00 – 2.92	2.81	2.77 – 2.86	2.79	2.85	2.85	2.83	2.76	2.72	2.70
Feb.	2.77	2.48 – 2.85	2.67	2.48 – 2.80	2.76	2.81	2.77	2.69	2.58	2.53	2.50

<sup>1</sup> Money market rates are not fixed or quoted officially; the monthly averages computed from daily quotations are unweighted. — <sup>2</sup> Euro OverNight Index Average: weighted average overnight rate for interbank operations calculated by the European Central Bank since 4 January 1999 on the basis of real turnover according to the act/360 method and published via

Moneyline Telerate (formerly Bridge Telerate). — <sup>3</sup> Euro Interbank Offered Rate: unweighted average rate calculated by Moneyline Telerate (formerly Bridge Telerate) since 30 December 1998 according to the act/360 method. — <sup>4</sup> At the end of December 3.50% to 4.05%. — <sup>5</sup> At the end of December 3.00% to 3.05%.

### 6. Euro area retail bank interest rates <sup>\*, °</sup>

% p.a.; period averages

Period	Deposit interest rates						Lending interest rates			
	Overnight	With agreed maturity			Redeemable at notice		To enterprises		To households	
		Up to 1 year	Up to 2 years	Over 2 years	Up to 3 months	Over 3 months	Up to 1 year	Over 1 year	Consumer lending	For house purchase
2000	0.85	3.45	3.45	4.52	2.25	3.79	6.60	6.23	9.87	6.34
2001 <sup>1</sup>	0.94	3.49	3.49	4.12	2.40	3.59	6.83	6.15	10.12	5.97
2002	0.73	2.80	2.80	3.85	2.13	2.85	6.13	5.71	9.78	5.54
2002 Jan.	0.73	2.77	2.77	3.83	2.17	2.80	6.18	5.63	9.79	5.53
Feb.	0.73	2.78	2.79	3.95	2.15	2.91	6.16	5.75	9.83	5.61
Mar.	0.73	2.84	2.84	4.07	2.15	3.00	6.09	5.85	9.78	5.74
Apr.	0.74	2.89	2.90	4.13	2.14	3.07	6.17	5.96	9.83	5.81
May	0.74	2.91	2.92	4.15	2.15	3.08	6.20	5.98	9.87	5.82
June	0.74	2.93	2.94	4.09	2.13	3.08	6.18	5.92	9.83	5.77
July	0.74	2.89	2.90	4.02	2.13	3.02	6.16	5.79	9.78	5.68
Aug.	0.73	2.84	2.85	3.81	2.12	2.94	6.15	5.71	9.79	5.53
Sep.	0.73	2.77	2.77	3.64	2.13	2.73	6.12	5.61	9.85	5.38
Oct.	0.72	2.74	2.74	3.58	2.11	2.63	6.13	5.54	9.72	5.26
Nov.	0.71	2.70	2.69	3.53	2.11	2.55	6.10	5.50	9.70	5.21
Dec.	0.68	2.51	2.51	3.45	2.05	2.41	5.98	5.34	9.58	5.09
2003 Jan.	0.63	2.43	2.42	3.29	2.04	2.34	5.97	5.31	9.61	4.96

\* These euro area retail bank interest rates should be used with caution and for statistical purposes only, primarily to analyse their development over time rather than their level. They are calculated as the weighted average of national interest rates provided by the national central banks. The national rates represent those rates that are currently available from national sources and which are judged to fit the standard categories. These national rates have been aggregated to derive information for the euro area, in some cases relying on proxies and working assumptions due to the heterogeneity observed in the national financial instruments across MU

Member States. Furthermore, the national interest rates are not harmonised in terms of their coverage (new business and/or outstanding amounts), the nature of the data (nominal or effective) or the compilation method. The country weights for the euro area retail bank interest rates are derived from MFI balance sheet statistics or close proxies. The weights reflect the country-specific proportions of the relevant instruments within the euro area, measured as outstanding amounts. The weights are adjusted monthly, so that interest rates and weights always refer to the same month. — <sup>1</sup> Enlargement of the euro area on 1 January 2001 to include Greece.

° Tables and notes taken from the ECB.









## VII. Capital market

### 1. Sales and purchases of debt securities and shares in Germany \*)

Debt securities													
Period	Sales						Purchases						
	Sales = total purchases	Domestic debt securities 1					Foreign debt securities 3	Residents				Non-residents 7	
		Total	Bank debt securities	Industrial bonds	Public debt securities 2			Total 4	Credit institutions including building and loan assoc. 5	Non-banks 6	Bundesbank open market operations 5		
DM million													
1990	244,827	220,340	136,799	–	67	83,609	24,487	225,066	91,833	133,266	–	33	19,763
1991	231,965	219,346	131,670	–	667	87,011	12,619	173,099	45,095	127,310	–	694	58,866
1992	291,762	284,054	106,857	–	175	177,376	7,708	170,873	132,236	37,368	–	1,269	120,887
1993	395,110	382,571	151,812	–	200	230,560	12,539	183,195	164,436	20,095	–	1,336	211,915
1994	303,339	276,058	117,185	–	65	158,939	27,281	279,989	126,808	154,738	–	1,557	23,349
1995	227,099	203,029	162,538	–	350	40,839	24,070	141,282	49,193	94,409	–	2,320	85,815
1996	254,359	233,519	191,341	–	649	41,529	20,840	148,250	117,352	31,751	–	853	106,109
1997	332,655	250,688	184,911	–	1,563	64,214	81,967	204,378	144,177	60,201	–	–	128,276
1998	418,841	308,201	254,367	–	3,143	50,691	110,640	245,802	203,342	42,460	–	–	173,038
€ million													
1999	292,663	198,068	156,399	–	2,184	39,485	94,595	155,766	74,728	81,038	–	–	136,898
2000	226,594	157,994	120,154	–	12,605	25,234	68,600	154,089	91,447	62,642	–	–	72,505
2001	180,899	86,656	55,918	–	14,473	16,262	94,245	114,467	35,848	78,619	–	–	66,432
2002	180,957	124,035	47,296	–	14,506	62,235	56,922	91,562	13,536	78,026	–	–	89,395
2002 Nov.	33,168	25,770	9,937	–	561	15,272	7,398	28,652	17,377	11,275	–	–	4,516
Dec.	–	46,483	–	–	23,475	–	15,719	–	37,039	–	–	–	9,444
2003 Jan.	26,087	22,618	1,014	–	7,299	14,305	3,469	20,672	6,796	13,876	–	–	5,415

Shares											
Period	Sales			Purchases							
	Sales = total purchases	Domestic shares 8	Foreign shares 9			Residents			Non-residents 12		
						Total 10	Credit institutions 5 11	Non-banks 6			
DM million											
1990	50,070		28,021		22,048	52,631		7,215	45,416	–	2,561
1991	33,478		13,317		20,161	32,247		2,466	29,781	–	1,230
1992	32,595		17,226		15,370	40,651		2,984	37,667	–	8,055
1993	39,355		19,512		19,843	30,871		4,133	26,738	–	8,485
1994	55,125		29,160		25,966	54,466		1,622	52,844	–	659
1995	46,422		23,600		22,822	49,354		11,945	37,409	–	2,931
1996	72,491		34,212		38,280	55,962		12,627	43,335	–	16,529
1997	119,522		22,239		97,280	96,844		8,547	88,297	–	22,677
1998	249,504		48,796		200,708	149,151		20,252	128,899	–	100,352
€ million											
1999	150,013		36,010		114,005	103,136		18,637	84,499	–	46,877
2000	139,704		22,733		116,973	159,528		23,293	136,235	–	19,826
2001	82,286		17,575		64,714	–	2,127	14,714	12,587	–	84,412
2002	52,185		9,232		42,954	–	30,444	–	23,236	–	21,740
2002 Nov.	192		264	–	72	–	1,001	–	1,823	–	1,193
Dec.	6,080		558	–	5,522	–	4,377	–	584	–	1,703
2003 Jan.	–	1,202	723	–	1,925	–	25	–	665	–	1,227

\* Until the end of 1999, debt securities comprise the bonds and money market paper of domestic banks, from January 2000 all fixed-interest securities. Investment fund certificates see Table VII.6. — 1 Net sales at market values plus/less changes in issuers' portfolios of their own debt securities. — 2 Including Federal Railways Fund, Federal Post Office and Treuhand agency. — 3 Net purchases or net sales (–) of foreign debt securities by residents; transaction values. — 4 Domestic and foreign debt securities. — 5 Book values; statistically adjusted. — 6 Residual; also including purchases of domestic and foreign securities by domestic invest-

ment funds. — 7 Net purchases or net sales (–) of domestic debt securities by non-residents; transaction values. — 8 At issue prices. — 9 Net purchases or net sales (–) of foreign shares (including direct investment) by residents; transaction values. — 10 Domestic and foreign shares. — 11 Up to the end of 1998, excluding shares under syndicate agreement. — 12 Net purchases or net sales (–) of domestic shares (including direct investment) – before 1989 also including domestic investment fund certificates – by non-residents; transaction values. — From 1999 until 2002, revised figures owing to changes in the balance of payments statistics.



## VII. Capital market

### 3. Outstanding amount of debt securities issued by borrowers domiciled in Germany \*

Until the end of 1998 DM million nominal value, from 1999 € million nominal value

End of year or month/ Maturity in years	Bank debt securities <sup>1</sup>							Industrial bonds	Public debt securities	Memo item: Foreign DM/euro bonds issued by German- managed syndicates
	Total	All bank debt securities	Mortgage bonds (Hypotheken- pfandbriefe)	Communal bonds (Öffentliche Pfandbriefe)	Debt securities of specialised credit institutions	Other bank debt securities				
DM million										
1990	1,458,943	900,977	138,025	369,901	155,045	238,005	2,604	555,362	223,176	
1991	1,686,765	1,040,374	142,757	392,190	221,031	284,396	3,161	643,230	241,760	
1992	1,991,515	1,156,162	155,862	450,424	240,616	309,259	2,983	832,370	275,873	
1993	2,394,728	1,316,142	178,357	573,341	227,463	336,981	3,163	1,075,422	319,575	
1994	2,664,814	1,432,661	196,541	627,657	219,214	389,249	3,101	1,229,053	341,210	
1995	2,870,295	1,606,459	214,803	723,781	222,286	445,589	2,746	1,261,090	402,229	
1996	3,108,724	1,801,517	226,711	845,710	228,306	500,790	3,331	1,303,877	472,180	
1997	3,366,245	1,990,041	243,183	961,679	240,782	544,397	4,891	1,371,313	535,359	
1998	3,694,234	2,254,668	265,721	1,124,198	259,243	605,507	8,009	1,431,558	619,668	
€ million										
1999	2,097,926	1,322,863	134,814	655,024	163,284	369,741	6,280	768,783	339,560	
2000	2,265,121	1,445,736	140,751	685,122	157,374	462,488	13,599	805,786	322,856	
2001	2,349,243	1,506,640	147,684	675,868	201,721	481,366	22,339	820,264	292,199	
2002	2,481,220	1,563,034	155,620	649,061	222,427	535,925	36,646	881,541	247,655	
2002 Nov.	2,519,621	1,587,523	155,037	658,680	225,364	548,442	36,023	896,075	250,639	
Dec.	2,481,220	1,563,034	155,620	649,061	222,427	535,925	36,646	881,541	247,655	
2003 Jan.	2,502,010	1,566,378	154,963	642,931	229,596	538,889	38,836	896,796	244,899	
Breakdown by remaining period to maturity <sup>2</sup>										
										Position at end-January 2003
less than 2	919,644	629,736	60,298	234,263	68,449	266,726	5,269	284,639	82,449	
2 to less than 4	578,081	414,003	41,348	179,458	64,594	128,603	14,032	150,044	51,648	
4 to less than 6	384,357	231,426	28,355	117,239	34,940	50,891	7,528	145,404	57,990	
6 to less than 8	250,494	144,019	16,495	68,686	23,972	34,869	4,562	101,914	30,436	
8 to less than 10	186,103	67,828	7,816	21,564	14,666	23,783	5,864	112,410	8,184	
10 to less than 15	60,666	42,585	628	17,211	7,017	17,728	645	17,437	8,335	
15 to less than 20	18,551	13,456	9	2,103	6,717	4,626	452	4,643	2,384	
20 and more	104,114	23,326	15	2,404	9,241	11,666	484	80,304	3,472	

\* Including debt securities temporarily held in the issuers' portfolios. —  
1 Excluding debt securities handed to the trustee for temporary safe  
custody. — 2 Calculated from month under review until final maturity for

debt securities falling due en bloc and until mean maturity of the residual  
amount outstanding for debt securities not falling due en bloc.

### 4. Circulation of shares issued by residents of Germany

Until the end of 1998 DM million nominal value, from 1999 € million nominal value

Period	Share capital= circulation at end of period under review	Net increase or net decrease(-) during period under review	Change in domestic public limited companies' capital due to							Memo item: Share circulation at market values (market capita- lisation) level at end of period under review <sup>2</sup>
			cash payment and ex- change of convertible bonds <sup>1</sup>	issue of bonus shares	contribution of claims and other real assets	contribution of shares, mining shares, GmbH shares, etc.	merger and transfer of assets	change of legal form	reduction of capital and liquidation	
DM million										
1990	144,686	12,650	7,362	751	3,715	1,049	- 43	1,284	- 1,466	.
1991	151,618	6,932	3,656	610	2,416	407	- 182	411	- 386	.
1992	160,813	9,198	4,295	728	1,743	1,073	- 732	3,030	- 942	.
1993	168,005	7,190	5,224	772	387	876	10	707	- 783	.
1994	190,012	14,237	6,114	1,446	1,521	1,883	- 447	5,086	- 1,367	.
1995	211,231	21,217	5,894	1,498	1,421	1,421	- 623	13,739	- 2,133	.
1996	216,461	7,131	8,353	1,355	396	1,684	- 3,056	833	- 2,432	.
1997	221,575	5,115	4,164	2,722	370	1,767	- 2,423	197	- 1,678	.
1998	238,156	16,578	6,086	2,566	658	8,607	- 4,055	3,905	- 1,188	.
€ million										
1999	133,513	11,747	5,519	2,008	190	1,075	2,099	1,560	- 708	1,603,304
2000	147,629	14,115	3,620	3,694	618	8,089	- 1,986	1,827	- 1,745	1,353,000
2001	166,187	18,561	7,987	4,057	1,106	8,448	- 1,018	- 905	- 3,152	1,205,613
2002	168,716	2,528	4,307	1,291	486	1,690	- 868	- 2,152	- 2,224	647,492
2002 Nov.	168,910	353	150	20	35	231	24	24	- 130	747,909
Dec.	168,716	- 195	335	299	42	73	- 228	- 110	- 606	647,492
2003 Jan.	167,332	- 1,384	314	9	11	41	- 134	- 1,455	- 171	618,806

o From January 1994 including the shares of east German companies  
(resultant increase in share circulation: DM 7,771 million). — 1 Including share  
issues out of company profits. — 2 Including enterprises whose shares are lis-  
ted on the Official Market, on the Regulated Market or on the New Market

and enterprises whose shares are listed on the regulated free market. Source:  
Bundesbank calculations based on data of the "Herausgebergemeinschaft  
Wertpapier-Mitteilungen" and the "Deutsche Börse AG". — 3 Figure reduced  
by DM 1,902 million owing to revisions.

VII. Capital market

5. Yields and indices on German securities

Period	Yields on bonds outstanding issued by residents 1								Price indices 2, 3					
	Public bonds				Bank debt securities				Memo item: Foreign DM/euro bonds issued by German- managed syndicates 1,5	Bonds		Shares		
	Total	Total	Listed Federal securities		Total	With re- sidual matur- ities of over 9 to 10 years 4	Total	With re- sidual matur- ities of over 9 to 10 years		Industrial bonds	German bond index (REX)	iBoxx- €-Germany- price index	CDAX share price index	German share index (DAX)
			Total	With re- sidual matur- ities of over 9 to 10 years 4										
% p.a.									Average daily rate	End- 1998=100	End- 1987=100	End- 1987=1000		
1990	8.9	8.8	8.8	8.7	9.0	8.9	9.0	9.2	93.50	.	145.00	1,398.23		
1991	8.7	8.6	8.6	8.5	8.9	8.6	8.9	9.2	96.35	.	148.16	1,577.98		
1992	8.1	8.0	8.0	7.8	8.3	8.1	8.7	8.8	101.54	.	134.92	1,545.05		
1993	6.4	6.3	6.3	6.5	6.5	6.8	6.9	6.8	109.36	.	191.13	2,266.68		
1994	6.7	6.7	6.7	6.9	6.8	7.2	7.0	6.9	99.90	.	176.87	2,106.58		
1995	6.5	6.5	6.5	6.9	6.5	7.2	6.9	6.8	109.18	.	181.47	2,253.88		
1996	5.6	5.6	5.6	6.2	5.5	6.4	5.8	5.8	110.37	.	217.47	2,888.69		
1997	5.1	5.1	5.1	5.6	5.0	5.9	5.2	5.5	111.01	.	301.47	4,249.69		
1998	4.5	4.4	4.4	4.6	4.5	4.9	5.0	5.3	118.18	100.00	343.64	5,002.39		
1999	4.3	4.3	4.3	4.5	4.3	4.9	5.0	5.4	110.60	92.52	445.95	6,958.14		
2000	5.4	5.3	5.2	5.3	5.6	5.8	6.2	6.3	112.48	94.11	396.59	6,433.61		
2001	4.8	4.7	4.7	4.8	4.9	5.3	5.9	6.2	113.12	94.16	319.38	5,160.10		
2002	4.7	4.6	4.6	4.8	4.7	5.1	6.0	5.6	117.56	97.80	188.46	2,892.63		
2002 Nov.	4.2	4.2	4.2	4.5	4.2	4.8	6.1	5.1	115.65	96.30	214.18	3,320.32		
2002 Dec.	4.1	4.1	4.1	4.3	4.1	4.6	5.9	4.9	117.56	97.80	188.46	2,892.63		
2003 Jan.	3.9	3.9	3.9	4.2	3.8	4.4	5.7	4.6	118.54	98.60	179.89	2,747.83		
2003 Feb.	3.6	3.7	3.7	4.0	3.6	4.2	6.1	4.6	119.33	99.28	167.39	2,547.05		

1 Bearer debt securities with maximum maturities according to the terms of issue of over 4 years, if their mean residual maturities exceed 3 years. Convertible debt securities, etc., debt securities with unscheduled redemption, zero-coupon bonds, floating-rate notes and bonds not denominated in DM or euros are not included. Group yields for the various categories of securities are weighted with the amounts outstanding of the debt securities

included in the calculation. Monthly figures are calculated on the basis of the yields on all the business days of a month. The annual figures are the unweighted means of the monthly figures. — 2 End of year or month. — 3 Source: German Stock Exchange plc. — 4 Only bonds eligible as underlying instruments for futures contracts are included; calculated as unweighted averages. — 5 As far as quoted on German stock exchanges.

6. Sales and purchases of investment fund certificates in Germany

Period	Sales of investment fund certificates								Purchases					
	Domestic funds (sales receipts)								Residents					
	Sales = total purchases	Total	Investment funds open to the general public				Specialised investment funds	Foreign funds 3	Total	Credit institutions including building and loan associations 1		Non-banks 2		Non-residents 4
			Total	of which						Total	of which Foreign investment fund certificates	Total	of which Foreign investment fund certificates	
Money market funds				Securities-based funds	Open-end real estate funds									
DM million														
1990	25,788	26,857	7,904	-	8,032	- 128	18,952	- 1,069	25,766	4,296	- 362	21,470	- 707	22
1991	50,064	37,492	13,738	-	11,599	2,144	23,754	12,572	49,890	8,594	- 5	41,296	12,577	174
1992	81,514	20,474	- 3,102	-	9,189	6,087	23,575	61,040	81,518	10,495	2,152	71,023	58,888	- 4
1993	80,259	61,672	20,791	-	6,075	14,716	40,881	18,587	76,258	16,982	2,476	59,276	16,111	4,001
1994	130,995	108,914	63,263	31,180	24,385	7,698	45,650	22,081	125,943	9,849	- 689	116,094	22,770	5,052
1995	55,246	54,071	16,777	6,147	3,709	6,921	37,294	1,175	56,295	12,172	188	44,123	987	- 1,049
1996	83,386	79,110	16,517	- 4,706	7,273	13,950	62,592	4,276	85,704	19,924	1,685	65,780	2,591	- 2,318
1997	145,805	138,945	31,501	- 5,001	30,066	6,436	107,445	6,860	149,977	35,924	340	114,053	6,520	- 4,172
1998	187,641	169,748	38,998	5,772	27,814	4,690	130,750	17,893	190,416	43,937	961	146,479	16,507	- 2,775
€ million														
1999	111,282	97,197	37,684	3,347	23,269	7,395	59,513	14,086	105,521	19,862	- 637	85,659	14,722	5,761
2000	117,676	85,160	39,712	- 2,188	36,818	- 2,824	45,448	32,516	106,674	14,454	92	92,220	32,424	11,000
2001	96,511	76,811	35,522	12,410	9,195	10,159	41,289	19,701	95,407	10,251	2,703	85,156	16,997	1,105
2002	79,672	72,887	26,113	3,682	7,443	14,916	46,773	6,784	79,912	2,100	3,007	77,812	3,778	- 241
2002 Nov.	4,743	4,786	2,402	- 92	1,916	597	2,385	- 43	4,439	3,526	278	913	- 321	304
2002 Dec.	14,682	15,511	94	- 654	565	233	15,416	- 829	16,176	2,482	1,579	13,694	- 2,408	- 1,494
2003 Jan.	15,874	12,888	4,787	1,854	- 241	3,358	8,101	2,986	16,596	- 2,713	- 56	19,309	3,042	- 722

1 Book values. — 2 Residual. — 3 Net purchases or net sales (-) of foreign investment fund certificates by residents; transaction values. — 4 Net purchases or net sales (-) of domestic investment fund certificates by

non-residents; transaction values (before 1989 classified as shares). — From 1999 until 2002, revised figures owing to changes in the balance of payments statistics.

