

MONTHLY REPORT

**AUGUST
2003**

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

Vol 55
No 8

Deutsche Bundesbank
Wilhelm-Epstein-Strasse 14
60431 Frankfurt am Main

Postfach 10 06 02
60006 Frankfurt am Main
Federal Republic of Germany

Tel +49 69 9566 -1
or +49 69 9566 plus extension
number

Telex 41227 within Germany
414431 from abroad

Fax +49 69 5601071

Internet <http://www.bundesbank.de>

Reproduction permitted only if source is stated.

ISSN 0418 - 8292

The German original of this *Monthly Report* went to press on 15 August 2003.

Annual and weekly publishing schedules for selected statistics of the Deutsche Bundesbank can be downloaded from our internet site. The statistical data are also published on the internet.

The *Monthly Report* is published by the Deutsche Bundesbank, Frankfurt am Main, by virtue of section 18 of the Bundesbank Act. It is available to interested parties free of charge.

This is a translation of the original German-language version, which is the sole authoritative text.

Contents

The economic scene in Germany in summer 2003	5
---	----------

The international and European setting	6
The financial markets in Germany	22
Economic conditions in Germany	32
Foreign trade and payments	41
Public finance	50

Statistical Section	1*
----------------------------	-----------

Key economic data for EMU	6*
Overall monetary survey in the EMU	8*
Consolidated financial statement of the Eurosystem	16*
Banks	20*
Minimum reserves	42*
Interest rates	43*
Capital market	48*
Public finance in Germany	52*
Economic conditions	60*
Foreign trade and payments	67*

Overview of publications by the Deutsche Bundesbank	77*
--	------------



The economic scene in Germany in summer 2003

The international and European setting

Developments in the global economy

The forces holding back economic growth in winter 2002-2003, especially in the industrial countries, weakened in the spring months. According to country information available so far, aggregate output in the advanced economies probably rose somewhat more sharply than in the two preceding periods. The conditions for world economic recovery have improved noticeably over the past few months. There are now increasing signs that global growth will pick up in the second half of 2003.

Improved situation and brighter outlook

There was a high level of uncertainty leading up to the Iraq war, which was reflected primarily in a sharp rise in oil prices and renewed falls in share prices. This uncertainty began to recede soon after military action had started when it became apparent that it would end quickly. As early as mid-March, international oil prices began to fall distinctly. They initially held firm within the OPEC corridor of between US\$22 and US\$28. Since early July, though, they have been at the upper margin of the corridor or even slightly above it. Since their most recent low in early March, share prices have been moving clearly upwards and – in terms of the S&P 500 – had returned to their end-June 2002 level by the end of the period under review. The SARS epidemic, which, for a time, had sharply dented output and demand in the most severely affected East Asian countries, has since abated. The situation in Latin America likewise appears to become somewhat less tense, even if the potential for a setback remains high, especially since the revival of capital flows is associated

Fewer strains on world economy

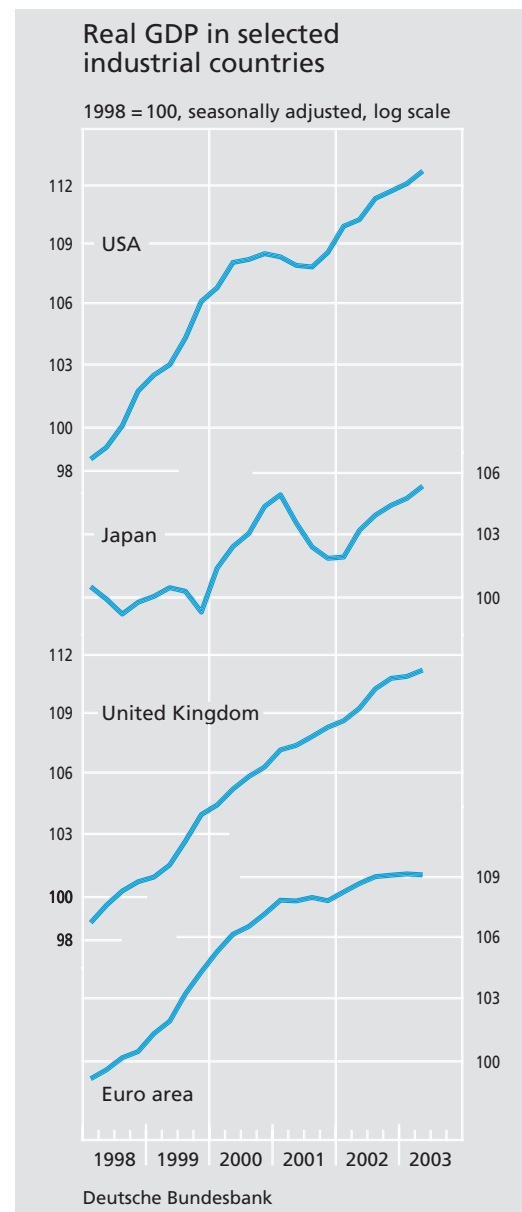
in large part with the very low interest rates in the industrial countries.

*Macro policy
with new
stimuli*

The widespread expectation of a marked revival of the global economy in the coming months rests not least on expansionist economic policies in the industrial nations. Further cuts in interest rates were made in the euro area in early June, in the USA in late June, and in the UK in mid-July. The tax relief package adopted in the USA in late May is likely to provide additional stimuli. The envisaged relief will amount to \$350 billion over a ten-year period, with a large part being front-loaded in 2004 and 2005. As early as the summer quarter of 2003 the US Internal Revenue Service will commence sending tax refunds to households. This, together with the reduction in the income tax rate which is already in effect, will increase disposable income in the second quarter and will, in all probability, give a perceptible boost to private consumption. Public finances in the euro area are still supporting demand through the operation of the automatic stabilisers.

*Calm price
climate*

In this connection, the calming of the global price climate, to which falling energy prices made a major contribution, has had a positive impact. This has tended to strengthen consumers' purchasing power. In the group of industrial countries as a whole, consumer price inflation was 1.6% in June, compared with 2.2% in the first quarter of 2003. This time a year ago, at 1.1%, it was even lower, however. Nevertheless, deflation in Japan, which was accelerating again somewhat at the end of the period under review, has dragged down the average inflation rate of the indus-



trial countries perceptibly. Excluding Japan, the rate of price increase in June was 2.1%. Given the continuing calm price trend and the recent budding hopes for the economy, the at times strongly accentuated concerns about deflation have largely receded.

Account should be taken not only of those macroeconomic changes but also of the fact that profitability and financing in the banking

*Progress in the
financial and
corporate
sectors*

and insurance sectors of most industrial countries have improved recently. In addition, many manufacturing enterprises have used these difficult times as an opportunity for restructuring and consolidation in the real and financial sectors. The elimination from the market of borderline firms, the reorganisation of business areas, the modernisation of product ranges and the review of value-added chains are important elements of a new basis for economic development. Those factors contrast, however, with low capacity utilisation, high unemployment and the fact that investor confidence has not yet completely stabilised, all of which are inhibiting economic growth.

*USA once again
the economic
engine*

The brightening of the economic outlook in the industrial countries is not yet broadly based across regions but rather focused on the United States. In the USA, most preliminary economic indicators are now pointing upwards. The sharp rise in orders for machinery and equipment, in particular, is seen by many as a harbinger of more buoyant investment activity. Admittedly, this is not consistent with the disappointing outcome of the end-July consumer survey commissioned by the Conference Board; nevertheless, since other consumer signals were quite positive, not too much importance should be placed on these results. Seasonally adjusted retail trade turnover in July was up by 1½% on the month; this represented a year-on-year increase of 5¼%. In its latest forecast, at any rate, the US Federal Reserve Board assumes that real GDP in the fourth quarter of 2003 will be up by 2½% to 2¾% on the year and that the

relevant year-on-year figure will be 3¾% to 4¾% at the end of 2004.

One difficulty in the development of the international economy is that, once again, the USA will probably be the sole engine of global economic growth, with some support from East Asian emerging markets and from the central and east European transition countries, most of which are showing sound growth. Such a global economic situation would appear to be quite prone to disruption and hardly sustainable in the long run. If the US economy's sizeable lead in growth were to be maintained over a relatively long period of time, external imbalances in the global economy would be increased further and the risk of abrupt exchange rate changes would tend to be heightened. The continuing threat of terrorism and new geopolitical tensions, especially in the Middle East, pose additional risks to a global upswing.

*External
imbalances
as a risk*

According to initial calculations, real gross domestic product (GDP) in the USA rose in spring by just over ½% from the previous period after adjustment for seasonal and working-day variations, compared with just under ½% in each of the two preceding quarters; this translates to a year-on-year rise of 2¼%. This fairly moderate acceleration in the growth rate, however, is being supported by a distinctly faster pace of growth in US domestic economic activity. Private final demand rose by a seasonally adjusted 1%, more than twice as fast as in the first quarter. Expansion was driven once again by commercial investment, which went up by a seasonally adjusted 1¾% (after having declined in winter),

US economy

thus showing a year-on-year increase for the first time since early 2001. In addition, real spending on new housing again picked up perceptibly. Considerably increased purchases of personal and household goods caused private consumption to rise more quickly than before. Besides private final demand, government expenditure on consumption and investment was also increased considerably – in connection with the Iraq war and the subsequent stationing of troops – by a seasonally adjusted 1¾%. Domestically, however, only some of the additional private and government final demand in the second quarter had a direct impact on output. Inventories were depleted, resulting in a nominal negative growth contribution of ¼ percentage point. Also, imports grew by no less than 2¼% after seasonal adjustment. Since, in addition, exports were on the decline, the gap in real net exports widened again.

Japan

In Japan, seasonally adjusted aggregate second-quarter output went up by just over ½% after having risen by only ¼% in the winter months. Especially owing to a relatively sharp expansion in the second half of 2002, overall output was up by over 2% on the year. GDP growth was driven mainly by domestic private demand. Private consumption, up by ¼% at constant prices and after adjustment for seasonal variations, did show a relatively small increase on the quarter. Nevertheless, it should be noted that Japanese travel expenditure abroad was curtailed drastically in spring owing to uncertainty caused by the Iraq war and the outbreak of SARS in neighbouring countries. This was also reflected in lower imports of services and

made a major contribution to the overall decline in real imports. Domestic households' consumption expenditure, by contrast, rose quite sharply – not least owing to special factors which, to some extent, have obscured the underlying cyclical trend.

The size of the contribution to growth made by commercial investment, which again rose sharply in spring by a seasonally adjusted 1¼%, was similar to that made by private consumption. Commercial investment thus went up by no less than 7% on the year. Among other factors, Japanese enterprises' improved performance, higher sales expectations and possibly also the recovery of share prices may have played a part in this. According to the latest survey of companies by the Bank of Japan, the "Tankan Report",¹ the revival of investment will continue in the months to come; business sentiment has improved perceptibly. Real exports likewise grew quite sharply, at a seasonally adjusted 1%. Aggregate economic growth was curbed by the continuing slide in housing investment and further cut-backs in government expenditure.

Even though the Japanese economy has shown six consecutive quarters of growth, it would be premature to speak of a self-sustaining upswing. The problems that continue to plague the corporate and financial sectors and the high level of government debt continue to be acute weaknesses. In addition, the deflationary tendencies have not yet been

¹ The Bank of Japan's "Tankan Report" is published quarterly and is based on a comprehensive survey of Japanese enterprises.

surmounted. Consumer price deflation, which – on a year-on-year basis – had come to a virtual standstill in March-April, has since accelerated again, reaching 0.5% in June-July. Excluding energy and food, prices fell by an average of 0.3% in spring.

*United
Kingdom*

According to initial estimates, UK economic growth in spring remained subdued, amounting to ¼% after adjustment for seasonal and working-day variations. This works out to a year-on-year rate of 1¾% as against 2% in the first quarter. Viewed from the value-added side, on which the initial estimate is based, the relatively weak second-quarter GDP growth is due in large part to the stagnation of industrial output. In addition, the services sector, having been the linchpin of the UK economy in 2002, remained on the flatter growth path on which it had embarked at the start of 2003. However, retail trade value added is likely to have risen disproportionately strongly, as second-quarter turnover went up by no less than 1½% in seasonally adjusted terms. This translates to a rise of 4½% on the year. This shows quite clearly that, if nothing else, consumption in the United Kingdom is still intact.

The continuing favourable situation on the labour market, which is reflected in a relatively low standardised unemployment rate of 5% and persistent growth in employment, are major factors in this development. What has to be taken into consideration, however, is that a large percentage of the net jobs created in the past 12 months are in the public sector, especially in health care. Consumer price inflation has ebbed noticeably since

early spring. In terms of the Harmonised Index of Consumer Prices (HICP) – which the UK government intends to use as a basis for setting its inflation targets in future – inflation was 1.3% in July, compared with 1.6% in March.

Macroeconomic trends in the euro area

The euro area's economic slump continued in the spring months. According to Eurostat's "flash estimate", real GDP was stagnating in seasonally adjusted terms, which means that there had been virtually no growth since summer 2002: output was up by only just under ½% on the year.

*Overall output
in the second
quarter*

In the April-May period seasonally adjusted industrial output was ½% below its first-quarter level and down by ½% on the year. Initial country results show that industrial output may have grown again somewhat during the course of June, yet for the second quarter as a whole, euro-area industrial output appears to be down. Production of capital goods fell particularly noticeably in April-May. One contributory factor is likely to have been the decline in orders from non-euro-area countries, which is due not only to the still-hesitant revival of world trade but also, in large part, to the preceding sharp appreciation of the euro against the US dollar. Another factor is that, in seasonally adjusted terms, just under 1½% fewer cars were registered in the euro area in the April-June period than in the preceding three-month period and a good 3% fewer than 12 months earlier.

*Industrial
output*

EU survey

The renewed decline in capacity utilisation in manufacturing is consistent with the picture of subdued industrial activity in the euro area during the spring months. Capacity utilisation in this sector in July was again almost as low as in early 1997, when industry was caught in an interim cyclical trough. The outcome of the monthly survey of industry conducted on behalf of the European Commission was also disappointing. The confidence indicator went down further in July after having held firm at a low level in June. Not too much importance should be placed on this finding, however, especially as the data for the three large member states are difficult to interpret. Italy's "production expectations" subsegment is shown to have deteriorated very strongly, but this is not substantiated by other industry survey data. According to the EU Survey, in France and Germany the confidence indicator fell in July in seasonally adjusted terms, whereas the matching national results in these two countries – admittedly using different statistical methods – signal a slight improvement in sentiment.

According to the latest EU survey, consumer confidence continued to recover slightly in July: the balance of ups and downs returned to its January 2003 level. The easing of geopolitical uncertainty and the attendant increasingly optimistic assessment of the economic outlook over the coming 12 months were probably the main factors in this development.

Labour market

Seasonally adjusted unemployment in the euro area continued to rise in spring, albeit more slowly than in the preceding months.

The number of unemployed persons rose by 200,000 from the first quarter of 2003, when the figure had gone up by 270,000. A total of 12.42 million members of the labour force were without work in the second quarter, corresponding to a rate of 8.9% following an average rate of 8.7% in the January-March period. A year earlier, the standardised unemployment rate had been 8.3%.

Consumer prices, measured in terms of the Harmonised Index of Consumer Prices (HICP), calmed down noticeably by mid-year. Second-quarter inflation, at 2.0% on the year, was only slightly above the Eurosystem price norm. The rate of price increase had been distinctly higher in the winter months, at 2.3%. Households' cost of living went up by 0.2% in spring in seasonally adjusted terms (and 0.9% on the year). This was the weakest rise in approximately four years. The nearly 3% decline in energy prices was the main reason for this. However, prices for unprocessed food hardly rose after seasonal adjustment, either. Excluding these two volatile components, the extent of the increase in HICP inflation was similar to that in the preceding quarters, ie 0.5%. The year-on-year HICP rate excluding energy and unprocessed food was virtually unchanged at around 2% in spring. Processed food, drinks and tobacco (+3.4%) rose more sharply than average – mainly because of higher taxes on tobacco in some member states – as did services (+2.6%), whereas the rate of price increase for other household goods remained quite moderate, at less than 1%. According to provisional Eurostat estimates, the overall calm price climate persisted in July; despite a re-

Consumer prices

Euro-area consumer prices

Annual percentage change

Item	2002				2003	
	Q1	Q2	Q3	Q4	Q1	Q2
Food, drinks and tobacco	4.9	2.9	2.3	2.3	2.0	2.6
Unprocessed	7.0	2.5	1.4	1.7	0.2	1.6
Processed	3.5	3.2	2.9	2.7	3.2	3.4
Energy	-2.1	-2.3	-0.7	2.9	7.0	1.5
Industrial goods (excluding energy)	1.7	1.6	1.3	1.2	0.7	0.9
Services	3.1	3.1	3.3	3.1	2.7	2.6
Harmonised Index of Consumer Prices (HICP)	2.5	2.1	2.1	2.3	2.3	2.0
<i>Memo item</i>						
Excluding unprocessed foods and energy	2.6	2.6	2.5	2.3	2.0	2.1

Deutsche Bundesbank

newed slight rise in crude oil prices, the annual rate of inflation fell slightly to 1.9%.

from as much as €28½ billion in the preceding three-month period.

Current account and exchange rates

Foreign trade and current account

In spring 2003 euro-area exports were affected by the subdued economic growth of important trading partners and the appreciation of the euro. Between March and May (up to which statistics are available), seasonally adjusted exports of goods went down by nearly 2½% from the preceding three-month period. Imports were also down in a three-month comparison, falling slightly behind the previous period's level (-1%). That caused the euro area's total trade surplus for the period from March to May to drop to €25 billion

At the same time, the seasonally adjusted deficit on invisible current transactions increased. This was due to higher net expenditure in current transfers to non-euro-area partner countries and to a lower surplus on services. By contrast, the deficit on factor income remained nearly unchanged. Thus, on balance the euro area's seasonally adjusted current account surplus in the March-May period fell by over €6½ billion from the preceding three-month period to €3 billion.

The first few months of this year saw the euro surge anew, culminating at the end of May in new all-time highs against other key currencies. However, during the period under

Exchange rate movements

review the euro was forced to surrender some of its previous gains. As usual, the markets' attention was focused on the euro's rate against the US dollar.

US dollar

In May 2003 the euro was trading at over US\$1.19, its highest level since the launch of monetary union. Thereafter, it initially fluctuated within a rather tight band between US\$1.17 and US\$1.19. These fluctuations primarily reflected shifting market views of the US economic outlook. Positive reports on consumer and business confidence in the USA alongside new data indicating that the weakness of the US labour market would initially persist presented a mixed picture of the state of the US economy and failed to provide any guiding stimuli to the exchange rate.

The interest rate cut by the European Central Bank in early June had generally been expected on the foreign exchange markets and failed to make a discernible impact on subsequent exchange rate movements. After the US Federal Reserve cut interest rates at the end of June, the euro lost ground perceptibly against the US dollar, falling to US\$1.11 by mid-July. This move, coupled with the Fed's optimistic assessment of the economy, led to an upward revision in market expectations regarding future developments in the US economy. By contrast, the growth outlook for the euro area was increasingly being revised downwards in the light of the exchange-rate-related reduction in competitiveness. Furthermore, the euro area's yield spread over the USA in the long-term segment diminished and even went into reverse at the end of the period under review. The euro, after its clear

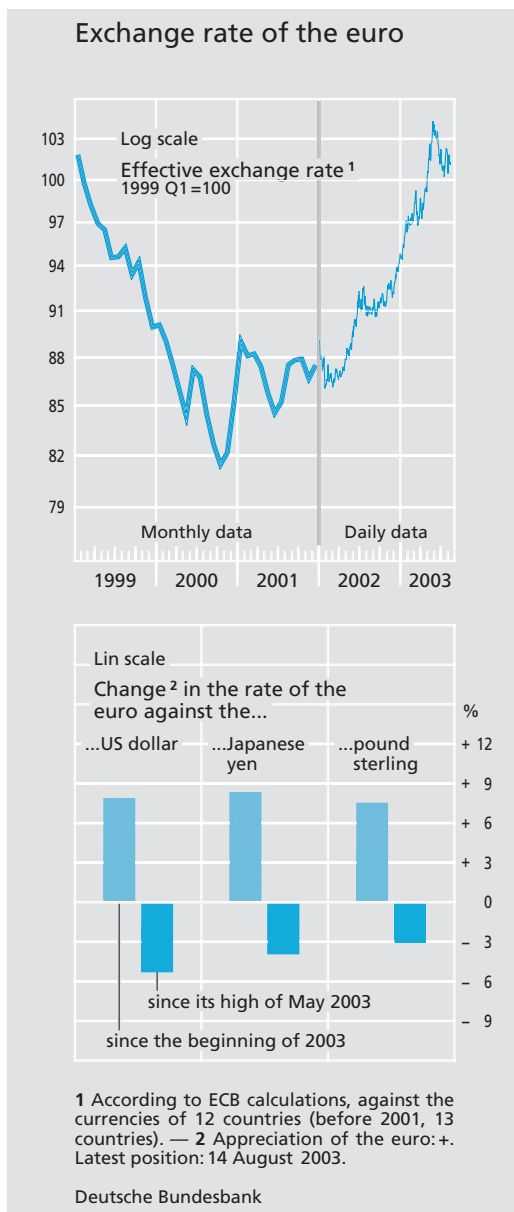
surge of appreciation in the spring months, may have been hurt by profit-taking on the foreign exchange markets. As this report went to press, the euro was being quoted at US\$1.13, or around 8% higher than at the beginning of the year.

At the end of May this year the euro also hit a new high against the yen, trading at ¥140 and initially staying just below that level. In early July, however, the euro encountered heavy selling pressure against the yen, falling below the ¥132 mark by mid-month. The euro began to weaken against the yen once the Bank of Japan's Tankan survey, which is widely read around the world, reported a surprisingly clear improvement in the Japanese business climate. The yen then continued to stabilise following the publication of positive data on the Japanese economic situation. As this report went to press, the euro was trading at just under ¥135, or around 8½% higher than at the beginning of the year.

Yen

The euro hit a new high against the pound sterling at the end of May, too, rising to £0.72. During June, however, the pound sterling regained just under 4½% of its value against the euro. The recent recovery of the pound sterling should also be seen against the background of the publication of new UK economic data which came out better than expected despite moderate growth. By contrast, the outcome of the British Treasury's economic tests, which indicated that it was not advisable at the present time for the UK to join monetary union, had been anticipated by market participants and therefore had no discernible impact on exchange rate move-

Pound sterling



ments. After the Bank of England cut interest rates in mid-July, citing the unfavourable business outlook for the UK economy, the euro was able to regain some of the ground it had lost earlier, albeit with some fluctuations. As this report went to press the euro was trading at £0.70 and was thus around 7½% above its value at the beginning of the year.

As a weighted average against the currencies of the euro area's 12 most important trading partners, at the end of May the euro hit its highest level since the launch of monetary union. Even though the euro relinquished some of its gains in mid-year, its effective exchange rate was, at the end of the period under review, still 6½% higher than at the beginning of the year. In terms of its long-term average and taking into account the diverging inflation rates in the euro area and the key partner countries, European industry's price competitiveness may still be classified as neutral.

Effective exchange rate of the euro

Monetary policy and financial markets in the euro area

During the second quarter, as in the two quarters before it, there were mounting signs that the risks to euro-area price stability would be lower than initially expected. At its meeting in early June the Governing Council of the ECB therefore decided to reduce the key ECB interest rates by a further ½ percentage point. Since 6 June 2003, the interest rates on the marginal lending facility and the deposit facility have been 3% and 1% respectively; since 11 June 2003, all main refinancing operations have been conducted as variable rate tenders with a minimum bid rate of 2%.

Renewed interest rate cut in June...

The weak economic growth in the euro area, which showed no signs of picking up in the second quarter despite the rapid end to the Iraq war, was one indication that price pressures were easing. In addition, the euro's ap-

...owing to subsiding inflationary risks

preciation put a damper on euro-area inflation. The Eurosystem staff's macroeconomic projections therefore indicate a perceptible decline in the inflation rate this year and next. Even though the money stock increased sharply again in the second quarter, the monetary side does not appear to signal any direct threat of inflation at present, either. Persistently moderate growth in lending in the euro area and as well as the inflows of funds in portfolio transactions with non-residents suggest that the rapid growth in liquidity holdings is still primarily due to prudent investment and is not an indication that the private sector is about to step up its spending activity. The low interest rates, however, may have likewise promoted the holding of money.

*Interest rates
in the money
market*

Even in the run-up to the interest rate cut in early June, forward rates had, in some cases, been distinctly lower than the relevant spot rates. The interest rate move therefore came as no surprise to many market players. The size of the interest rate cut had also been widely expected. Prudent bidding practices, especially towards the end of the half-year (when liquidity is always at a premium), initially prevented a sharper fall in money market interest rates following the interest rate cut in early June. Well into July, the marginal rate on main refinancing operations (MROs) was ten or more basis points above the minimum bid rate. Accordingly, the Eonia was clearly above the rate of 2% desired by monetary policymakers. It was only the generous provision of liquidity in the 23 July tender operation that perceptibly closed the gap between the marginal allotment rate and the minimum bid rate, causing the overnight rate

to come distinctly close to the 2% mark. At the same time, the money market was characterised by major uncertainty, which was reflected in violent swings in interest rates.

Euro-area M3 grew sharply between April and June, its pace of expansion being even faster than in the preceding quarter. The seasonally adjusted, annualised growth rate increased from 7½% at the end of March to 9% at the end of June. The three-month moving average of the annual rates of growth in the April-June period, at 8.5%, was higher than the rate for the January-March period (7.8%). On the whole, the persistently high level of uncertainty on the financial markets is likely to have encouraged the holding of cash balances. It is true that, as the second quarter progressed, share prices rose sharply, yet uncertainty about bond market price movements increased perceptibly as well. Hopes of an economic recovery in the euro area failed to materialise in the first half of 2003, leading investors to continue to hold their money primarily in the form of secure and liquid bank deposits.

*Money stock
grew sharply*

Of the components of the monetary aggregate M3, overnight deposits again rose sharply in the second quarter, although the pace of expansion eased slightly. Between April and June, sight deposits rose at a seasonally adjusted and annualised rate of 8½% compared with 9½% in the first quarter of 2003. Currency in circulation likewise grew less sharply in the second quarter than in the first. Cash holdings, however, continued to increase at a rapid rate. On the whole, the money stock M1 grew somewhat faster than

*Components
of the money
stock*

Money market management and liquidity needs

Main refinancing operations (MROs) were the main method of ongoing money market management in the Eurosystem during the past three reserve maintenance periods. One liquidity-absorbing fine-tuning operation was conducted.

The 7 May and 9 July MROs were conducted as split operations, each consisting of a one-week tender and a two-week tender. In both cases the size of the remaining MROs was rebalanced.

Following relatively large recourse to the marginal lending facility on two consecutive days at the end of the April-May reserve maintenance periods, on 23 May the Eurosystem launched a fine-tuning mechanism by accepting fixed-term deposits with a maturity of three days, which served to withdraw €3.9 billion from the market. This ensured that the reserve maintenance period ended with credit institutions holding a normal €600 million in excess of reserve requirements.

Strong expectations of interest rate reductions led to underbidding in the MRO settled on 4 June. The credit institutions' resultant large reserve deficits were balanced out by a matching increase in the allotment amount in the subsequent MRO.

The Governing Council cut the key ECB interest rates on 5 June. In the following weeks, the Eonia initially remained entrenched well above the new minimum bid rate of 2.0%. By "flooding" the market with €33 billion worth of net liquidity in the 23 July MRO, it was possible to bring the Eonia distinctly closer to the minimum bid rate. Owing to this measure, however, the June-July maintenance period ended with recourse of €5.3 billion to the deposit facility.

Between April and July, the autonomous factors determining bank liquidity withdrew €23.9 billion net from credit institutions (see adjacent table). As in the preceding reserve maintenance periods, what drove this development was not only the decline in net foreign assets but also the strong demand for banknotes. The low opportunity costs of holding cash and non-euro-area residents' stronger demand for euro banknotes are key factors that explain this development. As in the spring, the "Other factors" were net suppliers of liquidity. The minimum reserve requirement went up by €1.6 billion during the period under review.

¹ For longer-term trends and the contribution of the Deutsche Bundesbank, see pages 14* and 15* of the Statistical Section of the *Monthly Report*. — ² Including end of quarter valuation adjustments with no impact on li-

To cover the increased need for liquidity, the Eurosystem expanded its open market operations in the last three reserve maintenance periods by a total of €25.3 billion to an average of €249.7 billion.

Factors determining bank liquidity ¹

€ billion; calculated on the basis of daily averages of the maintenance periods

Item	2003		
	24 Apr to 23 May	24 May to 23 Jun	24 Jun to 23 Jul
I Provision (+) or absorption (-) of central bank balances by			
1 Change in banknotes in circulation (increase: -)	- 7.7	- 7.0	- 9.5
2 Change in general government deposits with the Eurosystem (increase: -)	+ 9.5	- 10.0	+ 0.2
3 Change in net foreign reserves ²	- 4.3	- 1.8	- 10.9
4 Other factors ³	+ 5.0	+ 2.3	+ 10.3
Total	+ 2.5	- 16.5	- 9.9
II Monetary policy operations of the Eurosystem			
1 Open market operations			
(a) Main refinancing operations	- 2.3	+ 17.6	+ 10.0
(b) Longer-term refinancing operations	- 0.0	+ 0.0	+ 0.0
(c) Other operations	- 0.1	- 0.1	+ 0.2
2 Standing facilities			
(a) Marginal lending facility	+ 0.3	- 0.0	+ 0.0
(b) Deposit facility (increase: -)	+ 0.0	- 0.1	+ 0.0
Total	- 2.1	+ 17.4	+ 10.2
III Change in credit institutions' current accounts (I + II)	+ 0.3	+ 1.0	+ 0.3
IV Change in the minimum reserve requirement (increase: -)	- 0.4	- 0.8	- 0.4

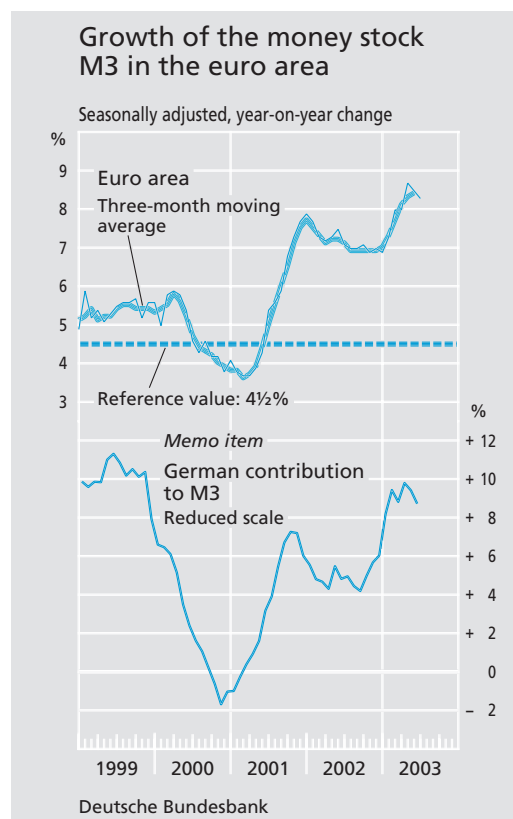
quidity. — ³ Including monetary policy operations concluded in stage two and still outstanding in stage three (outright transactions and the issuance of debt certificates).

the M3 aggregate. During the period under review, as in the preceding quarter, the other short-term bank deposits (excluding overnight deposits) grew strongly. Falling interest rates and uncertain bond market price developments have evidently enhanced the attractiveness of these instruments. It was particularly deposits redeemable with a period of notice of up to three months which showed strong growth. At the end of the period under review they were 10.5% up on the year. However, deposits with an agreed maturity of up to two years were, in fact, reduced over the past 12 months. Between April and June, marketable instruments picked up noticeably. Before adjustment for seasonal effects, only money market fund shares/units were in demand, whereas repo transactions, money market paper and short-term bank debt securities were reduced.

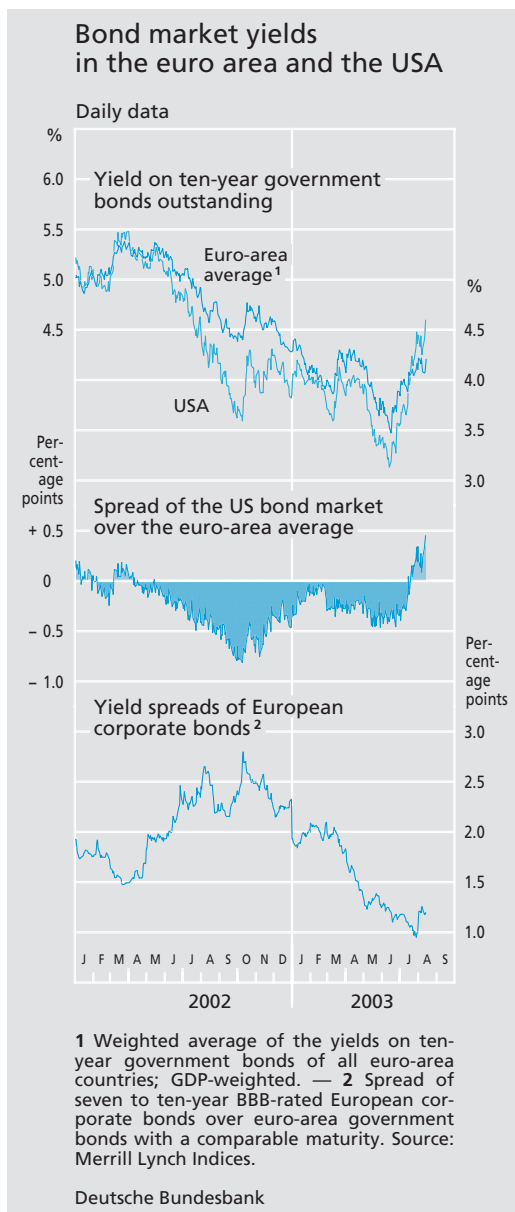
Balance sheet counterparts

As regards the balance sheet counterparts, euro-area monetary growth in the second quarter of 2003 was boosted particularly by strong inflows of funds from non-euro-area countries to domestic non-banks. The net external position of the MFI sector, which reflects non-banks' payment transactions with non-euro-area countries, went up by €93.4 billion during the period under review, a development to which securities transactions with non-euro-area countries are again likely to have contributed.

By contrast, loans to the domestic private sector again grew distinctly more slowly than M3 in the second quarter in seasonally adjusted terms. In this context, it was primarily the sluggish economy which curbed the demand



for loans. At a seasonally adjusted and annualised rate of 5%, the growth of unsecured lending during the period under review was still somewhat higher than in the preceding quarter (just over 4½%). This means that euro-area lending has probably now stabilised, not least owing to falling interest rates. Moreover, MFIs have also perceptibly increased their holdings of securities issued by domestic enterprises. There were net portfolio additions of shares and other equities along with fixed-interest securities. This contrasted with the previous quarter when banks had been divesting themselves of these instruments. Securitised lending to the public sector in the euro area likewise rose distinctly in the second quarter (by €36.7 billion). That contrasted with an €8.7 billion reduction in unsecured loans to the public sector. Over-



all lending to the public sector in the euro area thus rose by €28.0 billion, following an €11.5 billion reduction between April and June 2002.

The propensity to deposit funds with euro-area MFIs over the longer term likewise picked up during the period under review and thus tended to dampen monetary growth. Excluding capital and reserves, mon-

etary capital formation in the euro area grew at a rate of 5.4% over the past 12 months compared with 5.0% at the end of March. With net sales of €40.3 billion, banks were able to place a distinctly larger number of longer-term bank debt securities with non-MFIs than in the same period of 2002 (+€29.3 billion). This contrasted, however, with somewhat smaller growth in deposits with an agreed maturity of over two years and deposits with an agreed maturity of over three months. Their growth between April and June 2003 was €2.7 billion as against €3.2 billion a year earlier.

During the period under review, the euro area's capital markets felt the effects of sharply falling interest rates followed by their rapid rise. Up to mid-June the average yield on ten-year government bonds in the euro area fell below 3½%, an all-time low. Since then, however, they have risen by nearly ¾ percentage point. They thus replicated, albeit in a less marked fashion, the movements of interest rates on US government bonds. At 3.14% in mid-June, yields on ten-year US Treasury bonds hit their lowest level since the late 1950s. The ensuing 1⅓ percentage point rise in interest rates resulted in a ⅓ percentage point yield premium for US government bonds over corresponding euro-area bonds in mid-August. The decline in interest rates on US and European government bonds up to mid-June may have been driven in part by worries of potential deflation risks, which had been additionally fuelled by statements made by Federal Reserve Board members following their meeting on 6 May 2003. This concern, however, was evidently only partially reflected

Capital market rates affected by uncertain outlook for the economy and prices

in the findings of the survey on inflation expectations. The surveyed year-on-year inflation forecasts went down by no more than around $\frac{1}{4}$ percentage point between May and July (see adjacent chart). The temporary disconnect between the bond market and expectations regarding inflation and economic growth – the factors that have a major impact in determining nominal interest rate movements – was at least partly corrected by the upswing in interest rates which began in mid-June. The fact that growth and inflation expectations for the euro area were lower than those for the USA indicates that, even at its all-time low in mid-June, the interest rate level in the euro area diverged less from the fundamentals than did interest rates in the USA, where the debate on deflationary tendencies had originated (see adjacent chart and chart on page 18). The average expected real rate of interest on ten-year bonds for the euro area went down somewhat from its April level to around 2% in July.

Price uncertainty remains high

Persistent risks with regard to the scale of the economic recovery have, in addition, caused prices to continue to fluctuate sharply. Market players' uncertainty about the future movements of bond prices, expressed in terms of the implied volatility of options on forward contracts for long-term Federal bonds, have held steady at a high level since interest rates began to rise in June.

Yield curve reflects brighter economic outlook

From early April the yield curve of German Federal securities (the benchmark for the euro area) was shifting downwards initially across all maturities. The inverse slope at the short end, which had already begun to take



shape prior to the ECB's interest rate move on 5 June 2003, remained inverse in the ensuing period. Thus, in mid-June the yields on short-term Federal securities were nearly 30 basis points below the three-month Euribor. However, they then rose – in reaction to the brighter economic outlook – and, as this report went to press, were more than $\frac{1}{10}$ percentage point above the three-month funds rate. The increasingly steeper slope of the



yield curve caused by the rise in the interest rates on longer-term Federal securities since mid-June is also a sign of improved expectations for the economy. On balance, the spread between money market rates and long-term capital market rates in the euro area had risen from 1½ percentage points in early April to 2 percentage points at the end of the period under review.

The financing conditions on the market for corporate bonds have remained favourable despite the general increase in interest rates. This is also revealed by the fact that the already exceptionally low risk premia on European corporate bonds continued their slide during the period under review. In the euro area, the yield on seven to ten-year BBB-rated corporate bonds – the lowest investment-grade rating – was, in mid-August, just under 1¼ percentage points higher than that on government bonds with the same maturity; at the end of July this risk premium had even fallen below the 1 percentage point mark. This contrasts with the persistent credit risk. The wave of insolvencies gripping European enterprises has not ebbed this year, either. Bond prices were high probably on account of investors' great interest in adding a larger volume of riskier yet higher-yielding bonds to their portfolios. On the supply side, the high level of net issuing of European corporate bonds indicates that companies seeking capital made use of the favourable financing conditions on the capital markets.

Market risk premia on non-top-rated corporate bonds remain low

Euro-area equity markets made considerable gains during the period under review. Between early April and mid-June the Dow Jones EuroStoxx index picked up by nearly one-fifth and has remained steady since then. This means that share prices have reached their highest level since early December 2002. Even so, they are less than half as high as their all-time highs of March 2000. The rise in share prices was accompanied by diminishing uncertainty among investors regarding future share price movements, since the implied volatility of index options receded perceptibly.

European share prices recovered vigorously

Investors' risk aversion seems to have lessened as well. This, along with the high level of liquidity on the market, may have fostered the positive developments on the stock exchanges.

*Rising prices
despite falling
profit estimates*

The rise in European share prices is all the more remarkable in the light of downgraded estimates of corporate profitability. Between April and July, equity analysts reduced their

forecasts for average longer-term earnings growth of the companies listed in the Dow Jones EuroStoxx index by more than 1 percentage point to 9.2%. In addition, on average they revised down their 12-month earnings expectations for these shares by a small margin from April. Given the rise in share prices, the price-earnings ratio of European shares, based on expected annual profits, has gone up from 13.3 to 14.6.

The financial markets in Germany

Capital market and bank interest rates

In line with euro-area yields, German capital market rates first fell sharply during the period under review and then made a marked recovery. As in the other euro-area member states, the decline and successive rise in interest rates were not as sharp as in the United States. In mid-August, at just under 4.2%, the yield on ten-year Federal bonds was slightly up on early April, after having been $\frac{3}{4}$ percentage point below that level in mid-June. Compared with the average rate of other European government bonds, the interest rate discount on these bonds declined by a few basis points in early July and has since largely been below $\frac{1}{10}$ percentage point. Given the tense budgetary situation in the public sector, the narrowing of the "yield advantage" of Federal bonds may also be related to the debate about how to counter-finance the early introduction of the third stage of the tax reform. The benchmark function of Federal bonds in the euro-area bond market is, however, unlikely to be contested. Given the liquid secondary market and the status of the Bund future as the most important instrument for hedging against long-term interest rate risks in the euro area, Federal bonds still have a key role to play.

Capital market rates climb sharply from previous low

Probably first and foremost for the above-mentioned reasons relating to the precarious government budgetary situation, in the first half of July Federal bonds also lost something of their preferred status compared with debt securities issued by domestic credit institutions. However, the yields on these bank bonds increased sharply in the second half of

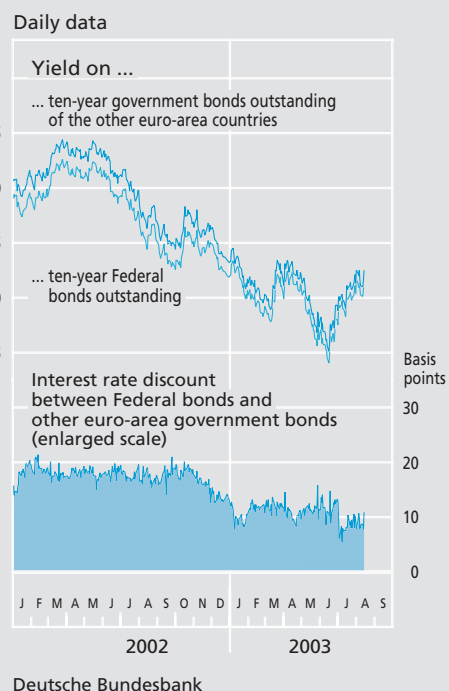
Low interest rate premium on bank bonds

July, with the result that the interest rate premium on ten-year bank bonds over comparable government paper again rose by a few basis points at the end of the period under review and, at just under ¼ percentage point, reached roughly the level at the start of the second quarter. However, it was still moving well below the values observed in the second half of 2002.

Distinct decline in bank rates on deposits and longer-term loans

Paralleling the decline in capital market rates which continued until June, banks' lending and deposit rates also decreased in May and June and in some cases fell sharply.¹ In particular, there was a marked decrease in the terms for longer-term loans and deposits in this period: mortgage loans with interest rates locked in for ten years became cheaper between April and June, the rates charged on them falling by ½ percentage point to 4.8%. The decline in long-term fixed interest loans to enterprises was somewhat less marked at 0.4 percentage point. Depending on the amount of the loan, interest rates varied between 5.3% and 5.5%. Among longer-term deposits, it was mainly the rates of interest paid on savings bonds and savings deposits with interest rates locked in for correspondingly long periods which fell. In June they were between 0.3 and ½ percentage point down on April. However, against the backdrop of a ½ percentage point reduction in the key interest rate in early June, banks' short-term deposit rates also decreased considerably. Depending on the amount of the deposit, the interest paid on one-month time deposits, for instance, was between ⅓ and just under ½ percentage point down on April to between 1.4% and 1.9%.

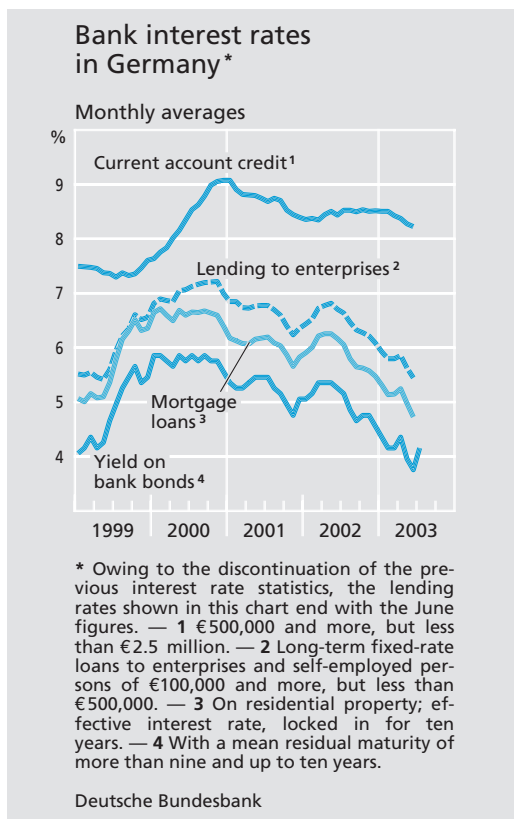
Interest rate discount of Federal bonds in the euro-area bond market



Only specific interest rates on short-term or floating rate loans, however, showed a distinct decline. For instance, bills discounted and variable rate mortgage loans, both of which are well-collateralised, fell by 26 and 19 basis points respectively. Depending on the sum concerned, current account credit rates fell by between 12 and 15 basis points. By contrast, after adjusting by a few basis points, the terms on instalment credit and personal credit lines remained virtually unchanged. The delay in interest rate adjustments probably reflects the banks' efforts to adjust lending margins to take account of

Slow adjustment of interest rates on short-term loans

¹ The Deutsche Bundesbank collected statistics on lending and deposit rates for the last time in reporting month June 2003. These statistics are being replaced by euro-area interest rate statistics, which have been collected on a harmonised basis in the euro area since January 2003; the results are scheduled to be published for the first time in the September 2003 *Monthly Report*.



higher default risks. Endeavours to further widen risk-differentiated margins were also apparent from the results of the quarterly survey on bank lending (see box entitled Bank Lending Survey on pages 28-29).

Share prices

Strong share price gains

German equity market prices rose sharply during the period under review. From April to mid-August German equity prices measured on the broad index for German equities (CDAX) went up by more than one-third. This increase far outstripped that of other European equities. Prices rose in two stages. The upward movement in April was followed by a moderate slide which lasted until the end of May, before a period of rising prices set in

again. Whereas the prices of other European shares moved sideways from mid-June onwards, German equity prices continued to rise. When viewing this positive evolution of German share prices, it should, first, be borne in mind that the previous declines had been sharper in Germany. Second, estimated year-on-year profit expectations evolved more favourably for German blue chips in the period under review than for the other listed enterprises in the euro area. The positive signals which probably came from the progressive brightening of some sentiment indicators in Germany produced a similar directional response.

Borrowing in the securities markets

Bond sales

The amount of funds raised in the German bond market contracted in the second quarter of 2003. Calculated at market prices, gross sales of debt securities issued by domestic borrowers amounted to €275½ billion, compared with €316 billion in the previous quarter. After adjusting for redemptions and changes in issuers' holdings of their own shares, net sales came to €27½ billion, slightly less than half the figure for the previous quarter (€62 billion). At €19½ billion, sales of German bonds were more than three times as high as in the first quarter (€6 billion).

Almost two-thirds of the funds raised from the sale of domestic fixed interest securities accrued to the public sector, which raised €17 billion in the bond market. The Federal Government added €18 billion to its bonded debt in the second quarter, issuing primarily

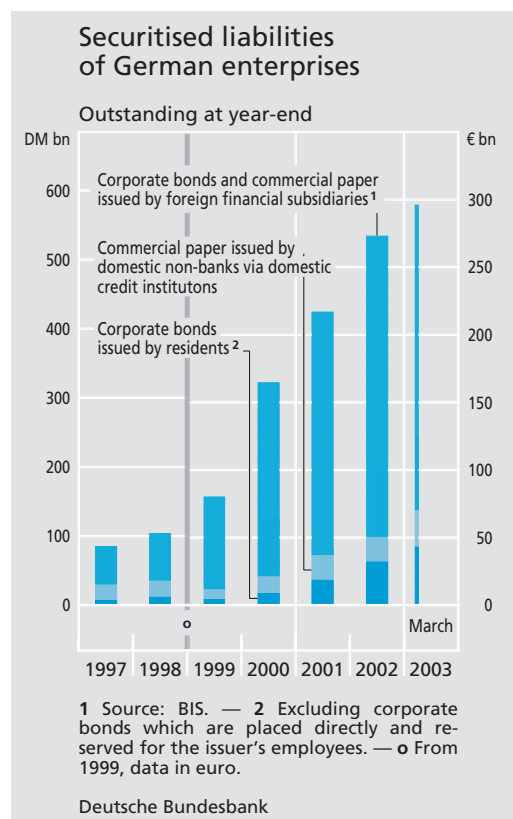
five-year Federal notes (Bobls) and ten-year Federal bonds (Bunds). The *Land* governments raised €11 billion in the bond market, slightly less than in the previous quarter (€13 billion). Two bonds issued by the former Treuhand agency were redeemed for €5 billion each. The latter borrower no longer issues paper on the bond market but acquires refinancing in conjunction with the Federal Government.

Issuance of corporate bonds

German enterprises again raised larger amounts of resources in the capital market in the second quarter of 2003. Overall, domestic corporate bonds were sold for €7 billion net and commercial paper issued by domestic non-banks for €½ billion net. The very low level of interest rates and the narrow yield spreads for corporate bonds are likely to have had a favourable impact. In addition to issuing domestic debt securities – amounting, on balance, to €22½ billion in the first half of 2003 – for refinancing purposes German industrial enterprises continued to use bonds issued in the international capital market by their foreign financial subsidiaries. At the end of March 2003, the last date for which figures are currently available, €225 billion worth of such bonds were outstanding, ie more than three times the amount of domestic corporate debt securities in circulation (see adjacent chart). German enterprises raise large amounts of funds in the international capital market via foreign subsidiaries primarily because of tax advantages.

Sales of bank bonds sluggish

Credit institutions raised considerably less (€2½ billion) than in the first quarter (€13 billion). As in the previous quarter, this can be



explained by the German banks' limited need for refinancing as a result of weak lending. Despite the marked slump compared with the first quarter (€18½ billion), debt securities issued by specialised credit institutions, with net sales of €5 billion, again led the field, followed by mortgage Pfandbriefe with €4 billion. By contrast, the volume of other bank bonds outstanding fell by €6½ billion.

As stock market prices rose, there was a sharp increase in issuing activity in the German equity market in the second quarter. Between April and June, domestic enterprises placed €5½ billion of new shares at market values, nearly twice as much as in the preceding quarter. In contrast to the preceding period, listed equities accounted for most of the issue volume.

Funds raised in the equity market

Investment activity in the German securities markets

€ billion

Item	2003		2002
	Jan to Mar	Apr to June	Apr to June
Bonds and notes 1			
Residents	34.1	21.5	23.7
Credit institutions 2	20.0	3.2	15.9
of which			
Foreign bonds and notes 3	2.7	10.1	9.7
Non-banks 4	14.1	18.3	7.9
of which			
Domestic bonds and notes	10.8	9.0	- 3.1
Non-residents 3	34.0	25.2	31.9
Shares			
Residents	- 3.7	6.0	10.1
Credit institutions 2	- 6.2	5.5	- 9.1
of which			
Domestic shares	- 3.5	0.2	- 3.4
Non-banks 4	2.5	0.6	19.3
of which			
Domestic shares	8.9	2.9	- 4.2
Non-residents 3	- 2.5	2.5	10.1
Mutual fund shares			
Investment in specialised funds	7.9	6.8	11.1
Investment in funds open to the general public	10.9	7.0	4.6
of which: Share-based funds	- 0.8	2.0	1.0

1 From the start of 2000, including debt securities with maturities of up to one year issued by non-banks and commercial paper. — 2 Book values, statistically adjusted. — 3 Transaction values. — 4 Residual.

Deutsche Bundesbank

Investment activity in the securities markets

Bond purchases

Foreign investors were the main purchasers in the bond market, acquiring €25 billion worth of domestic debt securities. They added mainly government debt securities to their portfolios (€17 billion). Nonetheless, their purchases were well down on the first quarter (€34 billion). Investment by domestic non-banks was also on the decline; following €11 billion in the first quarter, they invested €9 billion worth of funds in domestic debt securities, most of which were issued by the public sector. By contrast, the credit institutions trimmed their domestic bond portfolio by €7 billion, having added €17½ billion in the previous quarter.

In the second quarter the main purchasers of German equities were domestic non-banks. They invested €3 billion in the German equity market, following €9 billion between January and March. On balance, foreign investors acquired €2½ billion of domestic shares. Domestic credit institutions barely featured in the equity market in the period under review.

Share purchases

Sales of domestic and foreign mutual fund shares went down to €14 billion in the second quarter, compared with €22 billion in the first three months of the year. Virtually all the inflows accrued to domestic investment companies. Domestic funds open to the general public and specialised funds, which manage institutional customers' investment, each issued €7 billion net worth of fund shares in the second quarter. With regard to funds open to the general public, investors continued to focus on open-end real estate funds. These sold €5½ billion worth of shares, following €7 billion in the previous quarter. In line with the positive developments on the stock market, share-based funds recorded inflows of €2 billion in the second quarter, after €1 billion worth of shares had been redeemed in the previous three-month period. By contrast, the volume of money market funds outstanding shrank by €1½ billion (see chart on page 27).

Mutual fund shares

Deposit and lending business of monetary financial institutions (MFIs) with domestic customers

As part of the deposit business of German MFIs with domestic customers, overnight

Further sharp increase in overnight deposits

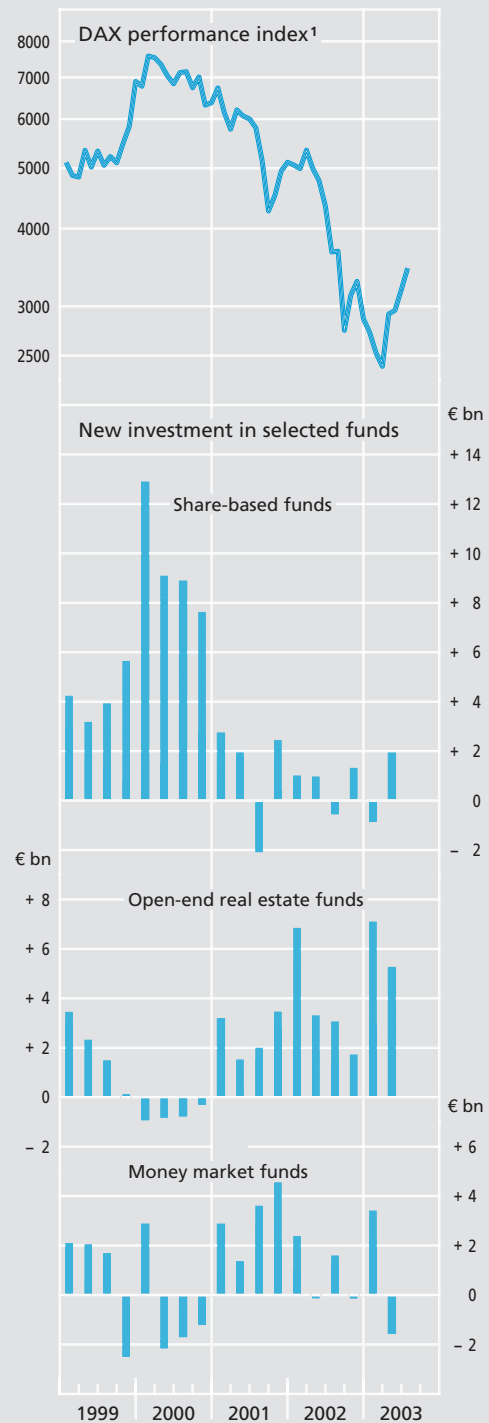
deposits again increased sharply in the second quarter of 2003, at a seasonally adjusted annualised rate of 15½%. However, the pace of the growth slowed somewhat compared with the first quarter, when annualised sight deposits had increased by just under 21%. In the period under review, non-financial enterprises and other financial institutions, in particular, expanded their overnight deposits more strongly in the period from April to June than is usual at that time of year. Given the subdued economic outlook and the persistently high degree of uncertainty in the financial markets, especially with regard to bond market price movements, these enterprises appear to consider it more appropriate to “park” their inflowing funds temporarily in overnight deposits rather than to invest them. The low interest rates certainly favoured that decision.

Sharp increase in short-term savings deposits, too...

Deposits with an agreed period of notice of three months again benefited from the interest rate situation. In seasonally adjusted terms, they were built up again distinctly in the second quarter. As in the previous quarter, the increase not only affected high-interest special savings facilities, which have been increasingly favoured since mid-2001, ie shortly after the start of the interest-lowering period in this market segment, but also savings deposits with a comparatively low minimum or basic rate of interest. In the period under review the decrease in deposits with an agreed maturity of up to two years is also likely to have contributed to the increase in short-term savings deposits. All in all, however, there was only a slight reduction in short-term time deposits between April and

... while only slight reduction in short-term time deposits

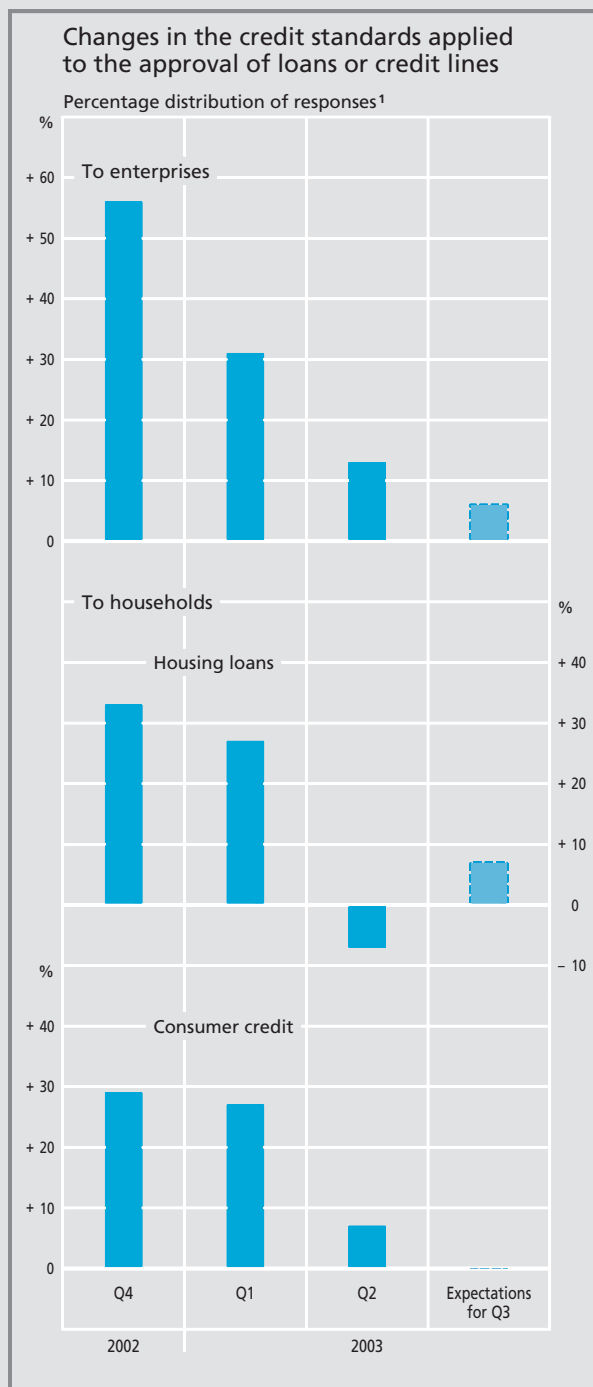
Share prices and selected fund investment



¹ End of month; end-1987 = 1000. Source: Deutsche Börse AG.

Deutsche Bundesbank

Bank Lending Survey Less stringent tightening of the credit standards



¹ Difference between the sum of the percentages for "tightened considerably" and "tightened somewhat" and the sum of the Deutsche Bundesbank

The results of the third Eurosystem Bank Lending Survey² published in July 2003 indicate that in the second quarter of 2003 there was a further slight tightening of the surveyed institutions' credit standards applied to loans or credit lines to enterprises in Germany. This tightening was again less stringent than in the previous quarter. This time small and medium-sized enterprises tended to be hit harder by the tightening, whereas the credit standards applied to lending to large enterprises had been the main target for tightening in the previous quarter. As the main overall reason for the tightening, the credit institutions pointed essentially to further estimations of higher risk; these were particularly related to the general economic outlook and sector-specific or firm-specific factors but also to the intrinsic value of collateral. Although market rates were declining, the data supplied by the survey respondents suggest that the tightening of the credit standards also reflected the fact that the refinancing terms in the money or bond markets were still slightly more restrictive. By contrast, credit standards applied to housing loans and household consumer credit remained virtually unchanged in the second quarter of 2003. The institutions do not expect any fundamental changes to their credit standards for enterprises or households in the third quarter of 2003 (see adjacent chart).

Despite the virtually negligible change in credit standards, the respondent banks indicated that there had been a further widening of margins, especially for riskier loans. As far as corporate lending is concerned, the tightening also continued to be reflected, albeit to a lesser extent, in more restrictive loan covenants, volume reductions and stricter collateral requirements (see chart on page 29).

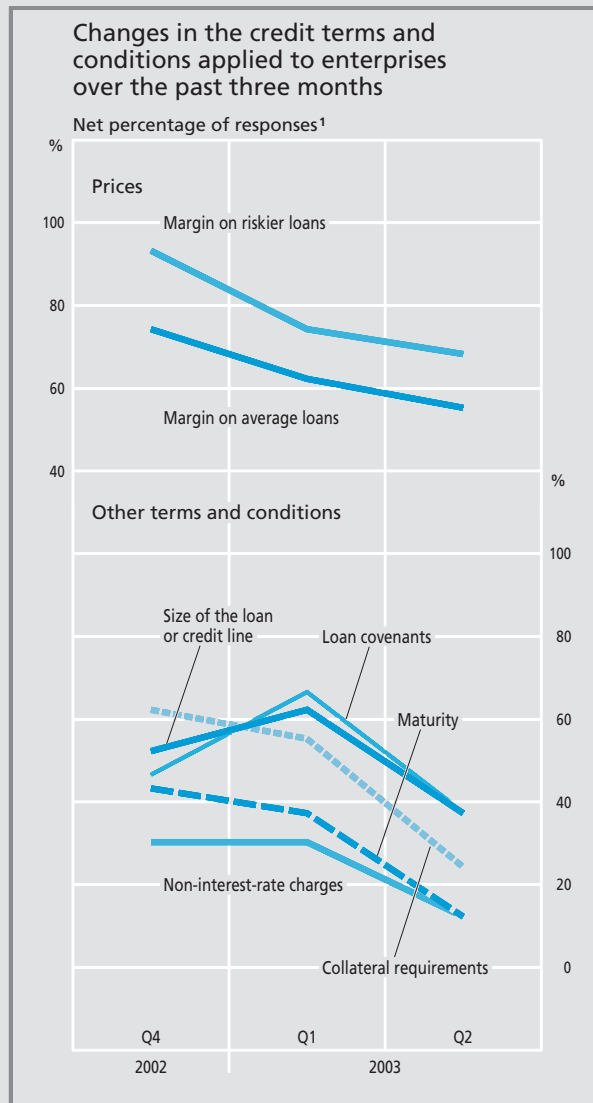
percentages for "eased somewhat" and "eased considerably". —
² See Deutsche Bundesbank, German results of euro-area bank

According to the survey, there was a further slight decrease in the demand for corporate credit, while for housing loans and household consumer credit the tendency was slightly upward. The banks' responses indicated that the shrinking demand for corporate loans was mainly affecting long-term loans. The main factor here was that less financing was needed for fixed investment, inventories and working capital; by contrast, positive demand effects came from debt restructuring, for example. With regard to lending to households, lower interest rates were the main positive factor affecting housing loans while weak consumer confidence continued to have a dampening effect. The institutions taking part in the survey expect little change in the overall demand for corporate credit in the third quarter; they anticipate a further slight decline in the demand from large enterprises only. Among households it is therefore assumed that demand for housing loans and consumer credit will remain more or less unchanged.

Taken together, these results show that German banks have continuously relaxed the tightening of credit standards over the past three quarters (see chart on page 28). This is true of both corporate lending and lending to households. By contrast, there is still a trend towards a persistent risk-differentiated widening of margins in the areas of credit business covered here. Even though the survey results can only provide data on the changes in the degree of restriction, a further easing of the overall situation regarding credit supply and demand can be expected in the third quarter of 2003.

In the second quarter of 2003 Germany's results were again below the aggregate figure for the euro area mainly in respect of tightening in the field of corpor-

lending survey, *Monthly Report*, June 2003, pp 67-76. — 3 See European Central Bank, The results of the July 2003 bank lending



ate lending. In Germany, however, there was a more frequent additional widening of margins in lending to households; in particular, the estimations of consumer credit risk were slightly up on the euro area. Overall, however, the German results broadly matched the aggregate results for the euro area.³

survey for the euro area, *Monthly Bulletin*, August 2003, pp 10-12.

Lending and deposits of monetary financial institutions (MFIs) in Germany *

€ billion

Item	2003	2002
	Apr to June	Apr to June
Deposits of domestic non-MFIs 1		
Overnight	+ 30.2	+ 28.1
With agreed maturities		
up to 2 years	- 5.9	+ 0.6
over 2 years	- 2.5	+ 0.8
At agreed notice 2		
up to 3 months	+ 2.8	- 8.7
over 3 months	- 5.4	- 3.2
Lending		
To domestic enterprises and resident individuals		
Unsecuritised	+ 4.6	+ 3.6
Securitised	+ 3.3	- 3.6
To domestic government		
Unsecuritised	- 9.4	- 14.2
Securitised	- 5.8	+ 9.4

* As well as banks (including building and loan associations, but excluding the Bundesbank), monetary financial institutions (MFIs) here also include money market funds; see also Table IV.1 in the Statistical Section of the *Monthly Report*. — 1 Enterprises, individuals and government. — 2 Savings deposits.

Deutsche Bundesbank

June as, in addition to the other financial institutions, insurance companies added perceptibly to their short-term time deposits at German banks.

Marked reduction of longer-term bank deposits

In seasonally adjusted terms, however, longer-term bank deposits were reduced markedly in the period under review. In particular, the trend decline in savings deposits with an agreed period of notice of more than three months continued and gained momentum. In contrast to the previous quarters, between April and June deposits with an agreed maturity of more than two years were also reduced. It was primarily the insurance companies which allowed their longer-term time deposits to dwindle; with a share of around 60%, they represented the bulk of these deposits.

In seasonally adjusted terms, there was a moderate increase in loans by German MFIs to the domestic private sector between April and June. The low overall dynamism is probably still due primarily to the cyclically induced weak demand for credit. The results of the third Bank Lending Survey, however, also indicate that the banks tightened their terms of lending again slightly in the second quarter, albeit less than previously (see box entitled Bank Lending Survey on pages 28-29). This may have affected short-term loans to domestic enterprises in particular, as these were trimmed back in the period under review. By contrast, medium to long-term unsecuritised lending to the German private sector was expanded fairly strongly. In seasonally adjusted terms, domestic MFIs also increased their securitised lending to German enterprises. On balance, they added only shares and other equities to their portfolios, having reduced such holdings in the previous quarter.

Lending to the private sector

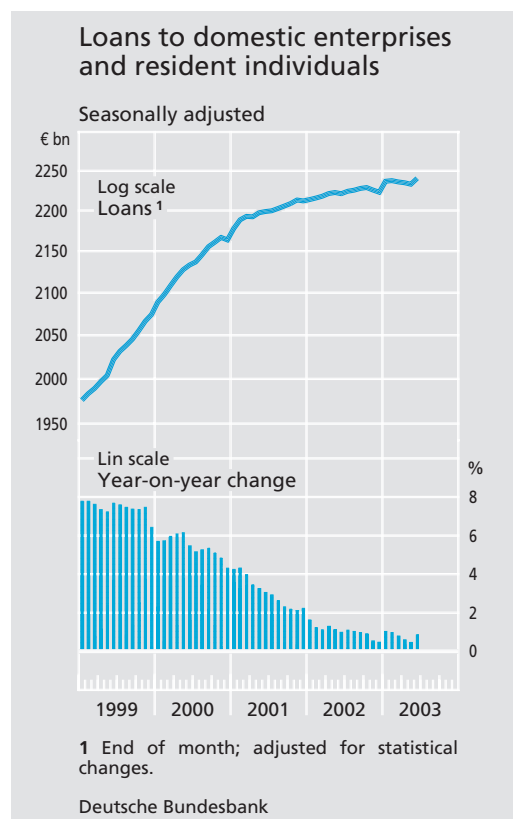
As the borrowers statistics show, on balance German banks granted only additional housing loans in the second quarter. As in the two previous quarters, this meant that medium and long-term housing loans increased perceptibly. This is likely to have been primarily due to the further clear reduction in mortgage rates between April and June. While consumer credit stagnated in the quarter under review, loans granted by German banks to domestic enterprises declined perceptibly. In particular, further net credit redemptions were made by the trade sector, manufacturing and construction, this pattern having been observed for nine quarters. However, on balance the services sector,

Lending, by borrower

financial institutions and insurance companies also decreased their lending at the end of the period under review, having expanded it between January and March, in some cases distinctly. By contrast, lending to transport and communications enterprises was expanded somewhat. However, the perceptible overall decline in lending by German banks to the domestic enterprise sector needs to be seen as closely bound up with the weak domestic economy. Although the banks also tightened their credit standards slightly in the second quarter, they did so to a far lesser extent than in the preceding quarters.