## VIII. Public finance in Germany

### 1. Finances of the public sector \*

Up to the end of 1998, DM billion / from 1999, € billion

Period	Central, regional and local authorities 1									Social security funds 2			Public sector, total			
	Receipts		Expenditure						Balance of receipts and expenditure	Receipts 6	Expenditure	Balance of receipts and expenditure	Receipts	Expenditure	Balance of receipts and expenditure	
	Total	of which Taxes 3	Total 4	Personnel expenditure	Other operating expenditure	Current grants	Interest paid	Capital formation								Financial aid 5
1992	904.1	731.7	1,013.9	285.7	134.0	304.8	100.6	101.1	86.1	-109.8	609.1	617.4	- 8.3	1,436.0	1,554.2	-118.1
1993	928.7	749.1	1,060.2	296.8	136.0	340.5	102.1	97.0	87.3	-131.5	660.8	658.7	+ 2.1	1,492.1	1,621.5	-129.4
1994	995.2	786.2	1,102.2	315.5	137.3	353.4	114.0	93.2	86.5	-106.9	694.1	693.7	+ 0.4	1,596.4	1,702.9	-106.5
1995	1,026.4	814.2	1,136.4	324.8	135.5	367.2	129.0	90.1	86.3	-110.1	731.2	743.8	-12.5	1,664.9	1,787.5	-122.6
1996	1,000.3	800.0	1,121.8	326.2	137.0	362.2	130.7	83.9	80.1	-121.5	769.4	784.0	-14.6	1,665.6	1,801.6	-136.1
1997	1,014.3	797.2	1,108.9	325.0	135.7	356.3	132.1	80.1	79.2	- 94.5	797.3	794.5	+ 2.9	1,705.3	1,797.0	- 91.7
1998	1,072.1	833.0	1,128.8	325.4	137.4	373.7	133.7	79.7	79.8	- 56.7	812.2	808.9	+ 3.3	1,765.5	1,818.9	- 53.4
1999 p	566.0	453.1	592.9	168.7	72.4	202.7	69.8	40.8	38.0	- 27.0	429.1	425.7	+ 3.5	925.1	948.6	- 23.5
2000 pe	613.3	467.3	594.8	169.0	73.7	205.5	67.6	40.8	38.0	+ 18.5	434.0	434.1	- 0.1	975.7	957.3	+ 18.4
2001 pe	553.9	446.2	601.0	169.9	70.1	213.4	66.6	40.9	39.6	- 47.1	444.2	448.4	- 4.2	920.8	972.1	- 51.3
2001 1st qtr 7	126.7	105.1	147.8	39.5	16.4	55.5	22.0	6.5	7.8	- 21.1	108.8	109.7	- 0.9	213.5	235.5	- 22.0
2nd qtr	139.4	110.9	136.7	39.3	15.8	54.0	12.6	8.0	6.4	+ 2.6	110.1	111.8	- 1.7	229.6	228.7	+ 0.9
3rd qtr	136.3	109.5	146.2	40.1	15.6	52.2	19.0	10.0	9.3	- 9.9	109.6	111.9	- 2.3	227.4	239.5	- 12.2
4th qtr	149.9	121.3	167.3	49.5	21.8	52.4	12.7	14.5	16.0	- 17.3	115.1	114.5	+ 0.6	248.9	265.7	- 16.8
2002 1st qtr	118.3	98.6	150.2	39.9	15.3	57.9	24.0	6.5	6.0	- 31.8	111.3	112.8	- 1.5	206.4	239.8	- 33.4
2nd qtr	137.8	105.1	141.8	40.4	15.6	58.5	11.9	7.8	6.7	- 4.0	113.0	115.6	- 2.6	228.9	235.6	- 6.6
3rd qtr p	135.3	109.4	148.7	41.4	16.5	54.7	19.2	9.7	7.8	- 13.4	113.1	116.6	- 3.5	228.0	244.9	- 16.9

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* The budgetary definition used here differs from the methods employed for the government account of the national accounts and, in case of the quarterly figures, in some respects also from the financial statistics. — 1 Incl. subsidiary budgets. The quarterly figures, unlike the annual figures based on the annual accounts statistics of the Federal Statistical Office, do not include municipal special-purpose associations and various special accounts. For the receipts of Bundesbank profit see footnote 1 to Table VIII. 2. — 2 The annual figures differ from the sum of the quarterly figures, as the latter are all provisional. The quarterly figures for some fields of

insurance are estimated. — 3 The tax revenue shown here is taken from the budget statistics and may differ from the data given in Table VIII. 4, which are based on the tax statistics. — 4 Including discrepancies in clearing transactions between the central, regional and local authorities. — 5 Expenditure on investment grants, loans and acquisition of participating interests. — 6 Including Federal Government liquidity assistance to the Federal Labour Office. — 7 Owing to modifications of the system of classification, especially shifts between Other operating expenditure and Current grants.

### 2. Finances of the Federal Government, Länder Governments and local authorities \*

Up to the end of 1998, DM billion / from 1999, € billion

Period	Federal Government		Länder Governments				Local authorities			
	Receipts 1	Expenditure	Western 2, 3		Eastern 3		Western 3		Eastern 3	
			Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure
1992	398.4	431.7	318.2	336.3	73.0	86.0	212.6	221.6	50.3	57.5
1993	401.6	462.5	326.5	352.8	76.4	92.5	222.5	230.9	54.4	59.0
1994	439.6	478.9	328.8	357.0	79.3	95.9	228.9	235.1	53.9	59.2
1995	439.3	489.9	338.6	370.2	88.4	101.5	225.6	237.9	58.7	60.8
1996	411.9	490.4	344.8	379.7	93.7	105.5	227.7	232.9	55.0	57.7
1997	416.8	480.3	349.2	376.5	94.3	105.2	222.9	226.9	52.6	54.2
1998	439.0	495.6	360.5	380.3	96.4	104.7	231.4	226.3	51.5	52.4
1999 p	240.3	266.5	191.6	196.6	50.0	53.3	119.8	117.5	26.1	26.3
2000 4. pe	291.4	264.6	195.6	200.4	50.5	53.9	121.4	119.9	25.6	25.6
2001 pe	240.0	261.0	184.0	207.1	49.7	53.2	119.2	123.4	24.8	25.4
2001 1st qtr	50.8	66.4	44.8	49.8	12.0	11.6	25.5	28.8	5.2	5.5
2nd qtr	57.6	59.9	46.3	47.5	11.5	11.8	28.8	28.1	5.8	5.8
3rd qtr	62.3	66.3	44.6	49.4	11.7	12.5	29.6	29.9	6.1	6.2
4th qtr	69.1	68.3	47.6	59.6	14.4	16.4	35.4	36.0	7.5	7.7
2002 1st qtr	47.4	68.9	42.4	49.4	10.2	12.0	24.7	29.1	5.2	5.4
2nd qtr	56.3	62.6	43.3	48.8	11.1	11.9	28.8	29.1	5.9	5.8
3rd qtr p	62.7	70.6	45.3	49.3	11.8	12.9	29.1	30.5	6.1	6.2

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* See corresponding footnote to Table VIII. 1. — 1 The Bundesbank profit transfer is shown in full until 1994; from 1995 only the DM 7 billion scheduled in the budget is shown. Since that time, receipts over and above the scheduled amount accrue directly to the Redemption

Fund for Inherited Liabilities. — 2 Including Berlin, Bremen, Hamburg, Including Berlin (East). — 3 The quarterly figures, unlike the annual figures based on the annual accounts statistics of the Federal Statistical Office, do not include various special accounts. — 4 Including receipts from the UMTS licence auctions.



VIII. Public finance in Germany

3. Finances of the Government in the national accounts \*

Up to the end of 1998, DM billion / from 1999, € billion

Item	1995 1	1996	1997	1998	1999	2000 2	2001 pe	2002 pe
Receipts	1,647.8	1,704.0	1,726.8	1,775.9	943.4	963.7	951.5	952.7
of which								
Taxes	825.8	850.0	856.9	897.4	490.4	511.7	488.3	485.0
Social security contributions	662.5	696.7	720.1	727.7	375.7	378.5	383.6	388.7
Expenditure	1,764.9	1,826.6	1,826.5	1,859.6	973.2	991.8	1,009.0	1,028.9
of which								
Intermediate input	143.2	142.7	140.2	144.1	76.9	78.5	81.6	84.3
Employee compensation	315.9	319.6	319.0	319.3	165.4	165.6	164.9	165.9
Interest	128.9	131.7	133.2	136.4	68.8	68.2	67.8	67.2
Social security benefits 3	902.8	970.7	984.7	998.4	523.1	534.7	548.1	573.0
Gross capital formation	80.5	76.4	69.4	69.9	37.8	37.0	35.8	33.7
Financial balance	- 117.1	- 122.7	- 99.7	- 83.7	- 29.7	- 28.0	- 57.5	- 76.2
as a percentage of the gross domestic product	- 3.3	- 3.4	- 2.7	- 2.2	- 1.5	- 1.4	- 2.8	- 3.6
Memo item								
Debt as defined in Maastricht Treaty	2,010.0	2,143.9	2,232.9	2,298.2	1,210.3	1,221.8	1,232.8	1,282.8
as a percentage of the gross domestic product	57.1	59.8	61.0	60.9	61.2	60.2	59.5	60.8

Source: Federal Statistical Office. — \* Figures according to ESA 95. Notwithstanding the figures shown by the Federal Statistical Office, calculated including – with no impact on the balance – customs duties, the EU share in VAT revenue and EU subsidies. — 1 Adjusted for the balance of notional capital transfers between the public sector and the corporate sector, mainly in connection with the winding-up of the Treuhand agency.

In unadjusted terms, the deficit amounted to 9.8% of GDP. — 2 Adjusted for receipts from UMTS licence auctions. In the accounts of the Federal Statistical Office, such receipts (50.85 € billion) are recorded under "net increase in non-produced assets", with the result that government spending is lower and a surplus (22.8 € billion or 1.1% of GDP) is shown. — 3 Monetary social security benefits and social benefits in kind.

4. Tax revenue of the central, regional and local authorities

Up to the end of 1998, DM million / from 1999, € million

Period	Federal and Länder Governments and European Union						Local authorities 4		Balance of untransferred tax shares 5
	Total	Federal Government 2		Länder Governments		European Union 3	Total	of which in the New Länder	
		Total 1		Total	of which New Länder				
1991	661,920	577,150	321,334	224,321	19,139	31,495	84,633	2,540	+ 137
1992	731,738	638,423	356,849	247,372	23,807	34,203	93,374	4,034	- 58
1993	749,119	653,015	360,250	256,131	27,542	36,634	95,809	5,863	+ 295
1994	786,162	688,785	386,145	261,947	32,052	40,692	97,116	7,677	+ 260
1995	814,190	719,332	390,807	288,520	.	40,005	94,498	8,460	+ 359
1996	799,998	706,071	372,390	294,232	.	39,449	94,641	7,175	- 714
1997	797,154	700,739	368,244	290,771	.	41,724	96,531	7,703	- 117
1998	833,013	727,888	379,491	306,127	.	42,271	104,960	8,841	+ 164
1999	453,068	396,734	211,727	164,724	.	20,284	56,333	4,810	+ 1
2000	467,253	410,117	219,034	169,249	.	21,833	57,241	4,895	- 104
2001	446,248	392,189	213,342	159,115	.	19,732	54,047	4,590	+ 12
2002	.	389,162	214,371	156,231	.	18,560	.	.	.
2002 3rd qtr	109,260	96,068	54,091	38,718	.	3,259	12,977	1,280	+ 215
4th qtr	.	114,869	66,554	44,091	.	4,224	.	.	.
2002 Sep.	.	35,501	19,136	14,769	.	1,595	.	.	.
Oct.	.	29,706	16,362	11,754	.	1,590	.	.	.
Nov.	.	26,838	14,608	10,628	.	1,602	.	.	.
Dec.	.	58,325	35,584	21,710	.	1,032	.	.	.
2003 Jan. p	.	27,739	11,975	13,243	.	2,521	.	.	.

Source: Federal Ministry of Finance. — 1 Including receipts from the Equalisation of Burdens levies. — 2 Before deduction of supplementary Federal grants and shares in the revenue of mineral oil tax remitted to the Länder Governments. — 3 Including the (GNP-related) receipts accruing to the EU from 1988 to the detriment of the Federal Government's tax

revenue. — 4 Including local authority taxes of Berlin, Bremen and Hamburg. — 5 Difference between the local authorities' share in the income taxes received by the Länder cash offices in the period in question (see Table VIII. 5) and the amounts passed on to the local authorities during the same period.

## VIII. Public finance in Germany

### 5. Tax revenue, by type

Up to the end of 1998, DM million / from 1999, € million

Period	Joint taxes											Federal taxes 8	Länder taxes 8	EU customs duties	Memo item Local authorities' share in income taxes 9
	Income taxes 2						Turnover taxes 5, 6								
	Total 1	Total	Wage tax 3	As-sessed income tax	Corporation tax	Investment income taxes 4	Total	Value-added tax	Turnover tax on imports	Share in trade tax 6, 7					
1991	615,506	298,804	214,175	41,532	31,716	11,381	179,672	98,797	80,875	5,986	92,583	29,113	8,307	38,356	
1992	681,751	331,310	247,322	41,531	31,184	11,273	197,712	117,274	80,438	6,923	104,802	32,963	7,742	43,328	
1993	697,988	341,785	257,987	33,234	27,830	22,734	216,306	174,492	41,814	4,181	93,678	34,720	7,240	44,973	
1994	734,234	343,055	266,522	25,510	19,569	31,455	235,698	195,265	40,433	6,271	105,410	36,551	7,173	45,450	
1995	765,374	344,554	282,701	13,997	18,136	29,721	234,622	198,496	36,126	8,412	134,013	36,602	7,117	46,042	
1996	746,958	317,807	251,278	11,616	29,458	25,456	237,208	200,381	36,827	8,945	137,865	38,540	6,592	40,887	
1997	740,272	313,794	248,672	5,764	33,267	26,092	240,900	199,934	40,966	8,732	135,264	34,682	6,900	39,533	
1998	775,028	340,231	258,276	11,116	36,200	34,640	250,214	203,684	46,530	10,284	130,513	37,300	6,486	47,140	
1999	422,012	184,408	133,809	10,887	22,359	17,353	137,155	111,600	25,555	5,463	72,235	19,564	3,186	25,277	
2000	436,115	192,381	135,733	12,225	23,575	20,849	140,871	107,140	33,732	5,521	75,504	18,444	3,394	25,998	
2001	417,358	170,817	132,626	8,771	- 426	29,845	138,935	104,463	34,472	5,510	79,277	19,628	3,191	25,170	
2002	414,008	165,096	132,190	7,541	2,864	22,502	138,195	105,463	32,732	5,752	83,494	18,576	2,896	24,846	
2002 3rd qtr	102,229	40,904	31,896	3,317	965	4,726	34,226	25,937	8,290	1,411	20,297	4,638	753	6,160	
4th qtr	122,343	50,206	38,912	4,537	3,195	3,562	35,970	27,022	8,948	2,801	28,401	4,219	747	7,474	
2002 Sep.	38,099	18,925	9,550	5,901	2,650	825	11,282	8,683	2,599	6	6,219	1,418	249	2,598	
Oct.	31,276	10,098	9,539	- 1,037	203	1,392	11,382	8,591	2,791	999	7,019	1,535	244	1,571	
Nov.	28,421	8,066	9,597	- 1,209	- 1,068	747	12,418	9,491	2,928	454	5,847	1,380	256	1,583	
Dec.	62,645	32,042	19,776	6,783	4,061	1,423	12,169	8,940	3,229	1,348	15,535	1,304	248	4,320	
2003 Jan. P	29,861	14,686	11,473	- 756	- 227	4,195	10,962	8,492	2,470	94	2,070	1,852	197	2,122	

Source: Federal Ministry of Finance. — 1 This total, unlike that in Table VIII. 4, includes neither the revenue from Equalisation of Burdens levies, trade tax on returns and capital (less Federal and Länder shares in trade tax), the taxes on land and buildings and other local authority taxes, nor the balance of untransferred tax shares. — 2 The yield of wage tax and assessed income tax was distributed among the Federal Government, the Länder Governments and the local authorities in the ratio of 42.5 : 42.5 : 15 from 1980, and the yield of corporation tax and investment income tax between the Federal Government and the Länder Governments in the ratio of 50 : 50 from 1970. — 3 From 1996, after deduction of child benefit. — 4 From February 1993 including revenue from the tax on interest income, in which the local authorities have a share of 12%. — 5 From 1998 3.64% and from 1999 5.63% went to the Federal Government in advance to finance the

supplementary Federal grant to the pension insurance funds; 2.2% of the balance went to the local authorities, of the new balance: 50.5% to the Federal Government, 49.5% to the Länder Governments, from 2000 50.25% to the Federal Government, 49.75% to the Länder Governments, from 2002 49.6% to the Federal Government, 50.4% to the Länder Governments. The EU share must likewise be deducted from the Federal Government's share stated. — 6 Since 1991 the distribution of turnover tax and the level and distribution of the share in trade tax have been affected by the financing of the debt service of the "German Unity" Fund. — 7 Federal Government and Länder Governments 50% each. From 1998 Federal Government 42.2%, Länder Governments 57.8%. — 8 For breakdown see Table VIII. 6. — 9 From 1998 including the share in turnover taxes.

### 6. Individual taxes of the Federal Government, Länder Governments and local authorities

Up to the end of 1998, DM million / from 1999, € million

Period	Federal taxes					Länder taxes					Local authority taxes			
	Mineral oil tax	Tobacco tax	Spirits tax	Insurance tax	Electricity tax	Other Federal taxes 1	Motor vehicle tax	Property tax	Inheritance tax	Beer tax	Other Länder taxes	Trade tax 2	Taxes on land and buildings	Other local taxes 3
1991	47,266	19,592	5,648	5,862	.	14,215	11,012	6,729	2,636	1,647	7,090	41,297	9,921	1,181
1992	55,166	19,253	5,545	8,094	.	16,744	13,317	6,750	3,030	1,625	8,241	44,848	10,783	1,281
1993	56,300	19,459	5,134	9,290	.	3,495	14,059	6,784	3,044	1,769	9,065	42,266	11,663	1,383
1994	63,847	20,264	4,889	11,400	.	5,011	14,169	6,627	3,479	1,795	10,482	44,086	12,664	1,445
1995	64,888	20,595	4,837	14,104	.	29,590	13,806	7,855	3,548	1,779	9,613	42,058	13,744	1,426
1996	68,251	20,698	5,085	14,348	.	29,484	13,743	9,035	4,054	1,718	9,990	45,880	14,642	1,463
1997	66,008	21,155	4,662	14,127	.	29,312	14,418	1,757	4,061	1,698	12,749	48,601	15,503	1,509
1998	66,677	21,652	4,426	13,951	.	23,807	15,171	1,063	4,810	1,662	14,594	50,508	16,228	1,532
1999	36,444	11,655	2,233	7,116	1,816	12,973	7,039	537	3,056	846	8,086	27,060	8,636	824
2000	37,826	11,443	2,151	7,243	3,356	13,485	7,015	433	2,982	844	7,171	27,025	8,849	784
2001	40,690	12,072	2,143	7,427	4,322	12,622	8,376	290	3,069	829	7,064	24,534	9,076	790
2002	42,193	13,778	2,149	8,327	5,097	11,951	7,592	239	3,021	811	6,913	.	.	.
2002 3rd qtr	10,154	3,577	511	1,804	1,407	2,845	1,816	72	798	226	1,726	5,638	2,634	170
4th qtr	16,219	5,053	841	1,271	1,640	3,378	1,586	48	766	193	1,626	.	.	.
2002 Sep.	3,591	681	107	365	277	1,198	545	5	274	74	520	.	.	.
Oct.	3,442	1,738	207	373	563	697	596	16	269	71	583	.	.	.
Nov.	3,379	683	166	561	393	664	529	12	242	66	531	.	.	.
Dec.	9,398	2,631	467	337	685	2,017	462	19	255	57	511	.	.	.
2003 Jan. P	- 29	213	70	693	198	926	782	36	286	62	687	.	.	.

Source: Federal Ministry of Finance. — 1 Other excise taxes and the income and corporation tax surcharge ("solidarity surcharge") levied from mid-1991

until mid-1992, and again since the beginning of 1995. — 2 On returns and capital. — 3 Including tax-like receipts.



### VIII. Public finance in Germany

#### 7. Indebtedness of the public sector \* (cont 'd)

Up to the end of 1998, DM million / from 1999, € million

End of year or month	Total	Bundes- bank advances	Treasury discount paper <sup>1</sup>	Treasury notes <sup>2, 3</sup>	5-year special Federal bonds <sup>2</sup>	Federal savings bonds	Debt secur- ities <sup>2</sup>	Direct lending by credit institu- tions <sup>4</sup>	Loans from non-banks		Old debt		
									Social security funds	Other <sup>4</sup>	owing to German unifica- tion <sup>5</sup>	Equalisa- tion claims	Other <sup>6</sup>
<b>"German Unity" Fund / Indemnification Fund <sup>7</sup></b>													
1995	87,146	.	-	8,891	-	.	44,398	31,925	5	1,927	.	.	.
1996	83,556	.	-	-	-	.	44,321	38,020	5	1,210	.	.	.
1997	79,717	.	-	-	-	.	44,347	34,720	5	645	.	.	.
1998	79,413	.	-	-	-	.	47,998	30,975	-	440	.	.	.
1999	40,234	.	-	275	500	.	28,978	10,292	-	189	.	.	.
2000	40,629	.	-	275	2,634	.	29,797	7,790	-	133	.	.	.
2001	39,923	.	-	3,748	10,134	.	21,577	4,315	-	149	.	.	.
2002 Mar.	40,006	.	-	3,748	10,134	.	21,732	4,315	-	77	.	.	.
June	40,028	.	-	3,820	10,134	.	21,902	4,147	-	26	.	.	.
Sep.	40,047	.	-	3,820	10,134	.	22,049	4,019	-	26	.	.	.
Dec.	39,810	.	-	3,820	10,134	.	22,685	3,146	-	26	.	.	.
<b>ERP Special Fund <sup>7</sup></b>													
1995	34,200	.	.	.	.	.	10,745	23,455	-	-	.	.	.
1996	34,135	.	.	.	.	.	10,750	23,385	-	-	.	.	.
1997	33,650	.	.	.	.	.	10,810	22,840	-	-	.	.	.
1998	34,159	.	.	.	.	.	11,944	20,988	-	1,227	.	.	.
1999	16,028	.	.	.	.	.	6,250	9,458	21	299	.	.	.
2000	18,386	.	.	.	.	.	7,585	10,411	13	377	.	.	.
2001	19,161	.	.	.	.	.	9,462	9,310	8	381	.	.	.
2002 Mar.	19,098	.	.	.	-	.	9,701	9,039	8	350	.	.	.
June	19,308	.	.	.	-	.	10,052	8,873	8	376	.	.	.
Sep.	19,327	.	.	.	51	.	10,045	8,863	8	361	.	.	.
Dec.	19,400	.	.	.	51	.	10,144	8,686	8	512	.	.	.
<b>Federal Railways Fund <sup>7, 8</sup></b>													
1995	78,400	.	.	3,848	-	.	28,992	39,005	140	6,415	.	.	.
1996	77,785	.	.	1,882	-	.	28,749	41,537	130	5,489	.	.	.
1997	77,254	.	.	1,927	-	.	25,634	44,807	115	4,772	.	.	.
1998	77,246	.	.	-	500	.	31,648	42,488	79	2,531	.	.	.
1999 June	39,231	.	.	-	1,023	.	16,805	20,401	34	968	.	.	.
<b>Debt-Processing Fund / Redemption Fund for Inherited Liabilities <sup>7, 8</sup></b>													
1995	328,888	.	-	58,699	-	.	98,731	72,732	98	6,468	13,745	78,395	21
1996	331,918	.	-	54,718	-	.	98,468	81,380	95	7,468	8,630	81,142	19
1997	322,032	.	-	54,028	-	.	98,377	81,616	54	7,233	15	80,692	17
1998	304,978	.	-	31,633	-	.	110,006	79,226	54	4,167	-20	79,899	15
1999 June	151,097	.	-	11,127	2,000	.	58,897	36,133	27	2,015	-9	40,902	4
<b>"Use of Hard Coal" Equalisation Fund <sup>7, 8</sup></b>													
1995	2,220	.	.	.	.	.	-	2,220	-	-	.	.	.
1996	3,108	.	.	.	.	.	-	3,108	-	-	.	.	.
1997	3,229	.	.	.	.	.	-	3,229	-	-	.	.	.
1998	3,971	.	.	.	.	.	300	3,671	-	-	.	.	.
1999 June	2,302	.	.	.	.	.	153	2,148	-	-	.	.	.