Lending to the public sector

Lending by domestic MFIs to the German public sector went down by €15.1 billion in the first quarter, after having increased by a similar amount in the previous quarter (€16.1 billion). In addition to unsecuritised lending by German banks to the domestic public sector (down by €9.4 billion), the banks also reduced their investment in government secur-



ities in the period under review (by €5.8 billion).

Economic conditions in Germany

Underlying trends

There were still no stimuli to the German economy in the spring months. Exports lost their sustaining power and domestic demand showed no more than subdued growth. Once again, retarding factors had the upper hand. Indicators for the international setting do give the impression of a turn for the better and surveys point to an improvement in sentiment in a number of major sectors in Germany as well. At the same time, there is renewed optimism on the financial markets. So far, however, these promising signs have not been reflected in the hard data of the official statistics.

*Further slight
decline in GDP*

Such a situation is by no means untypical before a cyclical turning point. Nevertheless, this incipient cyclical optimism cannot yet be regarded as self-sustaining, especially as the brighter mood in some sectors of the German economy is hardly matched by output expectations. The corporate sector continues to take a very sceptical view of the outlook for exports. Even so, there is still the chance that the economy will pick up again as the year goes on and break free of its present underlying trend of stagnation.

The latest flash estimate of GDP by the Federal Statistical Office revealed that the underlying condition of the German economy, at least in the second quarter, remained weak. According to the estimate, there was a further slight fall in overall output. After adjustment for seasonal and working-day variations, GDP was 0.1% lower than in the previous quarter. The unadjusted and working-

day-adjusted figures were 0.6% and 0.2% down on the year respectively. For the first half of the year, this results in a fall of 0.1% in working-day-adjusted terms.

Weaker external stimuli

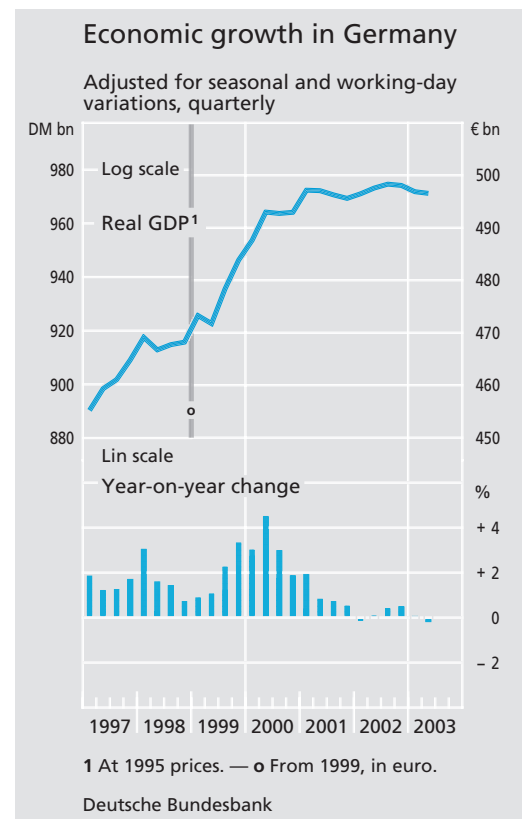
It was a deterioration in the external situation, in particular, which exerted an adverse impact on production in the second quarter. The volume of imports declined from the high levels recorded in the first few months of the year, which had been sustained not least by large volumes of imported energy. At the same time, however, exports of goods and services have perceptibly lost momentum. Real net exports showed a further fall.

Persistently low level of investment

This was not offset by domestic demand. Construction investment had been clearly negative in the first few months of the year, not least owing to the inclement weather, and recovered only in technical terms. Demand for construction work remained decidedly weak. The propensity to invest in new machinery and equipment remained very subdued. The crucial factor in this is likely to have been that capacity utilisation was declining up to the end of the period under review. The Ifo test shows that industrial utilisation in June was approximately 1 percentage point down on March, and thus 2 percentage points lower than the average medium-term level.

Households cautious

According to surveys, households' sentiment has improved somewhat of late. At the end of the period under review, economic expectations and the outlook for incomes were less pessimistic than they had been in the first few months of the year. Nevertheless, the



propensity to make major purchases remained subdued. This was also reflected by retail turnover in the spring months. According to preliminary figures, at constant prices and seasonally adjusted, average turnover between April and June was no higher than it had been in the first quarter. In contrast to the first three months of the year, the figure was again significantly down on the year. This was one crucial reason why households' consumption spending probably remained largely unchanged at the end of the period under review. Evidently, caution still appeared advisable given the continuing unfavourable situation on the labour market, the occasionally very animated debate on rising taxes and social contributions and the financing of the promised tax relief.



Output and labour market

Marked reduction in industrial output

Second-quarter industrial output was significantly down on the first three months of the year, showing a seasonally adjusted decline of around 2¼%. It should be noted, however, that the start of 2003 had the stimulus of backlog effects from last year and that, in cyclical terms, the decrease is thus probably somewhat overstated. The year-on-year fall

of 1% in the last three months (compared with a figure of +1½% in the first quarter) does confirm a marked slowdown in business activity, however. This is also suggested by the above-mentioned decline in capacity utilisation.

The sharpest falls in output were felt by producers of durable goods as well as in the capital goods sector. In seasonally adjusted terms, their production fell by just over 4%. Particularly affected were manufacturers of machinery and equipment, but car manufacturers – partly as a result of strikes – produced significantly fewer vehicles as well. Reduced business activity with export customers is likely to have had an impact on both sectors. The decline was much smaller in the case of intermediate goods producers. In the non-durable goods sector, a high level of output by drinks producers owing to the hot summer weather had a positive impact.

Construction output picked up again after the end of the winter hold-ups. According to the currently available data, second-quarter construction output was only slightly up on the first three months of the year in seasonally adjusted terms. It is quite sure, however, that the figures will be revised upwards in the annual overall survey. In each of the past two years, the upward adjustment factor has been roughly 3%. Accordingly, the year-on-year decline will be less than the current figure of 5½%. Nevertheless, the fact that output will still be significantly down on the year even after adjustment is an indication of the continuing unfavourable development in the construction sector. At present, there is

Construction picks up after winter slump

no sign of an end to the downward slide. General construction and civil engineering were both almost equally affected. The situation is now scarcely better in the finishing trades.

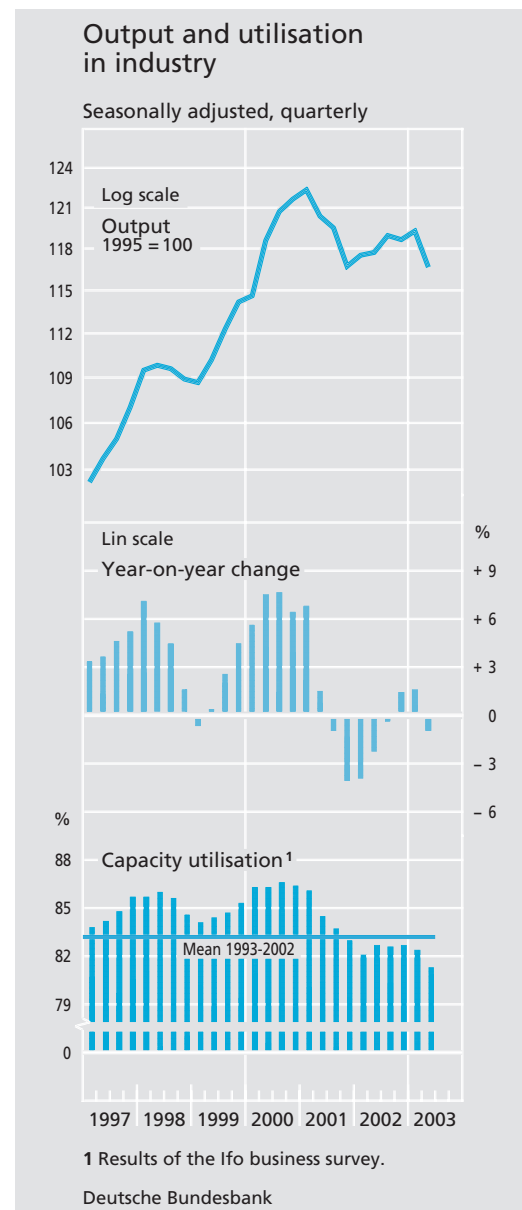
*Further decline
in employment*

Up to the end of the period under review, the labour market was feeling the pressure of further job cuts. This means that, up to the present, there has been a distinct fall in employment. According to the present calculations of the Federal Statistical Office, which have recently been revised downwards, the net average monthly figure for job losses since the summer of last year is around 55,000. By May, the seasonally adjusted number of persons in work had thus fallen to 38.10 million, ie around 660,000 lower than last year, which had likewise witnessed sharp reductions in the level of employment. This corresponds to a fall of around 1¾%.

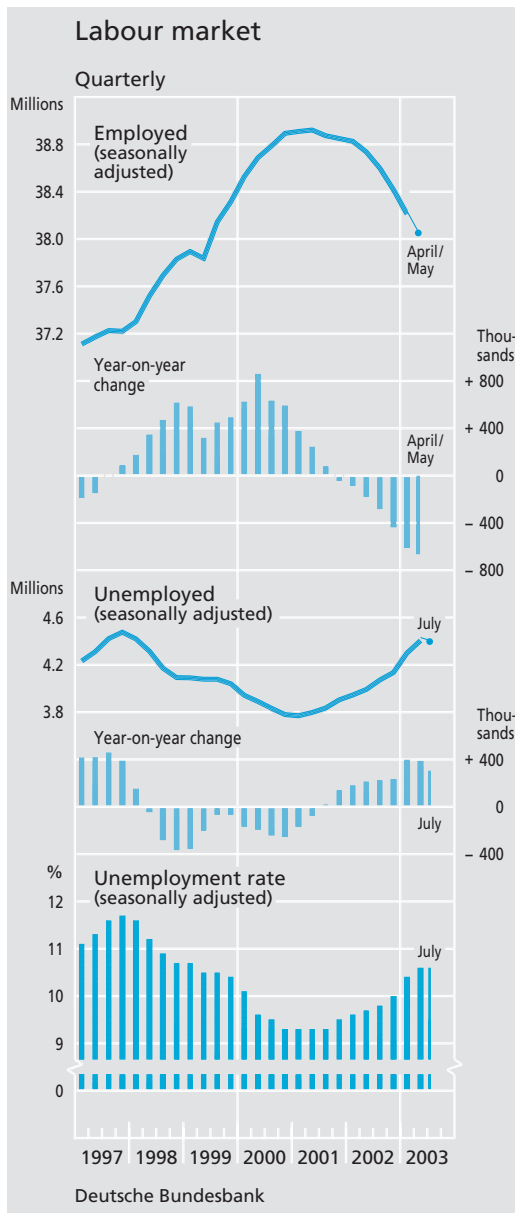
The largest reduction in jobs continued to take place in the construction industry. More than 6% of the workforce, ie around 150,000 employees, will probably have lost their jobs within the space of one year. However, there was also a further reduction in the number of persons employed in the manufacturing sector (excluding construction). The services sector, with only small increases in the number of jobs, did not offset this development to any great extent.

*Lots of new
mini-jobs?*

The negative overall picture is not fundamentally altered by recent talk of nearly one million "new" mini-jobs having been created since April of this year. It is true that simplified legal regulations on low-paid jobs have been



in force since April, but such a large increase within no more than a quarter of a year does not seem to be very probable in cyclical terms. Instead, it is more likely that the new provisions have made it significantly easier for some persons already holding low-paid jobs to be captured in the statistics. It may also be the case that more persons have taken up a second job. An additional factor to be considered in this context is that the average



number of hours worked in mini-jobs is very small. The change in the total number of hours worked is much smaller. Owing to the structural shifts in the forms of employment, it is becoming less and less possible to give an accurate description of the input of labour in the economy in terms of persons in work.

At the end of April, the seasonally adjusted number of persons officially registered as un-

employed was roughly 4.41 million, ie 40,000 fewer than in April, the most recent month in which the figure peaked. The year-on-year increase went down to 305,000, compared with 415,000 in the second quarter. At the end of the period under review, the seasonally adjusted unemployment rate, as calculated by the Federal Labour Office, was 10.6%. Using the internationally standardised method, the figure was 9.4%.

Fall in official unemployment...

Given a further decline in employment, the statistically measured fall in the official unemployment figure points to powerful special factors being in operation. This can also be seen from the fact that, up to the present, the year-on-year inflow into unemployment of persons previously in work was perceptibly higher than the number of those who found work and dropped out of the statistics during the same period. The fact that unemployment has nevertheless fallen is likely to be due mainly to the numerous legislative initiatives for restructuring the labour market (reorganisation of the Federal Labour Office; the "job placement offensive"; the *Job-AQTIV-Gesetz*, an act designed to get people back into work; the first and second Acts Promoting Modern Labour Market Services). These measures included a tightening of job-acceptance criteria and a stricter examination of eligibility for registering as unemployed. This has played a significant part in the sizeable increase in outflows of persons who have not taken up work or who have not de-registered for other reasons, such as illness or retirement, or owing to special regulations under the Social Security Code. Almost 880,000 de-registrations of this kind occurred in the first

... due in part to special factors

seven months of 2003, 160,000 more than 12 months previously. Although the number of renewed registrations (following failures to meet the reporting deadline) during the same period, at almost 175,000, was some 12,500 higher than in 2002, there is still a positive balance in terms of de-registration.

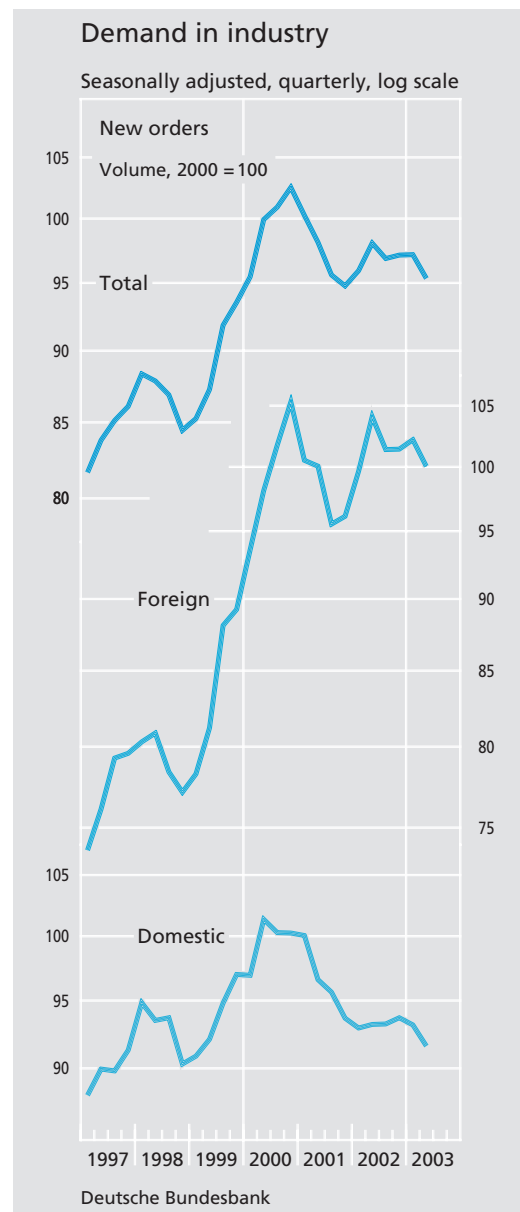
Furthermore, improved incentives have led to more persons leaving the unemployment rolls to become self-employed. The number of formerly unemployed persons who took up this option was around 67,000 higher than in the same period of 2002. By contrast, the expectations linked with the establishment of Personnel Service Agencies, which were intended to step up the placement of the unemployed in temporary and part-time work on a private basis, have not been fulfilled. Up to and including July, only 3,500 unemployed persons had been taken on by such agencies.

Orders

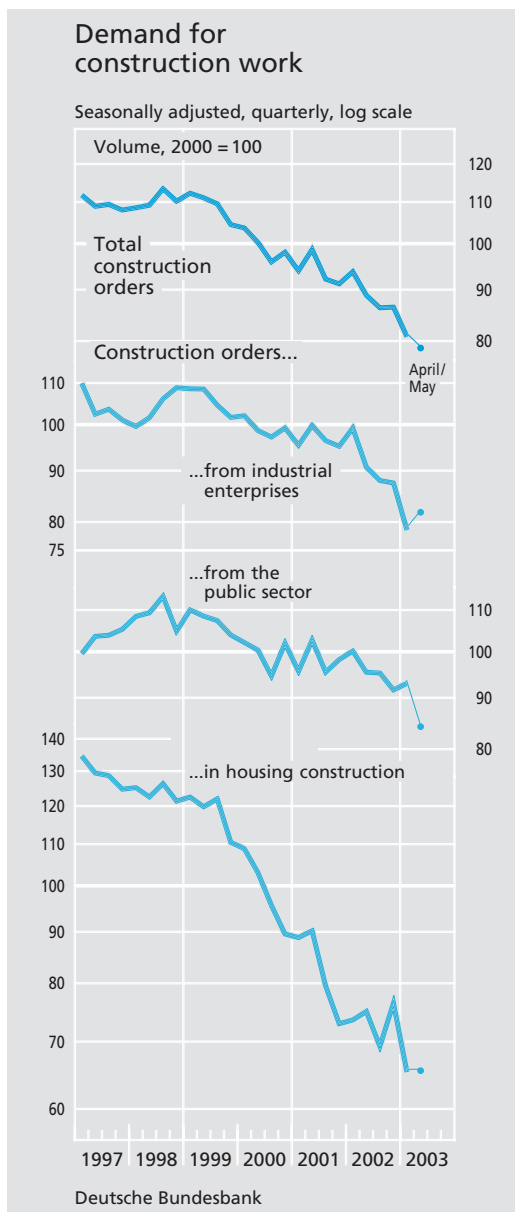
*Deterioration
in demand
for industrial
exports*

Demand for industrial products has declined perceptibly over the past few months, with export business now also being affected. In terms of volume, seasonally adjusted new export orders on an average of the period from April to June were 2% down on the quarter. This meant that they were around 4% down on the year, compared with a year-on-year increase of 2¼% in the first quarter.

The decline was especially pronounced in the case of intermediate goods producers, where the seasonally adjusted flow of export orders went down by 4% on the quarter. The main



sector affected was base metals. The decline was all the more apparent owing to the fact that demand up to the last few months of 2002 had been very buoyant – orders in the fourth quarter of last year had been 8% up on the year. Manufacturers of chemicals and chemical products also performed considerably less well than before, however. After seasonal adjustment, their orders fell by around 4½% in the second quarter. The de-



cline was not so large in the case of capital goods producers, where a very large order in the "manufacture of other transport equipment" (aircraft, ships and boats, railways and rolling stock) had a positive impact. By contrast, manufacturers of machinery and equipment as well as manufacturers of computer and communications equipment reported a marked fall in orders. The non-durable goods sector held up comparatively well up to and

including May, with clothing manufacturers receiving sizeable export orders, although the flow of orders decreased in this sector too in June.

The decrease in domestic business activity, which had already been subdued for some time, was only slightly less pronounced. Incoming domestic orders went down by 1¾% in the period from April to June. In terms of volume, this was likewise some 1¾% lower than in the same period of 2002, after the previous year's figure had been easily matched in the first few months. In contrast to exports, it was the capital goods sector that was affected more than average on the domestic markets. This was due not least to a significant decline in orders for private cars. In the basic materials sector, the chemical industry was largely able to hold its own, which meant that it partly counterbalanced the marked downturn in the steel industry.

Further losses in domestic business

There was also less demand for construction work during the past few months. Seasonally adjusted new construction orders in April and May (more recent data are unavailable) were 2¾% down on the quarter. The figure for those two months was no less than 11½% lower than the already depressed level of 2002.

Further fall in construction demand...

Given the critical financial situation, public sector contractors, in particular, were very cautious in placing orders. After seasonal adjustment, they reduced the volume of their new orders in April and May by nearly one-tenth compared with the winter quarter. Road construction and other public sector civil engineering work were especially af-

pected. In the commercial sector, on the other hand, there was a slight increase in the volume of new orders. Even so, there had already been a dramatic decline in this sector during the first few months of the year. The level of orders was therefore very low even at the end of the period under review.

In housing construction, the debate on cuts in government assistance had triggered a surge of accelerated orders towards the end of last year. At the start of 2003, the level of business activity in this area was significantly lower and has not recovered since then. New orders continue to be a good one-tenth lower than in the same period of 2002. Taking the number of construction permits for dwellings granted in April and May as a yardstick for housing demand this year, a further overall reduction in rental housing construction is likely for 2003.

Prices

*Favourable
price
developments*

Price developments at the various levels of the economy were very calm up to the end of the period under review. Nevertheless, the dampening external effects have become weaker and oil prices have held firm at a fairly high level. The temporary upward pressure on prices due to unfavourable weather conditions has been limited so far. There are still no signs of a slide into deflationary tendencies, which many had been fearing until recently.

*Stable
consumer
prices*

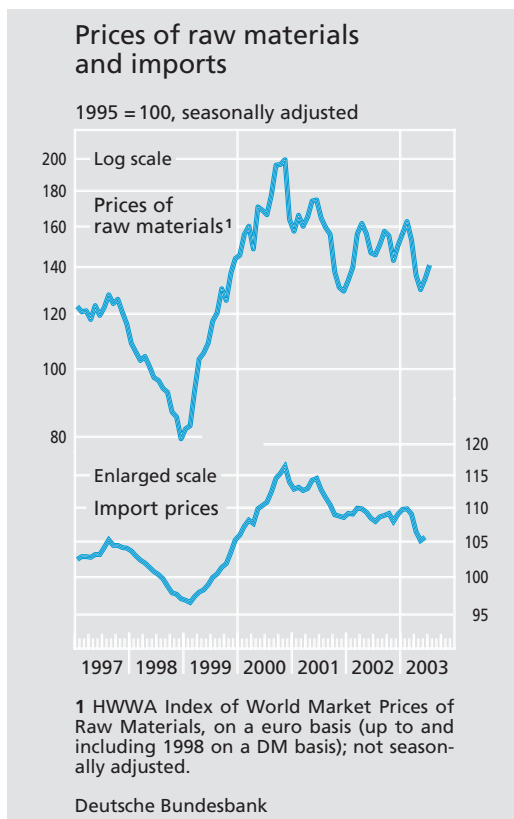
In seasonally adjusted terms, consumer prices have been largely stable for some months. The year-on-year rate of increase, which is

Consumer prices

Annual percentage change

Item	Per-centage weight-ing	2003			
		Q4	Q1	Q2	July
Energy	8.1	3.4	7.7	2.0	3.1
<i>of which</i>					
Refined petroleum products	4.2	8.4	14.4	0.7	2.2
Food	9.0	-1.0	-2.2	-0.6	0.4
<i>of which</i>					
Seasonal products	1.6	-4.6	-9.5	-2.6	1.2
Industrial goods	31.3	0.2	0	0.2	0.2
Services	27.1	2.1	1.4	1.4	0.8
<i>of which</i>					
Package holidays	2.0	1.3	1.0	2.5	-3.8
Rents	24.4	1.4	1.2	1.2	1.1
Total	100.0	1.2	1.2	0.9	0.9
<i>Memo item</i>					
Harmonised Index of Consumer Prices	100.0	1.1	1.1	0.9	0.8

generally used as a measure of inflation, was 0.9% in July according to the national price index and 0.8% according to the Harmonised Index of Consumer Prices (HICP) used by the ECB. One factor in this was that the prices of seasonal food products, which had previously risen on account of the unfavourable weather conditions, returned to normal. The crop failures caused by the recent heat wave will probably not push up prices permanently either. Additionally, consumer prices for refined petroleum products have remained largely stable, and the shift in the main holiday period to August was one factor in the seasonal price increases for package holidays in July being comparatively small. This was one reason why the slight steady price increase for services did not continue towards the end of the period under review. In the case of in-



dustrial goods, numerous special offers caused the year-on-year rate of inflation to remain quite low.

High oil prices

Shortly before this report went to press, international oil prices were being quoted at just under US\$30 for a barrel of North Sea Brent. They were thus above the limit set by OPEC,

which is based on a basket of prices for seven types of oil. Prevailing concerns about further production losses in Nigeria and Venezuela, the slow pace at which production is being increased in Iraq and reports that stocks being built up for the coming winter are still at a low level were preventing a decline in prices. Moreover, from a European perspective, the price-dampening effects of a rising euro exchange rate have become less pronounced. As a result, German import prices, which are invoiced in euro, did not go down any further in June; the year-on-year fall in prices decreased to 2.7% from as much as 3.4% in April and May.

The phase of price reductions in industrial factory gate prices did not continue at the end of the period under review either. Seasonally adjusted producer prices for industrial products were unchanged in June, the year-on-year rate of increase remaining at 1.3%. Excluding energy, the price level continued to fall slightly. The year-on-year rate of price increase went down further to 0.4%. In May 2003, quoted prices for construction work largely held steady at their end-2000 level.

Producer prices unchanged

Foreign trade and payments

Foreign trade and current account

In the spring months of 2003, the external environment of German export companies continued to be impacted by the subdued economic developments and uncertainties surrounding the economic outlook in the economies of major trading partners. Against this background, export expectations of German companies for the following months fell in the second quarter of 2003 to a neutral outlook. In the second quarter seasonally adjusted new foreign orders also weakened over the previous period, which had recorded a slight increase in order activity. Overall, however, seasonally adjusted exports in the second quarter of 2003 were just under 2½% lower than the level of the previous three months.

External environment

In the spring of 2003 – statistical information on foreign trade by region and product group is available up to and including May – German exporters reported declining sales primarily in the euro area, but saw these drop in the markets outside of EMU as well. In this context, regional export performance was mainly supported by the cyclical position of the trading partners' economies. Thus, seasonally adjusted goods delivered to the euro area on an average of the months of April and May declined by 3% vis-à-vis the average of the first quarter of 2003, owing to the ongoing economic slowdown there. Moreover, exports of goods to the other EU countries, the demand from which had supported German export performance in the first quarter perceptibly, and to the United States, also fell short of the average level witnessed in the

Breakdown of exports



first quarter. By contrast, an increase in export demand from the central and eastern European transition countries and the emerging economies in South-East Asia was a positive factor. Sales by German exporters to these countries increased moderately.

In the meantime, exports to the United States in particular are likely to have been dampened by the decline in Germany's price competi-

tiveness which started in spring of last year and usually has a delayed impact on exports. Whereas Germany's price competitiveness, calculated on the basis of deflators of total sales, fell in the last year and a half by nearly 28% vis-à-vis the United States and just under 11% vis-à-vis the other non-EMU countries, it improved slightly (+1%) vis-à-vis the euro area countries. According to practically all relevant economic observers, however, the euro was significantly undervalued at the beginning of 2002. With a view to all of the major trading partners, the longer-term outlook for Germany's international competitiveness can, at the moment, be assessed as approximately neutral.

German exporters' entire range of goods was affected by the weaker export demand (see table on page 43). The ongoing subdued investment activity of major trading partners dampened the export business mainly in the capital goods sector (-4½%), which in the current year again accounted for nearly half of all exports. Exports of goods from the information and communication industry posted the sharpest decline (-8½%), which in the first quarter, had still recorded growth. Export demand for machinery and motor vehicles also declined. Exports of intermediate goods, which make up nearly a third of Germany's export business, fell by 2½%. Furthermore, after having posted marked growth in the two previous quarters, exports of consumer goods dropped by 3%, likely owing to the ongoing tense situation in the labour markets of many trading partners' countries.

*Imports of
goods*

Seasonally adjusted imported goods to Germany weakened in the second quarter by just under 3½%. The reduction in the total value of imports is, however, attributed to an equally sharp drop in prices for imported goods in the same period. In real terms, the level of imported goods thus remained nearly constant. One major reason for the observed decline in import prices is likely to have been the steep fall in imported energy prices (-16%) in the second quarter. In the period under review, the prices for imported crude oil alone dropped by more than a fifth compared to the first quarter. Since import prices have broadly fallen, the stronger euro and the overall muted domestic demand are also likely to have contributed to these price declines. Slight growth was observed only in the areas of motor vehicles and chemical products.

*Breakdown
of imports*

Compared to the first quarter, products of the foreign chemicals industry were particularly in demand in the two-month period of April-May 2003 (+3% on a monthly average). By contrast, seasonally adjusted imports of machinery and equipment and motor vehicles posted a slight decline (-½% each) over the previous period. Other major sectors experienced declines, in some cases a sharp fall in imports, including information and communication technology which fell more than 8%.

This import trend can especially be seen against the backdrop of weaker demand for imported capital goods observed since the winter months. By contrast, despite the ongoing subdued consumer sentiment imports of consumer goods increased by around 1% even with declining prices.

Trend in foreign trade by region and by categories of goods

Seasonally adjusted average of April to May period 2003 vis-à-vis average of January to March period 2003 in %

Item	Ex-ports	Im-ports
Total	- 2.0	- 3.3
Selected country/group of countries		
Euro-area countries	- 3.0	- 3.0
Other EU countries	- 9.4	- 9.5
United States	- 5.2	- 7.0
Japan	- 0.3	- 3.9
Central and east European countries in transition	+ 2.6	+ 1.5
OPEC countries	- 4.6	+ 2.6
Emerging markets in South-East Asia	+ 1.1	- 7.8
Categories of goods		
Selected main categories		
Intermediate goods	- 2.4	- 2.0
Capital goods	- 4.4	- 5.1
Consumer goods	- 3.0	+ 0.9
Energy sources	.	- 7.0
Selected categories		
Chemicals	- 2.6	+ 3.2
Machinery	- 2.0	- 0.5
Motor vehicles and motor vehicle parts	- 3.0	- 0.7
Information technology	- 8.6	- 8.1

Deutsche Bundesbank

The drop in imports not only affected individual trading partners. Compared with the first quarter, imports from almost all regions fell (see table above). By comparison, imports from the EU countries which are not participating in European monetary union, from the United States and from the emerging markets in South-East Asia declined significantly. By contrast, imports from the central and east European transition countries increased (+1½%), thus further extending their share of German imports in the period under review, namely to nearly 15%. There was a relatively sharp increase in imports from OPEC countries (+2½%) which was remarkable against the background of markedly declining crude oil prices. This may be due to inventories being replenished in the period under review.

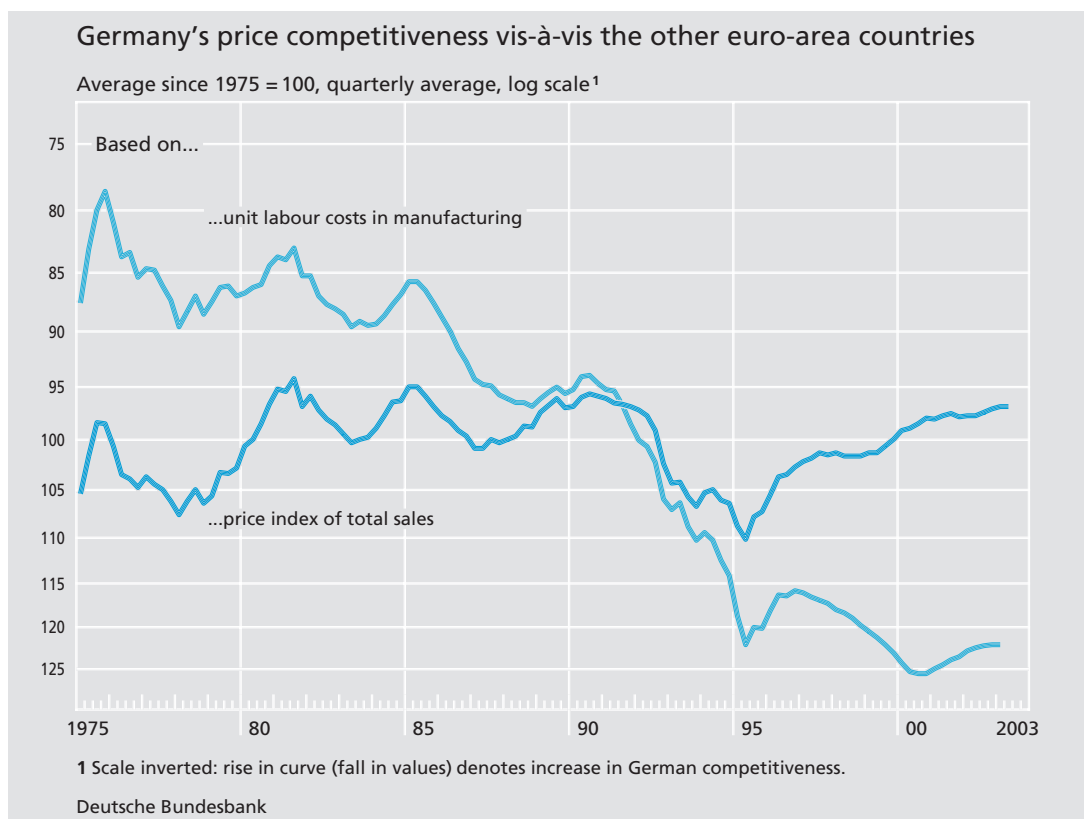
Was the German conversion rate too high at the start of monetary union?

The German economy's persistently sluggish growth has been put down in part to Germany joining monetary union at a conversion rate which was too high. As a result, this is said to have impaired the ability of German companies to compete against the other euro area countries.¹ Measured by a competition indicator based on unit labour costs in the manufacturing sector, which is often used in international comparisons, one does indeed at a first glance draw the conclusion that Germany's competitive situation upon entry into European monetary union was clearly below the long-term average for the period since 1975. In this context, it should be considered that in the last two decades, the unit labour costs in the German manufacturing sector have risen more than in the other sectors, which are also of significance for determining the international competitiveness of Germany's economy.² In many partner countries by contrast, the exact opposite trend has been observed, meaning that in the long term, using a competition indicator based on unit labour costs in the manufacturing sector, would, in the case of Germany, lead to considerable interpretation errors. Moreover, wages represent only one cost factor, albeit an important one, that companies

have to consider. The Bundesbank therefore uses for its analyses a more broadly defined indicator based on the price and cost index of total sales, which in addition to the (unit) costs of the total domestic value-added created (including services produced in Germany) also takes account of imported goods and services. Measured by this more precise indicator, the competitive position of Germany's economy vis-à-vis the other euro area countries at the start of monetary union approximately equalled the long-term average for the period from 1975. It has improved slightly on the whole since then (see chart on page 45). The theory that Germany joined monetary union at an exchange rate that was overvalued, and, as a result, suffered a worsening of price competitiveness within the euro area, must therefore be rejected. Another argument against the theory of a too high conversion rate is the fact that German exports to the euro area developed very dynamically right up to the beginning of 2001, ie more than two years following the start of monetary union. German exports to these countries did not lose momentum until the major euro area trading partners experienced a downturn in growth which started in 2001.

¹ A comprehensive analysis of the competitive situation of the German economy in the euro area is planned for the October 2003 issue of the Monthly Report. — ² In the November 1998 issue of the Monthly Report, the advan-

tages and disadvantages of the various indicators of international competitiveness have been illustrated in detail.



*Current
account*

Owing to the somewhat steeper decline in imports vis-à-vis exports during the second quarter of 2003, Germany's trade surplus rose in seasonally adjusted terms by just over €½ billion to €30 billion. In the second quarter, the deficit in invisible current account transactions with non-residents rose by €5 billion over the previous three-month period. The deficit on Germany's services account was somewhat higher than in the previous three-month period. Furthermore, net current transfers and (net) payments of factor income to non-residents rose slightly. As a result, the German current account ran a surplus of €6½ billion, compared to approximately €11 billion in the previous quarter.

Financial transactions

While the rapid end of armed conflict in Iraq at the beginning of the second quarter had, for a short time, given rise to hopes of an economic recovery, renewed uncertainties as to the further development of the global economy led to deflationary concerns, which have, however, recently abated. In parallel to the changing mood on the global markets, significant decreases in the bond yields of first-class borrowers were again recorded well into June. At the end of the quarter, however, they again rose considerably. At the same time, central banks on both sides of the Atlantic used the leeway afforded by the abating price pressure to further cut interest rates, while the euro made considerable ground against other currencies. The exchange rate

*Trends in
financial
transactions*

Major items of the balance of payments

€ billion

Item	2002		2003	
	Q2	Q1	Q1	Q2
I Current account				
1 Foreign trade ¹				
Exports (fob)	162.3	162.8	162.0	
Imports (cif)	131.6	133.5	132.2	
Balance	+ 30.8	+ 29.3	+ 29.8	
2 Services (balance)	- 8.9	- 8.6	- 8.9	
3 Factor income (balance)	+ 0.5	- 4.3	- 2.5	
4 Current transfers (balance)	- 8.6	- 5.3	- 7.6	
Balance on current account ²	+ 12.4	+ 9.7	+ 8.8	
Memo item				
Balances, seasonally adjusted				
1 Foreign trade	+ 30.5	+ 29.3	+ 30.0	
2 Services	- 9.4	- 8.4	- 9.3	
3 Factor income	- 1.4	- 1.2	- 4.6	
4 Current transfers	- 8.7	- 6.8	- 7.7	
Current account ²	+ 9.8	+ 11.2	+ 6.7	
II Balance of capital transfers ³	- 0.1	+ 0.0	+ 0.2	
III Balance of financial account ⁴	- 20.1	- 15.9	- 29.3	
IV Change in the foreign reserves at transaction values (increase: -) ⁵	+ 2.4	- 1.5	+ 1.5	
V Balance of unclassifiable transactions	+ 5.3	+ 7.8	+ 18.8	

¹ Special trade according to the official foreign trade statistics (source: Federal Statistical Office). — ² Includes supplementary trade items. — ³ Including the acquisition/disposal of non-produced non-financial assets. — ⁴ For details see the table "Financial transactions" on page •. — ⁵ Excluding allocation of SDRs and changes due to value adjustments.

Deutsche Bundesbank

did not weaken until June. This uncertain environment is also reflected in the trend of portfolio flows, which changed direction in the period under review. On the whole, internationally-oriented investors again stepped up their cross-border investment activity which, according to the statistical data so far available, showed that in contrast to the euro area, financial transactions between Germany and non-residents in the second quarter of 2003 resulted in net capital imports through combined portfolio transactions and direct investments, while in the area of credit transactions there were net exports of funds.

In the area of portfolio investment, which reacts particularly sensitively to changes in investor preferences and perceptions, net capital imports totalled €7½ billion. However, this figure is clearly lower than in the previous three-month period (€36 billion).

Portfolio investment

This development was mainly due to the fact that following the end of the military conflict in Iraq, German savers apparently overcame their strong reluctance to invest abroad once again and increased their securities holdings by €20 billion. In the previous three-month period they sold €5½ billion in foreign securities against the backdrop of the weak global economy and the imminent war in the Middle East. German investors' renewed interest in global investment opportunities especially buoyed sales of foreign bonds, in particular euro-denominated bonds issued by non-residents (€13½ billion). Since these offer a somewhat higher yield than comparable Bunds, they have enjoyed widespread popularity since the beginning of European monet-

German investment in foreign securities

ary union. Over the course of the quarter, German investors also geared their portfolios more towards shares of foreign companies. While April still saw net sales of equities, as was the case in the first three months, the waning uncertainty in the financial markets led German investors to becoming net buyers in the second quarter. As a result, their equity holdings actually increased slightly on balance (€½ billion). By contrast, they sold €1½ billion in foreign money market paper.

Foreign investment in German securities

In the second quarter, non-resident investors again showed keen interest in German securities and increased their holdings by €27½ billion on balance (compared to €30½ billion in the previous quarter). In the period under review they focused on bank debt securities (€13 billion, following €8 billion in the previous period), whose spread over public bonds dwindled to 20 basis points by the end of the quarter. Foreign investors did, however, show robust demand for public bonds and notes as well (€12 billion). Investments in longer-term interest-bearing paper were presumably a reflex reaction to the widespread deflation debate, which had led to a rise in the prices of longer-term bonds. German dividend-bearing paper also aroused interest in the second quarter (2½ billion) after investors had sold 2½ billion worth of holdings in this paper in the first three months. The rally on the German stock exchange has certainly contributed to this reversal in investor behaviour. With the DAX rising by more than 30% in the second quarter, they managed to recoup a part of their earlier losses. By contrast, foreign savers purchased only small amounts (€½ billion) of money market paper, ie debt instrument with

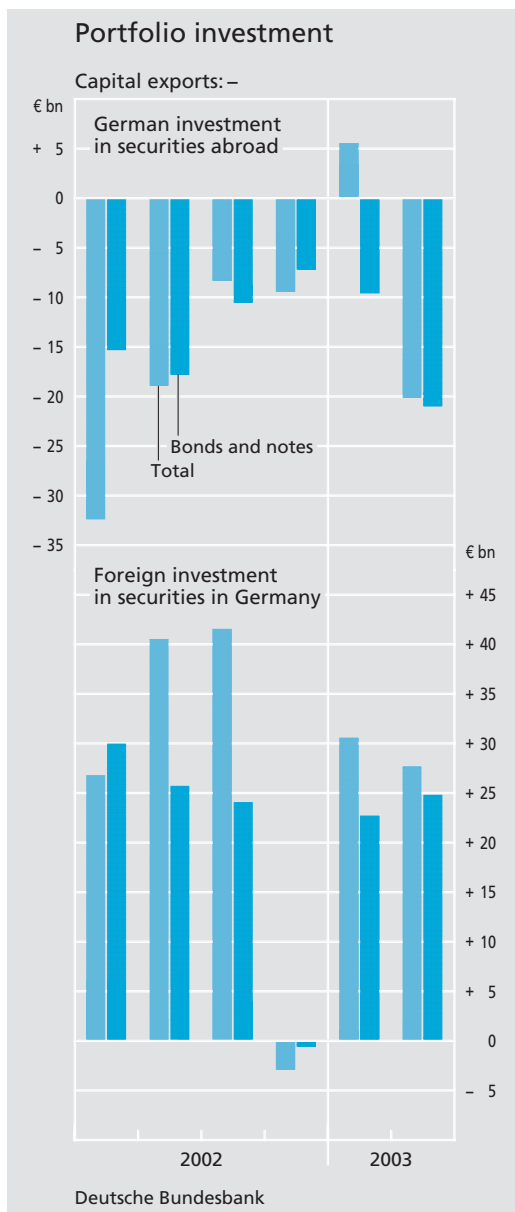
Financial transactions

€ billion, net capital exports: –

Item	2002		2003	
	Q2	Q1	Q1	Q2
1 Direct investment	+ 12.3	– 7.6		+ 21.8
German investment abroad	– 2.7	– 16.0		+ 12.7
Foreign investment in Germany	+ 15.0	+ 8.5		+ 9.1
2 Portfolio investment	+ 21.6	+ 36.1		+ 7.4
German investment abroad	– 18.9	+ 5.6		– 20.1
Shares	+ 1.1	+ 14.7		– 0.7
Investment fund certificates	– 1.0	– 3.1		– 0.1
Bonds and notes	– 17.8	– 9.6		– 21.0
Money market paper	– 1.3	+ 3.6		+ 1.7
Foreign investment in Germany	+ 40.5	+ 30.6		+ 27.5
Shares	+ 9.7	– 2.6		+ 2.3
Investment fund certificates	– 1.0	– 0.9		– 0.1
Bonds and notes	+ 25.7	+ 22.7		+ 24.8
Money market paper	+ 6.1	+ 11.4		+ 0.4
3 Financial derivatives ¹	+ 1.2	+ 2.9		– 2.0
4 Credit transactions	– 54.7	– 46.8		– 55.8
Credit institutions	– 48.6	– 33.0		– 67.0
Long-term	– 3.2	– 14.6		– 8.2
Short-term	– 45.4	– 18.4		– 58.9
Enterprises and individuals	– 7.7	– 20.0		– 10.5
Long-term	+ 0.1	– 6.8		+ 0.1
Short-term	– 7.8	– 13.2		– 10.7
General government	+ 2.3	+ 1.3		+ 1.1
Long-term	– 0.0	+ 3.7		– 0.1
Short-term	+ 2.3	– 2.5		+ 1.3
Bundesbank	– 0.7	+ 4.9		+ 20.6
5 Other investment	– 0.4	– 0.6		– 0.6
6 Balance of all statistically recorded capital flows	– 20.1	– 15.9		– 29.3
<i>Memo item</i>				
Change in the foreign reserves at transaction values (increase: –) ²	+ 2.4	– 1.5		+ 1.5

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

Deutsche Bundesbank



a maturity of up to one year, which had played a major role in the previous months due to their safety and liquidity, while the amounts they invested in investment fund certificates remained practically unchanged.

In line with last year's trend, direct investments in the period from April to June once again resulted in net capital imports (€22 billion), after having witnessed net capital ex-

ports of €7½ billion in the previous quarter. The continued dampened economic outlook outside of Germany apparently impacted the direct investment activity of some internationally operating companies as well.

This clearly affected German companies' foreign transactions: in the period under review they repatriated €12½ billion from their subsidiaries. In this context, short-term loans (reverse flows), which subsidiaries granted to their German parent companies, once again played the decisive role. In this context, various financing companies in the Netherlands were of particular importance, which possibly took advantage of the current favourable financing conditions in order to raise capital by issuing bonds and, likely with a view to tax issues, provided these funds to their German parent companies. By contrast, movements in capital equity were relatively limited.

The negative global economic conditions have had a less pronounced effect so far on foreign companies' direct investment activity in Germany. Foreign proprietors thus increased their direct investments in Germany by an additional €9 billion, after having provided their German branches with fresh funds totalling €8½ billion in the previous quarter. These capital inflows comprised mainly short-term loans to subsidiaries domiciled in Germany.

In contrast to direct investments and portfolio investments, non-banks' unsecured credit transactions in the second quarter led to net capital exports (€9½ billion). Enterprises and individuals transferred funds totalling

*German
foreign direct
investment*

*Foreign direct
investment
in Germany*

*Credit
transactions
of non-banks*

*Direct
investment*

€10½ billion net abroad in part by significantly increasing their holdings at foreign banks with proceeds from the sale of securities. The operations of public authorities by contrast resulted in a slight net inflow of capital (€1 billion).

Credit transactions of the banking sector

Overall transactions of the banking sector, which can be considered a reflection of the other foreign payments recorded in the balance of payments, recorded net capital exports totalling €46½ billion in the April to June period. The resulting net capital exports were mainly due to an increase of short-term loans by German credit institutions to foreign borrowers (€59 billion), while the net external position of the Bundesbank – excluding the foreign reserves – fell by €20½ billion. This is

primarily due to a reduction in claims which had arisen in connection with the gross settlement payment system, TARGET.

The foreign reserves of the Bundesbank, which are shown separately from credit transactions in the balance of payments, declined by €1½ billion at transaction values between the end of March and the end of June. Valued at market prices, they fell by nearly €4 billion from €82½ billion at the end of March to €78½ billion at the end of the first half of the year. A slight decline in the market value of gold in euro terms and, in particular, a significant depreciation of the US dollar against the euro, contributed to this development.

Foreign reserves of the Bundesbank

Public finance

Central, state and local government budgets

In the second quarter of 2003, the combined deficit of central and state government (excluding the results of local government, which are not yet known) was again considerably higher (€7 billion) than the deficit in the same period last year (€4½ billion). However, this less favourable development was due not to declining tax receipts, as in the preceding quarter, but rather predominantly to the €6 billion fall in the Bundesbank's profit distribution. Therefore, despite a relatively large increase in tax receipts (+4%), revenue stagnated whilst expenditure rose by 2%.

Underlying trends

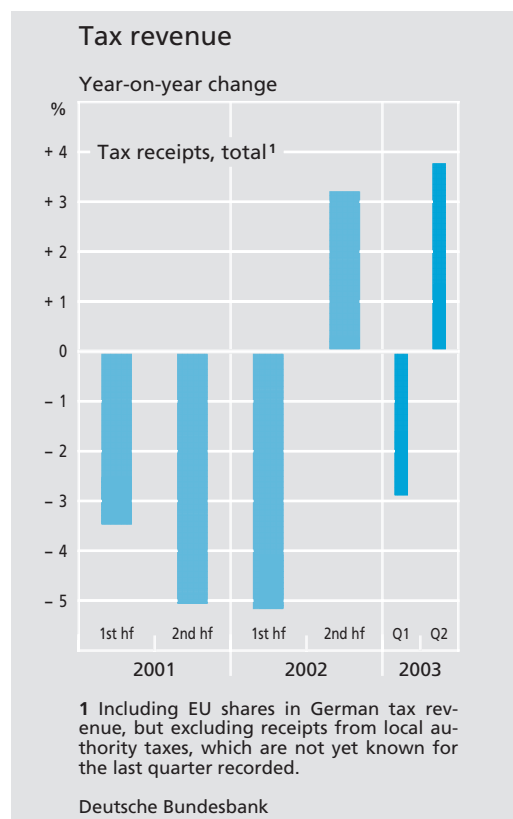
Following the sharp increase in the deficits of central, state and local government in the first half of 2003, these deficits are also likely to considerably exceed last year's already high amount of €60 billion in 2003 as a whole. The Federal Government and the majority of the *Land* governments will clearly miss their budget targets, which had envisaged a significant reduction in the deficits. Net borrowing will, for the most part, exceed the fundamentally applicable constitutional level of (self-financed) investment. The local authorities' fiscal position is likely to deteriorate discernibly and, in many cases, will probably run into even greater conflict with requirements under budgetary law. The surplus of the special funds will decrease owing to the fall in the Bundesbank's profit distribution. The tense budget situation which central, state and local government is facing, together with the deficit to be expected in the social security funds, will – as last year – result in a breach

of the 3% deficit ceiling laid down in the Maastricht Treaty.

*Tax revenue
in the second
quarter...*

In the second quarter, the tax receipts¹ of general government were almost 4% higher than in the corresponding period of last year after having decreased significantly in the first quarter. However, this relatively sharp increase was considerably inflated by last year's low baseline figure, which had been dented by exceptional factors. The strong growth in revenue in the second quarter thus cannot yet be seen as signalling a positive reversal in trend.

Among direct taxes, there were favourable developments in corporation tax receipts in particular. They amounted to just over €1 billion, whereas in 2002 refunds had exceeded tax payments by €2 billion. At that time, the outcome had been strongly affected by major refunds to individual enterprises. Furthermore, higher retrospective payments in respect of earlier years have been received in 2003 and corporation tax has been reduced only marginally by supplementary dividend distributions.² On the other hand, revenue from non-assessed taxes on earnings – essentially investment income tax on dividends – has continued to decline substantially (by one-fifth or almost €1 billion). As in the case of corporation tax, it is not yet possible to record a positive reversal in trend with regard to prepayments for assessed income tax. Receipts remained around 22% down on the corresponding figure for last year, although this was due primarily to lower payments in respect of past years. Receipts from tax on interest income have continued to fall (by



7½%), above all as a result of the declining average rate of interest.³ By contrast, the wage tax yield increased by just over 2%. Revenue growth, which was considerably stronger than in the first three months, was however also boosted by the one-off payments agreed as part of the pay settlements in the public sector and the metal-working industry.

1 Including EU shares in German tax revenue but excluding receipts from local government taxes, which are not yet known.

2 According to current information, however, the three-year moratorium for the use of tax credits relating to earnings retained before the tax reform, which was introduced by way of the Act to Reduce Tax Subsidies (*Steuervergünstigungsabbaugesetz*), has barely had an impact up to now.

3 Furthermore, there appear to have been portfolio shifts towards open-end real estate funds, the receipts from which are largely exempt from tax in Germany.

Trends in the revenue from major taxes

Type of tax	Revenue in € billion		Annual percent- age change
	1st half		
	2002	2003	
Wage tax	61.4	62.3	+ 1.5
Assessed income tax	- 0.3	- 2.9	.
Corporation tax	- 1.3	3.7	.
Turnover tax	68.0	67.0	- 1.5
	<i>of which Q2</i>		
Wage tax	31.0	31.7	+ 2.2
Assessed income tax	3.3	2.6	-22.1
Corporation tax	- 2.0	1.2	.
Turnover tax	33.5	33.3	- 0.5

Deutsche Bundesbank

In the case of indirect taxes, revenue from turnover tax continued to fall somewhat (-1/2%). This reflected the persistently muted development in domestic demand. By contrast, receipts from energy taxes rose by just over 9% owing to the tax increases which entered into force at the beginning of the year.

In the first half of the year, tax revenue was only 1/2% higher than the corresponding figure last year, whereas the official tax estimate from May projected revenue growth of just over 2% for 2003 as a whole (excluding local government taxes in both cases). Despite the more favourable result for the second quarter, the downside risks vis-à-vis the May forecast predominate. Thus, following the economic stagnation so far this year, it cannot be

expected that the rate of economic growth on which the Federal Government based its estimate at that time (3/4% in real terms and just over 2% in nominal terms) will be achieved this year. With regard to the major individual taxes, there is a risk of shortfalls vis-à-vis the spring forecast, above all, for wage tax and turnover tax. At 1 1/2%, wage tax receipts increased in the first half of the year at only half the rate previously predicted for 2003 as a whole. Revenue from turnover tax fell by 1 1/2%, whereas an overall slight increase had been expected in the estimate for 2003 published in May.

In the second quarter, the deficit recorded by the Federal Government fell on the year by just under €1 billion to €5 1/2 billion. Revenue increased relatively sharply by 5% owing to the marked rise in tax receipts. However, this was partly offset by a significant increase in expenditure (by just over 3%), which was mainly due to the rise in government grants to the statutory pension insurance scheme and the flood disaster fund as well as to labour market-related spending. The Federal Government's budget plan for 2003 as a whole envisages a sharp year-on-year decline in the deficit (to €19 1/2 billion from €32 1/2 billion). However, this target will be considerably undershot and so a supplementary budget has been announced. Tax revenue will be far lower than expected. According to the May tax estimate, this will result in shortfalls of €4 billion for the Federal Government. In addition, the fact that certain tax measures (Act to Reduce Tax Subsidies, Act on the Tax on Interest Income (*Zinsabgeltungssteuergesetz*)) were included in the plans but ultimately not

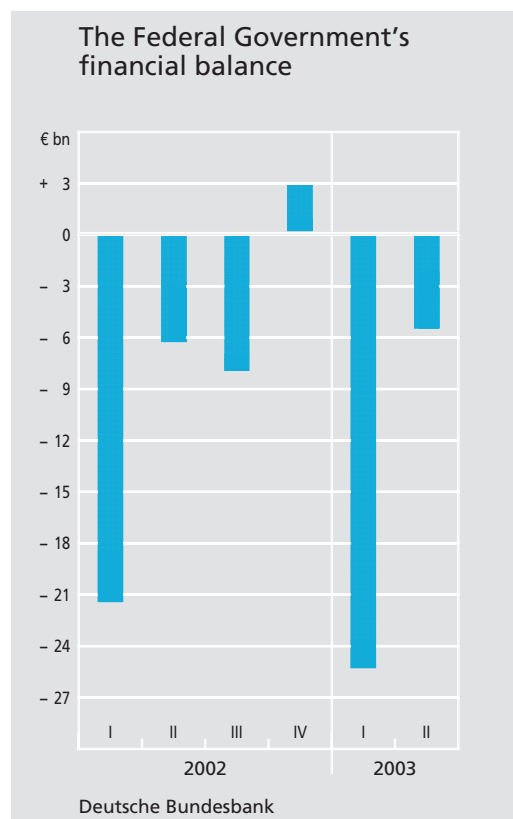
*Federal budget
in 2003*

*... and in 2003
as a whole*

implemented (in full) will result in revenue shortfalls. On the expenditure side, labour market-related spending (unemployment assistance, grant to the Federal Labour Office) in particular will be considerably higher than the budget estimates. Overall, the deficit is likely to exceed last year's figure significantly.

*Federal budget
in 2004*

In July, the Federal Cabinet adopted the draft Federal budget for 2004. In order to limit new borrowing, a comprehensive consolidation package was approved at the same time. Moreover, a decision of principle was taken to bring forward to 2004 that stage of the income tax reform planned for 2005. This will lead to revenue shortfalls of €7 billion for the Federal Government. It was subsequently announced that privatisation proceeds in the amount of €2 billion will be generated and subsidies totalling almost €½ billion will be removed in order to finance these tax shortfalls in 2004. At its meeting on 13 August, the Federal Cabinet adopted a draft Act accompanying the budget in which the previously adopted decisions of principle are consolidated insofar as they have to be regulated by law. Consequently, Federal Government net borrowing now amounts to just under €29 billion and is thus once more considerably higher than investment expenditure (almost €25 billion). According to article 115 of the Constitution, this is permitted only if the excessive new borrowing is suitable for averting a disruption of the overall economic equilibrium. The Federal Government has declared that it will invoke this exemption clause for the third year in succession.



Although the targeted level of net borrowing would be markedly lower than the level expected in 2003, it would nevertheless be around €19 billion higher than the amount of €10 billion contained in the previous financial plan. The Federal budget will be adversely affected on the one hand by large tax shortfalls resulting both from extensive revisions to the tax estimate (just under €13 billion⁴) and from bringing forward the tax reform (€7 billion). Moreover, allowance has been made for considerable additional spending (around €11 billion) on both unemployment assistance and the grant to the Federal Labour Office. This is, however, to be offset by exten-

⁴ Total deviation from the tax estimate of May 2002 taking into account changes in tax legislation, changes in transfers to the EU and assessment discrepancies (in particular in relation to a less favourable macroeconomic assessment).

The consolidation package contained in the draft Federal budget for 2004 *

€ billion	
Item	Amount
Expenditure	8½
<i>of which</i>	
Savings owing to "Hartz reforms" (grant to the Federal Labour Office and unemployment assistance)	4.0
Reduction in Federal Government's grant to the statutory pension insurance scheme ¹	2.0
Continuation of across-the-board ministerial savings	1.0
Reduction of subsidies	0.6
Public sector pay	0.5
Child-rearing benefits	0.2
Revenue	5½
<i>of which</i>	
Act on Tax Honesty (amnesty)	2.1
Reduction in tax subsidies	1.2
Measures combating illicit work/tax evasion	1.0
Act to Reduce Tax Subsidies (basket II)	0.5
Limitation of standard travel allowance	0.5
Elimination of the grant to home buyers	0.1
Total	14

* Financial implications for the Federal budget in 2004. —
 1 In addition, the contribution rate to the statutory pension insurance scheme is to be stabilised at 19.5%.

Deutsche Bundesbank

sive cost savings, above all from the consolidation package which was presented together with the draft Federal budget in July. The measures (see table above) are to total around €14 billion of which €8½ billion will be on the expenditure side and €5½ billion will be on the revenue side.

Federal Government's medium-term financial plan

The Federal Government's new medium-term financial plan (see table on page 55) also appears to be considerably less favourable than the preceding forecast. As a result, the planned reduction in net borrowing will be noticeably protracted. This is due above all to the distinctly more negative estimate of trends in tax revenue, but also to the upward revision of labour market-related expenditure. Given an annual average increase in expenditure of ½% from 2005 to 2007, a balanced

Federal budget will no longer be achieved within the time-frame of the medium-term financial plan.

The relief measures accompanying the draft Federal budget plan may make a significant contribution to consolidating the Federal budget. State and local government would also benefit considerably from this. The planned measures are a step in the right direction, not least with regard to the intended reduction of subsidies. Nonetheless, policymakers need to ensure that the measures – especially the planned changes in business taxation – do not impair investment conditions in Germany.⁵ Although disposals of state-owned participating interests reduce net borrowing and are to be welcomed in principle from a regulatory point of view, they make little contribution towards fiscal consolidation. Lower borrowing is achieved at the cost of a corresponding loss of government assets. Such asset disposals are, in effect, even more akin to borrowing if state-owned banks act as the "upstream" purchasers.

Proposed relief measures

On balance, the Federal Government's plans still involve a very high degree of uncertainty. Whereas the burdens that will result from the income tax cuts are relatively concrete, the likely relief from the consolidation package is far less certain. Some measures have not yet been specified in detail and – like the advancement of the tax reform – largely require the Bundesrat's consent. Furthermore, the financial implications of major items are very

Budgetary plans associated with high risks

⁵ See also Deutsche Bundesbank, *Monthly Report*, November 2002, p 57 ff.

difficult to assess (tax amnesty, measures combating tax evasion and illicit work). Moreover, the underlying macroeconomic assumptions seem decidedly optimistic.

Special funds

In the second quarter, the surplus of the special funds amounted to €5 billion; this was around €3½ billion lower than the comparable figure for last year. This was mainly due to the drop in the Bundesbank's profit distribution, which fell by €6 billion to €5½ billion; any part of this distribution in excess of €3½ billion is transferred to the Redemption Fund for Inherited Liabilities. This contrasted with budgetary improvements on the part of the ERP Special Fund (in connection with large loan repayments) and a surplus in the flood disaster fund of around €1 billion in each case. In view of the decline in the Bundesbank's profit distribution, the surplus of the special funds in 2003 as a whole will fall well short of last year's figure (€9 billion).

Land governments

In the second quarter, the *Land* governments' budgets recorded a 3½% increase in revenue. However, there was only a moderate rise of 2% in tax receipts. In view of the payments to the flood disaster fund, expenditure grew at a relatively moderate rate of 1½%. Personnel expenditure continued to rise by just over 1%. It must be borne in mind, however, that the adjustment of civil servants' pay and pension benefits, which is a major item in the *Land* governments' budgets, was not approved until July.⁶ On balance, the quarterly deficit fell on the year by €1 billion to €5½ billion. However, according to the results of the tax estimate, the planned significant reduction of the record deficit of €31 billion

The Federal Government's financial planning over the medium term

€ billion

Item	Target 2003	Ministry 1 2003	2004	2005	2006	2007
Expenditure	248.2	257.0	251.2	251.2	251.2	254.9
of which Investment	26.7	26.7	24.8	24.7	24.7	24.7
Revenue	228.6	221.3	226.9	229.6	235.6	244.4
of which Taxes	203.3	196.0	208.5	211.5	221.6	229.9
Privatisation proceeds	5.5	5.5	0.1	0.1	0.1	0.1
Deficit (-)	- 19.6	- 35.7	- 24.3	- 21.6	- 15.6	- 10.5
Seigniorage	0.7	0.7	0.5	0.6	0.6	0.5
Net borrowing	18.9	35.0	23.8	21.0	15.0	10.0
<i>Memo item</i>						
Change in expenditure in %	- 0.4	+ 3.1	.	+ 0.0	+ 0.0	+ 1.5

1 Most recent assessment of the Federal Ministry of Finance. —
2 Taking into account the decisions to bring forward the tax reform, net borrowing amounts to just under €29 billion.

Deutsche Bundesbank

recorded in 2002 can no longer be achieved. Although numerous *Land* governments have reacted to this by economising, this will probably not be enough to offset the shortfalls. Apart from a few exceptions, net borrowing will probably far exceed self-financed investment in the *Land* governments' budgets and will therefore breach the constitutional ceiling, thereby triggering special justification obligations. The strain on the *Land* governments' budgets is likely to intensify even further next year, above all if the advancement of the third stage of the tax reform resolved by the Federal Cabinet is not counter-financed. The *Land* governments need the relief measures proposed by the Federal

⁶ The resulting additional burdens in 2003 are, however, to be compensated for largely by cuts in Christmas bonuses on the basis of the new flexibility arrangement.

Net borrowing in the market by central, state and local government

€ billion

Period	Total	of which		Memo item Acquisition by non-residents
		Securities 1	Loans against borrowers' notes 2	
2001	+ 14.2	+ 56.3	- 6.6	+ 13.0
2002 p	+ 54.6	+ 67.6	- 11.8	+ 57.4
of which				
Q1	+ 25.6	+ 15.2	+ 10.5	+ 12.2
Q2	+ 1.5	+ 22.9	- 21.4	+ 16.7
Q3	+ 18.6	+ 25.1	- 5.4	+ 19.1
Q4 p	+ 9.0	+ 4.4	+ 4.6	+ 9.4
2003				
Q1 p	+ 34.7	+ 32.6	+ 2.1	+ 19.4
Q2 p ^e	+ 12.6	+ 11.8	+ 0.8	...

1 Excluding equalisation claims. — 2 Including cash advances and money market borrowing.

Deutsche Bundesbank

Government in order to limit their borrowing requirements, which are already high.

Local authorities

For local government, only the results for the first quarter are currently available. According to these data, revenue rose by 2% and expenditure increased by 1½%. Personnel expenditure rose steeply by 3½%, reflecting the effects of the relatively high pay settlements for wage and salary earners in the public sector. The increase in expenditure on social benefits was far steeper (9½%). Overall, cost growth was held down, however, by an exceptionally sharp fall in fixed capital expenditure. At €4½ billion, the deficit matched last year's corresponding figure. In the remainder of the year, however, a marked deterioration in the deficit is likely, above all as a result of a less favourable revenue trend.

The indebtedness of central, state and local government rose by €12½ billion in the second quarter. The Federal Government increased its liabilities by €4½ billion, borrowing just over €2 billion on both the money market and the capital market. Whereas the *Land* governments recorded rather high borrowing requirements totalling €7½ billion, the local authorities are likely to have raised their indebtedness only moderately. Borrowing was focused on balance on the capital market's medium-term segment.

Indebtedness

Social security funds

At €1 billion, the deficit in the wage and salary earners' pension insurance scheme was just as high in the second quarter as in 2002, even though the contribution rate had been raised from 19.1% to 19.5% at the beginning of 2003. Revenue from contributions rose by only 2½%. Adjusted for the increase in the contribution rate, the compulsory contributions for employed persons increased by ½% which – given the slight fall in gross wages and salaries – was attributable to the raising of the maximum level of earnings subject to contributions. The new arrangements applying to low-paid part-time work have apparently not led to a noticeable improvement in the fiscal position despite the large number of new so-called "minijobs" which have been registered. Relief was afforded, however, by the transfers from central government, which were 8% higher owing to the last stage of the ecological tax reform as well as the pegging of government transfers to the contribution rate. Overall expenditure increased by al-

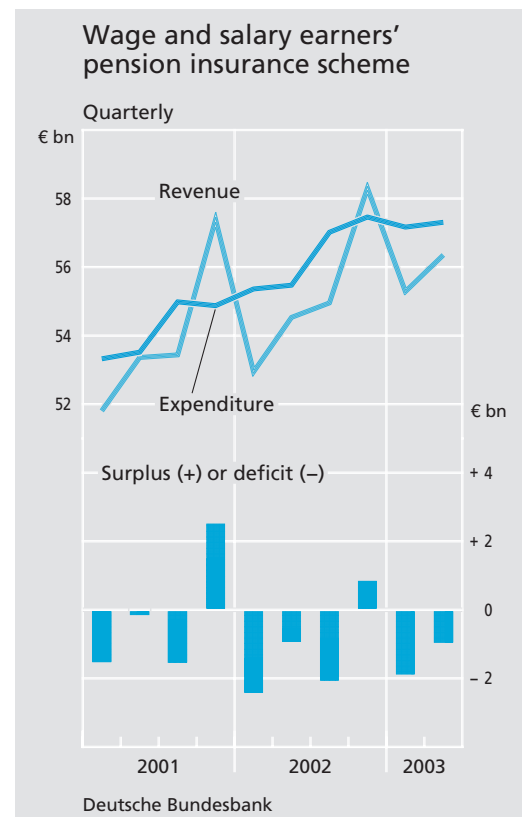
Statutory pension insurance scheme

most 3½%, as in the previous quarter. However, pension expenditure rose somewhat more rapidly owing to higher per capita payments. By contrast, the increase in the number of pension recipients continued to decelerate, amounting to little more than ½%.

The pension adjustment of 1 July, which was lower than in 2002 (1.04% in western Germany and 1.19% in eastern Germany), is likely to slow down the growth of expenditure in the second half of the year. However, an acceleration in the inflow of contributions is not yet apparent on the revenue side. Therefore, a noticeable deficit is likely to be recorded again at the end of the year. Even based on the Federal Government's optimistic growth assumptions, it is now expected that the contribution rate will have to be raised to 19.9% in 2004. However, the Federal Government wants to retain the current rate and also cut the transfers from the Federal Government by €2 billion. Given these assumptions, savings of around €6 billion will have to be made next year. A further lowering of the required volume of fluctuation reserves, which have already been reduced, would increase the risk of the statutory pension insurance scheme becoming dependent on liquidity injections from the Federal Government and would foster uncertainty regarding the soundness of the scheme's finances. Moreover, the need for structural consolidation would merely be postponed by one year and the general government deficit would increase by up to 0.3% of GDP in 2004.