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* Excluding public authorities' mutual indebtedness. — <sup>1</sup> Predominantly Treasury discount paper. — <sup>2</sup> Excluding paper in the issuers' portfolios. — <sup>3</sup> Länder Treasury paper also covers the long-term maturity category. — <sup>4</sup> Mainly loans against borrowers' notes. Including loans raised abroad. Other loans from non-banks, including loans from supplementary public pension funds and liabilities arising from the investment assistance levy. — <sup>5</sup> Old liabilities arising from residential construction and liabilities arising from residential construction by the former GDR's armed forces and from residential construction in connection with the return of the troops of the former USSR in eastern Germany to their home country. — <sup>6</sup> Old debt mainly expressed in foreign currency, in

accordance with the London Debts agreement; excluding debt securities in own portfolios. — <sup>7</sup> The debt incurred through the joint issue of Federal securities is recorded here – in contrast to the capital market statistics – under the Federal Government and its special funds in accordance with the agreed distribution ratios. — <sup>8</sup> Since July 1, 1999 the Federal Government has assumed joint responsibility for the debts of the Redemption Fund for Inherited Liabilities, the Federal Railway Fund and the Equalisation Fund for Safeguarding the Use of Coal. The special funds mentioned are only recorded under the Federal Government from July. — <sup>9</sup> Data other than end-of-year figures have been estimated. Including indebtedness of municipal special-purpose associations.

VIII. Public finance in Germany

8. Changes in public sector indebtedness \*

Item	Level at end of		Net borrowing 1								
	2001	Sep. 2002	2001				2002				
			Total	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	
	€ million										
<b>Borrowers</b>											
Federal Government 2	701,077	726,896	- 14,908	- 16,138	- 8,256	+ 6,820	+ 2,665	+ 20,542	- 4,833	+ 10,110	
"German Unity" Fund	39,638	39,702	- 787	+ 748	- 739	- 41	- 754	+ 64	-	-	
ERP Special Fund	19,161	19,327	+ 775	+ 513	+ 91	+ 449	- 278	+ 63	+ 210	+ 19	
Indemnification Fund	285	344	+ 81	+ 21	+ 22	+ 21	+ 17	+ 19	+ 21	+ 19	
West German Länder Governments	305,788	320,617	+ 23,357	+ 3,307	+ 2,310	+ 7,422	+ 10,318	+ 4,422	+ 4,237	+ 6,170	
East German Länder Governments	58,771	61,533	+ 3,059	+ 318	+ 154	+ 1,365	+ 1,222	+ 372	+ 1,013	+ 1,377	
West German local authorities 3	82,203	84,000	+ 2,487	+ 815	+ 435	- 460	+ 1,697	+ 275	+ 1,000	+ 900	
East German local authorities 3	17,005	16,700	+ 162	- 22	- 102	-	+ 286	- 31	- 180	- 30	
<b>Total</b>	<b>1,223,929</b>	<b>1,269,119</b>	<b>+ 14,224</b>	<b>- 10,438</b>	<b>- 6,086</b>	<b>+ 15,576</b>	<b>+ 15,173</b>	<b>+ 25,601</b>	<b>+ 1,468</b>	<b>+ 18,564</b>	
<b>Types of debt</b>											
Treasury discount paper 4	23,036	31,440	+ 11,420	+ 182	+ 1,948	+ 5,803	+ 3,488	- 5,219	+ 4,434	+ 9,188	
Treasury notes 5	151,401	193,052	+ 41,449	+ 8,866	+ 5,676	+ 12,724	+ 14,183	+ 7,294	+ 18,301	+ 16,056	
Five-year special Federal bonds 5	130,045	135,502	+ 3,770	+ 1,464	+ 2,153	+ 1,067	- 913	+ 3,375	- 132	+ 2,213	
Federal savings bonds	26,395	19,752	- 9,596	- 1,431	- 4,315	- 1,422	- 2,428	- 3,748	- 2,012	- 884	
Debt securities 5	448,148	462,459	+ 9,260	+ 4,838	+ 2,059	+ 336	+ 2,027	+ 13,469	+ 2,289	- 1,446	
Direct lending by credit institutions 6	422,440	401,797	- 9,100	+ 10,382	- 14,596	- 1,802	- 3,086	+ 8,297	- 21,875	- 6,624	
Loans from social security funds	174	227	- 37	- 8	- 18	- 3	+ 8	+ 44	+ 21	- 12	
Other loans 6	13,070	16,852	+ 2,586	- 643	+ 994	+ 36	+ 2,199	+ 2,124	+ 447	+ 1,212	
Old debt 7	193	152	- 200	- 45	+ 2	- 17	- 140	- 36	- 6	- 0	
Equalisation claims	8,986	7,847	- 35,328	- 34,044	+ 11	- 1,144	- 150	-	-	- 1,139	
Investment assistance levy	40	41	- 0	- 0	- 0	- 0	+ 0	-	-	+ 0	
<b>Total</b>	<b>1,223,929</b>	<b>1,269,119</b>	<b>+ 14,224</b>	<b>- 10,438</b>	<b>- 6,086</b>	<b>+ 15,576</b>	<b>+ 15,173</b>	<b>+ 25,601</b>	<b>+ 1,468</b>	<b>+ 18,564</b>	
<b>Creditors</b>											
<b>Banking system</b>											
Bundesbank	4,440	4,440	-	-	-	-	-	-	-	-	
Credit institutions	534,400	532,700	- 29,304	- 3,235	- 11,848	- 11,361	- 2,859	+ 11,671	- 13,200	+ 270	
<b>Domestic non-banks</b>											
Social security funds	174	227	- 31	- 0	- 5	- 20	- 5	+ 44	+ 21	- 12	
Other 8	243,710	256,152	+ 42,436	+ 4,566	+ 6,222	+ 12,028	+ 19,620	+ 6,689	+ 2,947	+ 2,806	
Foreign creditors pe	441,205	475,600	+ 1,123	- 11,769	- 456	+ 14,930	- 1,583	+ 7,195	+ 11,700	+ 15,500	
<b>Total</b>	<b>1,223,929</b>	<b>1,269,119</b>	<b>+ 14,224</b>	<b>- 10,438</b>	<b>- 6,086</b>	<b>+ 15,576</b>	<b>+ 15,173</b>	<b>+ 25,601</b>	<b>+ 1,468</b>	<b>+ 18,564</b>	

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* Excluding public authorities' mutual indebtedness. — 1 Net borrowing differs from the change in indebtedness, which includes the assumption and reduction of debts. — 2 See Table VIII. 7, footnote 8. — 3 Data other than end-of-year figures have been estimated. Including indebtedness of municipal special-purpose associations and municipal hospitals. — 4 Excluding mobilisation and liquidity paper. Predominantly

Treasury discount paper. — 5 Excluding paper in the issuers' portfolios. — 6 Including loans raised abroad. — 7 Old liabilities arising from residential construction and liabilities arising from the residential construction of the former GDR's armed forces and from residential construction in connection with the return of the troops of the former USSR based in eastern Germany to their home country, and old debt in accordance with the London Debts Agreement. — 8 Ascertained as a difference.

9. Loans raised by public authorities against borrowers' notes

Up to the end of 1998, DM million / from 1999, € million

End of year or month	Total 1	Federal Government 2, 3	"German Unity" Fund	ERP Special Fund	Länder Governments	Local authorities 4, 5	Federal Railways Fund 3	Inherited Liabilities Fund 3	"Use of Hard Coal" Equalisation Fund 3
1998	898,030	23,094	31,415	22,215	504,148	184,942	45,098	83,447	3,671
1999	444,031	64,704	10,481	9,778	264,158	94,909	-	-	-
2000	431,364	54,731	7,178	10,801	268,362	90,292	-	-	-
2001 Sep.	418,633	47,487	4,418	9,998	267,602	89,129	-	-	-
Dec.	416,068	44,791	4,464	9,699	267,988	89,126	-	-	-
2002 Mar.	409,176	41,751	4,392	9,397	264,741	88,895	-	-	-
June	404,661	40,431	4,172	9,256	262,574	88,228	-	-	-
Sep.	401,432	39,267	4,044	9,231	260,611	88,280	-	-	-

Source: Bundesbank calculations based on data from the Federal Statistical Office. — 1 Excluding Debt Register claims and cash advances. Including small amounts of: mortgage loans, land charges in annuity and other forms, and debts outstanding. — 2 Including Equalisation of Burdens Fund. —

3 See Table VIII. 7, footnote 8. — 4 Data other than end-of-year figures have been estimated. Including municipal special-purpose associations and municipal hospitals. — 5 Including contractually agreed loans.

## VIII. Public finance in Germany

### 10. Indebtedness of the Federal Government

Up to the end of 1998, DM million / from 1999, € million

End of year or month	Treasury discount paper 1			Federal Treasury paper/ Treasury notes 2	5-year special Federal bonds 2	Federal savings bonds	Debt securities 2	Direct lending by credit institutions 3, 4	Indebtedness to non-banks		Old debt		
	Total	Total	of which Treasury financing paper						Social security funds	Other 3, 5, 6	owing to German unification 7	Equalisation claims	Other 8
1996	839,883	26,789	7,166	55,289	176,164	96,391	434,295	32,988	5	7,766	1,330	8,684	183
1997	905,691	25,286	5,221	78,848	177,721	99,317	481,619	31,845	5	870	1,300	8,684	197
1998	957,983	24,666	4,558	84,760	199,274	92,698	519,718	24,125	–	2,603	1,270	8,684	186
1999	714,069	11,553	1,584	44,335	120,498	41,621	379,808	67,872	60	2,568	476	45,175	104
2000	715,819	11,516	1,805	44,678	123,642	35,991	400,490	52,836	29	2,099	285	44,146	107
2001	701,077	21,136	1,658	59,643	119,911	26,395	416,195	47,111	26	1,481	85	8,986	107
2002	725,405	30,227	1,618	78,584	127,484	17,898	422,558	39,517	0	1,167	29	7,845	97
2002 Feb.	716,611	16,886	1,693	59,226	122,524	24,752	428,296	54,242	26	1,481	85	8,986	108
Mar.	721,619	16,917	1,724	59,622	123,287	22,648	429,270	59,356	12	1,365	49	8,986	108
Apr.	714,032	11,709	1,787	64,533	123,500	22,666	431,935	49,165	12	1,366	54	8,986	106
May	715,840	16,623	1,788	64,891	123,015	21,967	430,935	47,891	12	1,366	50	8,986	103
June	716,787	21,389	1,776	66,445	123,155	20,636	431,039	43,600	12	1,374	51	8,986	100
July	726,077	21,253	1,763	71,385	123,144	20,773	430,911	49,222	12	1,374	54	7,848	102
Aug.	723,931	26,149	1,724	71,540	124,334	20,057	430,140	42,323	12	1,374	52	7,848	101
Sep.	726,896	30,982	1,700	72,762	125,316	19,752	429,452	39,392	0	1,242	50	7,848	101
Oct.	728,799	30,977	1,663	78,405	125,954	18,011	425,750	40,487	0	1,242	26	7,848	99
Nov.	734,678	30,466	1,622	78,933	126,472	17,852	434,650	37,089	0	1,242	28	7,848	99
Dec.	725,405	30,227	1,618	78,584	127,484	17,898	422,558	39,517	0	1,167	29	7,845	97
2003 Jan.	743,400	30,218	1,549	84,053	127,786	15,408	426,630	50,171	0	1,167	30	7,845	95
Feb. p	745,908	30,040	1,421	84,811	129,041	15,487	428,692	48,701	0	1,167	30	7,845	95

1 Excluding mobilisation and liquidity paper. In November 1999, including cash bills. — 2 Excluding paper in the issuers' portfolios. — 3 Including loans raised abroad. — 4 Including money market debt. — 5 Including loans granted by supplementary pension funds for government employees. — 6 Including liabilities arising from the investment assistance levy. — 7 Assumption of liabilities arising from residential construction of the former GDR's armed forces and from residential construction in connection

with the return of the troops of the former USSR based in eastern Germany to their home country. — 8 Commutation and compensation debt and old debt mainly expressed in foreign currency. — 9 Since July 1, 1999 the Federal Government has assumed joint responsibility for the debts of the Redemption Fund for Inherited Liabilities, the Federal Railway Fund and the Equalisation Fund for Safeguarding the Use of Coal. The special funds mentioned are ascribed to the Federal Government from July 1999.

### 11. Federal Government borrowing in the market

Up to the end of 1998, DM billion / from 1999, € billion

Period	of which												Change in money market deposits
	Total new borrowing		Debt Securities		5-year special Federal bonds		Other securities 2		Loans against borrowers' notes		Money market debt		
	gross 1	net	gross 1	net	gross 1	net	gross 1	net	gross	net			
1996	+ 185,696	+ 83,049	+ 54,038	+ 31,988	+ 45,445	+ 5,445	+ 67,015	+ 39,586	+ 15,050	+ 1,906	+ 4,148	+ 6,548	
1997	+ 250,074	+ 65,808	+ 79,323	+ 47,323	+ 59,557	+ 1,557	+ 98,275	+ 24,983	+ 12,950	– 8,009	– 30	– 3,304	
1998	+ 228,050	+ 52,292	+ 78,304	+ 38,099	+ 55,078	+ 21,553	+ 85,706	– 1,327	+ 12,023	– 2,927	– 3,065	– 5,440	
1999	+ 139,865	+ 31,631	+ 53,931	+ 114,080	+ 22,229	+ 18,610	+ 44,904	– 5,836	+ 14,861	+ 52,897	+ 3,937	+ 1,832	
2000	+ 122,725	+ 1,750	+ 49,395	+ 20,682	+ 26,342	+ 3,144	+ 45,278	– 5,323	+ 7,273	– 9,973	– 5,563	– 940	
2001	+ 135,018	– 14,741	+ 36,511	+ 15,705	+ 19,603	– 3,730	+ 69,971	+ 14,989	+ 5,337	– 9,941	+ 3,595	– 1,495	
2002	+ 178,203	+ 24,328	+ 41,378	+ 6,364	+ 36,037	+ 7,572	+ 93,853	+ 19,535	+ 4,716	– 10,155	+ 2,221	+ 22	
2002 Jan.-Feb.	+ 36,254	+ 15,534	+ 12,101	+ 12,101	+ 9,130	+ 2,612	+ 5,533	– 6,311	+ 803	– 1,557	+ 8,688	+ 713	
2003 Jan.-Feb. p	+ 48,908	+ 20,502	+ 13,250	+ 6,134	+ 8,123	+ 1,558	+ 16,484	+ 3,629	+ 668	– 1,200	+ 10,383	+ 561	
2002 Feb.	+ 10,575	+ 2,683	+ 1,165	+ 1,165	+ 9,669	+ 3,151	+ 572	+ 323	+ 117	– 1,009	– 948	+ 83	
Mar.	+ 15,492	+ 5,009	+ 975	+ 975	+ 763	+ 763	+ 6,740	– 1,677	+ 548	– 1,482	+ 6,467	+ 9	
Apr.	+ 3,637	– 7,587	+ 2,665	+ 2,665	+ 214	+ 214	+ 9,919	– 278	+ 708	– 321	– 9,870	– 307	
May	+ 9,842	+ 1,807	– 1,000	– 1,000	+ 6,025	– 485	+ 5,543	+ 4,574	+ 522	– 28	– 1,247	– 190	
June	+ 8,533	+ 947	+ 104	+ 104	+ 140	+ 140	+ 11,512	+ 4,988	+ 88	– 971	– 3,311	– 41	
July	+ 27,272	+ 9,291	+ 10,400	– 127	– 11	– 11	+ 9,934	+ 4,941	+ 610	– 716	+ 6,338	+ 133	
Aug.	+ 6,663	– 2,147	– 772	– 772	+ 8,739	+ 1,189	+ 5,360	+ 4,337	+ 135	– 100	– 6,799	+ 228	
Sep.	+ 9,231	+ 2,966	– 688	– 688	+ 983	+ 983	+ 11,072	+ 5,748	+ 590	– 348	– 2,727	+ 1,413	
Oct.	+ 20,715	+ 1,903	+ 8,082	– 3,702	+ 637	+ 637	+ 10,797	+ 3,897	+ 94	– 10	+ 1,106	– 1,181	
Nov.	+ 23,264	+ 5,880	+ 8,900	+ 8,900	+ 8,562	+ 518	+ 5,171	– 141	+ 543	– 3,487	+ 88	– 564	
Dec.	+ 17,300	– 9,273	+ 611	– 12,092	+ 854	+ 1,012	+ 12,273	– 542	+ 76	– 1,134	+ 3,487	– 191	
2003 Jan.	+ 34,388	+ 17,995	+ 11,187	+ 4,071	+ 292	+ 302	+ 10,732	+ 2,969	+ 628	– 895	+ 11,549	+ 449	
Feb. p	+ 14,520	+ 2,507	+ 2,063	+ 2,063	+ 7,831	+ 1,256	+ 5,752	+ 660	+ 40	– 305	– 1,166	+ 112	

1 After deduction of repurchases. — 2 Federal Treasury notes, Federal savings bonds, Treasury discount paper, Treasury financing paper.

VIII. Public finance in Germany

12. Receipts, expenditure and assets of the wage and salary earners' pension insurance funds

Up to the end of 1998, DM million / from 1999, € million

Period	Receipts 1			Expenditure 1			Balance of receipts and expenditure	Assets 5					Memorandum item Administrative assets
	Total	of which		Total	of which			Total	Deposits 6	Securities	Mortgage and other loans 7	Real estate	
		Contributions 2	Federal payments		Pension payments 3	Pensioners' health insurance 4							
<b>Western Germany</b>													
1996 <sup>B</sup>	288,761	236,036	50,478	288,716	237,464	16,809	+ 45	14,456	9,608	2,119	2,500	229	8,863
1997	305,606	248,463	54,896	295,635	246,011	17,892	+ 9,971	14,659	10,179	1,878	2,372	230	9,261
1998	317,340	250,063	65,191	304,155	254,783	18,636	+ 13,185	18,194	14,201	1,493	2,274	226	9,573
1999	169,124	128,191	39,884	159,819	134,536	9,910	+ 9,305	13,623	11,559	824	1,127	114	4,904
2000	173,020	128,057	43,638	166,569	139,189	10,253	+ 6,451	14,350	11,459	1,676	1,105	110	4,889
2001 <sup>B, P</sup>	178,293	130,064	46,710	172,382	143,863	10,610	+ 5,911	13,973	10,646	1,517	1,699	111	4,917
2002 <sup>P</sup>	181,534	131,103	48,993	178,746	149,322	11,359	+ 2,788	9,832	6,948	1,072	1,686	126	4,927
2001 4th qtr	47,452	35,514	11,588	43,530	36,400	2,701	+ 3,922	13,973	10,646	1,517	1,699	111	4,917
2002 1st qtr	43,411	30,893	12,212	43,792	36,898	2,719	- 381	11,943	8,712	1,427	1,698	106	4,933
2nd qtr	44,541	31,949	12,222	43,927	36,784	2,711	+ 614	10,663	7,490	1,366	1,696	111	4,954
3rd qtr	45,371	32,663	12,280	44,799	37,746	2,872	+ 572	8,911	5,919	1,182	1,689	121	4,947
4th qtr	48,213	35,599	12,279	45,928	37,894	3,056	+ 2,285	9,832	6,948	1,072	1,686	126	4,927
<b>Eastern Germany</b>													
1996	74,790	46,580	17,910	83,830	68,316	4,851	- 9,040	.	.	.	.	.	.
1997	79,351	48,939	20,065	87,424	70,500	5,388	- 8,073	.	.	.	.	.	.
1998	81,072	47,764	23,564	90,863	73,040	5,757	- 9,791	.	.	.	.	.	.
1999	43,214	24,015	14,744	47,641	38,383	3,040	- 4,427	.	.	.	.	.	.
2000	43,513	22,655	15,224	49,385	39,414	3,112	- 5,872	.	.	.	.	.	.
2001 <sup>P</sup>	44,462	21,984	16,383	50,943	40,254	3,152	- 6,481	.	.	.	.	.	.
2002 <sup>P</sup>	45,275	21,697	17,608	53,040	41,678	3,264	- 7,765	.	.	.	.	.	.
2001 4th qtr	11,446	5,860	4,107	12,857	10,221	788	- 1,411	.	.	.	.	.	.
2002 1st qtr	11,070	5,157	4,410	13,106	10,373	793	- 2,036	.	.	.	.	.	.
2nd qtr	11,493	5,455	4,558	13,046	10,228	797	- 1,553	.	.	.	.	.	.
3rd qtr	10,757	5,275	4,334	13,391	10,530	832	- 2,634	.	.	.	.	.	.
4th qtr	11,955	5,810	4,306	13,397	10,547	842	- 1,442	.	.	.	.	.	.

Source: Federal Minister of Labour and Social Affairs and Association of German Pension Insurance Funds. — 1 The annual figures differ from the sum of the quarterly figures, as the latter are all provisional. From 1993 including financial compensation payments. Excluding investment spending and proceeds. — 2 Including contributions for recipients of public financial benefits. — 3 Payments by pension insurance funds to health insurance institutions under section 50 of the Social Security Code V have been

deducted from pension payments. — 4 From 1995 including nursing insurance scheme for pensioners. — 5 Largely corresponds to fluctuation reserves. Level at the end of the year or quarter. From 1992 figures for the whole of Germany. — 6 Including cash resources. — 7 Excluding loans to other social security funds; including participating interests. — 8 Excluding receipts arising from the higher valuation of participating interests.