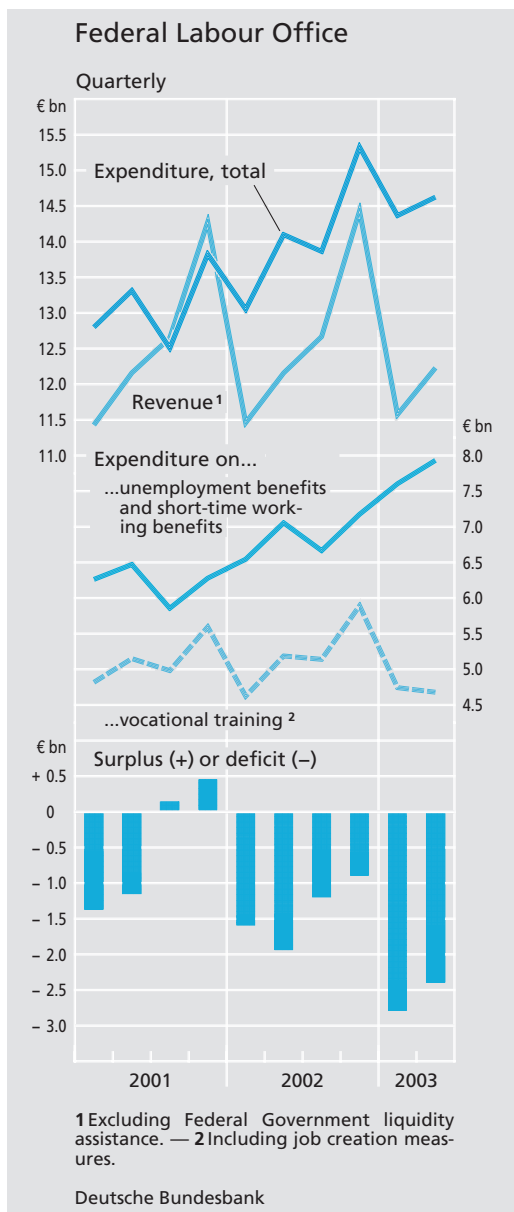
Federal Labour
Office

In the second quarter, the Federal Labour Office recorded a deficit of just under



€2½ billion. This was €½ billion higher than last year's figure. Total revenue rose by only ½%. The main reason for this was that contribution receipts grew only slightly despite the increase in the maximum level of earnings subject to contributions. The increase in expenditure slowed down markedly to 3½%. Although spending on unemployment benefit continued to go up (by just over 12%) more sharply than the number of unemployed persons, the 8% reduction in expenditure on active labour market measures was a significant counterweight.

In the first six months of the year, therefore, the deficit already amounted to €5.2 billion despite the cuts in assistance measures and the Hartz reforms. The result is traditionally much better in the second half of the year



owing to seasonal factors. However, based on the Federal Government's macroeconomic forecast, the Federal Labour Office – whose budget for 2003 does not envisage any need for grants from central government – is now likewise expecting a deficit of around €7 billion. In view of the poor labour market situation, there will also be a need for a grant next year. €5.2 billion has been earmarked for this in the draft Federal budget for 2004.

Financial data on the statutory health insurance fund are currently available only for the first quarter. According to these data, the health fund managed to reduce its year-on-year deficit by €¼ billion to just over €½ billion. Revenue was 2½% up on the year. However, adjusted for the 0.3 percentage point increase in the average contribution rate to 14.3% at the beginning of the year, revenue from contributions actually fell somewhat and thus decoupled itself further from the benchmark that serves as a proxy for the assessment base (gross wages and salaries plus wage substitutes and pensions). The budget freezes and price discounts ordained last autumn limited the overall increase in expenditure to 2%. Although spending on pharmaceuticals rose by 2½%, the corresponding figure in 2002 had been curtailed by a one-off "donation" from the pharmaceutical industry in exchange for the Federal Government not introducing certain price-reducing measures for pharmaceuticals. Adjusted for this effect, expenditure declined slightly.

*Statutory
health
insurance fund*

In view of their depleted reserves and a level of indebtedness which is now likely to have reached €3 billion, the health insurance institutions would normally be obliged under current law to raise their contribution rates without delay. However, the prospect of relief through the health system reform which has now been agreed between the Federal Government and the opposition parties (see box on page 60) has evidently prompted most of the health insurance institutions to refrain from doing so. On balance, therefore, the statutory health insurance fund is in danger of running up another marked deficit in

2003, too, which will restrict the scope for lowering contributions in 2004.

General government budget trends

*Deficit ratio
above 3%
ceiling in 2003,
too*

In 2002, the deficit ratio rose above the ceiling laid down in the Maastricht Treaty (reaching 3.6%). The 3% criterion is expected to be distinctly exceeded in 2003, too. The increase in the deficit is caused, in particular, by continuing unfavourable cyclical developments and several other negative factors (above all the lower Bundesbank profit, higher transfers to the EU and flood-related expenditure). By contrast, there have been a number of increases in taxes and social security contributions (notably concerning the statutory health and pension insurance schemes and excise taxes). In addition, prudent budget management is to be expected, not least because the borrowing of central, state and local government is bordering on the limits laid down under budgetary law. Finally, cost curbs affecting the health insurance fund and labour market-related benefits have been adopted.

*Deficit
reduction
necessary
in 2004*

Given the fact that, in January 2003, the Ecofin Council established that Germany had an excessive deficit in 2002 and that this breach of European regulations will probably also persist in 2003, it is extremely important that the deficit ratio be lowered to less than the 3% ceiling next year. Otherwise, there is a danger that further damage will be caused to the European fiscal regulations, which guarantee the sustainable development of fiscal budgets, above all in the medium and long term, and are therefore intended to support a

stability-oriented monetary policy in the monetary union.

At present, there appears to be an increasing tendency in some euro-area countries to defer the original consolidation targets and seek a way out of the growth crisis with the help of short-term credit-financed government stimulus packages. However, failure to achieve fiscal consolidation is likely not only to dampen economic growth in the medium and longer term, but – owing to the existing general uncertainty about the sustainability of fiscal policy – will also have a negative impact on the consumption and investment climate in the short term. In this respect, the potential short-term “growth dividend” owing to a more expansionary fiscal stance should not be overestimated. It will not solve the far more important structural macroeconomic problems. These require growth-enhancing structural reforms.

A reduction in government deficits is called for not only in the context of the European regulations, however. The room for manoeuvre available to central, state and local government is being increasingly curtailed by the growing indebtedness and the related interest burden. The national upper borrowing limits set by budgetary law, which are not very stringent anyway, are exceeded not only in individual cases, but almost as a rule. Sizeable deficits are also being recorded by the social security funds; their reserves are now largely depleted and debts have already been incurred in some cases.

*Consolidation
also a national
requirement*

The reform of the statutory health insurance fund

The key points for a reform of the statutory health insurance fund agreed between the Federal Government and the opposition parties provide for a reduction in the expenses which are financed equally by employers and employees. These key points are also to apply to public sector employees with civil servant status and to retired civil servants. The savings are to increase from €9.9 billion in 2004 to €23.1 billion (including refinancing in the amount of €8.5 billion in favour of employers) in 2007. This will apparently lead to a fall in the average contribution rate from 14.3% at present to 13% in 2007 (employers: 6.1%, employees: 6.9%). The principal measures are:

- Abolition of one-off mortality and maternity payments, in principle also of payments for over-the-counter pharmaceuticals, taxi journeys and spectacles. Saving: €2.5 billion.
- Extension of prescription charges up to a ceiling of 2% of gross income (up to 1% for the chronically ill, children remain exempt): in general, they are to amount to 10% of the price (at least €5 and not more than €10). The supplementary charge for hospital in-patient treatment will be increased from €9 to €10 per day and, in future, will be levied for up to 28 days rather than 14 days. Furthermore, a surgery charge of €10 per quarter is planned for visits to the doctor. If a patient consults several doctors without a referral, the charge will be levied several times. Net benefit: €3.3 billion.
- Financing of non-insurance-related (above all maternity-related) payments through raising tobacco tax. The statutory health insurance fund will initially receive a Federal grant of €1 billion, which will increase to €4.2 billion by 2006.
- Higher health insurance contributions from pensioners out of pensions and any employment income. Additional revenue: €1.6 billion.
- Structural measures: extension of price discount scheme for patented pharmaceuticals, introduction of fixed prices for new patented pharmaceuticals with few additional benefits, more rigorous assessment of pharmaceuticals' utility as of 2005, limitation of administrative expenditure. Net benefit: rising from €1.5 billion to €3 billion in 2007.
- Transfer of financing costs from the employer to the employee through separate insurance for dentures (expenditure by statutory health insurance fund: €3.5 billion) as of 2005 as well as a special contribution of €5 billion for sickness benefits as of 2007.

These measures are aimed predominantly at achieving greater cost-sharing and thereby increasing the individual responsibility of insured persons. However, only the structural measures will bring about real cost savings. While the supplementary charges are also likely

to have a steering and containing effect on demand, the cost-efficiency reserves in the system will be mobilised only to a limited extent. The package contains other measures for which the estimate of relief is not quantified. For example, a foundation is to be set up to help improve the quality of service. Its tasks will include not only assessing the utility of pharmaceuticals, but also working out treatment guidelines. Although mail-order pharmacies are to be legally permitted to sell pharmaceutical products, price formation regulations will not be dropped. With regard to doctors' remuneration, payment for standard services at fixed prices rather than an overall professional fee is planned in future. Persons who are voluntarily insured with the statutory health insurance fund even though their salary level would entitle them to opt out are to be given limited options with regard to the scope of their insurance cover.

The relief volume totalling €14.6 billion (excluding transfers from employers to employees) in 2007 is likely to considerably lower the contribution rate. However, it seems doubtful whether the target of 13% can be reached as the current average rate of 14.3% – taken as the point of reference – does not cover costs and the assumed increase in contribution receipts is not certain. A further obstacle to achieving the rate of 13.6% targeted for 2004 is the fact that, according to the current legal situation, around €6 billion (which corresponds to 0.6 percentage point of the contribution rate) must first of all be used for loan repayments and replenishment of reserves. However, the intention in this respect is to spread these obligations over a longer period, which is ultimately tantamount to deferring burdens until a future point in time.

There is already a consensus that the agreed measures to reform the statutory health insurance fund will not be able to solve the fund's long-term problems. Both demographic developments and advances in medical technology will create considerable expenditure pressure, even if the rationalisation reserves, which undoubtedly exist, are mobilised. If contributions remain linked to wages and salaries, this will automatically continue to lead to a rise in the cost of labour. The prospect of sharply rising social contributions over the longer term is certainly one of the reasons for the current scepticism regarding the economic outlook. The generally acknowledged need for more extensive reforms has led the government-appointed Commission for Sustainability in the Financing of Social Security Systems (known as the "Rürup Commission") to develop two models: a "citizens' insurance model (*Bürgerversicherung*)" and a "per capita flat-rate charging model (*Kopfpauschalen*)" with a supplementary tax-financed adjustment based on the principle of solidarity. In both models, the financing basis is to be decoupled from labour income with the flat-rate charging model being more systematic in this respect. Moreover, this concept provides for a clear separation of insurance and solidarity elements. It has further advantages owing to its more competitive orientation. The Rürup Commission's final report has not yet been published, however.

*Outlook
for 2004
particularly
uncertain*

The outlook for the development of public finance in 2004 is marked by great uncertainty, above all because numerous fiscal measures which have already been announced still have to pass the legislative process. Various projects planned as part of the "Agenda 2010" and the Federal budget for 2004 are suitable for strengthening future expansionary forces and improving the state of public finance. However, in order to achieve this they must be forced through against vested interests.

*Advancement
of the tax
reform...*

The advancement of the third stage of the income tax reform to 2004, which is likely to result in tax shortfalls of €15 billion, is to be welcomed in principle as it involves a significant reduction in the income tax rates. However, at the same time, it would be regrettable if, without any further counterfinancing, not only the individual national borrowing limits, but also the general government deficit ceiling of 3% laid down in the Maastricht Treaty were to be exceeded. The tax cut should be accompanied by additional measures in order to ensure that these important fiscal targets are met. However, privatisation proceeds or proceeds from the sale of other government financial assets (eg claims in respect of loans) do not lead to a reduction in the deficit as defined in the Maastricht Treaty, as these merely constitute shifts in the government's financial assets. If taxes are to be lowered without breaching the European provisions, not only the Federal Government but also the *Land* governments will be required to reinforce their efforts with regard to reviewing government benefits and tax loopholes. At the same time, new deficits in the social

*... must not
compromise
the Stability
Pact*

security sector should be avoided and any debts already incurred reduced without delay.

On 13 August 2003, the Federal Cabinet also approved a bill concerning a reform of trade tax in the context of restructuring local authority finance. Trade tax is to be retained and tax liability is to be extended to self-employed professionals, although they will be able to largely offset their trade tax liability against their income tax. Despite the envisaged offsetting of tax liability against income tax, this will lead to additional – albeit limited – tax burdens, which will complicate tax law. Calls to include elements which are unrelated to earnings (rents, leasing payments) in trade tax liability were not heeded. By contrast, interest on longer-term debt is no longer to be counted towards trade earnings. The fact that this bill concentrates on the taxation of elements which pertain to earnings is to be welcomed. Given that, with the abolition of payroll tax and trade capital tax, policymakers have been increasingly sensitive to the problems associated with taxing firms' and entrepreneurs' capital base, as this may jeopardise their very livelihood, any return to a policy of taxing capital components in what is a particularly difficult operating environment for enterprises would run counter to the efforts to revive economic growth and would darken the investment climate. The intended objective of freeing trade tax of its remaining non-earnings components and of bringing the assessment base largely into line with that applied for income tax and corporation tax could, at the same time, pave the way to integrating this special tax on earnings in the general income tax regime. The need of local

*Trade tax
reform*

authorities to have their own tax source which, to a certain extent, they could structure themselves can be accommodated by also granting them a share of corporation tax, in addition to their share of wage tax and income tax, and a multiplier or add-on facility for these taxes. Municipal revenue could be

consolidated even further if a substantially larger share of turnover tax were to be allocated to local government.⁷

⁷ See also Deutsche Bundesbank, *Monthly Report*, December 2002, p 30 ff.

Statistical Section

Contents

I Key economic data for European monetary union

1 Monetary developments and interest rates	6*
2 Foreign trade and payments	6*
3 General economic indicators	7*

II Overall monetary survey in the European monetary union

1 The money stock and its counterparts	8*
2 Consolidated balance sheet of monetary financial institutions (MFIs)	10*
3 Banking system's liquidity position	14*

III Consolidated financial statement of the Eurosystem

1 Assets	16*
2 Liabilities	18*

IV Banks

1 Assets and liabilities of monetary financial institutions (excluding the Bundesbank) in Germany	20*
2 Principal assets and liabilities of banks (MFIs) in Germany, by category of banks	24*
3 Assets and liabilities of banks (MFIs) in Germany vis-à-vis residents	26*
4 Assets and liabilities of banks (MFIs) in Germany vis-à-vis non-residents	28*

5	Lending by banks (MFIs) in Germany to domestic non-banks (non-MFIs)	30*
6	Lending by banks (MFIs) in Germany to domestic enterprises and resident individuals, housing loans, sectors of economic activity	32*
7	Deposits of domestic non-banks (non-MFIs) at banks (MFIs) in Germany	34*
8	Deposits of resident individuals and domestic non-profit institutions at banks (MFIs) in Germany	36*
9	Deposits of domestic public authorities at banks (MFIs) in Germany, by creditor group	36*
10	Savings deposits and bank savings bonds of banks (MFIs) in Germany sold to non-banks (non-MFIs)	38*
11	Debt securities and money market paper outstanding of banks (MFIs) in Germany	38*
12	Building and loan associations (MFIs) in Germany	39*
13	Assets and liabilities of the foreign branches and foreign subsidiaries of German banks (MFIs)	40*

V Minimum reserves

1	Reserve ratios	42*
2	Reserve maintenance in Germany up to the end of 1998	42*
3	Reserve maintenance in the European monetary union	42*

VI Interest rates

1	ECB interest rates	43*
2	Discount and lombard rates of the Bundesbank	43*
3	Base rates	43*
4	Eurosystem monetary policy operations allotted through tenders	43*
5	Money market rates, by month	44*
6	Euro area retail bank interest rates	44*
7	Lending and deposit rates of banks (MFIs) in Germany	45*

VII Capital market

1	Sales and purchases of debt securities and shares in Germany	48*
2	Sales of debt securities issued by borrowers domiciled in Germany	49*
3	Outstanding amount of debt securities issued by borrowers domiciled in Germany	50*
4	Circulation of shares issued by residents of Germany	50*
5	Yields and indices on German securities	51*
6	Sales and purchases of investment fund certificates in Germany	51*

VIII Public finance in Germany

1	Finances of the public sector	52*
2	Finances of the Federal Government, Länder Governments and local authorities	52*
3	Finances of the Government in the national accounts	53*
4	Tax revenue of the central, regional and local authorities	53*
5	Tax revenue, by type	54*
6	Individual taxes of the Federal Government, Länder Governments and local authorities	54*
7	Indebtedness of the public sector	55*
8	Changes in public sector indebtedness	57*
9	Loans raised by public authorities against borrowers' notes	57*
10	Indebtedness of the Federal Government	58*
11	Federal Government borrowing in the market	58*
12	Receipts, expenditure and assets of the wage and salary earners' pension insurance funds	59*
13	Receipts and expenditure of the Federal Labour Office	59*

IX Economic conditions

1	Origin and expenditure of domestic product, distribution of national income	60*
2	Output in the producing sector	61*
3	Orders received by industry	62*
4	Orders received by construction	63*
5	Retail trade turnover	63*

6	Labour market	64*
7	Prices	65*
8	Households' income	66*
9	Pay rates and actual earnings	66*

X Foreign trade and payments

1	Major items of the balance of payments of the European monetary union	67*
2	Major items of the balance of payments of the Federal Republic of Germany	68*
3	Foreign trade (special trade) of the Federal Republic of Germany, by group of countries and country	69*
4	Services and factor income of the Federal Republic of Germany	70*
5	Current transfers of the Federal Republic of Germany	70*
6	Capital transfers	70*
7	Financial account of the Federal Republic of Germany	71*
8	External position of the Bundesbank	72*
9	External position of the Bundesbank in the European monetary union	72*
10	Assets and liabilities of enterprises in Germany (other than banks) vis-à-vis non-residents	73*
11	Deutsche Mark and euro exchange rates of selected currencies	74*
12	Exchange rates for the national currencies of the EMU countries, the Deutsche Mark value of the ECU and euro conversion rates	74*
13	Effective exchange rates of the euro and selected foreign currencies	75*

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 Dec	5.4	6.4	7.9	7.8	5.2	6.7	4.7	3.34	3.34	4.9
2002 Jan	6.6	6.8	7.7	7.6	5.2	6.2	4.8	3.29	3.34	5.0
Feb	6.1	6.3	7.3	7.4	5.1	6.0	4.8	3.28	3.36	5.1
Mar	6.0	6.3	7.2	7.2	4.8	5.4	4.7	3.26	3.39	5.3
Apr	6.7	6.4	7.3	7.3	4.4	5.1	4.6	3.32	3.41	5.3
May	6.8	6.7	7.5	7.3	4.5	5.3	5.2	3.31	3.47	5.3
Jun	6.9	6.4	7.1	7.2	4.4	5.3	4.3	3.35	3.46	5.2
Jul	7.6	6.5	7.0	7.0	4.0	4.8	5.0	3.30	3.41	5.0
Aug	7.7	6.5	7.0	7.0	4.2	5.1	5.3	3.29	3.35	4.7
Sep	8.1	6.5	7.1	7.0	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	9.0	6.8	7.0	7.0	3.9	4.6	5.0	3.30	3.12	4.6
Dec	9.9	6.6	6.9	7.1	4.1	4.7	4.9	3.09	2.94	4.4
2003 Jan	9.5	6.6	7.3	7.4	4.2	4.8	4.5	2.79	2.83	4.2
Feb	10.5	7.4	8.0	7.8	4.4	4.9	4.6	2.76	2.69	4.0
Mar	11.8	8.0	8.0	8.2	4.1	4.8	4.3	2.75	2.53	4.1
Apr	11.2	8.0	8.7	8.4	4.8	5.1	4.6	2.56	2.53	4.2
May	11.5	8.5	8.5	8.5	5.1	5.2	4.4	2.56	2.40	3.9
Jun	11.5	8.3	8.3	...	4.8	5.1	5.1	2.21	2.15	3.7
Jul	...	...	...	...	...	...	...	2.08	2.13	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 Dec	+ 3,911	+ 10,544	- 6,231	+ 1,703	- 14,445	+ 655	+ 5,856	0.8924	87.7	89.8
2002 Jan	- 144	+ 3,058	- 39,383	+ 1,191	- 30,295	- 4,967	- 5,313	0.8833	87.6	90.0
Feb	+ 4,656	+ 10,141	+ 13,271	- 9,141	- 6,443	+ 26,399	+ 2,455	0.8700	86.8	89.0
Mar	+ 7,445	+ 13,532	+ 17,890	- 8,061	+ 3,460	+ 22,696	+ 205	0.8758	86.8	89.3
Apr	- 5,803	+ 7,258	+ 14,785	+ 8,104	+ 17,392	- 19,073	+ 8,361	0.8858	87.2	89.7
May	+ 656	+ 10,319	+ 5,624	+ 1,481	+ 32,214	- 29,968	+ 1,897	0.9170	88.6	91.1
Jun	+ 7,352	+ 13,679	- 40,209	- 18,825	+ 19,792	- 37,659	- 3,517	0.9554	90.6	93.2
Jul	+ 4,817	+ 15,278	- 17,417	- 6,663	+ 2,509	- 10,712	- 2,552	0.9922	91.7	94.4
Aug	+ 9,851	+ 12,175	- 11,523	+ 1,710	+ 6,151	- 21,139	+ 1,756	0.9778	91.1	93.6
Sep	+ 8,347	+ 11,071	- 21,314	- 7,013	+ 17,381	- 27,881	- 3,800	0.9808	91.2	93.8
Oct	+ 4,704	+ 12,439	- 17,405	- 6,163	+ 25,884	- 39,262	+ 2,136	0.9811	91.7	94.3
Nov	+ 10,622	+ 12,580	- 20,232	+ 7,223	+ 14,177	- 39,212	+ 2,420	1.0014	92.5	95.1
Dec	+ 7,101	+ 9,571	- 16,237	+ 2,521	- 7,823	- 9,902	- 1,033	1.0183	93.6	96.7
2003 Jan	- 4,764	+ 2,065	- 12,655	- 3,144	- 3,678	- 7,382	+ 1,549	1.0622	95.8	98.8
Feb	+ 3,529	+ 9,075	- 25,779	+ 3,198	- 11,413	- 22,903	+ 5,340	1.0773	97.1	100.2
Mar	+ 4,037	+ 6,182	+ 7,895	+ 7,709	+ 17,798	- 7,187	+ 4,992	1.0807	97.9	101.2
Apr	- 8,608	+ 7,381	+ 7,845	- 20,175	+ 4,638	+ 22,855	+ 527	1.0848	98.6	102.1
May	- 449	+ 8,261	- 30,959	- 324	+ 7,586	- 39,660	+ 1,438	1.1582	102.5	106.0
Jun	...	...	...	...	...	...	...	1.1663	102.7	106.5
Jul	...	...	...	...	...	...	...	1.1372	101.4	105.2

* Source: ECB. — 1 See also tables X.12 and 13, p. 74–75. — 2 Including financial derivatives. — 3 Vis-à-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
Real gross domestic product ¹													
2000	3.7	2.9	5.1	3.8	4.2	10.1	3.1	8.9	3.3	3.5	3.7	4.2	3.5
2001	0.8	0.8	1.2	2.1	4.1	6.2	1.8	1.2	1.3	0.7	1.6	2.7	1.5
2002	0.7	0.2	2.2	1.2	4.0	6.9	0.4	1.1	0.2	1.0	0.4	2.0	0.8
2002 Q1	- 0.7	- 1.1	- 0.9	0.6	4.5	5.4	- 0.1		- 0.1	0.6	1.4	1.9	- 0.1
Q2	0.4	0.5	3.6	1.3	4.2	7.5	0.4		0.2	1.1	2.0	2.1	1.0
Q3	1.3	0.9	2.8	1.8	3.7	7.2	0.6		0.7	1.4	- 0.3	1.9	1.4
Q4	1.7	0.3	3.3	1.1	3.4	7.5	0.6		0.1	1.1	- 1.3	2.2	1.0
2003 Q1	1.4	0.4	1.2	1.1	4.3	0.5	0.6		0.0	0.5	- 1.2	2.1	0.9
Q2	...	- 0.6	...	...	4.4	...	...		...	...	...	...	...
Industrial production ^{1, 2}													
2000	5.2	6.2	11.8	3.5	7.2	15.6	4.0	5.0	4.0	8.9	- 0.2	4.4	5.3
2001	- 0.5	0.5	0.0	1.1	1.0	10.1	- 1.2	3.2	1.4	0.8	3.1	- 1.5	0.5
2002	1.5	- 1.1	1.7	- 1.0	1.7	7.8	- 1.3	0.4	- 2.1	0.1	- 0.2	0.2	- 0.6
2002 Q1	- 3.3	- 3.6	- 6.3	- 1.7	- 0.5	3.0	- 3.6	- 3.8	- 3.0	- 2.1	- 1.2	- 1.1	- 2.8
Q2	2.3	- 2.0	5.1	- 0.4	4.0	11.3	- 2.0	4.0	- 2.9	2.4	1.8	- 1.1	- 0.7
Q3	3.5	- 0.3	2.9	- 1.8	0.1	10.6	- 0.1	- 0.3	- 1.4	0.3	0.4	0.4	0.1
Q4	3.7	1.4	5.2	- 0.1	3.1	6.6	0.6	1.7	- 1.1	- 0.1	- 1.9	2.5	1.2
2003 Q1	- 0.2	r 1.9	2.0	1.0	0.9	2.5	- 0.4	4.1	0.6	...	0.2	1.5	e 1.0
Q2	...	6 p - 0.5	- 1.6	- 1.4	2.2	p 3.5	- 1.5	- 1.2	- 3.2	...	- 3.4	1.7	...
Capacity utilisation ³													
2000	84.0	86.4	86.8	87.5	78.1	78.6	78.8	87.8	84.7	84.5	81.2	80.6	84.3
2001	82.3	84.4	85.7	87.4	77.6	78.4	78.9	88.7	84.6	83.1	81.7	79.6	83.4
2002	79.6	82.3	82.7	85.3	77.0	75.9	77.3	85.1	82.9	80.2	79.4	77.2	81.4
2002 Q2	79.6	82.4	82.7	85.8	76.7	76.3	77.3	84.3	82.9	80.6	79.4	77.0	81.5
Q3	80.1	82.4	83.0	85.3	79.0	72.8	76.9	83.8	82.5	80.2	79.1	76.3	81.2
Q4	79.6	82.7	83.1	84.7	76.8	76.9	78.0	85.3	82.8	79.1	81.2	79.3	81.7
2003 Q1	79.3	82.3	82.2	85.1	75.8	74.5	77.5	84.1	82.5	79.7	77.7	78.6	81.3
Q2	78.6	81.8	82.8	84.9	77.1	75.1	75.6	85.9	81.9	80.4	78.5	78.2	80.8
Q3	77.9	81.0	80.7	84.5	76.8	77.1	76.1	84.8	81.0	79.4	75.8	79.5	80.6
Unemployment rate ⁴													
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	7.8	9.1	8.5	10.4	3.9	9.4	2.1	2.4	3.6	4.1	10.6	8.0
2002	7.3	8.6	9.1	8.8	10.0	4.4	9.0	2.8	2.7	4.3	5.1	11.3	8.4
2003 Jan	7.7	9.1	9.0	9.1		4.5	8.9	3.3	3.4	4.4	6.1	11.4	8.7
Feb	7.8	9.2	9.1	9.2		4.5	8.9	3.3	3.6	4.2	6.3	11.4	8.7
Mar	7.8	9.3	9.1	9.2		4.5	8.8	3.4	3.8	4.3	6.5	11.5	8.8
Apr	7.9	9.4	9.2	9.3		4.6	8.7	3.5	4.0	4.3	6.8	11.4	8.8
May	8.0	9.4	9.2	9.3		4.6	...	3.6	4.1	4.4	7.0	11.4	8.9
June	8.0	9.4	9.3	9.4		4.7	...	3.7	...	4.4	7.3	11.4	8.9
July	...	9.4	...	...		4.7	...	...	...	4.5	...	11.4	...
Harmonised index of consumer prices ¹													
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	1.9	2.7	1.8	3.7	4.0	2.3	2.4	5.1	2.3	4.4	2.8	2.3
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	2.3
2003 Jan	1.2	0.9	1.4	1.9	3.3	4.7	2.9	3.3	2.9	1.7	4.0	3.8	2.1
Feb	1.6	1.2	2.1	2.5	4.2	5.1	2.6	3.2	3.2	1.8	4.1	3.8	2.4
Mar	1.7	1.2	1.9	2.6	3.9	4.9	2.9	3.7	3.1	1.8	3.8	3.7	2.4
Apr	1.4	1.0	1.3	1.9	3.3	4.6	3.0	3.0	2.5	1.3	3.7	3.2	2.1
May	0.9	0.6	1.1	1.8	3.5	3.9	2.9	2.3	2.7	0.9	3.7	2.7	1.9
June	1.5	0.9	1.2	1.9	3.6	3.8	2.9	2.0	p 2.5	p 1.0	3.4	2.8	p 2.0
July	1.4	0.8	1.0	2.0	3.5	3.9	p 2.9	1.9	...	...	p 2.9	p 2.9	e 1.9
General government financial balance ⁵													
2000	0.1	1.1	6.9	- 1.4	- 1.9	4.3	- 0.6	6.1	2.2	- 1.5	- 2.8	- 0.8	0.1
2001	0.4	- 2.8	5.1	- 1.5	- 1.4	1.1	- 2.6	6.4	0.1	0.3	- 4.2	- 0.1	- 1.6
2002	0.0	- 3.6	4.7	- 3.1	- 1.2	- 0.1	- 2.3	2.6	- 1.1	- 0.6	- 2.7	- 0.1	- 2.3
General government debt ⁵													
2000	109.6	60.2	44.5	57.2	106.2	39.3	110.6	5.6	55.8	66.8	53.3	60.5	69.6
2001	108.5	59.5	43.8	56.8	107.0	36.8	109.5	5.6	52.8	67.3	55.6	56.9	69.2
2002	105.4	60.8	42.7	59.1	104.9	34.0	106.7	5.7	52.6	67.9	58.0	54.0	69.1

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. — 3 Manufacturing, in %; seasonally adjusted; data are collected in January, April, July and October. — 4 Standardised, as a percentage of persons in civilian employ-

ment; seasonally adjusted. — 5 As a percentage of GDP; Maastricht Treaty definition, ESA95; including proceeds from sales of UMTS licenses. — 6 Adjusted in advance by the Federal Statistical Office by way of estimates to the results of the Quarterly Production Survey for the second quarter (industry in Germany: + 0.2 %). — 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									
European monetary union (€ billion) ¹														
2002 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	- 3.0	17.5	20.5	- 6.3	- 0.2	- 1.9	1.0	- 5.2	
May	39.0	32.1	3.9	6.9	9.7	39.0	73.8	34.8	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	1.5	- 3.5	- 5.0	24.7	1.3	- 0.0	13.8	9.6	
Aug	- 6.9	7.1	6.8	- 14.0	- 3.1	14.1	- 10.7	- 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	29.7	55.1	25.5	9.4	1.3	- 1.0	9.1	0.0	
Nov	41.3	26.2	6.8	15.1	6.1	34.9	84.4	49.5	21.7	3.6	- 0.5	16.6	2.0	
Dec	50.8	56.9	14.9	- 6.1	- 14.1	21.8	- 33.2	- 55.0	23.6	16.5	0.1	- 1.9	8.9	
2003 Jan	49.4	28.1	3.5	21.3	20.0	7.2	18.0	10.7	13.2	- 2.3	- 2.1	6.5	11.0	
Feb	50.7	35.2	4.4	15.5	17.8	10.6	67.1	56.4	11.5	6.9	- 1.2	10.1	- 4.3	
Mar	48.3	39.1	7.6	9.2	8.6	13.9	6.6	- 7.2	12.6	7.2	- 1.6	12.4	- 5.4	
Apr	87.5	71.7	27.7	15.8	21.0	- 4.4	39.7	44.1	4.5	- 2.7	- 2.6	9.9	- 0.1	
May	69.0	42.4	14.2	26.7	30.7	41.3	41.9	0.6	18.2	7.4	- 1.3	19.0	- 6.9	
Jun	10.9	25.4	- 8.6	- 14.5	- 15.1	56.5	40.5	- 16.0	23.3	3.6	- 1.5	11.3	9.9	
German contribution (€ billion)														
2002 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	18.3	1.8	3.1	16.4	10.8	- 6.1	8.7	14.8	4.1	- 1.6	- 2.0	3.8	3.9	
Feb	- 1.5	5.7	- 1.3	- 7.2	0.5	10.2	20.1	9.9	4.4	6.3	- 1.2	0.9	- 1.5	
Mar	4.6	2.7	- 1.2	1.9	5.1	18.8	25.2	6.4	1.7	1.9	- 1.6	- 1.1	2.6	
Apr	4.9	6.6	5.9	- 1.7	- 2.6	4.3	14.4	10.1	- 2.6	- 2.0	- 2.5	0.5	1.5	
May	1.9	4.0	3.0	- 2.1	2.4	27.3	22.4	- 5.0	- 2.8	- 1.6	- 1.5	4.8	- 4.4	
Jun	- 18.0	- 0.9	- 3.0	- 17.1	- 10.0	38.5	24.9	- 13.6	4.8	0.1	- 1.4	3.8	2.4	
German contribution (DM billion)														
2002 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	35.7	3.6	6.0	32.1	21.1	- 11.9	17.1	28.9	8.0	- 3.1	- 3.9	7.4	7.5	
Feb	- 3.0	11.1	- 2.5	- 14.1	1.1	19.9	39.3	19.3	8.7	12.3	- 2.4	1.7	- 2.9	
Mar	9.0	5.3	- 2.4	3.7	10.1	36.7	49.3	12.6	3.3	3.6	- 3.2	- 2.2	5.1	
Apr	9.6	13.0	11.5	- 3.4	- 5.0	8.4	28.2	19.8	- 5.0	- 4.0	- 5.0	1.0	2.9	
May	3.7	7.8	5.8	- 4.1	4.7	53.5	43.7	- 9.8	- 5.5	- 3.2	- 3.0	9.4	- 8.6	
Jun	- 35.2	- 1.7	- 5.9	- 33.5	- 19.5	75.3	48.7	- 26.6	9.5	0.2	- 2.7	7.4	4.6	

* 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 (see also the "Notes on the figures" in the "Explanatory notes" in the Statistical Supplement to the Monthly Report 1, p 30). — 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

II Overall monetary survey in the European monetary union

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- Eurosystem liability/ claim related to banknote issue 11	Total	Money stock M2						Repo transac- tions	Money market fund shares (net) 2,10	Debt securi- ties with maturities of up to 2 years (incl.money market paper) (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							
European Monetary union (€ billion) 1														
1.7	0.5	-	39.1	27.3	11.4	14.0	-	2.6	12.3	3.5	8.4	3.3	0.2	2002 Mar
0.0	- 12.5	-	42.4	39.4	40.2	7.4	-	32.8	5.4	- 6.2	- 1.5	7.9	- 3.4	Apr
- 8.5	13.0	-	48.1	27.6	14.3	12.2	-	2.1	10.9	2.4	6.7	4.0	9.8	May
6.0	47.7	-	25.5	46.2	60.6	12.0	-	48.6	- 20.6	6.3	- 6.1	- 7.3	- 7.4	Jun
- 3.1	- 24.9	-	13.2	- 15.8	- 22.9	11.0	-	33.8	4.2	3.0	- 0.7	12.0	- 8.7	Jul
- 11.0	- 9.3	-	13.6	- 7.5	- 27.3	4.4	-	31.7	13.5	6.2	7.7	12.3	1.1	Aug
1.6	3.2	-	45.1	41.8	62.5	5.6	-	56.9	- 23.3	2.6	2.4	- 2.7	3.6	Sep
- 5.5	21.8	-	20.8	19.0	- 8.6	7.2	-	15.8	20.6	7.1	- 2.8	2.0	2.5	Oct
- 4.3	- 12.8	-	72.1	64.4	61.2	7.5	-	53.0	- 7.3	11.6	- 4.4	14.7	- 2.7	Nov
- 11.0	- 29.3	-	89.5	102.2	74.2	19.8	-	54.3	- 7.8	33.8	- 2.8	- 6.1	- 3.9	Dec
15.2	22.4	-	6.8	- 33.4	- 58.6	- 7.4	-	51.2	3.4	21.8	14.7	19.4	6.2	2003 Jan
18.6	- 8.7	-	40.1	26.8	8.1	7.2	-	0.9	2.8	15.9	0.9	12.2	0.3	Feb
- 1.0	12.2	-	38.0	53.9	46.7	7.9	-	38.7	- 6.1	13.3	- 9.8	4.2	- 10.2	Mar
- 16.5	7.7	-	87.5	49.0	30.1	9.1	-	21.0	10.2	8.7	6.4	11.8	20.3	Apr
10.4	27.1	-	53.8	61.7	35.4	7.4	-	28.0	18.6	7.7	1.0	8.8	- 17.7	May
29.9	11.2	-	3.0	29.9	54.9	7.3	-	47.6	- 39.7	14.7	- 16.6	- 1.6	- 8.8	Jun
German contribution (€ billion)														
- 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	2002 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	12.9	0.5	- 3.9	- 10.6	- 10.0	- 0.7	-	9.3	- 4.7	4.1	5.3	2.5	- 1.1	2003 Jan
1.4	- 18.3	2.2	21.1	9.5	7.3	1.7	-	5.6	- 0.7	3.0	2.3	1.3	8.1	Feb
- 1.7	20.3	1.5	2.9	6.0	9.6	2.5	-	7.1	- 5.2	1.7	0.4	0.6	- 4.0	Mar
- 1.1	1.4	0.9	11.5	10.1	11.0	2.8	-	8.2	- 2.0	1.1	0.0	- 0.0	1.4	Apr
2.2	13.2	2.4	16.6	16.2	8.1	1.3	-	6.8	7.4	0.7	1.0	0.4	- 1.0	May
0.4	10.7	0.6	4.6	8.4	19.4	2.8	-	16.6	- 12.0	1.0	- 1.5	- 0.5	- 1.7	Jun
German contribution (DM billion)														
- 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	2002 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	25.2	1.0	- 7.7	- 20.7	- 19.5	- 1.4	-	18.1	- 9.2	8.1	10.3	4.9	- 2.2	2003 Jan
2.8	- 35.8	4.4	41.3	18.6	14.2	3.3	-	10.9	- 1.4	5.8	4.4	2.5	15.8	Feb
- 3.3	39.8	2.9	5.7	11.8	18.7	4.8	-	13.9	- 10.1	3.2	0.8	1.2	- 7.8	Mar
- 2.2	2.7	1.8	22.5	19.7	21.5	5.5	-	16.0	- 3.9	2.1	0.1	- 0.1	2.8	Apr
4.3	25.9	4.6	32.5	31.7	15.9	2.6	-	13.2	14.5	1.3	2.0	0.8	- 2.0	May
0.8	20.8	1.3	9.1	16.4	37.9	5.5	-	32.4	- 23.5	1.9	- 3.0	- 1.0	- 3.3	Jun

euro-area MFIs' cash in hand denominated in euro or 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 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". — 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 Eurosystem (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).