13. Receipts and expenditure of the Federal Labour Office

Up to the end of 1998, DM million / from 1999, € million

Period	Receipts			Expenditure							Balance of receipts and expenditure	Subsidies or working fund credits of the Federal Government	
	Total 1	of which		Total	of which			Total	Promotion of vocational training 4, 5				Promotion of winter construction
		Contributions	Levies 2		Total	Western Germany	Eastern Germany		Western Germany	Eastern Germany			
<b>Germany</b>													
1996	91,825	85,073	3,346	105,588	57,123	40,186	16,938	36,478	18,368	18,111	903	- 13,763	13,756
1997	93,149	85,793	2,959	102,723	60,273	40,309	19,964	31,418	16,117	15,301	443	- 9,574	9,574
1998	91,088	86,165	2,868	98,852	53,483	35,128	18,355	34,279	16,784	17,496	471	- 7,764	7,719
1999	47,954	45,141	1,467	51,694	25,177	16,604	8,573	20,558	10,480	10,078	279	- 3,740	3,739
2000	49,606	46,359	1,403	50,473	23,946	15,615	8,331	20,324	10,534	9,790	294	- 868	867
2001	50,682	47,337	1,640	52,613	25,036	16,743	8,294	20,713	11,094	9,619	268	- 1,931	1,931
2002	50,885	47,405	2,088	56,508	27,610	19,751	7,860	21,011	11,568	9,443	245	- 5,623	5,623
2001 4th qtr	14,319	13,045	770	13,866	6,321	4,366	1,955	5,637	2,973	2,664	3	+ 453	- 2,771
2002 1st qtr	11,502	11,188	51	13,093	6,587	4,608	1,979	4,665	2,523	2,142	139	- 1,591	3,720
2nd qtr	12,200	11,459	433	14,141	7,098	5,005	2,093	5,230	2,903	2,327	97	- 1,941	2,200
3rd qtr	12,710	11,808	528	13,905	6,708	4,839	1,869	5,182	2,849	2,334	7	- 1,195	854
4th qtr	14,473	12,951	1,077	15,369	7,218	5,299	1,919	5,933	3,293	2,640	2	- 896	- 1,151

Source: Federal Labour Office. — 1 Excluding Federal Government liquidity assistance. — 2 Levies to promote winter construction and to pay bankruptcy compensation to employees. — 3 Unemployment benefits, short-time-working benefits. Including the integration allowance paid to resettlers from eastern Europe and emigrants from the GDR as a

replacement for the unemployment benefits. — 4 Including contributions to the statutory health insurance, and to the pension insurance funds. — 5 Vocational training, measures to foster the commencement of work, rehabilitation and job creation measures.

IX. Economic conditions

1. Origin and expenditure of domestic product, distribution of national income  
Germany

Item	1998	1999	2000	2001	2002	1999	2000	2001	2002	1999	2000	2001	2002
	DM billion	€ billion				Change from previous year in %				% of total			
<b>at 1995 prices</b>													
<b>I. Origin of domestic product</b>													
Producing sector (excluding construction)	855.2	429.4	445.6	447.3	446.5	- 1.8	3.8	0.4	- 0.2	22.4	22.6	22.6	22.5
Construction	205.3	105.5	102.6	96.0	90.4	0.5	- 2.7	- 6.5	- 5.8	5.5	5.2	4.8	4.6
Distribution, catering trade, and transportation <sup>1</sup>	614.6	335.3	352.9	361.8	366.1	6.7	5.3	2.5	1.2	17.5	17.9	18.3	18.5
Financing, rents and corporate services <sup>2</sup>	1,028.6	548.3	572.6	585.2	595.4	4.3	4.4	2.2	1.7	28.6	29.1	29.5	30.0
Public and private services <sup>3</sup>	737.6	380.6	387.3	391.6	396.5	0.9	1.8	1.1	1.2	19.9	19.7	19.8	20.0
All economic sectors	3,487.2	1,823.3	1,885.3	1,906.5	1,919.0	2.3	3.4	1.1	0.7	95.2	95.7	96.2	96.7
Memo item: Enterprise sector	3,041.7	1,595.6	1,656.7	1,679.3	1,692.7	2.6	3.8	1.4	0.8	83.3	84.1	84.8	85.3
Economic sectors, adjusted <sup>4</sup>	3,320.2	1,730.3	1,785.5	1,801.4	1,809.6	1.9	3.2	0.9	0.5	90.4	90.7	90.9	91.2
Gross domestic product	3,669.9	1,914.8	1,969.5	1,980.8	1,984.3	2.0	2.9	0.6	0.2	100	100	100	100
<b>II. Expenditure of domestic product</b>													
Private consumption <sup>5</sup>	2,072.8	1,099.2	1,114.8	1,131.6	1,124.3	3.7	1.4	1.5	- 0.6	57.4	56.6	57.1	56.7
Government consumption	726.3	375.0	379.6	382.6	388.5	1.0	1.2	0.8	1.5	19.6	19.3	19.3	19.6
Machinery and equipment	292.5	160.3	175.5	165.4	149.9	7.2	9.5	- 5.8	- 9.4	8.4	8.9	8.3	7.6
Construction	479.5	248.7	242.1	227.7	214.3	1.4	- 2.6	- 6.0	- 5.9	13.0	12.3	11.5	10.8
Other investment <sup>6</sup>	40.0	23.2	25.2	26.5	27.1	13.5	8.4	5.0	2.5	1.2	1.3	1.3	1.4
Changes in stocks <sup>7</sup>	3.2	- 6.6	- 2.7	- 15.2	- 13.9	.	.	.	.	- 0.3	- 0.1	- 0.8	- 0.7
Domestic demand	3,614.3	1,899.8	1,934.5	1,918.6	1,890.3	2.8	1.8	- 0.8	- 1.5	99.2	98.2	96.9	95.3
Net exports	55.6	15.0	35.0	62.2	94.0	.	.	.	.	0.8	1.8	3.1	4.7
Exports	1,078.6	582.5	662.1	695.4	713.8	5.6	13.7	5.0	2.6	30.4	33.6	35.1	36.0
Imports	1,023.0	567.4	627.1	633.1	619.8	8.5	10.5	1.0	- 2.1	29.6	31.8	32.0	31.2
Gross domestic product	3,669.9	1,914.8	1,969.5	1,980.8	1,984.3	2.0	2.9	0.6	0.2	100	100	100	100
<b>at current prices</b>													
<b>III. Expenditure of domestic product</b>													
Private consumption <sup>5</sup>	2,173.3	1,156.5	1,190.9	1,232.2	1,241.9	4.1	3.0	3.5	0.8	58.5	58.7	59.5	58.9
Government consumption	722.7	378.8	387.2	393.5	402.8	2.5	2.2	1.6	2.4	19.1	19.1	19.0	19.1
Machinery and equipment	293.5	159.6	175.8	166.3	150.9	6.4	10.2	- 5.4	- 9.3	8.1	8.7	8.0	7.2
Construction	475.3	245.2	240.2	226.2	212.8	0.9	- 2.1	- 5.8	- 6.0	12.4	11.8	10.9	10.1
Other investment <sup>6</sup>	38.3	21.4	22.8	23.7	24.1	9.1	6.7	4.1	1.7	1.1	1.1	1.1	1.1
Changes in stocks <sup>7</sup>	14.1	0.9	5.2	- 9.4	- 7.3	.	.	.	.	0.0	0.3	- 0.5	- 0.3
Domestic demand	3,717.2	1,962.3	2,022.2	2,032.6	2,025.2	3.3	3.0	0.5	- 0.4	99.2	99.6	98.1	96.1
Net exports	56.4	16.3	7.8	38.6	83.0	.	.	.	.	0.8	0.4	1.9	3.9
Exports	1,095.6	587.0	685.4	726.9	748.3	4.8	16.8	6.1	2.9	29.7	33.8	35.1	35.5
Imports	1,039.2	570.7	677.6	688.3	665.2	7.4	18.7	1.6	- 3.4	28.8	33.4	33.2	31.6
Gross domestic product	3,773.6	1,978.6	2,030.0	2,071.2	2,108.2	2.6	2.6	2.0	1.8	100	100	100	100
<b>IV. Prices (1995=100)</b>													
Private consumption	104.8	105.2	106.8	108.9	110.5	0.4	1.5	1.9	1.4	.	.	.	.
Gross domestic product	102.8	103.3	103.1	104.6	106.2	0.5	- 0.3	1.4	1.6	.	.	.	.
Terms of trade	100.0	100.2	95.8	96.2	97.7	0.2	- 4.4	0.4	1.6	.	.	.	.
<b>V. Distribution of national income</b>													
Wages and salaries	2,015.6	1,058.0	1,099.0	1,120.4	1,130.0	2.7	3.9	1.9	0.9	72.0	72.8	73.2	72.3
Entrepreneurial and property income	805.0	411.1	410.3	410.9	432.0	- 0.1	- 0.2	0.2	5.1	28.0	27.2	26.8	27.7
National income	2,820.6	1,469.0	1,509.2	1,531.2	1,562.0	1.9	2.7	1.5	2.0	100	100	100	100
Memo item: Gross national income (Gross nat. product)	3,746.2	1,965.9	2,020.9	2,055.8	2,099.1	2.6	2.8	1.7	2.1	.	.	.	.

Source: Federal Statistical Office; figures computed in February 2003. — 1 Including telecommunications. — 2 Financial intermediation, real estate activities, rents and corporate services. — 3 Including care-at-home services. — 4 Gross value added after deduction of assumed bank charges, but excluding

taxes on products (offset against subsidies on products). — 5 Including private non-commercial organisations. — 6 Intangible fixed capital formation (inter alia, EDP software, copyrights) and economically useful animals and plants. — 7 Including net increase in valuables.





IX. Economic conditions

3. Orders received by industry \*

Adjusted for working-day variations ◊

Period	Industry											
	Total		Domestic orders		Foreign orders		Intermediate goods		Capital goods 1		Consumer goods 2	
	1995=100	Change from previous year in %	1995=100	Change from previous year in %	1995=100	Change from previous year in %	1995=100	Change from previous year in %	1995=100	Change from previous year in %	1995=100	Change from previous year in %
<b>Germany</b>												
1999	113.3	+ 2.1	102.7	- 0.3	132.3	+ 5.5	106.3	+ 0.9	123.9	+ 3.3	101.0	+ 0.9
2000	128.9	+ 13.8	111.2	+ 8.3	161.0	+ 21.7	121.3	+ 14.1	144.1	+ 16.3	105.2	+ 4.2
2001	126.8	- 1.6	108.6	- 2.3	159.7	- 0.8	116.4	- 4.0	143.3	- 0.6	106.8	+ 1.5
2002	126.8	± 0.0	105.4	- 2.9	165.6	+ 3.7	117.0	+ 0.5	143.6	+ 0.2	104.2	- 2.4
2001 Dec.	120.9	- 5.5	99.9	- 4.2	158.9	- 7.0	102.6	- 8.1	147.6	- 4.4	92.6	- 2.3
2002 Jan.	123.0	- 4.3	103.9	- 5.0	157.4	- 3.5	113.0	- 7.5	138.4	- 2.3	104.7	- 2.4
Feb.	123.0	- 5.9	102.6	- 7.7	159.7	- 3.7	114.6	- 4.4	135.3	- 7.5	109.5	- 4.1
Mar.	137.5	- 2.7	112.3	- 8.3	183.0	+ 4.4	124.8	- 2.9	155.5	- 2.8	119.3	- 1.3
Apr.	125.6	+ 0.7	105.0	- 2.9	162.9	+ 5.4	118.3	+ 1.7	140.3	+ 0.1	102.6	+ 0.5
May	127.3	+ 0.7	101.4	- 5.1	174.0	+ 7.6	116.5	- 1.0	147.9	+ 2.9	96.3	- 2.5
June	130.4	- 1.6	107.0	- 2.1	172.7	- 0.9	121.5	- 0.7	148.6	- 2.0	101.1	- 2.2
July	126.1	+ 0.3	106.5	- 2.0	161.5	+ 3.3	118.4	+ 1.5	142.3	+ 0.6	99.4	- 4.6
Aug.	118.3	+ 1.2	100.7	- 3.3	150.1	+ 7.1	108.7	+ 0.7	133.1	+ 3.7	101.1	- 6.6
Sep.	131.4	+ 3.2	109.4	- 1.3	171.2	+ 8.9	121.6	+ 4.9	146.8	+ 3.2	113.0	- 1.6
Oct.	129.4	+ 4.7	108.7	+ 1.6	166.9	+ 8.7	121.0	+ 4.8	144.8	+ 6.7	107.3	- 2.6
Nov.	131.1	+ 6.3	108.3	+ 2.4	172.2	+ 11.1	120.7	+ 8.0	149.4	+ 6.5	105.5	+ 0.8
Dec.	118.6	- 1.9	98.4	- 1.5	155.1	- 2.4	105.1	+ 2.4	141.0	- 4.5	90.0	- 2.8
<b>Western Germany</b>												
1999	112.3	+ 1.9	101.8	- 0.6	130.2	+ 5.4	104.5	+ 0.5	123.9	+ 3.4	99.7	+ 0.7
2000	127.5	+ 13.5	109.7	+ 7.8	158.0	+ 21.4	118.7	+ 13.6	144.0	+ 16.2	103.1	+ 3.4
2001	124.8	- 2.1	106.7	- 2.7	155.8	- 1.4	112.9	- 4.9	142.8	- 0.8	104.4	+ 1.3
2002	124.2	- 0.5	103.0	- 3.5	160.6	+ 3.1	112.9	± 0.0	142.5	- 0.2	101.5	- 2.8
2001 Dec.	118.6	- 5.4	97.5	- 4.1	154.8	- 6.8	99.3	- 9.0	146.4	- 3.6	90.3	- 2.3
2002 Jan.	121.0	- 4.8	101.9	- 5.7	153.8	- 3.7	108.9	- 8.6	138.8	- 2.2	102.2	- 2.8
Feb.	120.9	- 6.1	100.7	- 8.4	155.7	- 3.4	111.0	- 4.1	134.9	- 8.0	107.3	- 4.3
Mar.	133.1	- 4.4	110.0	- 8.8	172.8	+ 1.0	120.0	- 4.1	151.0	- 5.3	116.9	- 1.4
Apr.	123.4	+ 0.8	103.1	- 2.6	158.4	+ 5.0	114.3	+ 1.2	140.0	+ 0.7	99.9	+ 0.4
May	125.4	+ 1.0	99.2	- 5.3	170.3	+ 8.2	112.5	- 1.6	148.4	+ 3.8	93.3	- 2.9
June	127.9	- 2.0	104.4	- 3.0	168.2	- 1.0	117.6	- 1.0	147.7	- 2.6	98.2	- 2.7
July	124.4	+ 0.4	104.6	- 2.1	158.4	+ 3.4	114.3	+ 1.1	143.1	+ 1.2	97.3	- 4.8
Aug.	115.1	+ 0.2	98.0	- 4.2	144.4	+ 5.7	104.1	± 0.0	131.0	+ 2.3	98.4	- 7.3
Sep.	129.0	+ 3.4	107.0	- 1.3	166.8	+ 8.9	117.3	+ 4.8	146.3	+ 3.6	110.4	- 1.8
Oct.	126.8	+ 4.4	106.0	+ 1.0	162.4	+ 8.2	116.7	+ 4.5	143.8	+ 6.1	104.5	- 2.9
Nov.	128.0	+ 5.5	105.8	+ 2.0	166.1	+ 9.6	116.7	+ 7.7	147.2	+ 5.1	102.5	+ 0.5
Dec.	115.5	- 2.6	95.4	- 2.2	149.9	- 3.2	101.5	+ 2.2	138.1	- 5.7	87.5	- 3.1
<b>Eastern Germany</b>												
1999	129.7	+ 4.6	113.9	+ 3.9	209.7	+ 6.8	134.7	+ 6.4	124.6	+ 2.7	131.8	+ 6.0
2000	153.4	+ 18.3	129.8	+ 14.0	272.8	+ 30.1	162.6	+ 20.7	145.3	+ 16.6	151.5	+ 14.9
2001	161.2	+ 5.1	133.0	+ 2.5	303.9	+ 11.4	172.9	+ 6.3	150.3	+ 3.4	160.9	+ 6.2
2002	170.5	+ 5.8	134.9	+ 1.4	350.2	+ 15.2	182.2	+ 5.4	160.9	+ 7.1	164.4	+ 2.2
2001 Dec.	160.3	- 6.2	130.7	- 4.3	309.8	- 10.1	156.0	+ 3.6	168.0	- 13.8	144.5	- 4.0
2002 Jan.	155.5	+ 1.5	128.8	+ 1.9	290.3	+ 0.6	179.0	+ 6.5	131.8	- 4.5	162.1	+ 2.3
Feb.	156.4	- 3.6	126.2	- 1.2	308.9	- 8.3	170.7	- 7.6	142.1	+ 0.8	159.6	- 1.6
Mar.	210.6	+ 19.5	140.8	- 3.4	563.7	+ 70.3	201.3	+ 10.1	227.7	+ 33.2	175.8	+ 1.7
Apr.	162.4	- 0.9	129.3	- 6.0	329.9	+ 10.9	181.2	+ 7.3	144.1	- 9.8	165.3	+ 2.2
May	159.8	- 2.4	129.5	- 2.3	312.8	- 2.7	180.2	+ 5.3	139.3	- 11.7	164.9	+ 3.5
June	172.8	+ 4.9	140.0	+ 7.4	338.6	- 0.1	183.9	+ 2.5	163.5	+ 7.4	168.2	+ 5.0
July	154.3	- 1.5	130.3	- 2.1	275.4	± 0.0	183.4	+ 5.4	128.6	- 9.2	147.5	- 2.3
Aug.	172.8	+ 14.9	135.1	+ 7.0	363.3	+ 33.6	182.1	+ 7.7	166.7	+ 26.7	161.5	+ 3.9
Sep.	172.1	+ 2.0	139.9	- 0.5	334.7	+ 7.4	189.4	+ 5.9	155.6	- 2.6	172.8	+ 2.6
Oct.	174.2	+ 10.5	142.2	+ 6.9	336.2	+ 19.1	189.5	+ 8.2	160.4	+ 16.0	172.6	+ 1.5
Nov.	182.8	+ 16.8	139.8	+ 6.1	399.9	+ 42.1	183.7	+ 9.9	184.1	+ 27.7	173.6	+ 4.5
Dec.	171.7	+ 7.1	136.8	+ 4.7	348.1	+ 12.4	161.9	+ 3.8	186.3	+ 10.9	148.6	+ 2.8

Source of the unadjusted figures: Federal Statistical Office. — \* Economic activities of the manufacturing sector, in particular, excluding manufacture of food products, beverages, tobacco and refined petroleum products; results for kinds of activity units; figures excluding value-added tax. — ◊ By

means of the Census X-12-ARIMA method, version 0.2.8. — 1 Including manufacture of motor vehicles, trailers and semitrailers. — 2 Including printing and service activities related to printing.

IX. Economic conditions

4. Orders received by construction \*

Adjusted for working-day variations ◦

Period	Germany					Western Germany					Eastern Germany				
	Total		Housing construction	Industrial construction 1	Public construction	Total		Housing construction	Industrial construction 1	Public construction	Total		Housing construction	Industrial construction 1	Public construction
	1995 = 100	Change from previous year in %	1995 = 100	1995 = 100	1995 = 100	1995 = 100	Change from previous year in %	1995 = 100	1995 = 100	1995 = 100	1995 = 100	Change from previous year in %	1995 = 100	1995 = 100	1995 = 100
1999	82.2	- 2.0	78.2	80.3	87.6	87.3	+ 0.8	84.0	88.7	88.0	69.9	- 10.0	66.2	61.1	86.2
2000	75.1	- 8.6	65.4	75.6	82.1	81.2	- 7.0	73.3	84.9	82.7	60.5	- 13.4	49.2	54.4	80.3
2001	71.0	- 5.5	54.2	73.3	81.3	79.2	- 2.5	64.2	84.9	83.3	51.6	- 14.7	33.6	47.1	75.6
2002	66.7	- 6.1	47.6	69.2	78.5	73.9	- 6.7	58.4	79.1	79.1	49.5	- 4.1	25.5	46.8	76.8
2001 Dec.	59.7	- 14.0	39.4	67.0	66.7	69.1	- 10.5	48.5	80.6	70.6	37.5	- 26.2	20.9	36.1	55.7
2002 Jan.	47.1	- 8.2	38.0	51.9	48.3	53.6	- 8.2	47.3	59.8	51.0	31.7	- 7.6	19.1	34.0	40.6
Feb.	55.5	- 3.0	40.9	62.7	58.1	60.1	- 7.5	49.7	66.8	59.7	44.8	+ 16.1	23.0	53.6	53.7
Mar.	84.0	+ 5.5	55.6	96.4	90.9	98.5	+ 10.7	69.5	118.7	95.8	49.7	- 13.3	27.2	45.8	77.3
Apr.	71.4	- 5.1	52.8	72.3	85.0	80.1	- 6.8	64.8	82.2	88.7	50.9	+ 2.4	28.3	50.1	74.4
May	69.3	- 14.0	51.3	67.3	85.8	75.9	- 15.2	62.4	76.9	84.3	53.6	- 10.1	28.6	45.3	90.1
June	79.9	- 11.4	55.2	77.6	101.9	88.2	- 10.3	66.6	88.9	102.8	60.1	- 15.2	31.9	52.0	99.3
July	70.4	- 5.5	45.3	72.4	87.7	78.4	- 4.2	55.1	83.8	88.7	51.7	- 9.6	25.2	46.8	84.8
Aug.	66.4	- 11.2	46.4	64.8	83.9	70.8	- 13.3	54.5	72.2	80.8	55.9	- 4.1	29.9	48.1	92.5
Sep.	76.5	- 2.4	50.6	76.3	97.1	84.0	- 4.1	61.0	85.9	98.3	58.7	+ 3.7	29.2	54.5	93.7
Oct.	63.5	- 8.2	44.1	64.2	77.9	69.9	- 9.2	55.2	72.7	77.0	48.5	- 4.0	21.3	44.8	80.4
Nov.	56.2	- 8.2	44.8	56.7	64.5	60.0	- 10.0	55.2	61.9	61.3	47.1	- 2.1	23.4	44.9	73.5
Dec.	59.6	- 0.2	45.8	67.4	60.8	67.6	- 2.2	58.9	79.0	60.6	40.7	+ 8.5	19.1	41.1	61.3

Source of unadjusted figures: Federal Statistical Office. — \* Values exclusive of value-added tax. The figures refer to the economic classifications "Site preparation" and "Building of complete constructions or parts thereof; civil en-

gineering". — ◦ Bundesbank calculation. — 1 Including the railways and post office.