II Overall monetary survey in the European monetary union

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					
European monetary union (€ billion) 1												
2002 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	13,931.1	9,779.1	7,721.2	6,781.5	367.1	572.7	2,057.8	836.8	1,221.0	2,840.3	1,311.7	
2003 Jan	13,972.1	9,851.5	7,747.0	6,804.7	374.8	567.5	2,104.4	828.9	1,275.5	2,851.9	1,268.7	
Feb	14,111.6	9,903.4	7,776.5	6,831.3	381.1	564.1	2,126.8	828.3	1,298.6	2,908.9	1,299.3	
Mar	14,122.8	9,940.3	7,806.9	6,854.9	386.6	565.4	2,133.5	828.7	1,304.8	2,894.8	1,287.6	
Apr	14,226.4	10,026.3	7,879.7	6,891.4	404.1	584.2	2,146.6	823.3	1,323.3	2,905.8	1,294.3	
May	14,298.9	10,086.4	7,910.5	6,907.3	406.9	596.2	2,175.9	818.9	1,357.0	2,877.8	1,334.7	
Jun	14,385.2	10,103.2	7,942.0	6,944.9	406.7	590.4	2,161.2	819.6	1,341.6	2,959.5	1,322.5	
German contribution (€ billion)												
2002 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	246.1	824.1	183.4	
Feb	4,383.3	3,351.8	2,627.3	2,303.8	66.5	257.0	724.6	477.9	246.6	841.9	189.5	
Mar	4,395.2	3,351.2	2,624.8	2,302.6	67.2	255.0	726.4	474.6	251.7	861.8	182.2	
Apr	4,400.8	3,353.3	2,629.0	2,300.8	67.3	260.9	724.3	475.4	248.9	867.7	179.8	
May	4,401.1	3,351.6	2,629.9	2,298.8	67.9	263.2	721.7	470.7	251.1	871.9	177.5	
Jun	4,412.0	3,334.6	2,629.8	2,301.7	67.0	261.1	704.8	463.7	241.2	906.8	170.6	
German contribution (DM billion)												
2002 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	8,528.8	6,558.3	5,130.5	4,495.4	129.2	505.9	1,427.8	946.5	481.2	1,611.8	358.7	
Feb	8,572.9	6,555.6	5,138.5	4,505.9	130.0	502.6	1,417.1	934.7	482.4	1,646.7	370.6	
Mar	8,596.3	6,554.3	5,133.7	4,503.6	131.4	498.7	1,420.6	928.3	492.3	1,685.5	356.4	
Apr	8,607.2	6,558.5	5,141.9	4,500.0	131.7	510.2	1,416.5	929.7	486.8	1,697.1	351.7	
May	8,607.7	6,555.2	5,143.6	4,496.0	132.7	514.9	1,411.6	920.6	491.0	1,705.3	347.2	
Jun	8,629.1	6,521.9	5,143.4	4,501.6	131.0	510.7	1,378.5	906.9	471.7	1,773.5	333.7	

* 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

II Overall monetary survey in the European monetary union

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		
European monetary union (€ billion) 1											
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	2002 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	5,880.6	5,567.9	5,593.3	1,924.2	947.6	81.2	1,163.9	1,371.1	105.3	Dec	
312.1	5,869.2	5,535.9	5,568.6	1,877.1	950.7	79.8	1,166.7	1,391.0	103.3	2003 Jan	
319.3	5,912.4	5,559.7	5,585.9	1,875.5	950.2	78.5	1,174.0	1,405.6	102.1	Feb	
327.2	5,962.4	5,608.9	5,638.7	1,914.5	946.6	77.8	1,180.9	1,418.4	100.6	Mar	
336.3	5,977.8	5,638.2	5,669.6	1,931.3	959.1	76.2	1,178.0	1,427.2	97.9	Apr	
343.8	6,040.1	5,694.4	5,714.1	1,955.6	969.8	75.1	1,184.3	1,432.7	96.6	May	
351.0	6,099.0	5,714.2	5,742.9	2,001.6	936.6	74.5	1,188.0	1,447.1	95.1	Jun	
German contribution (€ billion)											
70.9	2,109.1	2,021.9	1,989.1	504.1	237.3	17.1	656.8	465.9	107.8	2002 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	2,159.7	2,082.0	2,048.3	561.2	238.7	18.6	649.7	478.9	101.2	2003 Jan	
86.6	2,173.9	2,094.9	2,058.5	564.8	237.3	18.5	656.1	481.8	100.0	Feb	
89.0	2,175.8	2,098.2	2,063.3	572.0	232.8	18.6	657.9	483.5	98.4	Mar	
91.9	2,176.7	2,100.4	2,068.2	580.4	233.5	18.1	655.8	484.6	95.8	Apr	
93.2	2,189.4	2,112.0	2,073.9	585.9	236.9	17.8	653.8	485.3	94.3	May	
96.0	2,194.7	2,115.7	2,076.1	600.0	225.8	17.6	653.4	486.3	92.9	Jun	
German contribution (DM billion)											
138.7	4,125.0	3,954.6	3,890.3	986.0	464.2	33.5	1,284.6	911.3	210.9	2002 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	4,223.9	4,072.0	4,006.2	1,097.7	466.9	36.4	1,270.7	936.6	197.8	2003 Jan	
169.3	4,251.9	4,097.3	4,026.0	1,104.6	464.1	36.2	1,283.2	942.4	195.5	Feb	
174.1	4,255.4	4,103.7	4,035.4	1,118.8	455.4	36.4	1,286.8	945.7	192.4	Mar	
179.7	4,257.3	4,108.0	4,045.0	1,135.1	456.6	35.4	1,282.7	947.9	187.4	Apr	
182.3	4,282.0	4,130.6	4,056.2	1,145.9	463.3	34.8	1,278.7	949.2	184.4	May	
187.7	4,292.4	4,137.9	4,060.4	1,173.6	441.7	34.4	1,278.0	951.1	181.7	Jun	

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).

II Overall monetary survey in the European monetary union

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	Other public authorities								Total	of which Enterprises and individuals	Money market fund shares (net) ³	Total	of which denominated in euro
	Central governments	Total	Overnight	With agreed maturities of			At agreed notice of ²						
				up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months					
European monetary union (€ billion) ¹													
2002 Mar	157.5	152.3	69.3	51.8	1.6	26.7	2.5	0.5	229.6	224.9	431.2	1,793.1	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	1,785.5	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	1,805.0	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	1,796.1	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	1,814.3	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	1,813.0	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	1,831.1	1,491.9
Dec	136.4	150.9	75.6	45.1	1.4	25.6	2.8	0.4	226.9	224.4	470.6	1,818.6	1,490.8
2003 Jan	154.7	145.9	70.8	45.9	1.2	24.8	2.8	0.4	233.0	229.7	535.0	1,792.8	1,481.4
Feb	175.8	150.6	72.0	49.9	1.0	24.4	2.9	0.4	233.8	230.3	547.4	1,802.5	1,486.4
Mar	176.2	147.5	71.6	47.2	0.9	24.5	3.0	0.3	224.0	220.8	550.8	1,803.8	1,486.8
Apr	159.7	148.4	74.8	45.2	1.0	24.2	3.0	0.3	230.5	227.0	563.0	1,833.9	1,517.3
May	170.1	155.8	76.7	50.8	0.9	24.1	3.0	0.3	231.4	227.8	571.1	1,819.3	1,515.4
Jun	200.0	156.1	80.0	47.2	0.9	24.6	3.0	0.3	214.8	211.6	570.3	1,830.1	1,516.4
German contribution (€ billion)													
2002 Mar	49.4	70.6	12.6	32.0	1.2	22.8	1.6	0.5	3.7	3.7	31.6	815.2	715.0
Apr	47.5	68.2	11.8	30.6	1.0	22.7	1.6	0.4	3.4	3.4	31.3	812.8	712.9
May	48.2	72.3	12.4	34.2	1.0	22.7	1.6	0.4	4.7	4.7	31.7	814.1	712.6
Jun	48.7	73.5	13.8	34.1	1.1	22.6	1.6	0.4	4.1	4.1	31.3	808.9	712.2
Jul	47.6	71.7	13.9	32.3	1.0	22.5	1.5	0.4	3.1	3.1	31.6	817.3	715.7
Aug	48.9	70.7	13.0	32.2	1.0	22.6	1.6	0.4	4.3	4.3	32.9	840.1	733.6
Sep	49.9	68.2	13.1	30.0	0.9	22.2	1.6	0.4	10.7	10.7	33.0	841.1	733.7
Oct	48.3	63.7	12.8	26.0	0.9	22.0	1.6	0.4	9.6	9.6	33.6	844.6	730.7
Nov	47.7	64.1	13.1	26.2	0.9	21.9	1.6	0.4	6.4	6.4	33.4	844.9	728.7
Dec	47.7	68.7	15.7	27.7	1.0	22.2	1.6	0.4	3.3	3.3	33.0	826.4	716.6
2003 Jan	46.9	64.5	12.7	26.9	1.0	21.8	1.7	0.4	8.6	8.6	35.5	817.6	702.1
Feb	48.3	67.2	14.8	28.0	0.7	21.7	1.7	0.4	10.9	10.9	36.8	825.8	710.3
Mar	46.6	65.9	14.5	27.1	0.7	21.6	1.6	0.3	11.2	11.2	37.4	819.4	701.0
Apr	45.5	63.1	14.1	24.9	0.7	21.5	1.6	0.3	11.3	11.3	37.2	818.7	699.8
May	47.7	67.8	14.8	28.9	0.7	21.5	1.6	0.3	12.3	12.3	37.7	814.0	698.7
Jun	48.1	70.5	17.6	28.3	0.7	22.1	1.6	0.3	10.8	10.8	37.1	819.6	699.7
German contribution (DM billion)													
2002 Mar	96.6	138.1	24.6	62.6	2.4	44.5	3.2	0.9	7.2	7.2	61.9	1,594.3	1,398.5
Apr	92.9	133.3	23.1	59.9	2.0	44.4	3.1	0.9	6.6	6.6	61.3	1,589.7	1,394.4
May	94.3	141.4	24.2	66.8	2.0	44.4	3.1	0.9	9.2	9.2	62.1	1,592.3	1,393.7
Jun	95.2	143.8	26.9	66.7	2.1	44.2	3.0	0.9	8.1	8.1	61.2	1,582.0	1,393.0
Jul	93.1	140.3	27.2	63.2	2.0	44.1	3.0	0.8	6.1	6.1	61.7	1,598.6	1,399.8
Aug	95.7	138.3	25.3	62.9	2.0	44.1	3.1	0.8	8.3	8.3	64.3	1,643.1	1,434.7
Sep	97.7	133.3	25.5	58.7	1.8	43.4	3.1	0.8	20.8	20.8	64.5	1,645.0	1,435.0
Oct	94.5	124.6	25.1	50.9	1.7	43.0	3.0	0.8	18.9	18.9	65.7	1,651.9	1,429.1
Nov	93.2	125.3	25.7	51.2	1.7	42.8	3.1	0.8	12.5	12.5	65.4	1,652.5	1,425.3
Dec	93.3	134.4	30.8	54.2	1.9	43.5	3.2	0.8	6.5	6.5	64.5	1,616.3	1,401.6
2003 Jan	91.7	126.1	24.9	52.6	1.9	42.7	3.2	0.8	16.8	16.8	69.4	1,599.2	1,373.2
Feb	94.4	131.4	28.9	54.7	1.3	42.4	3.2	0.7	21.2	21.2	71.9	1,615.1	1,389.3
Mar	91.2	128.8	28.3	53.0	1.3	42.3	3.2	0.7	22.0	22.0	73.1	1,602.5	1,371.0
Apr	89.0	123.4	27.6	48.6	1.3	42.1	3.1	0.6	22.1	22.1	72.8	1,601.3	1,368.7
May	93.3	132.5	28.9	56.5	1.3	42.0	3.1	0.6	24.0	24.0	73.7	1,592.0	1,366.5
Jun	94.1	137.9	34.4	55.3	1.3	43.2	3.2	0.6	21.1	21.1	72.6	1,603.0	1,368.6

* 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). —

II Overall monetary survey in the European monetary union

Flows

Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) ⁵	Base money ⁶	Reserve maintenance period ending in ¹
Net assets in gold and foreign currency	Monetary policy operations of the Eurosystem				Deposit facility	Other liquidity-absorbing operations	Banknotes in circulation ³	Central government deposits	Other factors (net) ⁴			
	Main refinancing operations	Longer-term refinancing operations	Marginal lending facility	Other liquidity-providing operations								
Eurosystem ²												
- 10.7	- 5.1	± 0.0	+ 0.1	-	+ 0.4	-	+ 7.9	- 8.9	- 16.9	+ 1.7	+ 10.0	2001 Jan
- 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	-	+ 3.2	- 8.0	- 2.2	+ 2.1	+ 5.3	2003 Jan
- 4.5	- 7.7	± 0.0	- 0.2	-	+ 0.0	-	- 13.2	+ 6.5	- 5.3	- 0.5	- 13.6	Feb
- 3.9	+ 10.9	± 0.0	- 0.1	-	- 0.2	-	+ 7.1	+ 8.9	- 7.4	- 1.5	+ 5.3	Mar
- 15.1	- 0.1	- 0.0	- 0.1	-	+ 0.1	-	+ 10.7	- 7.0	- 20.1	+ 1.0	+ 11.8	Apr
- 4.3	- 2.3	- 0.0	+ 0.3	-	- 0.0	-	+ 7.7	- 9.5	- 5.0	+ 0.3	+ 8.0	May
- 1.8	+ 17.6	+ 0.0	- 0.0	-	+ 0.1	-	+ 7.0	+ 10.0	- 2.3	+ 1.0	+ 8.0	Jun
- 10.9	+ 10.0	- 0.0	+ 0.0	-	- 0.0	-	+ 9.5	- 0.2	- 10.3	+ 0.3	+ 9.9	Jul
Deutsche Bundesbank												
- 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
+ 0.0	+ 8.4	- 1.6	- 0.1	-	- 0.2	-	+ 2.0	+ 0.0	+ 5.2	- 0.4	+ 1.4	Mar
- 2.8	+ 5.6	- 2.6	- 0.1	-	+ 0.1	-	+ 3.2	± 0.0	- 3.5	+ 0.3	+ 3.6	Apr
- 0.9	+ 3.2	+ 0.1	+ 0.3	-	- 0.0	-	+ 1.8	+ 0.0	+ 1.0	- 0.1	+ 1.6	May
- 0.4	+ 13.6	+ 0.5	- 0.1	-	+ 0.1	-	+ 1.9	+ 0.0	+ 11.4	+ 0.1	+ 2.1	Jun
- 2.9	+ 3.1	- 0.4	- 0.0	-	- 0.0	-	+ 2.7	- 0.0	- 2.7	- 0.1	+ 2.6	Jul

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
Eurosystem ²									
2002 Nov 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	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	—
Mar 7	750.0	130.3	227.9	31.0	196.9	17.4	6.2	6.2	—
14	838.9	130.3	226.9	31.0	195.9	17.0	5.5	5.5	—
21	802.3	130.3	223.9	31.6	192.4	17.7	5.1	5.1	—
28	798.7	130.3	224.1	31.5	192.7	16.8	5.2	5.2	—
Apr 4	3 774.4	3 122.7	3 216.9	3 30.8	3 186.1	3 17.1	4.8	4.8	—
11	770.6	122.7	216.0	30.8	185.2	16.7	4.5	4.5	—
18	776.5	122.7	215.8	30.7	185.0	16.5	4.6	4.6	—
25	800.6	122.3	215.8	31.2	184.5	16.9	4.6	4.6	—
May 2	760.4	122.3	214.5	31.2	183.2	16.7	4.6	4.6	—
8	765.1	122.3	214.1	31.3	182.8	17.1	4.8	4.8	—
16	771.9	122.3	215.1	31.6	183.5	16.9	4.5	4.5	—
23	793.9	122.3	216.2	31.5	184.7	17.2	3.7	3.7	—
30	801.4	122.2	214.2	31.5	182.7	17.3	3.4	3.4	—
Jun 6	777.1	122.2	213.5	31.4	182.1	16.4	3.5	3.5	—
13	801.7	122.2	214.8	31.5	183.3	15.5	3.3	3.3	—
20	791.7	122.2	212.0	32.3	179.7	16.8	3.4	3.4	—
27	813.6	122.2	212.9	32.2	180.7	17.1	3.4	3.4	—
Jul 4	3 802.1	3 120.0	3 206.4	3 31.4	3 175.0	3 15.6	4.0	4.0	—
11	798.0	120.0	208.4	31.4	177.0	15.0	3.6	3.6	—
18	795.3	120.0	205.4	31.4	173.9	15.8	4.4	4.4	—
25	828.5	119.9	204.0	31.4	172.6	15.2	4.4	4.4	—
Aug 1	802.9	120.0	204.0	31.5	172.5	15.2	4.3	4.3	—
Deutsche Bundesbank									
2001 Sep	3 233.4	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	—
Mar	3 239.2	3 34.1	3 48.4	3 8.3	3 40.1	—	0.3	0.3	—
Apr	230.5	34.1	47.0	8.2	38.7	—	0.3	0.3	—
May	258.1	34.1	47.8	8.3	39.6	—	0.3	0.3	—
Jun	3 258.2	3 33.4	3 45.0	3 8.3	3 36.7	—	0.3	0.3	—
Jul	246.9	33.4	44.8	8.3	36.5	—	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.—

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							
Eurosystem ²												
196.3	150.0	45.0	-	-	1.2	0.0	0.2	33.1	67.2	89.1		2002 Nov 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
182.2	137.1	45.0	-	-	0.1	0.0	0.9	33.5	44.3	107.2		Mar 7
270.1	225.1	45.0	-	-	0.0	0.0	0.5	36.7	44.3	107.5		14
234.9	189.0	45.0	-	-	0.9	0.0	0.3	37.8	44.3	107.8		21
232.0	187.0	45.0	-	-	0.0	0.0	0.3	38.1	44.3	107.4		28
220.0	175.0	45.0	-	-	0.0	0.0	0.3	38.8	44.3	109.6		Apr 4
217.1	172.0	45.0	-	-	0.1	0.0	0.2	39.7	44.3	109.4		11
223.0	178.0	45.0	-	-	0.0	0.0	0.1	39.8	44.3	109.7		18
247.0	202.0	45.0	-	-	0.0	0.0	0.1	40.2	44.3	109.5		25
208.0	163.0	45.0	-	-	0.0	0.0	0.1	40.3	44.3	109.6		May 2
212.0	167.0	45.0	-	-	-	0.0	0.2	40.5	44.3	109.8		8
218.1	173.0	45.0	-	-	0.1	0.0	0.2	41.0	44.3	109.6		16
238.1	193.0	45.0	-	-	0.1	0.0	0.2	42.3	44.3	109.6		23
247.4	202.0	45.0	-	-	0.3	0.1	0.3	42.3	44.3	110.1		30
223.5	178.4	45.0	-	-	0.1	0.0	0.2	43.1	44.3	110.3		Jun 6
246.9	201.4	45.0	-	-	0.4	0.1	0.3	43.4	44.3	111.0		13
238.0	191.0	45.0	-	-	1.9	0.1	0.3	43.8	44.3	110.9		20
257.9	212.0	45.0	-	-	0.8	0.1	0.2	44.1	44.3	111.3		27
251.1	206.0	45.0	-	-	0.0	0.1	0.3	44.1	43.8	116.9		Jul 4
245.1	200.0	45.0	-	-	0.0	0.0	0.3	44.5	43.8	117.4		11
244.1	199.0	45.0	-	-	0.0	0.0	0.3	44.5	43.8	117.0		18
277.8	232.0	45.0	-	-	0.7	0.0	0.3	46.6	43.8	116.5		25
252.1	207.0	45.0	-	-	0.0	0.1	0.2	46.9	43.8	116.5		Aug 1
Deutsche Bundesbank												
111.7	70.2	40.3	-	-	1.2	-	0.0	-	4.4	22.4		2001 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
130.9	98.4	32.1	-	-	0.4	-	0.0	-	4.4	21.1		Mar
125.0	92.5	32.5	-	-	0.0	-	0.0	-	4.4	19.7		Apr
151.8	118.7	32.9	-	-	0.1	-	0.0	-	4.4	19.7		May
155.0	122.5	32.4	-	-	0.0	-	0.0	-	4.4	20.1		Jun
144.0	115.1	28.8	-	-	0.1	-	0.0	-	4.4	19.9		Jul

1 For the Eurosystem: financial statement for specific weekly dates; 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

2 Liabilities *

€ billion

On reporting date/ End of month 1	Total liabilities	Banknotes in circulation 2,3	Liabilities to euro-area credit institutions related to monetary policy operations denominated in euro						Other liabilities to euro-area credit institutions denominated in euro	Debt certificates issued	Liabilities to other euro-area residents denominated in euro		
			Total	Current accounts (covering the minimum reserve system)	Deposit facility	Fixed-term deposits	Fine-tuning reverse operations	Deposits related to margin calls			Total	General government	Other liabilities
Eurosystem 5													
2002 Nov 22	788.7	334.6	126.8	126.3	0.5	-	-	-	0.2	2.0	55.1	50.2	4.9
29	796.5	340.0	121.9	121.9	0.0	-	-	-	0.2	2.0	64.8	59.6	5.3
Dec 6	812.7	351.3	127.1	127.0	0.1	-	-	-	0.3	2.0	62.2	56.6	5.6
13	818.7	355.7	130.0	129.9	0.1	-	-	-	0.0	2.0	58.5	53.6	4.9
20	820.4	367.9	127.9	126.7	1.2	-	-	-	0.0	2.0	50.0	44.9	5.0
27	832.6	374.6	129.3	129.1	0.2	-	-	-	0.0	2.0	55.1	49.8	5.2
2003 Jan 3	6 795.0	354.5	130.0	129.9	0.1	-	-	-	0.0	2.0	47.4	42.4	5.0
10	786.6	346.3	133.5	133.4	0.1	-	-	0.0	0.0	2.0	48.5	43.6	4.9
17	773.3	341.6	132.9	132.7	0.1	-	-	0.0	0.0	2.0	42.5	37.3	5.2
24	778.9	338.2	127.2	127.2	0.0	-	-	0.0	0.0	2.0	59.0	54.0	5.0
31	786.7	339.5	126.8	126.6	0.1	-	-	0.0	0.1	2.0	65.1	60.2	4.9
Feb 7	782.0	342.8	133.2	133.2	0.0	-	-	-	0.1	2.0	52.2	47.2	5.0
14	775.4	342.9	128.0	127.9	0.1	-	-	-	0.1	2.0	51.3	46.5	4.8
21	784.8	341.6	131.4	129.0	2.4	-	-	-	0.1	2.0	59.0	54.1	4.8
28	790.6	345.4	125.4	125.3	0.1	-	-	-	0.1	2.0	70.1	65.2	4.9
Mar 7	750.0	350.1	89.5	89.4	0.1	-	-	-	0.1	2.0	60.2	55.2	5.0
14	838.9	350.0	177.4	177.3	0.1	-	-	-	0.0	2.0	60.1	55.0	5.1
21	802.3	350.5	128.6	128.0	0.6	-	-	0.0	0.0	2.0	72.7	67.5	5.2
28	798.7	351.8	129.4	129.4	0.0	-	-	0.0	0.0	2.0	73.6	68.4	5.2
Apr 4	6 774.4	357.8	131.6	131.5	0.1	-	-	0.0	0.1	2.0	53.9	48.6	5.3
11	770.6	360.2	128.4	128.3	0.0	-	-	0.0	0.1	2.0	51.6	46.2	5.4
18	776.5	367.6	132.7	132.4	0.2	-	-	0.0	0.0	2.0	45.0	39.5	5.5
25	800.6	363.9	147.5	147.4	0.1	-	-	0.0	0.0	2.0	59.3	53.9	5.4
May 2	760.4	367.4	122.6	122.5	0.1	-	-	0.0	0.0	2.0	40.1	34.8	5.4
8	765.1	368.1	129.4	129.3	0.1	-	-	0.0	0.0	2.0	37.7	32.2	5.5
16	771.9	366.9	128.6	128.5	0.1	-	-	0.0	0.0	2.0	46.3	41.0	5.3
23	793.9	365.3	126.3	121.7	0.7	3.9	-	0.0	0.0	2.0	69.3	64.1	5.2
30	801.4	371.0	134.9	134.8	0.1	-	-	0.0	0.0	2.0	65.5	60.3	5.2
Jun 6	777.1	376.0	112.7	112.7	0.1	-	-	0.0	0.0	2.0	58.9	53.4	5.5
13	801.7	376.5	139.1	139.0	0.1	-	-	-	0.0	2.0	55.1	49.7	5.4
20	791.7	376.0	134.4	134.1	0.3	-	-	-	0.0	2.0	48.4	42.9	5.5
27	813.6	377.2	131.0	130.9	0.1	-	-	0.0	0.0	2.0	73.0	67.7	5.3
Jul 4	6 802.1	383.7	133.3	133.2	0.1	-	-	0.0	0.0	2.0	57.9	52.7	5.3
11	798.0	386.2	130.9	130.9	0.0	-	-	0.0	0.0	2.0	52.1	46.7	5.4
18	795.3	386.9	133.8	133.7	0.0	-	-	0.0	0.0	2.0	45.7	40.4	5.3
25	828.5	386.3	142.6	142.5	0.0	-	-	0.0	0.0	2.0	70.6	65.3	5.3
Aug 1	802.9	392.1	126.0	125.9	0.1	-	-	0.0	0.0	2.0	56.8	51.4	5.4
Deutsche Bundesbank													
2001 Sep 6	233.4	112.0	48.3	48.2	0.0	-	-	-	-	-	0.6	0.1	0.5
Oct	226.6	106.7	34.0	34.0	0.0	-	-	-	-	-	0.5	0.1	0.4
Nov	225.6	99.0	49.9	49.8	0.1	-	-	-	-	-	0.6	0.1	0.5
Dec 6	239.9	76.5	57.5	57.4	0.1	-	-	-	-	-	1.0	0.1	1.0
2002 Jan	230.6	82.5	46.1	46.1	0.0	-	-	-	-	-	1.0	0.1	0.9
Feb	221.4	79.8	41.6	41.5	0.0	-	-	-	-	-	0.6	0.1	0.6
Mar 6	227.4	80.5	42.0	42.0	0.1	-	-	-	-	-	0.6	0.1	0.5
Apr	205.3	81.7	40.1	38.9	1.2	-	-	-	-	-	0.5	0.1	0.5
May	218.3	84.1	44.9	44.9	0.0	-	-	-	-	-	0.6	0.0	0.6
Jun 6	217.9	86.9	41.4	41.3	0.1	-	-	-	-	-	0.6	0.1	0.5
Jul	211.3	90.0	40.7	40.6	0.0	-	-	-	-	-	0.6	0.1	0.5
Aug	218.3	90.7	44.3	44.2	0.1	-	-	-	-	-	0.5	0.0	0.5
Sep 6	221.9	92.0	41.0	41.0	0.0	-	-	-	-	-	0.6	0.0	0.5
Oct	226.4	94.2	41.3	41.3	0.0	-	-	-	-	-	0.6	0.1	0.5
Nov	229.9	95.7	41.0	40.9	0.0	-	-	-	-	-	0.8	0.1	0.7
Dec 6	240.0	104.5	44.8	44.8	0.0	-	-	-	-	-	0.6	0.0	0.6
2003 Jan	233.9	94.5	40.9	40.8	0.1	-	-	-	-	-	0.5	0.0	0.5
Feb	236.2	96.1	38.1	38.1	0.1	-	-	-	-	-	0.5	0.1	0.5
Mar 6	239.2	98.1	48.1	48.0	0.0	-	-	-	-	-	0.5	0.0	0.4
Apr	230.5	101.8	36.4	36.3	0.0	-	-	-	-	-	0.5	0.1	0.4
May	258.1	103.2	36.3	36.2	0.1	-	-	-	-	-	0.5	0.1	0.4
Jun 6	258.2	105.2	38.8	38.8	0.0	-	-	-	-	-	0.5	0.1	0.4
Jul	246.9	108.5	39.6	39.5	0.1	-	-	-	-	-	0.5	0.0	0.5

* 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; for the Bundesbank: up to end-2001, financial statement for the last Friday

of each month; from 2002, end-of-month financial statement. — 2 From 2002, euro banknotes and up to end-2002, banknotes still in circulation issued by the national central banks of the Eurosystem (see also footnote 4). — 3 According to the accounting regime chosen by the Eurosystem on the issue of euro banknotes, a share of 8% of the total value of the euro banknotes in circulation is allocated to the ECB on a monthly basis. The

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 4	Intra-Eurosystem liability related to euro-banknote issue 3	Revaluation accounts	Capital and reserves	On reporting date/ End of month 1
		Total	Deposits, balances and other liabilities	Liabilities arising from the credit facility under ERM II						
Eurosystem 5										
8.3	1.7	19.3	19.3	—	6.6	63.4	—	106.3	64.4	2002 Nov 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	6 21.0	6 21.0	—	6.3	6 73.8	—	6 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
8.7	1.1	14.8	14.8	—	6.3	69.9	—	82.8	64.4	Mar 7
8.6	1.1	16.1	16.1	—	6.3	70.1	—	82.8	64.5	14
8.4	1.1	14.7	14.7	—	6.3	70.6	—	82.8	64.5	21
8.4	1.1	14.5	14.5	—	6.3	64.2	—	82.8	64.5	28
8.9	1.1	15.4	15.4	—	6.2	65.1	—	6 68.0	64.5	Apr 4
8.7	1.0	14.6	14.6	—	6.2	65.2	—	68.0	64.6	11
9.2	1.0	14.3	14.3	—	6.2	65.9	—	68.0	64.6	18
8.5	1.0	14.1	14.1	—	6.2	65.5	—	68.0	64.7	25
9.5	1.0	13.0	13.0	—	6.2	65.9	—	67.9	64.7	May 2
8.9	1.0	13.6	13.6	—	6.2	65.6	—	67.9	64.7	8
8.8	1.0	13.6	13.6	—	6.2	65.7	—	67.9	64.7	16
9.6	1.0	16.0	16.0	—	6.2	65.2	—	67.9	65.0	23
8.8	1.0	14.0	14.0	—	6.2	64.9	—	67.9	65.0	30
9.0	1.0	13.7	13.7	—	6.2	64.6	—	67.9	65.0	Jun 6
9.0	1.0	15.2	15.2	—	6.2	64.6	—	67.9	65.0	13
10.6	1.0	14.6	14.6	—	6.2	65.7	—	67.9	65.0	20
8.7	1.0	16.0	16.0	—	6.2	65.5	—	67.9	65.0	27
8.8	0.9	6 16.4	6 16.4	—	6.0	6 65.8	—	6 62.2	65.0	Jul 4
8.7	0.9	17.9	17.9	—	6.0	66.0	—	62.2	65.0	11
8.9	0.9	16.7	16.7	—	6.0	67.1	—	62.2	65.0	18
9.3	0.9	16.6	16.6	—	6.0	66.9	—	62.2	65.0	25
9.1	0.9	16.3	16.3	—	6.0	66.6	—	62.2	65.0	Aug 1
Deutsche Bundesbank										
6.8	0.0	1.8	1.8	—	1.7	15.3	.	6 41.8	5.1	2001 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	.	6 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	6 3.0	6 3.0	—	1.7	30.9	11.6	6 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	6 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	6 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	6 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
7.1	0.0	3.4	3.4	—	1.5	6 11.7	33.3	6 30.4	5.0	Mar
7.1	0.0	2.0	2.0	—	1.5	11.6	34.2	30.4	5.0	Apr
7.3	0.0	2.7	2.7	—	1.5	34.5	36.6	30.4	5.0	May
7.4	0.0	3.2	3.2	—	1.5	31.3	37.3	6 28.2	5.0	Jun
7.3	0.0	3.0	3.0	—	1.5	14.9	38.4	28.2	5.0	Jul

counterpart of this adjustment is disclosed as an "Intra-Eurosystem liability related to euro-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". — 4 For the Deutsche Bundesbank: from 2003, including DM banknotes still in circulation (see also footnote 2). — 5 Source: ECB. — 6 Changes are due mainly to revaluations at the end of the quarter.

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	Bills	Securities issued by non-banks			
						for up to and including 1 year	for more than 1 year						
All categories of banks													
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
Feb	2,355	6,460.6	52.3	2,381.3	1,732.9	637.2	3,578.5	466.4	2,568.3	4.4	522.7	160.4	288.2
Mar	2,354	6,470.0	60.4	2,389.1	1,735.1	642.9	3,580.3	473.2	2,558.3	4.4	528.2	159.4	280.9
Apr	2,346	6,466.0	51.5	2,387.4	1,731.6	644.0	3,590.9	482.1	2,558.6	4.3	530.6	159.8	276.3
May	2,338	6,505.1	52.3	2,434.3	1,776.0	647.7	3,582.2	474.0	2,555.5	4.5	533.9	161.4	275.0
June	2,311	6,511.2	54.3	2,459.7	1,798.0	650.5	3,570.5	466.4	2,554.9	4.5	530.8	160.3	266.3
Commercial banks ⁵													
2003 May	269	1,876.8	16.9	677.7	538.0	135.2	973.9	256.7	542.4	2.3	165.7	93.5	114.7
June	268	1,857.4	20.6	685.0	547.2	133.5	954.0	244.4	541.7	2.4	157.9	92.8	104.9
Big banks ⁶													
2003 May	4	1,101.8	8.8	407.2	347.2	58.0	533.1	152.1	282.0	1.4	94.4	82.6	70.0
June	4	1,082.0	12.2	404.4	344.4	57.8	522.4	143.8	280.7	1.5	92.4	81.9	61.0
Regional banks and other commercial banks													
2003 May	182	660.6	7.6	214.1	143.3	69.9	394.0	82.6	244.3	0.8	63.0	10.0	34.8
June	181	665.0	7.3	222.7	152.1	69.6	391.3	83.0	245.1	0.8	58.9	10.1	33.7
Branches of foreign banks													
2003 May	83	114.4	0.5	56.3	47.5	7.3	46.8	22.0	16.2	0.1	8.3	0.8	10.0
June	83	110.4	1.1	57.9	50.6	6.1	40.3	17.6	15.8	0.1	6.5	0.8	10.2
Land banks													
2003 May	14	1,342.1	3.4	687.7	567.9	116.6	569.8	65.4	408.1	0.3	90.8	33.8	47.3
June	14	1,350.9	3.4	693.4	573.4	116.3	570.1	65.6	406.5	0.3	93.2	33.5	50.5
Savings banks													
2003 May	505	975.6	16.9	227.6	75.2	151.5	693.4	75.8	527.2	1.2	88.7	14.4	23.3
June	502	978.4	16.7	227.5	73.1	153.4	697.0	78.8	527.7	1.2	88.7	14.2	23.0
Regional institutions of credit cooperatives													
2003 May	2	196.8	2.3	126.5	88.7	37.5	52.2	10.7	23.2	0.1	17.5	10.3	5.5
June	2	193.0	1.2	125.9	87.4	38.2	50.6	11.1	22.4	0.1	16.9	10.4	5.0
Credit cooperatives													
2003 May	1,480	554.2	11.3	143.7	64.6	77.7	376.2	47.1	290.5	0.6	37.8	5.5	17.5
June	1,456	554.3	11.2	141.4	60.9	78.9	378.7	48.6	291.0	0.6	38.4	5.5	17.5
Mortgage banks													
2003 May	26	869.8	1.0	229.8	155.0	74.6	617.7	12.2	508.0	-	97.1	1.3	20.0
June	26	868.3	0.8	232.2	156.8	75.1	615.2	10.8	505.4	-	98.9	1.3	18.8
Building and loan associations													
2003 May	28	166.2	0.1	37.6	26.4	11.2	119.0	1.5	106.4	.	11.2	0.5	8.9
June	28	166.8	0.0	38.0	26.7	11.3	119.3	1.4	107.0	.	10.9	0.6	8.9
Banks with special functions													
2003 May	14	523.7	0.4	303.7	260.1	43.4	179.9	4.6	149.6	-	25.2	2.0	37.7
June	15	542.1	0.3	316.5	272.5	43.7	185.5	5.7	153.1	-	25.9	2.0	37.9
Memo item: Foreign banks ⁷													
2003 May	131	392.6	2.7	162.7	112.7	48.3	204.6	42.7	116.2	0.2	45.2	1.7	21.0
June	131	396.2	4.2	170.4	120.7	48.4	199.5	39.6	115.8	0.2	43.6	1.6	20.4
of which: Banks majority-owned by foreign banks ⁸													
2003 May	48	278.1	2.2	106.4	65.2	41.0	157.7	20.7	100.0	0.1	36.9	0.8	11.0
June	48	285.8	3.1	112.6	70.1	42.4	159.2	22.0	100.0	0.1	37.1	0.8	10.2

* 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 ⁴	Capital including published reserves, participation rights capital, funds for general banking risks	Other liabilities	End of month
Total	of which		Total	of which				Savings deposits ³		Bank savings bonds				
	Sight deposits	Time deposits		Sight deposits	Time deposits ¹		Memo item Liabilities arising from repos ²	Total	of which At three months' notice					
				for up to and including 1 year	for more than 1 year ¹									
All categories of banks														
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
1,841.2	252.2	1,588.8	2,415.4	604.8	352.7	757.3	52.4	590.0	488.1	110.5	1,526.9	292.9	384.1	Feb
1,839.8	275.7	1,563.9	2,429.5	622.2	350.8	756.6	63.9	590.0	489.8	109.8	1,523.6	294.8	382.4	Mar
1,838.1	279.1	1,558.9	2,428.1	625.7	351.5	753.2	61.2	588.5	490.8	109.1	1,519.1	296.1	384.5	Apr
1,875.2	274.3	1,600.6	2,433.9	635.3	355.5	746.9	61.7	587.7	491.5	108.6	1,516.9	294.7	384.4	May
1,875.3	293.6	1,581.6	2,434.2	652.7	337.5	748.7	55.6	587.2	492.5	108.1	1,521.7	294.0	386.0	June
Commercial banks⁵														
736.4	154.6	581.5	688.9	284.7	174.9	126.5	55.4	93.3	80.6	9.5	209.0	102.3	140.2	2003 May
727.0	163.4	563.4	681.9	290.7	160.9	126.8	48.8	93.9	81.5	9.6	210.7	101.6	136.1	June
Big banks⁶														
465.4	111.0	354.3	346.4	126.1	123.8	73.6	53.1	22.3	20.3	0.6	152.7	62.4	74.9	2003 May
455.7	118.5	337.2	338.7	129.1	112.1	74.1	46.4	22.9	20.9	0.6	153.2	61.7	72.6	June
Regional banks and other commercial banks														
187.1	31.4	155.5	328.5	151.7	47.4	49.5	1.8	71.1	60.3	8.8	56.2	37.0	51.8	2003 May
188.7	28.6	159.9	329.5	154.4	45.9	49.2	2.1	71.0	60.6	9.0	57.5	36.9	52.4	June
Branches of foreign banks														
83.9	12.2	71.6	14.1	6.9	3.7	3.4	0.5	0.0	0.0	0.0	0.0	3.0	13.6	2003 May
82.6	16.3	66.3	13.7	7.2	3.0	3.5	0.3	0.0	0.0	0.0	0.0	3.0	11.1	June
Land banks														
461.3	68.3	393.0	310.8	45.4	41.9	208.2	4.1	14.9	13.6	0.4	441.9	64.5	63.6	2003 May
460.4	73.9	386.5	315.9	51.8	39.3	209.5	4.5	14.9	13.7	0.4	445.1	63.3	66.3	June
Savings banks														
213.2	7.5	205.7	630.1	184.7	61.6	10.3	-	302.2	245.7	71.3	43.1	45.7	43.5	2003 May
216.6	7.4	209.2	627.5	184.9	59.7	10.6	-	301.5	245.7	70.8	42.6	45.5	46.2	June
Regional institutions of credit cooperatives														
116.6	31.3	85.4	32.2	6.5	7.5	18.2	1.8	-	-	0.0	29.8	10.0	8.2	2003 May
111.6	34.1	77.4	32.9	8.8	6.3	17.8	1.7	-	-	0.0	29.9	10.0	8.7	June
Credit cooperatives														
74.5	2.3	72.3	397.6	111.5	58.1	24.0	-	176.8	151.2	27.2	31.4	29.4	21.3	2003 May
74.6	2.6	72.0	396.6	112.6	56.6	23.9	-	176.6	151.2	26.9	31.6	29.7	21.8	June
Mortgage banks														
124.7	5.1	119.7	144.7	1.1	4.9	138.5	0.3	0.1	0.0	0.2	555.6	19.5	25.2	2003 May
125.1	4.1	121.0	145.8	1.6	6.1	137.9	0.6	0.1	0.0	0.2	552.6	19.5	25.3	June
Building and loan associations														
29.7	2.1	27.6	105.9	0.3	0.7	104.5	-	0.3	0.3	0.1	6.8	7.2	16.6	2003 May
29.6	2.2	27.3	106.2	0.3	0.7	104.7	-	0.3	0.3	0.1	7.1	7.2	16.9	June
Banks with special functions														
118.8	3.1	115.6	123.6	1.0	6.0	116.7	-	-	-	-	199.3	16.1	65.8	2003 May
130.6	5.8	124.8	127.4	2.0	7.8	117.6	-	-	-	-	202.2	17.1	64.9	June
Memo item: Foreign banks⁷														
146.1	23.3	122.6	113.9	63.5	14.2	26.1	0.9	7.5	7.3	2.6	87.8	13.5	31.3	2003 May
152.1	28.0	124.0	116.0	66.5	13.3	26.1	0.9	7.5	7.3	2.6	87.2	13.5	27.4	June
of which: Banks majority-owned by foreign banks⁸														
62.2	11.1	51.0	99.8	56.6	10.5	22.7	0.3	7.5	7.3	2.5	87.8	10.6	17.7	2003 May
69.5	11.7	57.7	102.2	59.3	10.3	22.6	0.6	7.4	7.3	2.6	87.2	10.6	16.3	June

securities; excluding non-negotiable bearer debt securities. — **5** Commercial banks comprise the sub-groups "Big banks", "Regional banks and other commercial banks" and "Branches of foreign banks". — **6** Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Bayerische Hypo- und Vereinsbank AG. — **7** 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". — **8** Separate presentation of the banks majority-owned by foreign banks included in the categories "Regional banks and other commercial banks" and "Mortgage banks".

lending 2,6													Period
prises and individuals 1,2					to public authorities 2								
Loans			Securities 6	Memo item Fiduciary loans 9	Total	Loans			Securities 6,10	Equalisation claims 11	Memo item Fiduciary loans 9	Period	
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	
1,880.9	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	June	
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	July	
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	
1,911.1	194.0	1,717.1	166.5	47.1	559.9	414.4	31.5	382.9	142.5	3.0	7.7	Feb	
1,907.1	193.1	1,714.0	164.5	47.2	564.6	409.8	29.9	379.8	151.9	3.0	7.6	Mar	
1,910.3	193.3	1,717.0	168.6	47.0	562.4	408.6	30.9	377.6	150.8	3.0	7.5	Apr	
1,912.9	193.2	1,719.7	167.6	47.0	566.9	407.1	31.5	375.5	156.9	3.0	7.5	May	
1,912.8	193.5	1,719.3	164.6	47.0	555.4	405.7	31.5	374.2	146.8	3.0	7.4	June	
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	
+ 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	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	June	
+ 6.4	+ 0.5	+ 5.9	- 4.4	- 0.1	+ 3.4	- 0.7	+ 0.0	- 0.7	+ 5.0	- 1.0	- 0.1	July	
+ 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	-	- 0.1	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	
+ 1.7	- 0.7	+ 2.4	- 0.7	+ 0.1	+ 2.4	+ 0.2	+ 1.5	- 1.3	+ 2.2	- 0.0	+ 0.0	Feb	
- 4.0	- 0.9	- 3.0	- 2.0	+ 0.1	+ 4.8	- 4.6	- 1.5	- 3.1	+ 9.4	+ 0.0	- 0.1	Mar	
+ 3.2	+ 0.2	+ 3.0	+ 4.0	- 0.2	- 2.1	- 1.2	+ 1.0	- 2.2	- 0.9	- 0.0	- 0.0	Apr	
+ 2.6	- 0.1	+ 2.7	- 0.8	- 0.1	+ 4.6	- 1.5	+ 0.6	- 2.1	+ 6.1	-	- 0.0	May	
- 0.1	+ 0.3	- 0.4	- 3.0	+ 0.0	- 11.5	- 1.4	- 0.0	- 1.4	- 10.1	- 0.0	- 0.1	June	

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

Lending to domestic enterprises and resident individuals (excluding holdings of negotiable money market paper and excluding securities portfolios) ¹														
Period	of which													
	Total	Mortgage loans, total	Housing loans			Lending to enterprises and self-employed persons								
			Total	Mortgage loans secured by residential real estate	Other housing loans	Total	of which Housing loans	Manufacturing	Electricity, gas and water supply, mining ²	Construction	Wholesale and retail trade ³	Agriculture, forestry and fishing	Transport, storage and communication	Financing institutions (excluding MFIs) and insurance enterprises
Lending, total														
End of year or quarter *														
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	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 June	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
2003 Mar	2,237.9	1,012.5	1,067.0	782.0	285.0	1,273.2	338.4	158.5	37.3	63.5	159.3	32.0	51.1	50.3
June	2,240.1	1,011.4	1,070.5	782.5	288.0	1,267.1	338.0	157.8	37.0	62.9	156.9	32.5	52.2	48.7
Short-term lending														
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	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 June	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
2003 Mar	330.7	—	13.7	—	13.7	282.8	8.8	50.6	4.8	16.0	57.4	4.5	8.0	24.2
June	327.3	—	14.4	—	14.4	278.8	9.3	51.1	4.5	15.9	56.5	4.7	7.9	22.3
Medium-term lending														
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	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 June	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
2003 Mar	193.1	—	35.9	—	35.9	121.3	11.4	17.7	2.2	6.3	13.1	3.3	9.1	6.3
June	193.5	—	37.4	—	37.4	121.0	11.9	17.6	2.5	6.0	12.7	3.4	9.9	6.4
Long-term lending														
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	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 June	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
2003 Mar	1,714.0	1,012.5	1,017.3	782.0	235.3	869.1	318.2	90.2	30.4	41.2	88.8	24.2	34.1	19.8
June	1,719.3	1,011.4	1,018.7	782.5	236.2	867.2	316.7	89.1	30.0	41.0	87.6	24.4	34.4	20.1
Lending, total														
Change during quarter *														
2002 Q2	— 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
Q3	+ 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
Q4	+ 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
2003 Q1	— 3.3	— 0.4	+ 0.0	+ 0.4	— 0.3	— 4.2	— 1.8	— 2.9	— 0.1	— 1.1	— 3.5	+ 0.7	— 0.2	+ 10.3
Q2	+ 2.3	+ 0.7	+ 5.8	+ 2.7	+ 3.1	— 6.1	— 1.1	— 0.7	— 0.2	— 0.6	— 2.3	+ 0.5	+ 1.0	— 1.6
Short-term lending														
2002 Q2	— 6.0	—	— 0.7	—	— 0.7	— 6.5	— 0.6	— 0.5	+ 0.7	— 0.1	— 1.4	+ 0.3	— 0.9	— 3.5
Q3	— 0.8	—	— 0.2	—	— 0.2	— 2.2	— 0.3	— 2.1	— 1.2	— 0.9	— 0.7	+ 0.2	— 0.8	+ 5.0
Q4	— 10.8	—	+ 0.3	—	+ 0.3	— 10.2	+ 0.2	— 4.6	— 1.0	— 1.6	— 0.6	— 0.6	— 0.5	— 3.4
2003 Q1	— 0.7	—	— 0.9	—	— 0.9	+ 1.6	— 0.6	— 1.5	— 0.3	+ 0.1	— 1.3	+ 0.3	— 0.4	+ 10.6
Q2	— 3.4	—	+ 0.4	—	+ 0.4	— 4.0	+ 0.3	+ 0.5	— 0.2	— 0.1	— 0.8	+ 0.2	— 0.1	— 2.0
Medium-term lending														
2002 Q2	— 1.3	—	— 0.5	—	— 0.5	— 1.0	— 0.2	— 1.1	+ 0.2	+ 0.0	— 0.2	— 0.0	— 0.5	+ 0.1
Q3	+ 0.8	—	— 0.3	—	— 0.3	+ 0.1	— 0.1	+ 0.2	+ 0.1	— 0.0	+ 0.1	+ 0.1	+ 0.1	+ 0.2
Q4	— 0.1	—	— 0.4	—	— 0.4	— 0.1	— 0.4	— 0.1	— 0.4	— 0.2	+ 0.1	— 0.1	+ 0.4	+ 0.1
2003 Q1	— 1.7	—	— 0.3	—	— 0.3	— 1.8	— 0.0	— 0.2	+ 0.1	— 0.3	— 0.5	+ 0.0	+ 0.6	— 0.7
Q2	+ 0.4	—	+ 0.7	—	+ 0.7	— 0.3	+ 0.3	— 0.1	+ 0.3	— 0.3	— 0.3	+ 0.1	+ 0.8	+ 0.1
Long-term lending														
2002 Q2	+ 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
Q3	+ 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
Q4	+ 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
2003 Q1	— 1.0	— 0.4	+ 1.2	+ 0.4	+ 0.9	— 4.1	— 1.2	— 1.3	+ 0.1	— 1.0	— 1.6	+ 0.4	— 0.3	+ 0.4
Q2	+ 5.3	+ 0.7	+ 4.6	+ 2.7	+ 2.0	— 1.8	— 1.6	— 1.1	— 0.3	— 0.3	— 1.2	+ 0.2	+ 0.3	+ 0.3

* Excluding lending by foreign branches. 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. — ¹ Excluding loans on a trust basis. — ² Including quarrying. — ³ Including

IV Banks

											Lending to employees and other individuals		Lending to non-profit institutions		
Services sector (including the professions)				Memo items				Other lending							
Total	of which			Lending to self-employed persons ⁴	Lending to craft enterprises	Total	Housing loans	Total	of which		Total	of which Housing loans	Period		
	Housing enterprises	Holding companies	Other real estate enterprises						Instalment loans ⁵	Debit balances on wage, salary and pension accounts					
End of year or quarter *													Lending, total		
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		
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	2002 June		
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		
721.1	163.6	48.6	206.4	448.1	72.9	950.5	725.0	225.4	115.5	22.1	14.3	3.5	2003 Mar		
719.1	163.2	48.5	206.8	444.1	71.9	958.8	729.0	229.8	114.2	22.7	14.2	3.5	June		
											Short-term lending				
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		
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	2002 June		
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		
117.3	19.0	18.0	33.5	52.2	15.3	46.2	4.9	41.3	2.3	22.1	1.7	0.0	2003 Mar		
115.9	18.7	17.9	33.6	51.4	15.0	46.8	5.0	41.7	2.3	22.7	1.7	0.0	June		
											Medium-term lending				
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		
63.2	6.7	6.9	15.4	31.6	5.0	69.7	24.2	45.5	34.1	-	0.6	0.1	2002 June		
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		
63.5	6.1	6.7	17.8	31.4	4.8	71.3	24.5	46.9	36.1	-	0.5	0.1	2003 Mar		
62.5	6.1	6.3	17.6	31.0	4.7	72.0	25.4	46.6	36.4	-	0.5	0.1	June		
											Long-term lending				
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		
535.1	142.0	23.6	150.0	369.6	53.4	814.7	681.7	132.9	75.7	-	12.2	3.4	2002 June		
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		
540.3	138.5	23.9	155.1	364.4	52.8	832.9	695.7	137.3	77.2	-	12.0	3.4	2003 Mar		
540.7	138.4	24.3	155.6	361.8	52.2	840.1	698.6	141.5	75.5	-	12.0	3.4	June		
Change during quarter *													Lending, total		
+	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	2002 Q2	
+	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	Q3	
+	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	Q4	
-	7.4	- 1.3	- 1.6	- 0.2	- 3.8	- 0.2	+ 1.0	+ 1.9	- 0.9	+ 1.8	- 1.0	- 0.1	+ 0.0	2003 Q1	
-	2.2	- 0.4	- 0.1	+ 0.4	- 3.6	- 1.0	+ 8.4	+ 6.9	+ 1.5	+ 1.2	+ 0.5	- 0.0	- 0.0	Q2	
													Short-term lending		
-	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	2002 Q2	
-	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	Q3	
+	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	Q4	
-	5.9	- 0.8	- 1.0	- 1.2	- 1.6	+ 0.5	- 2.3	- 0.3	- 2.0	- 0.1	- 1.0	- 0.0	+ 0.0	2003 Q1	
-	1.4	- 0.3	- 0.1	+ 0.1	- 0.8	- 0.3	+ 0.6	+ 0.1	+ 0.4	- 0.0	+ 0.5	- 0.0	- 0.0	Q2	
													Medium-term lending		
+	0.5	- 0.0	- 0.4	+ 0.5	- 0.2	- 0.1	- 0.3	- 0.3	- 0.0	+ 0.2	-	+ 0.0	- 0.0	2002 Q2	
-	0.6	- 0.1	- 0.1	+ 0.3	- 0.3	- 0.1	+ 0.8	- 0.1	+ 0.9	+ 1.0	-	- 0.0	- 0.0	Q3	
-	0.0	- 0.4	+ 0.6	+ 0.5	- 0.5	- 0.1	- 0.0	- 0.0	+ 0.0	+ 0.3	-	- 0.0	+ 0.0	Q4	
-	0.8	- 0.3	- 0.5	+ 0.4	+ 0.0	- 0.1	+ 0.1	- 0.3	+ 0.4	+ 0.8	-	- 0.0	+ 0.0	2003 Q1	
-	1.0	- 0.1	- 0.4	- 0.2	- 0.1	- 0.1	+ 0.7	+ 0.4	+ 0.3	+ 0.3	-	+ 0.0	+ 0.0	Q2	
													Long-term lending		
+	1.6	+ 0.6	- 0.2	+ 2.5	- 0.4	- 0.0	+ 6.3	+ 4.6	+ 1.7	+ 1.3	-	+ 0.1	- 0.0	2002 Q2	
+	3.2	+ 1.2	+ 1.0	+ 1.4	- 1.0	- 0.3	+ 7.8	+ 6.4	+ 1.4	+ 1.1	-	+ 0.0	- 0.0	Q3	
+	4.0	- 0.6	+ 0.0	+ 2.7	- 1.0	- 0.3	+ 8.1	+ 7.1	+ 1.0	+ 0.4	-	- 0.1	+ 0.0	Q4	
-	0.7	- 0.3	+ 0.0	+ 0.6	- 2.2	- 0.6	+ 3.2	+ 2.4	+ 0.7	+ 1.1	-	- 0.1	+ 0.0	2003 Q1	
+	0.2	- 0.1	+ 0.4	+ 0.5	- 2.7	- 0.6	+ 7.1	+ 6.3	+ 0.8	+ 0.9	-	- 0.0	- 0.0	Q2	

the maintenance and repair of motor vehicles and durable consumer goods. — 4 Including sole proprietors. — 5 Excluding mortgage loans and housing loans, even in the form of instalment credit.

IV Banks

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							
Domestic enterprises and resident individuals													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 July	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		
Feb	1,973.5	556.4	738.1	223.4	514.6	7.7	506.9	577.2	101.9	5.7	27.8	4.1		
Mar	1,979.8	563.9	737.3	219.4	518.0	8.0	510.0	577.3	101.2	5.8	27.8	5.2		
Apr	1,987.2	571.8	738.8	220.4	518.4	7.6	510.8	575.9	100.6	5.5	27.8	5.6		
May	1,990.5	576.7	738.5	221.3	517.2	7.5	509.7	575.1	100.1	5.5	28.1	3.8		
June	1,995.2	590.8	730.0	213.3	516.7	7.5	509.2	574.8	99.6	5.5	28.7	5.7		
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 July	- 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	+ 2.4	+ 2.2	- 0.9	- 0.0	+ 0.3	+ 2.0		
Feb	+ 5.7	+ 4.6	- 0.4	- 2.9	+ 2.4	- 0.1	+ 2.5	+ 1.8	- 0.3	- 0.0	+ 0.3	+ 0.7		
Mar	+ 6.3	+ 7.5	- 0.7	- 4.1	+ 3.3	+ 0.3	+ 3.1	+ 0.1	- 0.7	+ 0.1	- 0.0	+ 1.1		
Apr	+ 7.4	+ 7.9	+ 1.5	+ 1.0	+ 0.4	- 0.4	+ 0.8	- 1.4	- 0.6	- 0.2	- 0.0	+ 0.4		
May	+ 3.3	+ 4.9	- 0.3	+ 0.9	- 1.2	- 0.1	- 1.1	- 0.8	- 0.5	- 0.1	+ 0.3	- 1.9		
June	+ 4.6	+ 14.0	- 8.5	- 8.0	- 0.5	- 0.0	- 0.4	- 0.4	- 0.5	+ 0.1	+ 0.5	+ 1.9		
of which: Domestic enterprises													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 July	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	380.6	4.4	22.3	5.6	16.3	3.5		
Feb	692.3	183.6	481.8	97.7	384.1	1.5	382.7	4.4	22.5	5.5	16.5	4.1		
Mar	695.4	186.2	482.3	95.4	386.9	1.8	385.2	4.4	22.5	5.6	16.5	5.2		
Apr	704.6	191.8	486.0	98.8	387.2	1.4	385.8	4.4	22.5	5.3	16.4	5.6		
May	705.7	192.3	486.3	100.2	386.1	1.4	384.7	4.6	22.4	5.2	16.7	3.8		
June	710.6	202.0	481.6	96.1	385.5	1.4	384.1	4.7	22.4	5.3	17.2	5.7		
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 July	+ 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		
Feb	- 0.4	- 1.7	+ 1.1	- 0.8	+ 2.0	- 0.0	+ 2.0	+ 0.0	+ 0.2	- 0.0	+ 0.3	+ 0.7		
Mar	+ 3.1	+ 2.6	+ 0.5	- 2.3	+ 2.8	+ 0.3	+ 2.5	- 0.0	+ 0.0	+ 0.1	- 0.0	+ 1.1		
Apr	+ 9.2	+ 5.6	+ 3.6	+ 3.3	+ 0.3	- 0.3	+ 0.6	+ 0.0	- 0.1	- 0.2	- 0.1	+ 0.4		
May	+ 1.1	+ 0.5	+ 0.4	+ 1.5	- 1.1	- 0.1	- 1.1	+ 0.2	- 0.0	- 0.1	+ 0.3	- 1.9		
June	+ 4.9	+ 9.6	- 4.7	- 4.2	- 0.6	- 0.1	- 0.6	+ 0.0	- 0.1	+ 0.1	+ 0.5	+ 1.9		

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-profit institutions, total	by creditor group					by creditor group						
		Resident individuals					Resident individuals						
		Total	Total	Self-employed persons	Employees	Other individuals	Domestic non-profit institutions	Total	Total	Self-employed persons	Employees	Other individuals	
	End of year or month*												
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	
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	
Feb	1,281.2	372.8	360.5	63.6	245.0	51.9	12.2	256.2	237.2	35.1	179.9	22.2	
Mar	1,284.4	377.7	365.7	62.7	250.1	52.9	12.1	255.0	235.0	33.9	179.2	21.9	
Apr	1,282.6	380.0	367.9	64.4	250.1	53.4	12.1	252.8	233.5	33.5	178.5	21.5	
May	1,284.8	384.4	372.0	65.0	252.9	54.2	12.4	252.2	232.2	33.3	177.7	21.2	
June	1,284.6	388.8	375.5	64.0	256.6	54.9	13.3	248.5	228.9	32.1	176.1	20.7	
	Changes*												
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	
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	
Feb	+ 6.1	+ 6.4	+ 6.0	+ 0.7	+ 3.9	+ 1.4	+ 0.4	- 1.6	- 1.4	- 0.4	- 0.6	- 0.4	
Mar	+ 3.2	+ 5.0	+ 5.1	- 1.0	+ 5.2	+ 0.9	- 0.1	- 1.2	- 2.3	- 1.3	- 0.7	- 0.3	
Apr	- 1.8	+ 2.3	+ 2.3	+ 1.7	- 0.0	+ 0.6	+ 0.0	- 2.2	- 1.5	- 0.3	- 0.7	- 0.4	
May	+ 2.3	+ 4.4	+ 4.1	+ 0.6	+ 2.8	+ 0.7	+ 0.2	- 0.6	- 1.2	- 0.3	- 0.7	- 0.2	
June	- 0.2	+ 4.4	+ 3.5	- 0.9	+ 3.7	+ 0.7	+ 0.9	- 3.7	- 3.3	- 1.2	- 1.7	- 0.5	

* 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			
	End of year or month*														
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		
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		
Feb	111.1	45.1	0.6	3.1	41.3	0.0	13.3	20.4	3.1	2.8	14.4	0.1	22.7		
Mar	109.9	45.2	0.6	4.5	40.0	0.0	13.4	20.7	3.4	2.8	14.4	0.1	22.6		
Apr	107.6	44.9	0.6	4.5	39.9	0.0	13.4	19.4	2.7	2.2	14.4	0.1	22.6		
May	111.4	44.4	0.4	4.4	39.6	0.0	13.4	19.8	3.1	2.3	14.4	0.1	22.6		
June	114.5	44.6	0.8	4.8	39.0	0.0	13.5	23.5	5.3	3.8	14.3	0.1	22.5		
	Changes*														
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		
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		
Feb	+ 1.9	- 0.1	- 0.3	+ 0.2	- 0.1	+ 0.0	- 0.1	+ 1.6	+ 0.8	+ 0.9	- 0.1	- 0.0	- 0.0		
Mar	- 1.2	+ 0.1	+ 0.0	+ 1.4	- 1.3	-	- 0.0	+ 0.3	+ 0.3	+ 0.0	+ 0.0	- 0.0	- 0.1		
Apr	- 2.3	- 0.3	- 0.1	- 0.0	- 0.2	-	- 0.0	- 1.3	- 0.6	- 0.6	- 0.1	+ 0.0	+ 0.0		
May	+ 3.8	- 0.5	- 0.1	- 0.1	- 0.2	-	- 0.0	+ 0.4	+ 0.3	+ 0.1	+ 0.0	-	- 0.1		
June	+ 3.1	+ 0.2	+ 0.4	+ 0.4	- 0.6	- 0.0	+ 0.1	+ 3.7	+ 2.2	+ 1.5	- 0.1	+ 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 ³				Memo item				
Domestic non-profit institutions	by maturity				Total	Domestic individuals	Domestic non-profit institutions	Bank savings bonds ⁴	Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities) ⁵	Included in time deposits: liabilities arising from repos	Period	
	up to and including 1 year	more than 1 year ²											
		Total	of which	more than 2 years									
		up to and including 2 years											
End of year or month*													
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	
19.2	127.8	130.0	6.2	123.8	571.0	562.0	9.0	79.3	0.2	10.6	–	2003 Jan	
19.0	125.8	130.5	6.2	124.3	572.8	563.7	9.1	79.4	0.2	11.3	–	Feb	
20.0	124.0	131.0	6.2	124.8	572.9	563.8	9.1	78.7	0.2	11.3	–	Mar	
19.4	121.6	131.2	6.2	125.0	571.5	562.4	9.1	78.2	0.2	11.4	–	Apr	
20.0	121.1	131.1	6.2	125.0	570.5	561.4	9.1	77.7	0.2	11.4	–	May	
19.6	117.3	131.2	6.1	125.1	570.1	560.9	9.2	77.2	0.2	11.5	–	June	
Changes*													
+ 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	
– 0.4	– 0.5	+ 0.4	– 0.1	+ 0.5	+ 2.2	+ 2.1	+ 0.0	– 1.1	+ 0.0	– 0.2	–	2003 Jan	
– 0.2	– 2.0	+ 0.5	– 0.0	+ 0.5	+ 1.8	+ 1.7	+ 0.1	– 0.5	+ 0.0	+ 0.1	–	Feb	
+ 1.0	– 1.8	+ 0.6	+ 0.0	+ 0.6	+ 0.1	+ 0.1	+ 0.0	– 0.7	+ 0.0	+ 0.0	–	Mar	
– 0.6	– 2.3	+ 0.2	– 0.1	+ 0.2	– 1.4	– 1.4	+ 0.0	– 0.6	+ 0.0	+ 0.1	–	Apr	
+ 0.6	– 0.6	– 0.1	– 0.0	– 0.1	– 1.0	– 1.0	+ 0.0	– 0.5	+ 0.0	+ 0.0	–	May	
– 0.4	– 3.8	+ 0.1	– 0.0	+ 0.1	– 0.4	– 0.5	+ 0.1	– 0.5	+ 0.0	+ 0.1	–	June	

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. — ⁵ Included in time deposits.