5. Retail trade turnover \*)  
Germany

Period	Retail trade 1											Memo item				
	of which: by enterprises' main product range											of which				
	Total			Food, beverages, tobacco 2		Pharmaceutical and medical goods, cosmetic and toilet articles 2		Clothing, footwear and leather goods 2		Furniture and lighting equipment 2		Retail trade plus retail sales of motor vehicles and motorcycles plus sales of automotive fuel			Retail sales of motor vehicles 3	
2000 = 100	Change from previous year in %	not adjusted	price-adjusted 4	2000 = 100	Change from previous year in %	2000 = 100	Change from previous year in %	2000 = 100	Change from previous year in %	2000 = 100	Change from previous year in %	2000 = 100	Change from previous year in %	2000 = 100	Change from previous year in %	
1999	97.7	+ 0.8	+ 0.5	98.0	+ 0.9	94.7	+ 7.4	100.2	- 0.1	102.3	- 2.0	98.7	+ 1.2	+ 0.8	102.9	+ 3.7
2000	100.0	+ 2.4	+ 1.2	100.0	+ 2.0	100.0	+ 5.6	100.0	- 0.2	100.0	- 2.2	100.0	+ 1.3	+ 0.1	100.0	- 2.8
2001	101.8	+ 1.8	+ 0.2	104.7	+ 4.7	107.3	+ 7.3	99.5	- 0.5	98.6	- 1.4	101.9	+ 1.9	+ 0.3	102.4	+ 2.4
2002	99.9	- 1.9	- 2.2	105.8	+ 1.1	110.9	+ 3.4	94.7	- 4.8	90.0	- 8.7	100.5	- 1.4	- 1.9	103.5	+ 1.1
2001 Aug.	98.8	+ 2.4	+ 0.4	105.0	+ 7.9	106.3	+ 8.0	89.1	- 4.1	87.8	- 0.3	98.6	+ 2.4	+ 0.4	97.0	+ 2.1
Sep.	97.3	- 1.0	- 2.2	97.5	+ 1.4	100.4	+ 3.1	110.1	+ 5.8	91.6	- 4.7	96.6	- 0.6	- 1.8	94.3	+ 1.9
Oct.	104.4	+ 2.8	+ 1.3	106.0	+ 7.7	110.3	+ 8.6	104.7	- 5.3	105.6	+ 0.5	104.6	+ 4.3	+ 2.9	106.4	+ 11.2
Nov.	110.5	+ 2.4	+ 1.3	111.4	+ 6.8	112.9	+ 7.6	109.8	+ 1.5	112.7	- 2.7	109.6	+ 3.4	+ 2.3	108.1	+ 8.4
Dec.	122.9	- 0.4	- 1.5	123.0	+ 3.8	123.7	+ 7.5	124.4	- 3.4	116.3	- 5.0	116.4	- 0.4	- 1.6	93.9	± 0.0
2002 Jan.	92.5	- 2.5	- 4.0	96.1	+ 2.3	108.3	+ 2.0	83.3	- 5.3	87.0	- 7.3	91.0	- 2.2	- 3.7	87.0	+ 0.5
Feb.	86.8	- 1.3	- 2.6	93.5	+ 3.2	100.4	+ 4.1	72.5	- 5.2	85.8	- 7.7	87.6	- 0.6	- 2.1	91.9	+ 3.0
Mar.	102.4	- 2.1	- 3.4	110.9	+ 2.9	109.0	+ 2.3	96.9	- 2.4	93.5	- 14.3	104.0	- 3.2	- 4.5	110.8	- 6.3
Apr.	101.2	+ 0.2	- 0.7	106.0	+ 0.8	114.4	+ 11.2	97.8	- 4.9	93.0	- 4.6	104.6	+ 2.0	+ 0.9	117.7	+ 9.4
May	100.1	- 4.2	- 4.5	108.8	- 0.4	109.5	+ 0.1	97.0	- 10.0	83.9	- 12.7	101.9	- 4.5	- 5.2	108.4	- 5.0
June	93.4	- 3.7	- 3.5	101.6	- 2.9	106.1	+ 1.8	85.6	- 2.7	78.4	- 13.0	96.6	- 2.5	- 2.7	108.7	+ 2.1
July	99.5	+ 1.2	+ 1.8	105.5	+ 2.9	114.8	+ 6.1	93.1	- 0.2	87.1	- 2.0	102.3	+ 2.1	+ 2.1	113.0	+ 6.2
Aug.	96.6	- 2.2	- 1.9	106.4	+ 1.3	109.5	+ 3.0	85.9	- 3.6	80.4	- 8.4	96.4	- 2.2	- 2.2	95.3	- 1.8
Sep.	96.5	- 0.8	- 0.7	99.5	+ 2.1	107.4	+ 7.0	99.5	- 9.6	85.3	- 6.9	96.8	+ 0.2	+ 0.1	98.6	+ 4.6
Oct.	105.3	+ 0.9	+ 1.2	108.0	+ 1.9	114.8	+ 4.1	109.5	+ 4.6	98.8	- 6.4	105.9	+ 1.2	+ 1.2	109.9	+ 3.3
Nov.	106.2	- 3.9	- 3.6	110.8	- 0.5	113.4	+ 0.4	98.3	- 10.5	102.4	- 9.1	105.6	- 3.6	- 3.6	105.3	- 2.6
Dec.	118.4	- 3.7	- 3.6	123.0	± 0.0	123.3	- 0.3	117.3	- 5.7	103.8	- 10.7	113.2	- 2.7	- 2.9	95.8	+ 2.0
2003 Jan. e	93.1	+ 0.6	+ 1.3	100.5	+ 4.6	111.5	+ 3.0	82.7	- 0.7	84.9	- 2.4	91.7	+ 0.8	+ 1.1	88.1	+ 1.3

Source: Federal Statistical Office. — \* Excluding value-added tax; figures from 2002 provisional, partly revised and, judging by past experience, subject to considerable uncertainty in the most recent months. — 1 Excluding

sales of motor vehicles and motorcycles and excluding the sale of automotive fuel. — 2 Retail sales in stores. — 3 Including motor vehicle parts and accessories. — 4 At 1995 prices.

IX. Economic conditions

6. Labour market \*

Period	Employed 1,2			Employees 1		Persons in employment 3		Short-time workers 2	Persons employed under employment promotion schemes 2 5	Persons undergoing vocational further training 2	Unemployed 2		Unemployment rate 2 6 in %	Vacancies, 2 thousands		
	Thousands	Change from previous year		Thousands	Change from previous year in %	Thousands	Thousands				Thousands	Thousands			Thousands	Change from previous year, thousands
		in %	Thousands													
<b>Germany</b>																
2000	38,753	+ 1.8	+ 675	34,748	+ 1.8	6,373	1,053	86	316	352	3,889	- 211	9.7	514		
2001	38,919	+ 0.4	+ 166	34,835	+ 0.3	6,395	958	123	243	345	3,852	- 37	9.4	506		
2002	38,690	- 0.6	- 229	34,590	- 0.7	6,218	883	207	192	332	4,060	+ 209	9.8	451		
2002 Jan.	38,354	- 0.2	- 69			6,272	864	212	198	317	4,290	+ 197	10.4	422		
Feb.	38,343	- 0.2	- 81	34,302	- 0.3	6,247	840	246	192	326	4,296	+ 184	10.4	487		
Mar.	38,495	- 0.3	- 104			6,237 <sup>8</sup>	879	258	187	335	4,156	+ 156	10.0	527		
Apr.	38,697	- 0.3	- 121			6,219	897	245	185	345	4,024	+ 156	9.7	537		
May	38,752	- 0.5	- 190	34,623	- 0.6	6,207	897	201	184	348	3,946	+ 226	9.5	517		
June	38,719	- 0.6	- 250			6,198	896	202	185	336	3,954	+ 260	9.5	497		
July	38,675	- 0.6	- 240			6,214	894	173	187	315	4,047	+ 248	9.7	471		
Aug.	38,716	- 0.7	- 286	34,662	- 0.8	6,220	895	145	191	320	4,018	+ 229	9.6	458		
Sep.	38,898	- 0.8	- 315			6,215	893	216	199	337	3,942	+ 199	9.5	420		
Oct.	38,963	- 0.8	- 325			6,187	884	214	202	342	3,930	+ 204	9.4	378		
Nov.	38,922	- 0.9	- 373	34,773	- 1.1	6,165	873	205	197	339	4,026	+ 237	9.7	344		
Dec.	38,743	- 1.0	- 396			6,128	849	165	180	318	4,225	+ 262	10.1	324		
2003 Jan.	...	...	...	...	...	...	...	195	155	299	4,623	+ 333	11.1	350		
Feb.	...	...	...	...	...	...	...	227	150	287	4,706	+ 410	11.3	388		
<b>Western Germany<sup>9</sup></b>																
2000	.	.	.	.	.	5,761	749	59	59	202	2,380	- 224	7.6	448		
2001	.	.	.	.	.	5,769	696	94	53	197	2,320	- 60	7.2	436		
2002	.	.	.	.	.	5,593	654	162	42	192	2,498	+ 178	7.7	377		
2002 Jan.	.	.	.	.	.	5,649	640	177	44	179	2,636	+ 168	8.1	362		
Feb.	.	.	.	.	.	5,626	624	203	43	186	2,634	+ 167	8.1	414		
Mar.	.	.	.	.	.	5,616 <sup>8</sup>	652	213	42	193	2,527	+ 143	7.8	443		
Apr.	.	.	.	.	.	5,597	666	202	42	201	2,448	+ 140	7.5	451		
May	.	.	.	.	.	5,585	665	162	43	203	2,409	+ 187	7.3	433		
June	.	.	.	.	.	5,575	663	164	43	197	2,408	+ 191	7.3	415		
July	.	.	.	.	.	5,590	662	142	43	182	2,482	+ 203	7.6	394		
Aug.	.	.	.	.	.	5,592	662	103	42	183	2,477	+ 197	7.5	375		
Sep.	.	.	.	.	.	5,585	660	140	42	196	2,440	+ 184	7.4	345		
Oct.	.	.	.	.	.	5,559	654	154	41	200	2,450	+ 182	7.5	312		
Nov.	.	.	.	.	.	5,540	647	156	41	198	2,520	+ 199	7.7	285		
Dec.	.	.	.	.	.	5,506	632	131	38	186	2,647	+ 212	8.1	270		
2003 Jan.	.	.	.	.	.	...	...	157	35	175	2,898	+ 262	8.8	294		
Feb.	.	.	.	.	.	...	...	187	34	168	2,951	+ 317	9.0	328		
<b>Eastern Germany<sup>10</sup></b>																
2000	.	.	.	.	.	612	305	27	257	150	1,508	+ 13	17.2	66		
2001	.	.	.	.	.	626	262	29	190	148	1,532	+ 23	17.3	70		
2002	.	.	.	.	.	625	229	45	150	140	1,563	+ 31	17.7	74		
2002 Jan.	.	.	.	.	.	623	224	35	155	138	1,654	+ 28	18.7	60		
Feb.	.	.	.	.	.	622	215	43	149	140	1,662	+ 17	18.8	72		
Mar.	.	.	.	.	.	621 <sup>8</sup>	227	45	145	142	1,629	+ 13	18.4	84		
Apr.	.	.	.	.	.	622	231	43	143	144	1,576	+ 16	17.8	86		
May	.	.	.	.	.	622	232	39	142	145	1,538	+ 39	17.4	84		
June	.	.	.	.	.	623	232	38	142	140	1,546	+ 69	17.5	82		
July	.	.	.	.	.	624	232	31	145	133	1,565	+ 45	17.7	78		
Aug.	.	.	.	.	.	628	232	41	148	136	1,541	+ 32	17.4	83		
Sep.	.	.	.	.	.	630	233	77	157	141	1,502	+ 15	17.0	75		
Oct.	.	.	.	.	.	628	231	60	160	142	1,480	+ 22	16.8	65		
Nov.	.	.	.	.	.	626	227	49	157	141	1,506	+ 38	17.0	59		
Dec.	.	.	.	.	.	622	217	34	142	132	1,578	+ 49	17.9	54		
2003 Jan.	.	.	.	.	.	...	...	39	120	125	1,725	+ 71	19.5	55		
Feb.	.	.	.	.	.	...	...	40	116	118	1,756	+ 94	19.9	61		

Source: Federal Statistical Office; Federal Labour Office. — \* Monthly figures: levels at end of month; employed persons and employees: averages; short-time workers: levels at mid-month; annual and quarterly figures: averages. — 1 Work-place concept. — 2 Annual figures, calculated by the Bundesbank; deviations from the official figures are due to rounding. — 3 Including active proprietors. — 4 The figures refer to the economic classifications "Site preparation" and "Building of complete constructions or parts thereof; civil engineering". — 5 Employees involved in job creation schemes and structural adjustment measures (SAM). — 6 Relative to the total civilian

labour force. — 7 From May 2002 calculated on the basis of new labour force figures. — 8 The figures from March 2002 onwards are positively influenced by the fact that construction firms which are required to report and which have been identified in the course of drawing up the corporate register are included for the first time. — 9 Excluding West Berlin; for the mining, manufacturing and construction sectors, including persons employed in West Berlin. — 10 Including West Berlin; for the mining, manufacturing and construction sectors, excluding persons employed in West Berlin. — o First preliminary estimate.



## IX. Economic conditions

### 8. Households' income \* Germany

Until the end of 1998 DM billion, from 1999 € billion

Period	Gross wages and salaries 1		Net wages and salaries 2		Monetary social benefits received 3		"Mass income" 4		Disposable income 5		Saving 6		Saving ratio 7
	DM / €	Change from previous year in %	DM / €	Change from previous year in %	DM / €	Change from previous year in %	DM / €	Change from previous year in %	DM / €	Change from previous year in %	DM / €	Change from previous year in %	
1991	1,355.4	.	941.4	.	426.2	.	1,367.6	.	1,917.5	.	250.1	.	13.0
1992	1,467.3	8.3	1,003.0	6.5	473.9	11.2	1,476.9	8.0	2,054.3	7.1	266.1	6.4	13.0
1993	1,505.9	2.6	1,032.7	3.0	511.2	7.9	1,543.9	4.5	2,120.6	3.2	261.3	- 1.8	12.3
1994	1,528.1	1.5	1,029.3	- 0.3	529.4	3.6	1,558.6	1.0	2,181.9	2.9	254.0	- 2.8	11.6
1995	1,577.1	3.2	1,037.9	0.8	553.7	4.6	1,591.7	2.1	2,256.4	3.4	252.1	- 0.7	11.2
1996	1,594.0	1.1	1,032.7	- 0.5	595.7	7.6	1,628.3	2.3	2,307.5	2.3	249.5	- 1.0	10.8
1997	1,591.3	- 0.2	1,015.9	- 1.6	609.6	2.3	1,625.5	- 0.2	2,356.5	2.1	244.7	- 1.9	10.4
1998	1,624.3	2.1	1,038.9	2.3	621.5	1.9	1,660.3	2.1	2,422.8	2.8	249.6	2.0	10.3
1999	855.4	3.0	549.3	3.4	328.6	3.4	877.8	3.4	1,281.6	3.5	125.1	- 2.0	9.8
2000	885.5	3.5	572.8	4.3	339.5	3.3	912.3	3.9	1,320.4	3.0	129.5	3.5	9.8
2001	904.6	2.2	593.1	3.5	347.1	2.3	940.2	3.1	1,370.2	3.8	138.1	6.7	10.1
2002	911.5	0.8	594.2	0.2	364.9	5.1	959.0	2.0	1,386.0	1.2	144.2	4.4	10.4
2002 4th qtr	249.6	3.2	158.8	4.2	86.1	3.3	244.9	3.9	339.1	1.1	29.0	- 2.8	8.6
2001 1st qtr	208.6	3.2	137.0	3.9	87.1	2.0	224.0	3.1	340.0	3.8	45.8	4.6	13.5
2nd qtr	217.2	2.5	140.2	4.1	86.0	2.4	226.1	3.5	342.3	4.2	32.6	8.6	9.5
3rd qtr	225.4	1.7	152.0	3.1	86.5	2.9	238.5	3.0	335.6	3.2	28.0	5.0	8.3
4th qtr	253.4	1.5	163.9	3.2	87.6	1.7	251.5	2.7	352.3	3.9	31.7	9.3	9.0
2002 1st qtr	210.5	0.9	137.7	0.5	90.9	4.4	228.6	2.0	344.0	1.2	47.7	4.2	13.9
2nd qtr	218.9	0.8	140.3	0.1	89.9	4.6	230.3	1.8	343.7	0.4	33.4	2.3	9.7
3rd qtr	228.0	1.1	153.1	0.7	91.4	5.6	244.5	2.5	341.2	1.7	29.7	6.3	8.7
4th qtr	254.1	0.3	163.1	- 0.5	92.7	5.8	255.7	1.7	357.1	1.4	33.4	5.2	9.3

Source: Federal Statistical Office; figures computed in February 2003. — \* Households including non-profit institutions which serve households. — 1 Residence concept. — 2 After deducting the wage tax payable on gross wages and salaries and employees' contributions to the social security funds. — 3 Cash benefits from the social security funds, central, regional and local authorities and foreign countries, pension payments (net), social security benefits from private insurance schemes, less social security contributions on social benefits, consumption-related taxes and public

charges. — 4 Net wages and salaries plus monetary social benefits received. — 5 "Mass income" plus operating surplus, self-employed persons' income, property income (net), other current transfers received, income of non-profit organisations which serve households, less taxes (excluding wage tax and consumption-related taxes) and other current transfers paid. Including the increase in claims on company pension funds. — 6 Including the increase in claims on company pension funds. — 7 Saving as a percentage of disposable income.

### 9. Pay rates and actual earnings Germany

Period	Overall economy						Producing sector (including construction)					
	Negotiated wage and salary level 1				Wages and salaries per employee (work-place concept) 2		Negotiated wage and salary level 1				Wages and salaries per employee (work-place concept) 3	
	on an hourly basis		on a monthly basis		1995=100		on an hourly basis		on a monthly basis		1995=100	
	1995=100	% from previous year	1995=100	% from previous year	1995=100	% from previous year	1995=100	% from previous year	1995=100	% from previous year	1995=100	% from previous year
1991	76.7	.	78.6	.	82.4	.	73.4	.	76.9	.	77.6	.
1992	85.8	12.0	87.3	11.0	91.0	10.4	82.9	12.9	85.9	11.7	88.4	13.9
1993	92.2	7.5	92.9	6.5	95.0	4.4	90.6	9.3	92.0	7.1	92.3	4.4
1994	95.4	3.4	95.6	2.9	96.9	2.0	94.3	4.1	94.8	3.0	96.1	4.1
1995	100.0	4.9	100.0	4.6	100.0	3.2	100.0	6.1	100.0	5.5	100.0	4.1
1996	102.6	2.6	102.4	2.4	101.4	1.4	103.8	3.8	102.9	2.9	102.9	2.9
1997	104.1	1.5	103.9	1.5	101.7	0.3	105.8	1.9	104.6	1.7	104.7	1.7
1998	106.2	2.0	105.8	1.8	102.7	1.0	107.7	1.8	106.4	1.7	106.4	1.6
1999	109.2	2.8	108.6	2.7	104.3	1.5	110.9	3.0	109.4	2.9	108.3	1.8
2000	111.4	2.0	110.8	2.0	106.0	1.7	113.2	2.0	111.6	2.0	111.2	2.7
2001	113.6	2.0	113.0	2.0	108.0	1.9	115.2	1.8	113.6	1.8	113.7	2.2
2002	116.6	2.6	115.9	2.6	109.6	1.5	118.8	3.1	117.2	3.1	116.0	2.0
2001 1st qtr	103.8	2.1	103.2	2.1	100.8	2.3	104.1	1.6	102.6	1.6	107.2	3.1
2nd qtr	104.8	1.8	104.3	1.8	103.9	2.0	105.4	1.5	104.0	1.5	115.6	2.4
3rd qtr	117.4	2.0	116.7	2.0	107.5	1.6	123.5	2.0	121.9	2.0	109.2	2.0
4th qtr	128.6	2.1	127.8	2.1	120.0	1.8	127.7	2.0	125.9	2.0	122.6	1.7
2002 1st qtr	106.3	2.5	105.7	2.4	102.1	1.3	106.3	2.1	104.8	2.2	108.2	0.9
2nd qtr	107.8	2.8	107.2	2.8	105.2	1.3	109.1	3.5	107.7	3.5	117.8	1.9
3rd qtr	120.3	2.5	119.6	2.5	109.6	2.0	127.4	3.1	125.6	3.1	112.9	3.4
4th qtr	131.9	2.6	131.2	2.6	121.6	1.4	132.3	3.6	130.4	3.6	125.4	2.3
2002 July	144.4	2.3	143.5	2.3	.	.	163.2	2.8	161.0	2.8	116.3	4.3
Aug.	108.3	2.9	107.6	2.9	.	.	109.4	3.3	107.9	3.3	111.8	2.0
Sep.	108.4	2.5	107.8	2.5	.	.	109.5	3.4	108.1	3.4	110.4	3.6
Oct.	108.5	2.6	107.9	2.6	.	.	109.8	3.6	108.3	3.6	114.4	2.3
Nov.	178.6	2.5	177.6	2.5	.	.	177.0	3.6	174.6	3.6	144.6	1.3
Dec.	108.7	2.8	108.1	2.8	.	.	109.9	3.6	108.4	3.6	117.1	3.3
2003 Jan.	109.0	2.6	108.4	2.7	.	.	109.9	3.6	108.4	3.6	.	.

1 Current data are normally revised upwards on account of additional reports. — 2 Source: Federal Statistical Office; figures computed in February 2003. — 3 Producing sector, excluding electricity, gas, steam and hot water

supply, and excluding installation and building completion work. Calculated by the Bundesbank on the basis of data from the Federal Statistical Office, using the old and new classifications of the economic sectors.

X. Foreign trade and payments

1. Major items of the balance of payments of the European monetary union \*

€ million

Position	2000	2001 1	2002	2002					
				2nd qtr	3rd qtr	4th qtr	Oct.	Nov.	Dec.
A. Current account	- 60,364	- 13,778	+ 61,969	+ 2,865	+ 25,242	+ 22,113	+ 3,718	+ 10,281	+ 8,114
1. Foreign trade									
Exports (f.o.b.) incl. supplementary items	989,822	1,032,971	1,057,443	266,766	262,775	273,593	97,635	90,597	85,361
Imports (f.o.b.) incl. supplementary items	958,233	957,141	924,760	236,030	222,961	237,793	85,937	77,037	74,819
Balance	+ 31,592	+ 75,830	+ 132,680	+ 30,736	+ 39,815	+ 35,799	+ 11,698	+ 13,560	+ 10,541
2. Services									
Receipts	287,014	321,572	326,338	83,890	89,002	81,860	28,708	24,984	28,168
Expenditure	298,546	320,648	313,005	77,173	81,688	78,076	27,316	24,251	26,509
Balance	- 11,535	+ 921	+ 13,334	+ 6,718	+ 7,315	+ 3,784	+ 1,392	+ 733	+ 1,659
3. Factor income (balance)	- 27,023	- 39,746	- 39,220	- 16,033	- 10,829	- 4,971	- 3,071	- 121	- 1,779
4. Current transfers									
Transfer payments from non-residents	67,634	75,686	84,936	15,349	18,186	20,354	5,117	6,777	8,460
Transfer payments to non-residents	121,035	126,469	129,764	33,905	29,245	32,854	11,419	10,668	10,767
Balance	- 53,398	- 50,783	- 44,827	- 18,556	- 11,059	- 12,500	- 6,302	- 3,891	- 2,307
B. Balance of capital transfers	+ 9,836	+ 8,924	+ 11,852	+ 3,453	+ 2,300	+ 2,994	+ 1,469	+ 412	+ 1,113
C. Financial account (net capital exports: -)	+ 69,955	- 40,508	- 171,298	- 29,040	- 55,667	- 60,119	- 21,469	- 28,585	- 10,065
1. Direct investment	- 12,289	- 101,495	- 21,028	- 7,928	- 6,650	+ 8,547	- 5,019	+ 3,919	+ 9,647
Investment outside the euro area	- 436,259	- 255,835	- 150,973	- 45,827	- 27,681	- 21,448	- 11,390	- 10,450	+ 392
Foreign investment in the euro area	+ 423,970	+ 154,343	+ 129,945	+ 37,899	+ 21,031	+ 29,995	+ 6,371	+ 14,369	+ 9,255
2. Investment in securities	- 115,170	+ 38,137	+ 50,449	+ 57,423	+ 29,659	+ 15,175	+ 19,419	+ 9,701	- 13,945
Investment outside the euro area	- 411,316	- 287,957	- 176,103	- 52,133	- 18,453	- 32,534	- 2,359	- 11,670	- 18,505
Equities	- 287,914	- 108,569	- 37,120	- 13,613	+ 12,932	- 2,833	+ 639	+ 1,589	- 5,061
Bonds and notes	- 114,573	- 158,723	- 83,416	- 23,396	- 16,955	- 22,248	- 6,738	- 6,944	- 8,566
Money market paper	- 8,829	- 20,668	- 55,569	- 15,123	- 14,432	- 7,453	+ 3,739	- 6,314	- 4,878
Foreign investment in the euro area	+ 296,146	+ 326,091	+ 226,552	+ 109,556	+ 48,112	+ 47,709	+ 21,779	+ 21,371	+ 4,559
Equities	+ 50,749	+ 231,137	+ 76,229	+ 30,888	+ 4,090	+ 10,879	- 4,176	+ 14,542	+ 513
Bonds and notes	+ 232,191	+ 90,440	+ 104,430	+ 52,511	+ 23,005	+ 27,920	+ 12,082	+ 12,081	+ 3,757
Money market paper	+ 13,206	+ 4,514	+ 45,894	+ 26,157	+ 21,018	+ 8,909	+ 13,872	- 5,252	+ 289
3. Financial derivatives	- 2,163	- 3,736	- 13,764	- 3,079	- 9,850	- 2,402	- 28	- 1,126	- 1,248
4. Credit transactions and other investment (balance)	+ 182,012	+ 8,765	- 184,412	- 82,199	- 64,229	- 79,813	- 37,977	- 38,504	- 3,332
Eurosysteem	- 221	+ 5,004	- 1,097	- 4,075	+ 133	+ 2,070	- 407	+ 2,093	+ 384
Public authorities	- 1,247	+ 1,870	- 7,672	+ 4,792	- 3,346	- 76	+ 1,037	- 1,100	- 13
Credit institutions	+ 159,021	+ 6,815	- 137,317	- 73,595	- 26,579	- 81,362	- 31,862	- 30,921	- 18,579
long-term	+ 3,052	- 24,299	+ 22,109	+ 12,823	+ 1,024	+ 99	+ 3,068	- 14,782	+ 11,813
short-term	+ 155,970	+ 31,123	- 159,424	- 86,418	- 27,600	- 81,461	- 34,930	- 16,139	- 30,392
Enterprises and individuals	+ 24,465	- 4,924	- 38,326	- 9,321	- 34,438	- 444	- 6,745	- 8,576	+ 14,877
5. Change in the monetary reserves of the eurosystem (Increase: -)	+ 17,568	+ 17,815	- 2,543	+ 6,741	- 4,596	- 1,625	+ 2,136	- 2,575	- 1,186
D. Balance of unclassifiable transactions	- 19,427	+ 45,356	+ 97,476	+ 22,722	+ 28,126	+ 35,011	+ 16,282	+ 17,892	+ 837

\* Source: European Central Bank. — 1 From January 2001, including Greece.





X. Foreign trade and payments

3. Foreign trade (special trade) of the Federal Republic of Germany,  
by group of countries and country \*

€ million

Group of countries / Country		2000	2001	2002	2002					2003 January P
					August	September	October	November	December	
All countries 1	Exports	597,440	638,268	648,306	51,920	55,019	58,575	58,766	50,849	53,482
	Imports	538,311	542,774	522,062	41,532	44,115	47,510	46,774	42,544	44,477
	Balance	+ 59,128	+ 95,495	+ 126,243	+ 10,387	+ 10,904	+ 11,065	+ 11,992	+ 8,304	+ 9,005
I. Industrialised countries	Exports	460,422	481,991	484,077	37,956	40,845	43,798	43,953	37,826	...
	Imports	389,927	390,269	371,414	29,006	30,879	33,295	33,349	30,703	...
	Balance	+ 70,495	+ 91,722	+ 112,663	+ 8,951	+ 9,966	+ 10,503	+ 10,604	+ 7,123	...
1. EU member countries	Exports	337,375	351,611	354,801	27,374	29,719	31,606	32,641	28,065	...
	Imports	273,951	277,034	268,878	20,938	22,763	23,953	24,119	22,839	...
	Balance	+ 63,424	+ 74,577	+ 85,923	+ 6,436	+ 6,957	+ 7,653	+ 8,522	+ 5,227	...
of which										
EMU member countries	Exports	264,870	275,384	276,215	20,590	22,717	24,640	25,482	21,977	...
	Imports	217,946	221,680	217,138	16,719	18,507	19,178	19,282	18,431	...
	Balance	+ 46,924	+ 53,704	+ 59,077	+ 3,871	+ 4,210	+ 5,462	+ 6,199	+ 3,546	...
of which										
Austria	Exports	32,436	33,486	33,270	2,625	2,813	3,130	3,057	2,659	...
	Imports	20,497	20,664	21,174	1,569	1,725	1,953	1,994	1,783	...
	Balance	+ 11,939	+ 12,822	+ 12,095	+ 1,056	+ 1,088	+ 1,177	+ 1,063	+ 875	...
Belgium and Luxembourg	Exports	32,728	35,187	34,128	2,682	2,790	3,078	3,071	2,565	...
	Imports	26,230	28,521	28,818	2,255	2,489	2,574	2,419	2,269	...
	Balance	+ 6,499	+ 6,666	+ 5,310	+ 427	+ 300	+ 504	+ 652	+ 295	...
France	Exports	67,418	69,601	69,776	5,215	5,704	6,106	6,254	5,493	...
	Imports	50,862	49,743	49,374	3,812	4,154	4,458	4,383	3,870	...
	Balance	+ 16,556	+ 19,858	+ 20,402	+ 1,403	+ 1,550	+ 1,649	+ 1,871	+ 1,623	...
Italy	Exports	45,011	47,119	47,443	3,195	3,856	4,239	4,361	3,789	...
	Imports	35,776	35,280	33,618	2,390	2,684	3,017	3,030	2,786	...
	Balance	+ 9,235	+ 11,839	+ 13,825	+ 805	+ 1,172	+ 1,222	+ 1,331	+ 1,003	...
Netherlands	Exports	38,993	40,011	39,540	3,089	3,257	3,483	3,667	3,402	...
	Imports	44,739	43,233	43,122	3,455	3,840	3,518	3,930	4,101	...
	Balance	- 5,745	- 3,222	- 3,582	- 366	- 584	- 35	- 264	- 699	...
Spain	Exports	26,732	27,841	29,655	1,992	2,404	2,701	2,964	2,357	...
	Imports	16,087	15,226	15,731	978	1,223	1,423	1,519	1,275	...
	Balance	+ 10,645	+ 12,615	+ 13,924	+ 1,013	+ 1,181	+ 1,278	+ 1,445	+ 1,082	...
Sweden	Exports	13,524	12,978	13,471	1,061	1,174	1,293	1,351	1,099	...
	Imports	10,202	8,999	8,931	695	741	859	819	713	...
	Balance	+ 3,322	+ 3,979	+ 4,540	+ 365	+ 433	+ 434	+ 533	+ 387	...
United Kingdom	Exports	49,377	52,764	54,228	4,892	4,875	4,673	4,722	4,124	...
	Imports	36,923	37,259	33,552	2,777	2,723	3,052	3,060	2,717	...
	Balance	+ 12,453	+ 15,505	+ 20,576	+ 2,115	+ 2,152	+ 1,621	+ 1,662	+ 1,407	...
2. Other European industrial countries 2	Exports	39,944	39,987	40,447	3,267	3,519	3,755	3,631	3,140	...
	Imports	36,800	39,165	38,804	2,852	3,268	3,714	3,402	3,254	...
	Balance	+ 3,144	+ 821	+ 1,644	+ 415	+ 251	+ 40	+ 230	- 114	...
of which										
Switzerland	Exports	25,596	27,489	26,635	2,173	2,276	2,469	2,349	2,058	...
	Imports	18,797	19,753	19,507	1,624	1,603	1,805	1,714	1,473	...
	Balance	+ 6,799	+ 7,737	+ 7,128	+ 549	+ 673	+ 663	+ 635	+ 585	...
3. Non-European industrial countries	Exports	83,103	90,393	88,828	7,315	7,607	8,437	7,681	6,621	...
	Imports	79,176	74,069	63,731	5,216	4,849	5,627	5,829	4,611	...
	Balance	+ 3,926	+ 16,324	+ 25,097	+ 2,099	+ 2,758	+ 2,810	+ 1,852	+ 2,010	...
of which										
Japan	Exports	13,195	13,103	12,171	948	1,083	1,208	1,065	944	...
	Imports	26,847	22,910	19,032	1,629	1,504	1,786	1,629	1,444	...
	Balance	- 13,651	- 9,807	- 6,860	- 680	- 421	- 578	- 564	- 500	...
United States	Exports	61,764	67,824	66,596	5,532	5,618	6,329	5,797	4,843	...
	Imports	47,121	45,982	39,994	3,201	3,002	3,443	3,840	2,873	...
	Balance	+ 14,643	+ 21,842	+ 26,603	+ 2,331	+ 2,616	+ 2,886	+ 1,957	+ 1,970	...
II. Countries in transition	Exports	70,318	83,246	91,021	7,570	8,099	8,581	8,245	7,420	...
	Imports	82,900	90,341	93,095	7,708	7,877	8,746	8,559	7,642	...
	Balance	- 12,582	- 7,095	- 2,074	- 138	+ 222	- 164	- 313	- 222	...
of which										
Central and east European countries in transition	Exports	59,900	69,914	75,186	6,036	6,718	7,164	6,840	5,962	...
	Imports	62,781	68,701	70,441	5,685	5,910	6,437	6,324	5,599	...
	Balance	- 2,882	+ 1,213	+ 4,745	+ 351	+ 808	+ 727	+ 515	+ 363	...
People's Republic of China 3	Exports	9,459	12,118	14,495	1,442	1,270	1,284	1,302	1,352	...
	Imports	18,553	19,942	21,068	1,820	1,799	2,173	2,142	1,897	...
	Balance	- 9,094	- 7,824	- 6,572	- 378	- 529	- 889	- 840	- 545	...
III. Developing countries	Exports	65,023	71,477	71,576	6,257	5,967	5,999	6,439	5,464	...
	Imports	64,742	61,490	56,912	4,758	5,306	5,411	4,811	4,147	...
	Balance	+ 282	+ 9,987	+ 14,664	+ 1,500	+ 660	+ 588	+ 1,629	+ 1,317	...
of which										
Newly industrialising countries in south-east Asia 4	Exports	24,029	24,735	25,012	2,136	2,170	2,223	2,134	1,940	...
	Imports	30,498	28,351	26,393	2,131	2,216	2,535	2,457	2,128	...
	Balance	- 6,469	- 3,616	- 1,381	+ 5	- 46	- 312	- 323	- 188	...
OPEC-countries	Exports	10,729	13,669	14,578	1,178	1,203	1,260	1,319	1,206	...
	Imports	10,235	8,220	6,960	497	640	796	689	521	...
	Balance	+ 494	+ 5,449	+ 7,618	+ 682	+ 563	+ 465	+ 630	+ 686	...

\* Source: Federal Statistical Office. Exports (f.o.b.) by country of destination, imports (c.i.f.) by country of origin. Inclusion of individual countries in groups of countries according to the current position. — 1 Including fuel and other supplies for ships and aircraft and other data not classifiable by

region. — 2 Including Cyprus. — 3 Excluding Hong Kong. — 4 Brunei Darussalam, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Republic of Korea, Taiwan and Thailand.

## X. Foreign trade and payments

### 4. Services and factor income of the Federal Republic of Germany (Balances)

Until the end of 1998 DM million, from 1999 € million

Period	Services										
	Total	Travel 1	Transportation 2	Financial services	Patents and licences	Government transactions 3	other services				Investment income
							Total	of which		Compensation of employees 5	
								Services of self-employed persons 4	Construction and assembly work, repairs		
1998	- 76,062	- 64,465	+ 5,449	+ 3,011	- 4,044	+ 5,462	- 21,474	- 2,586	- 2,484	- 1,584	- 11,753
1999	- 47,020	- 36,421	+ 2,882	+ 1,005	- 1,896	+ 1,997	- 14,588	- 2,245	- 403	- 756	- 7,682
2000	- 49,868	- 37,420	+ 3,385	+ 980	- 2,904	+ 2,221	- 16,130	- 2,733	- 782	- 512	- 1,893
2001	- 51,215	- 37,416	+ 4,144	+ 509	- 2,395	+ 3,488	- 19,545	- 2,536	- 1,123	- 257	- 10,178
2002	- 38,335	- 35,997	+ 3,697	+ 584	- 1,414	+ 5,257	- 10,461	- 2,026	- 363	- 354	- 6,304
2001 2nd qtr	- 13,043	- 8,997	+ 1,103	+ 282	- 553	+ 872	- 5,749	- 621	- 142	- 150	- 4,059
3rd qtr	- 16,642	- 14,354	+ 1,128	+ 180	- 588	+ 843	- 3,853	- 636	- 121	- 260	- 3,304
4th qtr	- 7,955	- 6,877	+ 1,129	+ 147	- 563	+ 974	- 2,765	- 640	- 312	- 1	- 995
2002 1st qtr	- 11,336	- 7,055	+ 194	- 48	- 440	+ 1,059	- 5,045	- 524	- 388	+ 132	- 4,134
2nd qtr	- 8,797	- 8,376	+ 1,027	+ 104	- 655	+ 1,228	- 2,126	- 505	- 158	- 148	- 1,239
3rd qtr	- 12,466	- 13,654	+ 1,381	+ 179	- 442	+ 1,707	- 1,638	- 539	+ 194	- 310	- 3,369
4th qtr	- 5,736	- 6,912	+ 1,094	+ 350	+ 123	+ 1,263	- 1,653	- 457	- 10	- 29	+ 2,439
2002 Mar.	- 4,009	- 2,789	+ 70	+ 1	- 145	+ 333	- 1,479	- 149	- 84	+ 33	+ 1,817
Apr.	- 2,617	- 2,564	+ 355	+ 34	- 244	+ 469	- 666	- 194	- 63	- 39	+ 478
May	- 3,177	- 2,820	+ 159	+ 89	- 67	+ 398	- 937	- 159	+ 9	- 51	- 796
June	- 3,003	- 2,992	+ 513	- 19	- 344	+ 362	- 523	- 152	- 103	- 58	- 922
July	- 3,908	- 3,405	+ 293	+ 75	- 432	+ 415	- 854	- 203	+ 38	- 102	- 4,468
Aug.	- 5,686	- 5,865	+ 493	- 8	+ 27	+ 890	- 1,221	- 180	+ 160	- 97	- 324
Sep.	- 2,873	- 4,383	+ 595	+ 112	- 36	+ 402	+ 438	- 156	- 4	- 111	+ 1,424
Oct.	- 4,166	- 3,698	+ 394	+ 289	- 51	+ 329	- 1,430	- 139	+ 101	- 13	+ 1,350
Nov.	- 2,019	- 2,073	+ 249	+ 7	+ 38	+ 390	- 631	- 145	- 65	- 9	+ 956
Dec.	+ 449	- 1,141	+ 451	+ 54	+ 135	+ 544	+ 407	- 173	- 46	- 6	+ 133
2003 Jan.	- 3,785	- 2,658	+ 78	+ 266	- 51	+ 385	- 1,804	- 208	- 97	+ 59	- 5,022

1 From January 2002 figures subject to significant uncertainty. — 2 Excluding the expenditure on freight included in the c.i.f. import value. — 3 Including the receipts from foreign military agencies for goods and ser-

vices supplied. — 4 Engineering and other technical services, research and development, commercial services etc. — 5 Wages and salaries.

### 5. Current transfers of the Federal Republic of Germany (Balances)

Until the end of 1998 DM million, from 1999 € million

Period	Public 1					Private 1			DM million / € million		
	Total	Total	International Organisations 2		other current transfers 3	Total	Remittances by foreign workers	other current transfers	Total 4	Public 1	Private 1
			Total	of which European Communities							
1998	- 53,304	- 37,317	- 33,077	- 30,382	- 4,240	- 15,987	- 6,936	- 9,051	+ 1,289	- 2,441	+ 3,730
1999	- 25,016	- 17,348	- 15,428	- 13,846	- 1,920	- 7,667	- 3,429	- 4,239	- 154	- 1,351	+ 1,197
2000	- 28,368	- 19,095	- 17,100	- 15,398	- 1,996	- 9,272	- 3,458	- 5,814	- 1,599	- 1,189	- 410
2001	- 27,432	- 16,927	- 14,257	- 12,587	- 2,670	- 10,505	- 3,520	- 6,985	- 387	- 1,361	+ 974
2002	- 26,555	- 15,644	- 12,416	- 11,214	- 3,227	- 10,911	- 3,470	- 7,441	- 212	- 1,416	+ 1,204
2001 2nd qtr	- 8,189	- 5,171	- 5,346	- 4,927	+ 175	- 3,018	- 880	- 2,138	- 13	- 256	+ 242
3rd qtr	- 6,250	- 4,066	- 3,079	- 2,518	- 988	- 2,183	- 880	- 1,303	- 446	- 327	- 118
4th qtr	- 7,371	- 4,779	- 3,720	- 3,543	- 1,059	- 2,592	- 880	- 1,712	- 479	- 455	- 24
2002 1st qtr	- 5,128	- 2,315	- 1,256	- 832	- 1,059	- 2,813	- 868	- 1,946	+ 160	- 229	+ 389
2nd qtr	- 8,550	- 5,262	- 5,254	- 4,997	- 8	- 3,289	- 868	- 2,421	- 75	- 274	+ 199
3rd qtr	- 5,457	- 3,585	- 2,746	- 2,387	- 838	- 1,873	- 868	- 1,005	+ 62	- 348	+ 410
4th qtr	- 7,419	- 4,483	- 3,161	- 2,998	- 1,322	- 2,936	- 868	- 2,069	- 359	- 565	+ 207
2002 Mar.	- 2,739	- 1,879	- 1,602	- 1,570	- 276	- 860	- 289	- 571	- 162	- 80	- 82
Apr.	- 2,961	- 2,058	- 1,889	- 1,788	- 169	- 903	- 289	- 614	- 148	- 84	- 64
May	- 2,462	- 1,491	- 1,697	- 1,633	+ 206	- 971	- 289	- 682	+ 47	- 99	+ 146
June	- 3,127	- 1,712	- 1,667	- 1,576	- 45	- 1,415	- 289	- 1,126	+ 26	- 91	+ 117
July	- 1,853	- 1,092	- 842	- 637	- 250	- 761	- 289	- 472	- 203	- 168	- 35
Aug.	- 1,366	- 774	- 397	- 272	- 376	- 593	- 289	- 304	+ 86	- 95	+ 181
Sep.	- 2,238	- 1,719	- 1,507	- 1,478	- 212	- 518	- 289	- 229	+ 179	- 86	+ 265
Oct.	- 3,356	- 2,107	- 1,538	- 1,472	- 569	- 1,249	- 289	- 960	- 82	- 104	+ 22
Nov.	- 2,291	- 1,456	- 996	- 953	- 460	- 836	- 289	- 547	- 137	- 248	+ 111
Dec.	- 1,772	- 920	- 627	- 572	- 293	- 852	- 289	- 562	- 139	- 213	+ 74
2003 Jan.	- 802	- 254	+ 109	+ 520	- 363	- 548	- 278	- 270	+ 447	- 129	+ 576

1 The classification of "public" and "private" transfers depends on which sector the participating domestic body belongs to. — 2 Current contributions to the budgets of international organisations and to the EU budget

(excluding capital transfers). — 3 Payments to developing countries, pension payments, tax revenue and refunds, etc. — 4 Where identifiable; in particular, debt forgiveness.

X. Foreign trade and payments

7. Financial account of the Federal Republic of Germany

€ million

Item	2000	2001	2002	2002						2003
				1st qtr	2nd qtr	3rd qtr	4th qtr	Nov.	Dec.	Jan.
<b>I. Net German investment abroad</b> (Increase/capital exports: -)	- 357,341	- 281,560	- 255,821	- 57,019	- 79,976	- 92,940	- 25,886	- 35,777	+ 40,639	- 39,361
<b>1. Direct investment 1</b>	- 61,701	- 47,023	- 26,070	- 2,609	- 2,081	- 15,785	- 5,595	+ 839	- 3,146	- 16,606
Equity capital	- 59,125	- 61,618	- 46,821	- 8,867	- 20,694	- 12,158	- 5,102	- 3,258	- 1,444	- 2,215
Reinvested earnings 2	± 0	+ 3,240	-	-	-	-	-	-	-	-
Credit transactions of German direct investors	+ 3,281	+ 16,360	+ 27,883	+ 7,516	+ 20,219	- 1,578	+ 1,727	+ 4,769	- 577	- 13,705
Other capital	- 5,857	- 5,005	- 7,132	- 1,258	- 1,605	- 2,050	- 2,220	- 672	- 1,125	- 685
<b>2. Portfolio investment</b>	- 203,368	- 129,559	- 69,036	- 32,361	- 18,934	- 8,305	- 9,436	- 4,988	+ 194	- 2,683
Equities 3	- 102,252	- 15,614	- 5,330	- 7,439	+ 1,117	+ 6,440	- 5,448	+ 2,368	- 5,046	+ 3,771
Investment fund certificates 4	- 32,516	- 19,701	- 6,784	- 5,087	- 998	- 1,275	+ 576	+ 43	+ 829	- 2,986
Bonds and notes 5	- 70,251	- 95,098	- 50,806	- 15,314	- 17,785	- 10,521	- 7,185	- 8,008	+ 1,890	- 4,092
Money market instruments	+ 1,651	+ 853	+ 6,116	+ 4,522	- 1,268	- 2,949	+ 2,622	+ 610	+ 2,521	+ 624
<b>3. Financial derivatives 6</b>	- 5,490	+ 6,278	- 533	+ 1,771	+ 1,194	- 3,838	+ 340	+ 914	+ 696	- 158
<b>4. Credit transactions</b>	- 84,596	- 109,871	- 158,634	- 23,348	- 59,707	- 64,670	- 10,909	- 32,434	+ 42,984	- 19,684
Credit institutions 7	- 101,533	- 130,648	- 130,536	- 305	- 54,117	- 45,819	- 30,295	- 40,185	+ 25,457	- 15,278
Long-term	- 40,156	- 47,636	- 31,790	- 9,717	- 8,336	- 4,224	- 9,514	- 2,621	- 2,660	- 8,244
Short-term	- 61,378	- 83,012	- 98,746	+ 9,413	- 45,782	- 41,595	- 20,782	- 37,564	+ 28,117	- 7,034
Enterprises and individuals	- 5,116	- 19,217	+ 744	- 7,782	- 5,521	- 4,698	+ 18,746	+ 3,146	+ 15,979	- 12,242
Long-term	+ 91	- 1,857	- 400	- 174	+ 66	+ 93	- 384	- 45	- 226	- 401
Short-term 7	- 5,207	- 17,360	+ 1,144	- 7,608	- 5,587	- 4,791	+ 19,130	+ 3,191	+ 16,205	- 11,841
General government	- 19,920	+ 15,980	+ 7,168	+ 3,164	+ 123	+ 4,249	- 368	+ 304	- 514	+ 1,923
Long-term	- 1,079	+ 257	+ 218	+ 114	+ 151	- 61	+ 14	+ 59	- 40	+ 106
Short-term 7	- 18,841	+ 15,723	+ 6,950	+ 3,050	- 27	+ 4,310	- 382	+ 245	- 474	+ 1,817
Bundesbank	+ 41,972	+ 24,015	- 36,010	- 18,425	- 191	- 18,402	+ 1,009	+ 4,302	+ 2,062	+ 5,913
<b>5. Other investment 8</b>	- 2,185	- 1,385	- 1,549	- 471	- 449	- 341	- 287	- 108	- 89	- 230
<b>II. Net foreign investment in Germany</b> (Increase/capital imports: +)	+ 394,213	+ 263,346	+ 177,127	+ 59,594	+ 61,711	+ 75,299	- 19,477	+ 32,062	- 63,443	+ 24,069
<b>1. Direct investment 1</b>	+ 220,423	+ 37,903	+ 40,414	+ 13,875	+ 16,190	+ 3,503	+ 6,846	+ 2,206	+ 2,211	+ 1,527
Equity capital	+ 121,532	+ 30,089	+ 26,985	+ 11,919	+ 10,737	+ 2,576	+ 1,754	+ 657	+ 1,168	+ 1,599
Reinvested earnings 2	- 3,600	- 3,600	- 3,600	- 900	- 900	- 900	- 900	- 300	- 300	- 300
Credit transactions of foreign direct investors	+ 102,826	+ 11,558	+ 17,225	+ 2,884	+ 6,384	+ 1,924	+ 6,034	+ 1,850	+ 1,371	+ 306
Other capital	- 335	- 143	- 197	- 28	- 31	- 97	- 41	- 1	- 28	- 78
<b>2. Portfolio investment</b>	+ 47,583	+ 156,175	+ 105,998	+ 26,807	+ 40,521	+ 41,564	- 2,894	+ 5,974	- 10,431	+ 3,460
Equities 3	- 35,923	+ 88,638	+ 16,844	+ 5,080	+ 9,659	- 428	+ 2,533	+ 1,154	+ 508	- 1,234
Investment fund certificates	+ 11,000	+ 1,105	- 241	+ 1,066	+ 1,011	- 975	+ 1,271	+ 304	- 1,494	- 722
Bonds and notes 5	+ 73,955	+ 81,246	+ 79,231	+ 29,987	+ 25,732	+ 24,075	- 563	+ 2,119	- 3,872	+ 4,228
Money market instruments	- 1,450	- 14,815	+ 10,164	- 9,327	+ 6,142	+ 16,942	- 3,593	+ 2,397	- 5,572	+ 1,187
<b>3. Credit transactions</b>	+ 125,945	+ 69,221	+ 30,641	+ 18,883	+ 4,989	+ 30,191	- 23,422	+ 23,883	- 55,217	+ 19,095
Credit institutions 7	+ 115,294	+ 54,341	+ 28,321	+ 13,908	+ 5,533	+ 28,422	- 19,542	+ 21,410	- 46,521	+ 17,753
Long-term	+ 15,665	+ 4,425	+ 18,247	+ 4,342	+ 5,127	+ 5,534	+ 3,244	- 1,936	+ 460	+ 550
Short-term	+ 99,629	+ 49,916	+ 10,075	+ 9,567	+ 406	+ 22,888	- 22,786	+ 23,346	- 46,981	+ 17,203
Enterprises and individuals	+ 9,711	+ 11,412	+ 3,334	+ 7,084	- 2,173	+ 1,506	- 3,083	+ 2,049	- 7,237	+ 2,930
Long-term	+ 4,014	+ 11,351	+ 5,142	+ 2,165	+ 60	+ 1,472	+ 1,444	+ 1,060	- 1,536	+ 136
Short-term 7	+ 5,698	+ 61	- 1,807	+ 4,919	- 2,233	+ 34	- 4,527	+ 989	- 5,701	+ 2,794
General Government	+ 526	+ 837	- 1,667	+ 3,391	+ 2,177	- 466	+ 12	- 382	- 337	- 2,571
Long-term	- 372	- 217	- 112	- 318	- 176	+ 541	- 159	- 322	+ 335	+ 9
Short-term 7	+ 898	+ 1,054	- 1,555	- 3,072	+ 2,353	- 1,007	+ 171	- 60	- 672	- 2,580
Bundesbank	+ 414	+ 2,631	+ 653	+ 1,281	- 548	+ 728	- 809	+ 806	- 1,121	+ 982
<b>4. Other investment</b>	+ 263	+ 47	+ 74	+ 29	+ 11	+ 42	- 8	- 0	- 7	- 11
<b>III. Balance of all statistically recorded financial movements</b> (Net capital exports: -)	+ 36,873	- 18,215	- 78,694	+ 2,575	- 18,266	- 17,640	- 45,363	- 3,715	- 22,804	- 15,292

1 From 1996, new definition for direct investment. — 2 Estimated. — 3 Including participation rights. — 4 From 1991 including accumulated earnings. — 5 From 1975 excluding accrued interest. — 6 Options, whether or not evidenced by securities, and financial futures contracts. — 7 The trans-

action values shown here are mostly derived from changes in stocks. As far as possible, purely statistical changes have been eliminated. — 8 In particular, subscriptions of the Federal Government to International Organisations.

## X. Foreign trade and payments

### 8. External position of the Bundesbank \*

DM million

End of year or month	Monetary reserves and other claims on non-residents						Liabilities to non-residents				Net external position (col. 1 less col. 8)
	Monetary reserves						Loans and other claims on non- residents 3	Liabilities arising from external trans- actions 4	Liabilities arising from liquidity Treasury discount paper		
	Total	Gold	Foreign currency balances 1	Reserve position in the Inter- national Monetary Fund and special drawing rights	Claims on the ECB 2 (net)	Total					
1	2	3	4	5	6	7	8	9	10	11	
1990	106,446	104,023	13,688	64,517	7,373	18,445	2,423	52,259	52,259	–	54,188
1991	97,345	94,754	13,688	55,424	8,314	17,329	2,592	42,335	42,335	–	55,010
1992	143,959	141,351	13,688	85,845	8,199	33,619	2,608	26,506	26,506	–	117,453
1993	122,763	120,143	13,688	61,784	8,496	36,176	2,620	39,541	23,179	16,362	83,222
1994	115,965	113,605	13,688	60,209	7,967	31,742	2,360	24,192	19,581	4,611	91,774
1995	123,261	121,307	13,688	68,484	10,337	28,798	1,954	16,390	16,390	–	106,871
1996	120,985	119,544	13,688	72,364	11,445	22,048	1,441	15,604	15,604	–	105,381
1997	127,849	126,884	13,688	76,673	13,874	22,649	966	16,931	16,931	–	110,918
1998	135,085	134,005	17,109	100,363	16,533	–	1,079	15,978	15,978	–	119,107

\* Valuation of the gold holdings and the claims on non-residents according to section 26 (2) of the Bundesbank Act and the provisions of the Commercial Code, especially section 253. In the course of the year, valuation at the balance sheet rates of the preceding year. — 1 Mainly US dollar assets. — 2 European Central Bank (until 1993 claims on the European

Monetary Cooperation Fund – EMCF). — 3 Including loans to the World Bank. — 4 Including liquidity paper sold to non-residents by the Bundesbank; excluding the liquidity Treasury discount paper sold to non-residents between March 1993 and March 1995, as shown in column 10.

### 9. External position of the Bundesbank in the European monetary union °

€ million

End of year or month	Monetary reserves and other claims on non-residents						Other claims on non-euro- area residents 1 3	Claims within the Eurosistem (net) 2	Other claims on residents in other EMU member countries	Liabilities to non- residents 3	Net external position of the Bundesbank (col. 1 less col. 9)
	Monetary reserves										
	Total	Gold and gold receivables	Reserve position in the Inter- national Monetary Fund and special drawing rights	Foreign currency reserves	Total	Total					
1	2	3	4	5	6	7	8	9	10		
1999 Jan. 4	95,316	93,940	29,312	8,461	56,167	140	1,225	11	8,169	87,146	
1999	141,958	93,039	32,287	8,332	52,420	9,162	39,746	11	6,179	135,779	
2000	100,762	93,815	32,676	7,762	53,377	313	6,620	14	6,592	94,170	
2001	76,147	93,215	35,005	8,721	49,489	312	17,385	5	8,752	67,396	
2002	103,948	85,002	36,208	8,272	40,522	312	18,466	167	9,005	94,942	
2001 Sep.	112,045	94,538	35,399	8,989	50,151	312	17,189	6	8,658	103,387	
Oct.	115,487	95,552	34,531	8,643	52,378	312	19,616	7	10,783	104,704	
Nov.	108,934	95,395	34,309	8,745	52,341	312	13,217	9	11,093	97,841	
Dec.	76,147	93,215	35,005	8,721	49,489	312	17,385	5	8,752	67,396	
2002 Jan.	98,116	97,392	36,220	8,855	52,316	312	409	3	10,455	87,661	
Feb.	98,392	99,230	38,095	8,874	52,260	312	1,152	2	10,354	88,038	
Mar.	99,489	98,130	38,505	8,840	50,786	312	1,045	1	10,077	89,412	
Apr.	106,936	94,779	38,072	8,205	48,502	312	11,842	2	9,298	97,638	
May	100,886	91,942	38,649	8,040	45,253	312	8,630	2	8,448	92,438	
June	88,199	86,649	35,435	8,848	42,366	312	1,236	1	9,219	78,980	
July	105,187	87,718	34,596	8,897	44,225	312	17,156	1	10,163	95,025	
Aug.	110,682	87,466	35,197	8,797	43,471	312	22,902	1	9,432	101,250	
Sep.	108,889	88,937	36,225	8,751	43,961	312	19,639	1	9,966	98,923	
Oct.	112,748	87,441	35,530	8,594	43,317	312	24,993	2	9,473	103,276	
Nov.	108,615	87,610	35,517	8,542	43,551	312	20,688	5	10,272	98,343	
Dec.	103,948	85,002	36,208	8,272	40,522	312	18,466	167	9,005	94,942	
2003 Jan.	98,272	85,235	37,934	8,023	39,278	312	12,237	488	9,898	88,374	
Feb.	95,491	83,685	35,721	8,008	39,956	312	11,001	493	9,669	85,822	

° Claims and liabilities vis-à-vis all countries within and outside EMU. Until December 2000, the levels at the end of each quarter are shown, by virtue of revaluations, at market prices; within each quarter, however, the levels are computed on the basis of cumulative transaction values. From January 2001 onwards, all end-of-month levels will be valued at market prices. — 1 Including loans to the World Bank. — 2 Including the balances in the

Deutsche Bundesbank's cross-border payments within the Eurosistem. From November 2000 including the TARGET positions which were previously shown (in columns 6 and 9) as bilateral assets and liabilities vis-à-vis national central banks outside the Eurosistem. — 3 See footnote 2. — 4 Euro opening balance sheet of the Bundesbank as at January 1, 1999.

X. Foreign trade and payments

10. Assets and liabilities of enterprises in Germany (other than banks)  
vis-à-vis non-residents \*

€ million

End of year or month	Claims on non-residents							Liabilities to non-residents						
	Total	Balances with foreign banks	Claims on foreign non-banks					Total	Loans from foreign banks	Liabilities to foreign non-banks				
			Total	from financial operations	from trade credits					Total	from financial operations	from trade credits		
					Total	Credit terms granted	Advance payments effected					Total	Credit terms used	Advance payments received
All countries														
1999	277,331	52,774	224,557	115,564	108,993	100,777	8,216	293,849	56,632	237,217	166,026	71,191	52,047	19,144
2000	320,874	43,462	277,412	152,752	124,660	116,971	7,689	446,060	52,663	393,397	309,024	84,373	63,093	21,280
2001	358,120	62,434	295,686	171,939	123,747	114,857	8,890	505,266	60,132	445,134	354,561	90,573	65,988	24,585
2002 4	327,821	63,167	264,654	145,713	118,941	111,406	7,535	533,423	57,696	475,727	387,850	87,877	62,622	25,255
2002 Oct.	354,285	81,816	272,469	149,634	122,835	114,073	8,762	533,937	62,908	471,029	383,637	87,392	59,850	27,542
Nov.	345,871	78,624	267,247	143,786	123,461	115,369	8,092	538,802	63,889	474,913	386,839	88,074	61,309	26,765
Dec.	327,821	63,167	264,654	145,713	118,941	111,406	7,535	533,423	57,696	475,727	387,850	87,877	62,622	25,255
2003 Jan.	351,270	77,953	273,317	155,249	118,068	110,372	7,696	531,432	61,087	470,345	385,581	84,764	58,414	26,350
EU countries <sup>5</sup>														
1999	157,617	47,992	109,625	56,450	53,175	48,500	4,675	194,809	49,243	145,566	111,605	33,961	27,532	6,429
2000	177,782	39,563	138,219	78,298	59,921	55,718	4,203	323,049	45,473	277,576	237,583	39,993	32,457	7,536
2001	198,118	58,039	140,079	79,205	60,874	55,371	5,503	372,937	53,683	319,254	275,749	43,505	34,716	8,789
2002 4	200,280	59,468	140,812	84,643	56,169	51,693	4,476	402,561	52,503	350,058	307,920	42,138	32,650	9,488
2002 Oct.	221,960	77,070	144,890	85,780	59,110	53,577	5,533	408,041	57,764	350,277	308,427	41,850	31,623	10,227
Nov.	214,009	73,792	140,217	81,124	59,093	54,227	4,866	408,385	58,869	349,516	307,730	41,786	32,075	9,711
Dec.	200,280	59,468	140,812	84,643	56,169	51,693	4,476	402,561	52,503	350,058	307,920	42,138	32,650	9,488
2003 Jan.	218,599	73,311	145,288	88,541	56,747	52,159	4,588	395,677	55,852	339,825	300,270	39,555	30,022	9,533
of which: EMU member countries <sup>1</sup>														
1999	104,071	25,946	78,125	38,747	39,378	36,074	3,304	151,179	38,117	113,062	88,763	24,299	20,173	4,126
2000	120,976	22,737	98,239	52,976	45,263	42,389	2,874	247,830	33,698	214,132	185,595	28,537	23,569	4,968
2001	126,519	33,787	92,732	46,599	46,133	42,771	3,362	295,943	38,361	257,582	225,711	31,871	24,878	6,993
2002 4	129,490	32,521	96,969	54,542	42,427	39,350	3,077	331,733	37,366	294,367	263,863	30,504	22,996	7,508
2002 Oct.	137,812	44,700	93,112	48,959	44,153	40,610	3,543	335,225	41,527	293,698	262,999	30,699	22,538	8,161
Nov.	132,230	39,106	93,124	48,678	44,446	41,258	3,188	336,807	42,163	294,644	263,919	30,725	23,007	7,718
Dec.	129,490	32,521	96,969	54,542	42,427	39,350	3,077	331,733	37,366	294,367	263,863	30,504	22,996	7,508
2003 Jan.	139,455	39,518	99,937	56,874	43,063	39,899	3,164	331,585	40,103	291,482	262,557	28,925	21,381	7,544
Other industrial countries <sup>3 6</sup>														
1999	71,958	3,595	68,363	45,540	22,823	21,220	1,603	68,024	4,870	63,154	44,518	18,636	15,387	3,249
2000	84,502	2,925	81,577	54,272	27,305	25,673	1,632	84,464	4,711	79,753	56,986	22,767	18,621	4,146
2001	100,786	3,364	97,422	71,842	25,580	24,082	1,498	93,269	4,178	89,091	64,595	24,496	19,648	4,848
2002 4	73,944	2,743	71,201	45,666	25,535	24,303	1,232	90,594	3,267	87,327	64,544	22,783	18,081	4,702
2002 Oct.	78,018	3,044	74,974	48,144	26,830	25,541	1,289	85,655	3,170	82,485	60,459	22,026	16,612	5,414
Nov.	76,045	2,917	73,128	47,002	26,126	24,843	1,283	89,904	3,140	86,764	64,340	22,424	17,348	5,076
Dec.	73,944	2,743	71,201	45,666	25,535	24,303	1,232	90,594	3,267	87,327	64,544	22,783	18,081	4,702
2003 Jan.	81,006	3,418	77,588	52,281	25,307	24,073	1,234	91,622	3,322	88,300	66,538	21,762	16,908	4,854
Countries in transition														
1999	16,402	231	16,171	4,603	11,568	10,934	634	6,256	78	6,178	481	5,697	3,119	2,578
2000	19,082	240	18,842	5,028	13,814	13,104	710	8,202	113	8,089	928	7,161	4,384	2,777
2001	20,444	204	20,240	6,103	14,137	13,449	688	9,095	151	8,944	1,699	7,245	4,341	2,904
2002 4	20,339	332	20,007	5,680	14,327	13,586	741	10,106	175	9,931	2,119	7,812	4,574	3,238
2002 Oct.	20,449	328	20,121	5,611	14,510	13,780	730	10,590	185	10,405	2,177	8,228	4,841	3,387
Nov.	20,821	271	20,550	5,594	14,956	14,195	761	10,678	109	10,569	2,060	8,509	5,071	3,438
Dec.	20,339	332	20,007	5,680	14,327	13,586	741	10,106	175	9,931	2,119	7,812	4,574	3,238
2003 Jan.	20,007	249	19,758	5,730	14,028	13,260	768	10,023	178	9,845	2,148	7,697	4,303	3,394
Developing countries <sup>2</sup>														
1999	31,354	956	30,398	8,971	21,427	20,123	1,304	24,760	2,441	22,319	9,422	12,897	6,009	6,888
2000	39,508	734	38,774	15,154	23,620	22,476	1,144	30,345	2,366	27,979	13,527	14,452	7,631	6,821
2001	38,772	827	37,945	14,789	23,156	21,955	1,201	29,965	2,120	27,845	12,518	15,327	7,283	8,044
2002 4	33,258	624	32,634	9,724	22,910	21,824	1,086	30,162	1,751	28,411	13,267	15,144	7,317	7,827
2002 Oct.	33,858	1,374	32,484	10,099	22,385	21,175	1,210	29,651	1,789	27,862	12,574	15,288	6,774	8,514
Nov.	34,996	1,644	33,352	10,066	23,286	22,104	1,182	29,835	1,771	28,064	12,709	15,355	6,815	8,540
Dec.	33,258	624	32,634	9,724	22,910	21,824	1,086	30,162	1,751	28,411	13,267	15,144	7,317	7,827
2003 Jan.	31,658	975	30,683	8,697	21,986	20,880	1,106	34,110	1,735	32,375	16,625	15,750	7,181	8,569

\* Including the assets and liabilities vis-à-vis non-residents of individuals in Germany. The assets and liabilities vis-à-vis non-residents of banks (MFIs) in Germany are shown in Table 4 of Section IV, "Banks". Statistical increases and decreases have not been eliminated; to this extent the changes in totals are not comparable with the figures shown in Table X, 7. — <sup>1</sup> Including

Greece from January 2001. — <sup>2</sup> Including Cyprus until April 2002. — <sup>3</sup> Including Cyprus from May 2002. — <sup>4</sup> Change in the range of enterprises required to report owing to an increase in the exemption limit. — <sup>5</sup> Including Guernsey, Jersey and Isle of Man until December 2002. — <sup>6</sup> Including Guernsey, Jersey and Isle of Man from January 2003.

X. Foreign trade and payments

11. Deutsche Mark and euro exchange rates of selected currencies \*

Yearly or monthly average	United States	Japan	Denmark	Sweden	United Kingdom	Norway	Switzerland	Canada	Australia	New Zealand
	USD	JPY	DKK	SEK	GBP	NOK	CHF	CAD	AUD 1	NZD 1
Historic spot middle rates on the Frankfurt exchange (1 or 100 currency units = DEM ...)										
1991	1.6612	1.2346	25.932	27.421	2.926	25.580	115.740	1.4501	1.2942	0.9589
1992	1.5595	1.2313	25.869	26.912	2.753	25.143	111.198	1.2917	1.1476	0.8406
1993	1.6544	1.4945	25.508	21.248	2.483	23.303	111.949	1.2823	1.1235	0.8940
1994	1.6218	1.5870	25.513	21.013	2.4816	22.982	118.712	1.1884	1.1848	0.9605
1995	1.4338	1.5293	25.570	20.116	2.2620	22.614	121.240	1.0443	1.0622	0.9399
1996	1.5037	1.3838	25.945	22.434	2.3478	23.292	121.891	1.1027	1.1782	1.0357
1997	1.7348	1.4378	26.249	22.718	2.8410	24.508	119.508	1.2533	1.2889	1.1453
1998	1.7592	1.3484	26.258	22.128	2.9142	23.297	121.414	1.1884	1.1070	0.9445
Euro reference exchange rates published by the European Central Bank (EUR 1 = currency units ...) <sup>2</sup>										
1999	1.0658	121.32	7.4355	8.8075	0.65874	8.3104	1.6003	1.5840	1.6523	2.0145
2000	0.9236	99.47	7.4538	8.4452	0.60948	8.1129	1.5579	1.3706	1.5889	2.0288
2001	0.8956	108.68	7.4521	9.2551	0.62187	8.0484	1.5105	1.3864	1.7319	2.1300
2002	0.9456	118.06	7.4305	9.1611	0.62883	7.5086	1.4670	1.4838	1.7376	2.0366
2001 May	0.8742	106.50	7.4612	9.0576	0.61328	7.9927	1.5334	1.3473	1.6813	2.0723
June	0.8532	104.30	7.4539	9.2106	0.60890	7.9360	1.5225	1.3016	1.6469	2.0589
July	0.8607	107.21	7.4447	9.2637	0.60857	7.9714	1.5135	1.3153	1.6890	2.1074
Aug.	0.9005	109.34	7.4450	9.3107	0.62672	8.0552	1.5144	1.3857	1.7169	2.0895
Sep.	0.9111	108.20	7.4413	9.6744	0.62291	7.9985	1.4913	1.4260	1.8036	2.1781
Oct.	0.9059	109.86	7.4367	9.5780	0.62393	7.9970	1.4793	1.4224	1.7955	2.1863
Nov.	0.8883	108.68	7.4452	9.4166	0.61838	7.9224	1.4663	1.4153	1.7172	2.1322
Dec.	0.8924	113.38	7.4431	9.4359	0.62012	7.9911	1.4749	1.4075	1.7348	2.1456
2002 Jan.	0.8833	117.12	7.4329	9.2275	0.61659	7.9208	1.4745	1.4135	1.7094	2.0826
Feb.	0.8700	116.23	7.4299	9.1828	0.61160	7.7853	1.4775	1.3880	1.6963	2.0771
Mar.	0.8758	114.75	7.4324	9.0594	0.61574	7.7183	1.4678	1.3903	1.6695	2.0261
Apr.	0.8858	115.81	7.4341	9.1358	0.61407	7.6221	1.4658	1.4008	1.6537	1.9995
May	0.9170	115.86	7.4356	9.2208	0.62823	7.5207	1.4572	1.4210	1.6662	1.9859
June	0.9554	117.80	7.4330	9.1137	0.64405	7.4043	1.4721	1.4627	1.6793	1.9517
July	0.9922	117.11	7.4301	9.2689	0.63870	7.4050	1.4624	1.5321	1.7922	2.0646
Aug.	0.9778	116.31	7.4270	9.2489	0.63633	7.4284	1.4636	1.5333	1.8045	2.1076
Sep.	0.9808	118.38	7.4271	9.1679	0.63059	7.3619	1.4649	1.5434	1.7927	2.0847
Oct.	0.9811	121.57	7.4297	9.1051	0.62994	7.3405	1.4650	1.5481	1.7831	2.0381
Nov.	1.0014	121.65	7.4280	9.0818	0.63709	7.3190	1.4673	1.5735	1.7847	2.0155
Dec.	1.0183	124.20	7.4264	9.0961	0.64218	7.2948	1.4679	1.5872	1.8076	1.9947
2003 Jan.	1.0622	126.12	7.4324	9.1733	0.65711	7.3328	1.4621	1.6364	1.8218	1.9648
Feb.	1.0773	128.60	7.4317	9.1455	0.66977	7.5439	1.4674	1.6299	1.8112	1.9457

\* Calculated from daily quotations. — 1 Exchange rates from Australia and New Zealand; those for New Zealand calculated from rates as at the middle and end of the month. — 2 The ECB publishes daily euro reference exchange rates, which are calculated on the basis of the concertation between

central banks at 2.15 p.m. For additional euro reference exchange rates of the ECB, see Statistical Supplement to the Monthly Report 5, Exchange rate statistics.

12. Exchange rates for the national currencies of the EMU countries, the Deutsche Mark value of the ECU \* and euro conversion rates

Yearly average	France	Italy	Netherlands	Belgium/ Luxembourg	Austria	Spain	Finland	Ireland	Portugal	Greece	ECU values 1
	FRF 100	ITL 1,000	NLG 100	BEF/LUF 100	ATS 100	ESP 100	FIM 100	IEP 1	PTE 100	GRD 100 / EUR 1 2	ECU 1
Historic spot middle rates on the Frankfurt exchange in DEM											
1991	29.409	1.3377	88.742	4.857	14.211	1.597	41.087	2.671	1.149	0.9103	2.05076
1992	29.500	1.2720	88.814	4.857	14.211	1.529	34.963	2.656	1.157	0.8178	2.02031
1993	29.189	1.0526	89.017	4.785	14.214	1.303	28.915	2.423	1.031	0.7213	1.93639
1994	29.238	1.0056	89.171	4.8530	14.214	1.2112	31.108	2.4254	0.9774	0.6683	1.92452
1995	28.718	0.8814	89.272	4.8604	14.214	1.1499	32.832	2.2980	0.9555	0.6182	1.87375
1996	29.406	0.9751	89.243	4.8592	14.214	1.1880	32.766	2.4070	0.9754	0.6248	1.90954
1997	29.705	1.0184	88.857	4.8464	14.210	1.1843	33.414	2.6297	0.9894	0.6349	1.96438
1998	29.829	1.0132	88.714	4.8476	14.213	1.1779	32.920	2.5049	0.9763	0.5952	1.96913
1999	.	.	.	.	.	.	.	.	.	325.76	.
2000	.	.	.	.	.	.	.	.	.	336.63	.
Irrevocable euro conversion rates (EUR 1 = currency units ...) <sup>3</sup>											
	6.55957	1936.27	2.20371	40.3399	13.7603	166.386	5.94573	0.787564	200.482	4 340.750	5 1.95583

\* Calculated from daily quotations. — 1 According to data from the European Commission. — 2 Until 1998 reciprocal values of the exchange rates for the Deutsche Mark, published by the Bank of Greece; from 1999 euro refer-

ence exchange rates of the ECB (EUR 1 = GRD ...). — 3 Applicable from 1 January 1999. — 4 Applicable from 1 January 2001. — 5 Deutsche Mark conversion rate.

X. Foreign trade and payments

13. Effective exchange rates \* of the euro and selected foreign currencies

1st qtr 1999 = 100

Period	Effective exchange rate of the euro				Memo item: Indicators of the German economy's price competitiveness 3 4				Effective nominal exchange rates of selected foreign currencies against the currencies of 19 industrial countries 3 5 6				
	Narrow group 1		Broad group 2		19 industrial countries 5		49 countries 7		US dollar	Pound sterling	Canadian dollar	Swiss franc	Japanese yen
	Nominal	Real on the basis of consumer prices	Nominal	Real on the basis of consumer prices	on the basis of the deflators of total sales 8	on the basis of consumer prices	on the basis of consumer prices	on the basis of consumer prices					
1995	107.8	108.8	93.2	106.7	109.5	110.4	109.5	86.1	84.0	106.4	105.4	115.6	
1996	107.9	108.8	95.4	105.5	106.1	106.8	104.9	90.9	85.9	108.8	104.2	100.6	
1997	99.1	99.5	90.4	96.5	100.7	101.4	98.9	98.8	99.8	109.7	97.9	95.9	
1998	101.5	101.3	96.6	99.1	100.9	101.1	100.1	103.4	103.3	103.5	99.9	89.7	
1999	95.7	95.7	96.6	95.8	97.9	98.0	97.6	100.8	102.3	102.2	98.3	105.1	
2000	85.7	86.3	88.2	86.0	91.9	92.7	91.1	105.4	105.2	103.6	96.8	117.9	
2001	87.3	88.7	91.0	87.8	p 92.1	93.3	91.6	112.0	103.6	100.5	100.5	106.7	
2002	90.0	92.6	95.6	91.7	p 93.5	94.3	92.8	110.7	104.2	98.7	104.9	100.8	
1998 1st qtr	98.8	98.8	92.6	96.4	99.4	99.8	98.7	103.2	104.5	107.3	100.1	92.5	
2nd qtr	100.2	100.1	94.2	97.4	100.7	100.7	99.1	104.8	104.8	106.5	98.5	86.8	
3rd qtr	102.5	102.5	97.8	100.3	101.6	102.1	101.0	106.3	104.1	102.0	99.4	83.7	
4th qtr	104.2	103.8	101.7	102.4	101.9	101.8	101.5	99.4	99.8	98.0	101.6	95.7	
1999 1st qtr	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.9	99.9	100.0	100.0	100.1	
2nd qtr	96.1	96.0	96.5	96.0	98.6	98.3	97.8	102.8	102.9	103.5	98.6	99.0	
3rd qtr	94.6	94.7	95.5	94.6	97.2	97.8	97.2	101.4	102.4	102.3	97.7	106.2	
4th qtr	92.2	92.2	94.2	92.6	95.6	95.9	95.5	99.1	104.1	102.8	96.7	115.2	
2000 Jan.	90.2	90.7	92.4	90.7	.	95.7	94.6	99.7	106.5	104.8	95.4	115.5	
Feb.	89.2	89.7	91.2	89.4	93.8	95.1	93.6	102.3	106.5	105.2	95.2	112.5	
Mar.	87.7	88.1	89.7	87.9	.	93.6	92.1	102.4	106.3	104.6	94.7	116.8	
Apr.	86.1	86.5	88.4	86.5	.	92.8	91.4	103.0	107.7	104.3	95.9	118.6	
May	84.5	84.8	86.9	84.8	92.1	91.5	90.1	106.4	106.0	103.0	96.3	118.3	
June	87.4	87.9	89.9	87.8	.	93.3	92.1	103.6	102.5	103.7	97.2	118.3	
July	86.9	87.7	89.4	87.4	.	93.7	92.1	104.5	103.4	103.9	97.7	116.8	
Aug.	84.6	85.3	87.0	85.0	91.4	92.2	90.3	106.3	104.9	104.0	96.7	118.6	
Sep.	82.8	83.3	85.3	83.0	.	90.8	88.9	107.7	103.5	104.3	97.2	122.3	
Oct.	81.6	82.1	84.4	81.9	.	90.1	88.1	109.4	106.4	102.7	97.8	121.4	
Nov.	82.3	82.9	85.1	82.5	90.3	90.3	88.2	110.2	104.6	100.7	97.5	121.1	
Dec.	85.4	86.4	88.1	85.8	.	92.9	91.3	108.7	104.1	101.5	99.4	115.1	
2001 Jan.	89.2	90.0	91.7	88.7	.	94.3	92.6	107.7	102.4	102.7	100.0	108.3	
Feb.	88.3	89.2	91.0	88.1	92.8	94.2	92.4	108.8	102.0	101.6	99.2	109.9	
Mar.	88.4	89.5	91.4	88.5	.	93.9	92.2	111.5	102.9	99.7	99.3	106.0	
Apr.	87.6	88.9	91.0	88.1	.	93.4	91.8	113.0	103.7	100.0	99.4	104.9	
May	85.9	87.2	89.3	86.3	91.6	92.6	90.6	113.1	104.3	101.3	98.3	107.5	
June	84.7	86.1	88.1	85.1	.	92.1	90.0	114.1	104.4	102.7	98.5	108.3	
July	85.4	86.9	89.1	86.0	.	93.0	91.0	114.3	104.9	102.5	99.5	105.8	
Aug.	87.7	89.0	91.8	88.4	p 91.8	93.6	92.1	111.6	103.0	101.1	100.4	106.4	
Sep.	88.0	89.4	92.6	89.1	.	93.4	92.2	110.7	103.9	99.1	102.2	108.2	
Oct.	88.0	89.7	92.8	89.2	.	93.1	91.8	111.8	103.7	99.0	103.0	106.2	
Nov.	86.8	88.5	91.3	87.6	p 92.3	92.3	90.8	113.3	104.0	97.8	103.4	106.3	
Dec.	87.7	89.9	91.9	88.5	.	93.8	92.0	114.1	104.3	99.0	103.3	102.1	
2002 Jan.	87.6	90.0	91.6	88.1	.	93.9	91.7	116.4	104.9	97.9	103.3	98.3	
Feb.	86.8	89.1	91.1	87.5	p 92.4	93.6	91.2	117.3	105.4	98.5	102.7	98.2	
Mar.	86.8	89.3	91.3	87.8	.	93.3	91.0	116.1	104.6	98.7	103.4	99.8	
Apr.	87.2	89.7	91.7	88.1	.	93.0	90.7	115.3	105.2	99.0	103.8	99.4	
May	88.6	91.2	93.7	90.0	p 93.1	93.5	91.6	112.0	103.5	100.4	105.1	101.2	
June	90.6	93.3	96.4	92.5	.	94.7	93.1	109.0	101.9	101.0	104.9	101.7	
July	91.7	94.5	98.2	94.2	.	95.5	94.6	106.0	103.5	99.4	106.0	104.3	
Aug.	91.1	93.6	97.7	93.5	p 94.1	94.8	94.0	107.3	103.5	98.0	105.7	104.3	
Sep.	91.2	93.8	98.0	93.7	.	94.5	93.6	107.6	104.7	97.7	105.6	102.5	
Oct.	91.7	94.4	98.5	94.3	.	94.3	93.5	108.5	105.0	97.6	105.8	99.8	
Nov.	92.5	95.2	99.3	94.7	p 94.4	94.3	93.4	106.8	104.3	97.7	106.1	100.8	
Dec.	93.6	96.7	100.4	95.9	.	95.8	94.9	106.0	104.0	98.3	106.5	99.6	
2003 Jan.	95.8	98.9	103.0	98.2	.	96.7	96.1	103.0	102.6	98.8	107.9	100.4	
Feb.	97.1	100.3	104.4	99.4	...	97.6	96.9	102.2	101.2	100.5	108.0	99.2	

\* The effective exchange rate corresponds to the weighted external value of the currency concerned. — 1 ECB calculations based on the weighted averages of the effective exchange rates of the euro or, prior to 1999, of the exchange rates of the currencies preceding the euro against the currencies of the following countries: Australia, Canada, Denmark, Greece, Hong Kong, Japan, Norway, Singapore, South Korea, Sweden, Switzerland, United Kingdom and United States. The weights used in these calculations are based on manufactured goods trade between 1995 and 1997 and capture third-market effects. From January 2001, Greece ceased to be a partner country in the effective exchange rate of the euro; the weighting scheme was adjusted accordingly. Due to change in the weighting scheme, effective exchange rate data as from January 2001 are not fully comparable with earlier observations. For the prices are not yet available, estimates have been used. For the definition of the method see: ECB, Monthly Bulletin,

April 2000, page 39 ff. — 2 ECB calculations; in addition to the countries belonging to the narrow group (see footnote 1), this group also includes the following countries: Algeria, Argentina, Brazil, China, Croatia, Cyprus, Czech Republic, Estonia, Hungary, India, Indonesia, Israel, Malaysia, Mexico, Morocco, New Zealand, Philippines, Poland, Romania, Russia, Slovakia, Slovenia, South Africa, Taiwan, Thailand and Turkey. — 3 The method of calculation is consistent with the procedure used by the ECB to compute the effective exchange rates of the euro (see Monthly Bulletin, November 2001, page 50 ff.). — 4 Decline in the values implies an increase in competitiveness. — 5 EMU countries and narrow group of the ECB except Australia, Hong Kong, Singapore and South Korea. — 6 Figures up to end-1998, computed by linking with the figures published up to October 2001. — 7 EMU countries and broad group of the ECB. — 8 Annual and quarterly averages.





## Overview of publications by the Deutsche Bundesbank

This overview provides information about selected recent economic and statistical publications by the Deutsche Bundesbank. Unless otherwise indicated, these publications are available in both English and German, in printed form and on the internet.

The publications are available free of charge from the Press and Public Relations Division. For a small fee to cover costs, a file which is updated monthly and contains approximately 40,000 time series published by the Bundesbank can be obtained on magnetic tape cassette or ZIP disk from the Division Statistical data processing, mathematical methods. Orders should be sent, in writing, to one of the addresses listed on the reverse of the title page. Selected time series can also be downloaded from the internet.

### Annual Report

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### Monthly Report

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For information on the articles published between 1990 and 2002 see the index attached to the January 2003 *Monthly Report*.

#### April 2002

- Government benefits for families
- German enterprises' profitability and financing in 2000
- RTGS<sup>plus</sup> – successfully established

#### May 2002

- The economic scene in Germany in spring 2002

#### June 2002

- Overall financial flows in 2001
- The evolution of accounting standards for credit institutions
- Consequences of increasing capital flows for exchange rate policy – observations and prospects worldwide
- Direct investment in the real and financial sector – the Bundesbank Spring Conference 2002

#### July 2002

- Consumer prices and the changeover from Deutsche Mark to euro
- Funded old-age provision and the financial markets
- Monetary policy and investment behaviour – an empirical study
- Reports from the Economic Research Centre

#### August 2002

- The economic scene in Germany in summer 2002

#### September 2002

- The performance of German credit institutions in 2001
- Productivity developments in Germany
- Quotas and voting shares in the IMF

#### October 2002

- Amendments to the Banking Act caused by the Fourth Financial Market Promotion Act
- The development of bank lending to the private sector
- Fundamental determinants of real exchange rate movements in the central and east European accession countries

#### November 2002

- The economic scene in Germany in autumn 2002

#### December 2002

- Recent tax revenue trends
- Macroeconomic development of earnings and costs since the early 1990s
- Developments in the external economic relations of the EU accession countries in central and eastern Europe
- Reports from the Economic Research Centre

#### January 2003

- Reserve assets: their development and importance in monetary union
- Role and importance of interest rate derivatives
- The new “Minimum requirements for the credit business of credit institutions” and Basel II
- Reports from the Economic Research Centre

#### February 2003

- The economic scene in Germany around the turn of 2002-03

#### March 2003

- The Eurosystem’s monetary policy framework – experience to date and measures to improve its efficiency
- Macroeconomic aspects of share price developments
- The development of production potential in Germany
- German balance of payments in 2002

## Statistical Supplements to the Monthly Report<sup>1</sup>

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- 1 Banking statistics (monthly)
- 2 Capital market statistics (monthly)
- 3 Balance of payments statistics (monthly)
- 4 Seasonally adjusted business statistics (monthly)
- 5 Exchange rate statistics (quarterly)

- 3 Aufbau der bankstatistischen Tabellen,  
January 2000<sup>3</sup>
- 4 Financial accounts for Germany 1991 to 2001,  
September 2002<sup>5</sup>
- 5 Annual accounts of west German enterprises  
1971 to 1996, March 1999<sup>1</sup>
- 6 Ratios from the annual accounts of west and  
east German enterprises for 1998, September  
2001<sup>1,5</sup>
- 7 Erläuterungen zu den Leistungspositionen der  
Zahlungsbilanz, September 2001<sup>3</sup>

## Special Publications

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The monetary policy of the Bundesbank,  
October 1995<sup>2</sup>

Makro-ökonomisches Mehr-Länder-Modell,  
November 1996<sup>3</sup>

Weltweite Organisationen und Gremien im Bereich  
von Währung und Wirtschaft, April 1997<sup>3</sup>

Europäische Organisationen und Gremien im Be-  
reich von Währung und Wirtschaft, May 1997<sup>3</sup>

Die Zahlungsbilanz der ehemaligen DDR 1975 bis  
1989, August 1999<sup>3</sup>

The market for German Federal securities, May  
2000

Macro-Econometric Multi-Country Model: MEMMOD,  
June 2000

Bundesbank Act, September 2002

- 8 Balance of payments statistics of the Federal  
Republic of Germany, 2nd edition, February  
1991<sup>o</sup>

- 9 Securities deposits,  
August 2002

- 10 International capital links,  
May 2002<sup>1</sup>

- 11 Balance of payments by region,  
August 2002

- 12 Technologische Dienstleistungen in der Zah-  
lungsbilanz, May 2002<sup>3</sup>

## Special Statistical Publications

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- 1 Banking statistics guidelines and customer clas-  
sification, January 2003<sup>4,5</sup>

- 2 Bankenstatistik Kundensystematik Firmenver-  
zeichnisse, January 2003<sup>3,6</sup>

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<sup>o</sup> Not available on the internet.

<sup>1</sup> Only the headings and explanatory notes to the data  
contained in the German originals are available in English.

<sup>2</sup> Also available in French, Spanish, Russian and Chinese.

<sup>3</sup> Available in German only.

<sup>4</sup> Only the sections "Monthly Balance Sheet Statistics",  
"External position" and "Customer classification"  
("Overall survey on sectoral classification", "Survey on  
breakdown by industry or activity" and "Explanatory  
notes on the system of customer classification by industry  
or activity") are available in English.

<sup>5</sup> Current version only available on the internet at half-  
yearly intervals.

<sup>6</sup> Current version only available on the internet at quar-  
terly intervals.

## Discussion papers by the Economic Research Centre

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October 2002	24/02
Tail Wags Dog? Time-varying Information Shares in the Bund Market	
October 2002	25/02
Time Variation in the Tail Behaviour of Bund Futures Returns	
November 2002	26/02
Bootstrapping Autoregressions with Conditional Heteroskedasticity of Unknown Form	
November 2002	27/02
Cost-Push Shocks and Monetary Policy in Open Economies	
November 2002	28/02
Further Evidence On The Relationship Between Firm Investment And Financial Status	
November 2002	29/02
Genetic Learning as an Explanation of Stylized Facts of Foreign Exchange Markets	
December 2002	30/02
Wechselkurszielzonen, wirtschaftlicher Aufholprozess und endogene Realignmentsrisiken <sup>3</sup>	
December 2002	31/02
Optimal factor taxation under wage bargaining – a dynamic perspective	

January 2003 01/03  
Testing mean-variance efficiency in CAPM with possibly non-gaussian errors: an exact stimulation-based approach

January 2003 02/03  
Finite-sample distributions of self-normalized sums

Earlier discussion papers are available on the internet, in some cases as abstracts.

## Banking legislation

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1 Bundesbank Act and Statute of the European System of Central Banks and of the European Central Bank, June 1998

2 Gesetz über das Kreditwesen, February 2001<sup>3</sup>

2a Grundsatz I über die Eigenmittel der Institute, January 2001<sup>3</sup>

2b Grundsatz II über die Liquidität der Institute, August 1999<sup>3</sup>

7 Instruction sheet for the reporting of large exposures and loans of 3 million Deutsche Mark or more pursuant to sections 13 to 14 of the Banking Act, September 1998

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For footnotes, see p 79\*.