Local authorities and local authority associations (including municipal special-purpose associations)						Social security funds						
Total	Sight deposits	Time deposits ³		Savings deposits and bank savings bonds ^{2,4}	Memo item Fiduciary loans	Total	Sight deposits	Time deposits		Savings deposits and bank savings bonds ²	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			
End of year or month*												
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
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
25.2	9.1	11.2	2.0	2.9	0.2	20.3	2.4	12.9	4.2	0.8	0.1	Feb
24.1	8.3	11.1	1.8	2.9	0.2	19.9	2.7	12.2	4.2	0.8	0.0	Mar
23.6	8.3	10.6	1.8	2.8	0.2	19.7	2.9	11.8	4.2	0.8	0.0	Apr
24.8	9.0	11.1	1.8	2.8	0.2	22.3	2.5	14.9	4.2	0.8	0.0	May
23.4	8.5	10.3	1.8	2.8	0.2	22.9	3.6	13.7	4.9	0.8	0.0	June
Changes*												
– 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
– 3.6	– 2.6	– 0.9	– 0.0	– 0.1	+ 0.0	– 0.6	– 0.3	– 0.3	+ 0.0	– 0.0	–	2003 Jan
+ 1.1	+ 1.2	– 0.1	– 0.0	+ 0.0	+ 0.0	– 0.8	+ 0.0	– 0.5	– 0.3	– 0.0	–	Feb
– 1.1	– 0.8	– 0.1	– 0.1	– 0.1	–	– 0.5	+ 0.3	– 0.7	+ 0.0	– 0.0	– 0.0	Mar
– 0.5	– 0.0	– 0.4	+ 0.0	– 0.1	+ 0.0	– 0.1	+ 0.2	– 0.4	+ 0.0	– 0.0	– 0.0	Apr
+ 1.2	+ 0.8	+ 0.5	–	– 0.0	– 0.0	+ 2.6	– 0.4	+ 3.1	– 0.1	+ 0.0	–	May
– 1.4	– 0.5	– 0.8	– 0.0	– 0.0	+ 0.0	+ 0.6	+ 1.1	– 1.3	+ 0.7	+ 0.0	– 0.0	June

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

liabilities arising from non-negotiable bearer debt securities. — ³ Including deposits under savings and loan contracts. — ⁴ 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 ¹								Memo item Interest credited on savings deposits	Bank savings bonds, ³ 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 ²	Total	of which Special savings facilities ²							
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
2003 Feb	590.0	579.2	479.9	349.3	99.3	86.5	10.8	8.1	0.5	110.5	103.7	86.1	6.8
Mar	590.0	579.3	481.6	350.9	97.7	85.0	10.8	8.1	0.5	109.8	103.0	85.5	6.8
Apr	588.5	577.9	482.7	352.0	95.2	82.6	10.7	8.1	0.4	109.1	102.4	85.2	6.7
May	587.7	577.1	483.4	352.9	93.7	81.1	10.6	8.1	0.4	108.6	101.9	84.9	6.7
June	587.2	576.7	484.4	352.9	92.3	79.6	10.5	8.1	0.3	108.1	101.3	84.6	6.7
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
2003 Feb	+ 1.8	+ 1.8	+ 3.0	+ 2.7	- 1.2	- 1.2	- 0.1	+ 0.0	.	- 0.4	- 0.4	- 0.1	- 0.0
Mar	+ 0.0	+ 0.1	+ 1.7	+ 1.6	- 1.6	- 1.5	- 0.1	+ 0.0	.	- 0.7	- 0.7	- 0.6	- 0.0
Apr	- 1.5	- 1.4	+ 1.1	+ 1.1	- 2.5	- 2.4	- 0.1	- 0.0	.	- 0.7	- 0.6	- 0.3	- 0.0
May	- 0.9	- 0.8	+ 0.7	+ 0.9	- 1.5	- 1.5	- 0.1	- 0.0	.	- 0.5	- 0.5	- 0.3	- 0.0
June	- 0.4	- 0.4	+ 1.0	- 0.0	- 1.4	- 1.4	- 0.1	- 0.0	.	- 0.5	- 0.6	- 0.3	+ 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 ⁶					Subordinated	
	Total ¹	of which				with maturities of			Total	of which with maturities of				
		Floating rate bonds ²	Zero coupon bonds ^{2,3}	Foreign currency bonds ^{4,5}	Certificates of deposit	up to and including 1 year ¹	more than 1 year including 2 years ¹	more than 2 years ¹		up to and including 1 year	more than 1 year including 2 years	more than 2 years		
													negotiable debt securities	non-negotiable debt 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
2003 Feb	1,486.9	332.2	21.7	174.5	47.7	89.8	115.0	1,282.2	2.1	0.2	0.7	1.3	40.0	2.8
Mar	1,483.9	335.4	21.5	173.7	45.8	85.8	113.9	1,284.2	2.2	0.3	0.6	1.3	39.7	2.8
Apr	1,480.0	336.1	21.1	171.6	44.8	82.7	111.0	1,286.4	4.6	2.8	0.6	1.3	39.1	2.9
May	1,478.0	339.1	20.0	168.7	46.1	83.0	104.5	1,290.6	2.2	0.4	0.6	1.3	38.9	2.9
June	1,482.7	338.6	20.5	171.6	44.1	80.9	100.0	1,301.7	2.2	0.4	0.6	1.2	39.0	2.9
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
2003 Feb	+ 15.6	- 2.2	+ 4.6	+ 6.0	+ 7.3	+ 13.3	- 0.9	+ 3.2	+ 0.0	+ 0.1	- 0.0	- 0.0	- 2.2	+ 0.0
Mar	- 3.0	+ 3.2	- 0.2	- 0.8	- 2.0	- 4.0	- 1.1	+ 2.1	+ 0.1	+ 0.1	- 0.0	- 0.0	- 0.3	- 0.0
Apr	- 3.9	+ 0.7	- 0.5	- 2.1	- 0.9	- 3.1	- 2.9	+ 2.1	+ 2.4	+ 2.4	- 0.0	- 0.0	- 0.6	+ 0.0
May	- 2.0	- 3.4	- 1.1	- 2.9	+ 1.2	+ 0.3	- 6.5	+ 4.2	+ 0.1	+ 0.1	- 0.0	+ 0.0	- 0.2	+ 0.0
June	+ 4.6	- 0.5	+ 0.5	+ 2.9	- 2.0	- 2.1	- 4.5	+ 11.2	- 0.0	+ 0.1	- 0.0	- 0.0	+ 0.1	+ 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 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 associations	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 securities outstanding	Capital (including published reserves) 7	Memo item New contracts entered into in year or month 8
			Credit balances and loans (excluding building loans) 1	Building loans 2	Bank debt securities 3	Building loans			Securities (including Treasury bills and Treasury discount paper) 4	Deposits under savings and loan contracts	Sight and time deposits	Deposits under savings and loan contracts	Sight and time deposits 6			
						Loans under savings and loan contracts	Interim and bridging loans	Other building loans								
All building and loan associations																
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
2003 Apr	28	165.1	26.1	0.1	11.0	39.8	59.6	8.1	11.0	0.4	28.4	102.3	3.5	7.1	7.2	8.2
May	28	166.2	26.4	0.1	11.2	39.4	60.2	8.2	11.2	0.4	29.4	102.4	3.5	6.8	7.2	8.0
Jun	28	166.8	26.6	0.1	11.3	39.2	61.0	8.3	10.9	0.4	29.2	102.6	3.6	7.1	7.2	8.2
Private building and loan associations																
2003 Apr	17	118.1	20.2	0.1	5.8	25.7	42.5	7.5	7.9	0.2	20.4	69.3	3.3	7.1	4.7	5.2
May	17	119.1	20.3	0.1	6.0	25.4	43.0	7.5	8.0	0.2	21.1	69.4	3.4	6.8	4.7	5.3
Jun	17	119.6	20.5	0.1	6.1	25.3	43.7	7.6	7.7	0.3	20.9	69.6	3.4	7.1	4.7	5.4
Public building and loan associations																
2003 Apr	11	47.0	5.9	0.1	5.2	14.1	17.1	0.7	3.1	0.1	8.1	33.0	0.1	-	2.5	2.9
May	11	47.1	6.0	0.1	5.2	14.0	17.2	0.7	3.2	0.1	8.2	33.0	0.2	-	2.5	2.7
Jun	11	47.2	6.1	0.1	5.2	13.9	17.3	0.7	3.2	0.1	8.3	33.0	0.2	-	2.5	2.9

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 received 12	
	Amounts paid into savings and loan accounts 9	Interest credited on deposits under savings and loan contracts	Repayments of deposits under cancelled savings and loan contracts	Total	of which Net allocations 11	Total	Allocations				Newly granted interim and bridging loans and other building loans	Total	of which Under allocated contracts	Total		of which Repayments during quarter
							Deposits under savings and loan contracts		Loans under savings and loan contracts 9							
							Total	of which Applied to settlement of interim and bridging loans	Total	of which Applied to settlement of interim and bridging loans						
All building and loan associations																
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
2003 Apr	2.5	0.0	0.5	5.2	3.2	4.1	1.8	0.5	0.9	0.4	1.4	12.2	8.3	1.2		0.1
May	2.0	0.0	0.4	3.8	2.3	3.5	1.4	0.3	0.6	0.2	1.4	12.2	8.2	1.2		0.1
Jun	2.1	0.0	0.4	3.8	2.4	3.6	1.4	0.3	0.7	0.3	1.5	12.1	8.2	1.2	...	0.0
Private building and loan associations																
2003 Apr	1.6	0.0	0.3	3.8	2.2	3.0	1.3	0.4	0.6	0.3	1.1	7.6	4.4	0.8		0.1
May	1.3	0.0	0.3	2.7	1.4	2.5	1.0	0.2	0.4	0.1	1.1	7.5	4.2	0.8		0.0
Jun	1.4	0.0	0.2	2.6	1.5	2.6	1.0	0.2	0.4	0.2	1.2	7.5	4.2	0.8	...	0.0
Public building and loan associations																
2003 Apr	0.9	0.0	0.2	1.4	1.0	1.0	0.5	0.1	0.3	0.1	0.2	4.6	4.0	0.4		0.0
May	0.6	0.0	0.2	1.2	0.9	0.9	0.5	0.1	0.2	0.1	0.3	4.6	4.0	0.4		0.0
Jun	0.7	0.0	0.2	1.2	0.9	1.0	0.5	0.1	0.3	0.1	0.3	4.6	4.0	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 ¹ 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
Foreign branches															
End of year or month*															
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 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
2003 Jan	60	206	1,465.8	725.4	622.8	202.5	420.3	102.6	680.1	496.3	18.3	15.2	478.0	183.8	60.4
Feb	60	206	1,439.6	693.9	592.3	197.4	394.8	101.6	691.5	506.8	18.4	15.2	488.4	184.7	54.2
Mar	60	206	1,402.0	669.4	564.6	186.0	378.5	104.9	684.0	500.4	17.4	14.8	483.0	183.6	48.6
Apr	59	205	1,429.4	659.8	553.6	192.2	361.4	106.2	720.2	535.3	18.1	15.5	517.2	184.9	49.5
May	58	205	1,429.1	660.4	560.4	192.7	367.6	100.0	714.1	529.3	17.9	14.7	511.4	184.9	54.6
Changes*															
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 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
2003 Jan	-	+ 1	+ 81.8	+ 54.2	+ 58.0	+ 4.2	+ 53.8	- 3.8	+ 23.7	+ 21.4	- 0.5	+ 0.2	+ 21.9	+ 2.3	+ 3.9
Feb	-	-	- 28.1	- 32.0	- 31.0	- 5.1	- 25.9	- 1.0	+ 10.3	+ 9.6	+ 0.1	+ 0.0	+ 9.6	+ 0.7	- 6.4
Mar	-	-	- 32.3	- 22.7	- 26.1	- 11.4	- 14.7	+ 3.4	- 4.7	- 4.3	- 1.0	- 0.4	- 3.3	- 0.4	- 4.9
Apr	- 1	- 1	+ 37.5	- 6.3	- 7.8	+ 6.2	- 14.0	+ 1.6	+ 41.8	+ 39.1	+ 0.7	+ 0.7	+ 38.4	+ 2.7	+ 1.9
May	- 1	-	+ 25.6	+ 8.8	+ 14.3	+ 0.5	+ 13.7	- 5.5	+ 8.7	+ 5.0	- 0.2	- 0.8	+ 5.2	+ 3.7	+ 8.1
Foreign subsidiaries															
End of year or month*															
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 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
2003 Jan	47	198	675.8	311.1	243.2	121.4	121.8	67.9	293.6	231.0	45.4	42.8	185.5	62.6	71.1
Feb	47	197	670.6	309.9	241.7	116.3	125.4	68.2	289.9	226.1	44.5	41.9	181.6	63.8	70.8
Mar	47	194	656.7	305.7	237.1	119.8	117.3	68.6	283.9	223.7	43.0	40.7	180.7	60.3	67.1
Apr	48	195	652.2	303.7	236.3	122.4	114.0	67.4	282.3	220.8	42.2	39.9	178.6	61.5	66.3
May	48	195	645.0	300.0	234.0	119.7	114.2	66.1	278.0	215.8	42.7	39.0	173.1	62.2	66.9
Changes*															
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 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
2003 Jan	-	- 2	- 23.1	- 19.8	- 20.3	- 4.3	- 16.1	+ 0.5	- 4.3	- 5.9	- 1.2	- 0.1	- 4.7	+ 1.6	+ 1.0
Feb	-	- 1	- 5.4	- 1.1	- 1.5	- 5.1	+ 3.7	+ 0.3	- 3.9	- 5.0	- 0.9	- 0.9	- 4.1	+ 1.1	- 0.4
Mar	-	- 3	- 12.2	- 3.4	- 4.0	+ 3.5	- 7.5	+ 0.6	- 5.2	- 1.7	- 1.5	- 1.3	- 0.2	- 3.5	- 3.6
Apr	+ 1	+ 1	- 1.2	- 0.5	+ 0.1	+ 2.5	- 2.4	- 0.7	- 0.0	- 1.2	- 0.8	- 0.8	- 0.4	+ 1.2	- 0.7
May	-	-	+ 0.1	- 0.0	- 0.1	- 2.6	+ 2.5	+ 0.1	- 0.8	- 1.6	+ 0.5	- 0.9	- 2.1	+ 0.8	+ 1.0

* 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 ⁵	Working capital and own funds	Other liabilities ⁶	Period
of banks (MFIs)				of non-banks (non-MFIs)						Foreign non-banks						
Total	Total	German banks	Foreign banks	Total	German non-banks ⁴											
					Total	Short-term		Medium and long-term								
							of which enterprises and individuals		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		
1,236.0	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	2002 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		
1,170.8	788.6	244.3	544.3	382.2	68.6	64.5	60.6	4.1	3.7	313.7	214.2	26.0	54.9	2003 Jan		
1,158.7	771.4	244.9	526.6	387.3	71.1	65.8	62.0	5.3	5.0	316.2	199.0	26.2	55.6	Feb		
1,128.7	755.1	254.7	500.4	373.7	71.7	66.3	62.3	5.4	5.1	302.0	191.6	26.2	55.5	Mar		
1,172.9	776.6	267.5	509.1	396.3	73.9	68.7	64.9	5.2	4.9	322.4	178.5	24.8	53.2	Apr		
1,181.0	774.5	273.5	501.0	406.5	73.6	68.5	63.8	5.1	4.8	332.9	167.2	24.7	56.2	May		
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		
+ 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	2002 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		
+ 69.9	+ 40.0	- 5.8	+ 45.8	+ 29.9	+ 6.0	+ 6.1	+ 5.5	- 0.1	- 0.1	+ 23.9	+ 2.2	+ 0.1	+ 9.6	2003 Jan		
- 13.0	- 17.7	+ 0.6	- 18.3	+ 4.7	+ 2.6	+ 1.3	+ 1.4	+ 1.2	+ 1.2	+ 2.2	- 15.2	+ 0.3	- 0.1	Feb		
- 26.5	- 14.1	+ 9.8	- 23.9	- 12.4	+ 0.6	+ 0.4	+ 0.3	+ 0.1	+ 0.1	- 12.9	- 7.5	- 0.0	+ 1.7	Mar		
+ 50.8	+ 25.8	+ 12.8	+ 13.1	+ 25.0	+ 2.2	+ 2.5	+ 2.6	- 0.3	- 0.2	+ 22.8	- 13.0	- 1.4	+ 1.1	Apr		
+ 25.2	+ 8.2	+ 6.1	+ 2.1	+ 17.1	- 0.3	- 0.3	- 1.1	- 0.0	- 0.0	+ 17.4	- 11.3	- 0.1	+ 11.8	May		
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		
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	2002 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		
478.2	298.2	95.6	202.6	179.9	28.0	23.5	22.9	4.5	4.5	151.9	77.1	42.5	78.0	2003 Jan		
474.6	297.1	89.6	207.5	177.5	28.2	23.7	23.1	4.6	4.5	149.3	80.0	42.0	74.0	Feb		
463.7	287.2	89.9	197.3	176.4	27.7	23.2	22.9	4.5	4.4	148.8	77.7	41.4	74.0	Mar		
464.6	285.4	95.5	189.9	179.2	27.8	23.3	23.0	4.5	4.5	151.4	75.0	41.3	71.4	Apr		
459.8	281.3	92.2	189.1	178.5	29.0	24.7	24.4	4.4	4.3	149.4	72.8	41.2	71.1	May		
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		
- 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	2002 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		
- 21.0	- 7.0	- 3.9	- 3.1	- 14.1	+ 1.0	+ 0.9	+ 1.8	+ 0.0	+ 0.0	- 15.0	- 1.3	- 0.4	- 0.3	2003 Jan		
- 3.6	- 1.2	- 6.0	+ 4.8	- 2.4	+ 0.2	+ 0.2	+ 0.3	+ 0.0	+ 0.0	- 2.6	+ 2.9	- 0.5	- 4.2	Feb		
- 9.5	- 8.9	+ 0.3	- 9.2	- 0.7	- 0.6	- 0.5	- 0.3	- 0.1	- 0.1	- 0.1	- 2.3	- 0.6	+ 0.3	Mar		
+ 3.6	- 0.1	+ 5.6	- 5.6	+ 3.6	+ 0.1	+ 0.1	+ 0.1	+ 0.0	+ 0.0	+ 3.5	- 2.6	- 0.1	- 2.1	Apr		
+ 1.5	+ 0.0	- 3.3	+ 3.3	+ 1.5	+ 1.2	+ 1.4	+ 1.4	- 0.1	- 0.1	+ 0.2	- 2.2	- 0.0	+ 0.9	May		

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
European monetary union (€ billion)							
2002 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	6,569.9	131.4	0.5	130.9	131.4	0.6	0.0
2003 Jan	6,549.1	131.0	0.5	130.4	131.0	0.6	0.0
Feb	6,474.5	129.5	0.6	128.9	129.5	0.6	0.0
Mar	6,526.6	130.5	0.5	130.0	130.5	0.5	0.0
Apr	6,544.6	130.9	0.5	130.3	130.8	0.5	0.0
May	6,586.3	131.7	0.5	131.2	131.7	0.5	0.0
June p	6,606.0	132.1	0.5	131.6	132.0	0.5	0.0
Of which: Germany (€ million)							
2002 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	1,911,863	38,237	230	38,007	38,280	273	3
Feb	1,891,376	37,828	230	37,597	37,876	279	4
Mar	1,912,098	38,242	230	38,012	38,224	212	4
Apr	1,906,364	38,127	229	37,898	38,090	192	4
May	1,911,254	38,225	228	37,997	38,220	223	2
June p	1,907,522	38,150	226	37,924	38,120	195	2

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 ¹	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
2003 Mar 7	1.50	2.50	3.50
June 6	1.00	2.00	3.00

2. Discount and lombard rates of the Bundesbank

% p.a.			
Applicable from	Discount rate	Lombard rate 2, 4, 5	
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 3, 4, 5
Applicable from		
1999 Jan 1	1	2.50
May 1	1	1.95
2000 Jan 1	1	2.68
May 1	1	3.42
Sep 1	1	4.26
2001 Sep 1	1	3.62
2002 Jan 1	1	2.71
to		
Apr 3	3	
Base rate as per Civil Code ⁶		
2002 Jan 1	1	2.57
July 1	1	2.47
2003 Jan 1	1	1.97
July 1	1	1.22

¹ Up to 21 June 2000 fixed rate tenders, from 28 June 2000 variable rate tenders at minimum bid rate. — ² 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). — ³ 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). — ⁴ 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). — ⁵ 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. — ⁶ 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	% p.a.	Minimum bid rate	Marginal rate ¹		Weighted average rate
Main refinancing operations							
2003 June 4	72,372	72,372	—	2.50	2.50	2.50	14
June 9	145,751	129,000	—	2.00	2.09	2.11	16
June 18	111,215	62,000	—	2.00	2.12	2.12	14
June 25	166,404	150,000	—	2.00	2.10	2.12	14
July 2	111,698	56,000	—	2.00	2.10	2.11	14
July 9	130,689	101,000	—	2.00	2.08	2.10	14
July 9	67,965	43,000	—	2.00	2.09	2.10	7
July 16	147,621	98,000	—	2.00	2.08	2.09	14
July 23	141,573	134,000	—	2.00	2.06	2.08	14
July 30	114,569	73,000	—	2.00	2.06	2.07	14
Aug 6	174,505	144,000	—	2.00	2.05	2.06	14
Aug 13	118,015	61,000	—	2.00	2.05	2.06	14
Longer-term refinancing operations							
2003 May 29	30,218	15,000	—	—	2.25	2.27	91
June 26	28,694	15,000	—	—	2.11	2.12	91
July 31	25,416	15,000	—	—	2.08	2.10	91

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

allotted or collected.

VI. Interest rates

5. Money market rates, by month

% p.a.

Money market rates reported by Frankfurt banks ¹		EURIBOR ³										
		EONIA ²		One-week funds	One-month funds	Three-month funds	Six-month funds	Nine-month funds	Twelve-month funds			
Period	Day-to-day money		Three-month funds		Monthly averages							
	Monthly averages	Lowest and highest rates	Monthly averages	Lowest and highest rates								
2001 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	⁴ 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	⁵ 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	
Mar	2.71	2.33 – 3.50	2.51	2.43 – 2.58	2.75	2.66	2.60	2.53	2.45	2.42	2.41	
Apr	2.56	2.51 – 2.75	2.52	2.47 – 2.56	2.56	2.57	2.58	2.53	2.47	2.45	2.45	
May	2.56	2.15 – 2.85	2.39	2.24 – 2.50	2.56	2.61	2.52	2.40	2.31	2.27	2.25	
June	2.22	2.05 – 2.80	2.13	2.09 – 2.26	2.21	2.22	2.18	2.15	2.08	2.04	2.01	
July	2.08	1.86 – 2.15	2.11	2.08 – 2.14	2.08	2.12	2.13	2.13	2.09	2.07	2.08	

¹ Money market rates are not fixed or quoted officially; the monthly averages computed from daily quotations are unweighted. — ² 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). — ³ Euro Interbank Offered Rate: unweighted average rate calculated by Moneyline Telerate (formerly Bridge Telerate) since 30 December 1998 according to the act/360 method. — ⁴ At the end of December 3.50% to 4.05%. — ⁵ At the end of December 3.00% to 3.05%.

6. Euro area retail bank interest rates ^{*, °}

% 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 ¹	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 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	5.10
2003 Jan	0.63	2.43	2.42	3.30	2.04	2.34	5.87	5.27	9.48	4.91
Feb	0.62	2.32	2.32	3.15	2.02	2.12	5.81	5.18	9.39	4.77
Mar	0.59	2.20	2.19	3.08	1.97	2.05	5.69	5.17	9.29	4.69
Apr	0.56	2.15	2.14	3.14	1.93	2.05	5.57	5.14	9.23	4.70
May	0.56	2.08	2.08	2.98	1.91	1.92	5.51	5.01	9.22	4.56
June	0.52	1.85	1.84	2.76	1.83	1.65	5.39	4.86	9.18	4.34

* 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. — ¹ Enlargement of the euro area on 1 January 2001 to include Greece.

° Tables and notes taken from the ECB.

VI. Interest rates

7. Lending and deposit rates of banks (MFIs) in Germany *, o, +
Lending rates

% p.a.

Reporting period 1	Current account credit						Bills discounted	
	less than € 100,000		€ 100,000 and more but less than € 500,000		€ 500,000 and more but less than € 2.5 million		Bills of less than € 50,000 refinancable at the Bundesbank	
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
2001 June	11.21	6.50 – 13.25	10.13	6.50 – 12.95	8.79	5.50 – 12.00	6.91	5.42 – 10.00
July	11.12	6.50 – 13.25	9.99	6.00 – 12.95	8.73	5.50 – 12.00	6.91	5.43 – 10.00
Aug	11.11	6.20 – 13.25	10.03	6.00 – 12.95	8.79	5.50 – 12.10	6.84	5.18 – 10.00
Sep	11.06	6.00 – 13.25	9.98	6.00 – 12.75	8.75	5.50 – 12.10	6.69	5.00 – 10.00
Oct	10.97	5.50 – 13.25	9.93	5.50 – 12.75	8.57	5.00 – 12.00	6.57	4.55 – 10.25
Nov	10.87	5.50 – 13.00	9.77	5.00 – 12.75	8.49	4.90 – 12.00	6.43	4.36 – 10.25
Dec	10.66	6.00 – 13.00	9.64	5.50 – 12.75	8.44	4.90 – 12.00	6.23	3.46 – 10.00
2002 Jan o	10.86	6.00 – 13.00	9.62	5.50 – 12.75	8.40	4.50 – 12.00	6.34	4.30 – 10.25
Feb	10.84	6.00 – 13.00	9.58	6.00 – 12.75	8.42	5.50 – 12.00	6.36	4.35 – 10.25
Mar	10.88	6.45 – 13.00	9.64	6.00 – 12.60	8.39	4.50 – 12.00	6.28	4.25 – 10.00
Apr	10.90	6.00 – 13.00	9.69	6.00 – 12.75	8.49	5.00 – 12.00	6.34	4.30 – 10.25
May	10.93	6.00 – 13.00	9.69	5.50 – 12.75	8.55	4.50 – 12.00	6.36	4.35 – 10.25
June	10.88	6.30 – 13.00	9.76	6.00 – 12.75	8.48	4.50 – 12.00	6.42	4.45 – 10.25
July	10.99	6.00 – 13.00	9.70	5.50 – 12.75	8.57	4.50 – 12.00	6.40	4.38 – 10.00
Aug	11.00	6.00 – 13.00	9.72	5.50 – 12.75	8.57	4.50 – 12.00	6.41	4.34 – 10.25
Sep	10.86	5.50 – 13.00	9.78	6.00 – 12.75	8.54	4.50 – 12.00	6.37	4.30 – 10.25
Oct	10.92	5.50 – 13.00	9.77	5.40 – 12.75	8.58	4.50 – 12.00	6.36	4.26 – 10.25
Nov	10.97	5.50 – 13.00	9.73	5.50 – 12.50	8.55	4.50 – 12.00	6.29	4.10 – 10.25
Dec	10.88	5.50 – 13.00	9.69	5.00 – 12.75	8.56	4.00 – 12.00	6.19	3.93 – 10.25
2003 Jan	10.92	6.50 – 13.00	9.68	5.50 – 12.75	8.55	4.50 – 12.00	6.12	3.83 – 10.25
Feb	10.84	5.65 – 13.00	9.72	5.12 – 12.75	8.55	4.00 – 12.00	6.14	3.69 – 10.00
Mar	10.77	5.00 – 13.00	9.58	4.75 – 12.50	8.47	4.00 – 12.00	6.03	3.56 – 10.00
Apr	10.81	6.00 – 13.00	9.63	5.00 – 12.50	8.42	3.84 – 12.00	6.05	3.55 – 10.00
May	10.74	5.50 – 13.00	9.60	5.00 – 12.50	8.32	4.00 – 12.00	5.96	3.40 – 10.00
June +	10.69	5.00 – 13.00	9.48	4.50 – 12.50	8.27	3.50 – 12.00	5.79	3.14 – 10.00

Reporting period 1	Personal credit lines (overdraft facilities granted to individuals)									
	Instalment credits					Long-term fixed-rate loans to enterprises and self-employed persons (excluding lending to the housing sector) 5				
	€ 5,000 and more but not more than € 15,000 2					€ 100,000 and more but less than € 500,000		€ 500,000 and more but less than € 5 million		
	Monthly rate 3		Effective annual interest rate 4			Effective interest rate		Effective interest rate		
Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	
2001 June	12.68	11.50 – 13.50	0.41	0.34 – 0.49	10.76	8.76 – 12.89	6.82	5.81 – 8.66	6.62	5.75 – 8.20
July	12.68	11.25 – 13.50	0.41	0.35 – 0.49	10.78	8.92 – 12.91	6.82	5.85 – 8.63	6.60	5.70 – 8.30
Aug	12.66	11.25 – 13.50	0.41	0.35 – 0.49	10.80	8.89 – 12.76	6.74	5.63 – 8.60	6.52	5.50 – 8.30
Sep	12.66	11.25 – 13.50	0.41	0.35 – 0.49	10.80	8.95 – 12.89	6.64	5.49 – 8.50	6.43	5.38 – 8.25
Oct	12.61	11.25 – 13.50	0.41	0.35 – 0.49	10.76	8.80 – 12.95	6.44	5.26 – 8.50	6.21	5.17 – 8.17
Nov	12.54	11.25 – 13.50	0.41	0.34 – 0.49	10.65	8.68 – 12.86	6.28	5.15 – 8.50	6.05	5.04 – 8.12
Dec	12.48	11.00 – 13.50	0.41	0.34 – 0.49	10.64	8.78 – 12.63	6.40	5.36 – 8.50	6.16	5.25 – 8.05
2002 Jan o	12.47	11.25 – 13.50	0.41	0.33 – 0.49	10.65	8.62 – 12.68	6.48	5.50 – 8.55	6.23	5.28 – 8.25
Feb	12.47	11.00 – 13.50	0.41	0.34 – 0.49	10.73	8.87 – 12.77	6.57	5.55 – 8.60	6.36	5.41 – 8.50
Mar	12.44	11.00 – 13.50	0.41	0.34 – 0.49	10.71	8.87 – 12.68	6.77	5.80 – 8.80	6.55	5.41 – 8.55
Apr	12.44	10.51 – 13.50	0.41	0.34 – 0.49	10.68	8.76 – 12.80	6.82	5.80 – 8.80	6.63	5.70 – 8.45
May	12.47	11.00 – 13.50	0.41	0.34 – 0.49	10.73	8.87 – 12.96	6.86	5.90 – 8.60	6.63	5.75 – 8.45
June	12.49	11.20 – 13.50	0.41	0.33 – 0.50	10.73	8.48 – 13.00	6.75	5.77 – 8.53	6.53	5.64 – 8.25
July	12.48	11.00 – 13.50	0.41	0.33 – 0.49	10.74	8.83 – 13.00	6.68	5.71 – 8.60	6.45	5.48 – 8.25
Aug	12.47	10.50 – 13.50	0.42	0.33 – 0.50	10.71	8.82 – 13.00	6.51	5.33 – 8.52	6.26	5.21 – 8.25
Sep	12.49	10.75 – 13.50	0.41	0.34 – 0.49	10.76	8.76 – 13.00	6.37	5.12 – 8.57	6.13	4.99 – 8.25
Oct	12.52	11.00 – 13.50	0.41	0.34 – 0.50	10.74	8.56 – 13.05	6.32	5.17 – 8.57	6.13	4.93 – 8.25
Nov	12.53	11.00 – 13.50	0.42	0.34 – 0.50	10.70	8.50 – 13.07	6.26	4.99 – 8.52	6.05	4.74 – 8.20
Dec	12.53	11.20 – 13.50	0.41	0.33 – 0.50	10.64	8.47 – 13.00	6.13	4.88 – 8.50	5.93	4.62 – 8.20
2003 Jan	12.50	11.00 – 13.50	0.42	0.33 – 0.50	10.69	8.44 – 13.07	5.97	4.65 – 8.25	5.76	4.46 – 8.00
Feb	12.46	10.75 – 13.50	0.41	0.33 – 0.49	10.62	8.29 – 13.07	5.84	4.44 – 8.20	5.60	4.19 – 7.85
Mar	12.36	10.50 – 13.50	0.41	0.32 – 0.49	10.38	8.24 – 13.07	5.84	4.43 – 8.10	5.65	4.30 – 8.00
Apr	12.36	10.75 – 13.50	0.41	0.33 – 0.50	10.41	8.29 – 13.07	5.90	4.60 – 8.22	5.71	4.51 – 8.00
May	12.38	10.75 – 13.50	0.41	0.33 – 0.49	10.50	8.24 – 13.07	5.67	4.22 – 8.05	5.47	3.94 – 7.93
June +	12.31	10.75 – 13.30	0.41	0.32 – 0.49	10.39	8.13 – 13.07	5.49	3.90 – 7.65	5.29	3.73 – 7.65

* The average rates are calculated as unweighted arithmetic means from the interest rates reported to be within the spread. The spread is ascertained by eliminating the reports in the top 5% and the bottom 5% of the interest rate range. — o For simplicity, the amount categories were redenominated to euro as from January 2002 by halving the previous Deutsche Mark amounts. — + The Deutsche Bundesbank's "Survey of lending and deposit rates" was carried out for the last time in the June 2003 reporting month. It will be replaced by the "MFI interest rate statistics", which have been collected on a harmonised basis in the euro area from January 2003. The results will probably first be published in the September

2003 issue of the Monthly Report. — 1 Second and third weeks of the months indicated. — 2 With maturities between 36 months and 60 months. — 3 Interest rates as % per month of original amount of credit taken up. Besides interest, most banks charge a one-off processing fee (generally 2%, in some cases 3%, of the credit amount). — 4 Calculated on the basis of reported monthly rates (see footnote 3) and reported annual rates on the respective amount of debt and on the basis of the respective processing fees, taking due account of reported maturities. — 5 Lending to enterprises (with agreed maturities of more than five years) with agreed interest rates locked in for more than five years.

VI. Interest rates
**7. Lending and deposit rates of banks (MFIs) in Germany * , o , + (cont'd)
Lending rates**

% p.a.

Reporting period 1	Mortgage loans secured by residential real estate							
	with interest rates fixed (effective interest rate) 6						with variable interest rates (effective interest rate) 6	
	for 2 years		for 5 years		for 10 years			
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
2001 June	5.80	5.27 – 6.54	5.84	5.54 – 6.33	6.22	5.85 – 6.59	6.64	5.48 – 8.03
July	5.78	5.22 – 6.45	5.85	5.54 – 6.37	6.24	5.77 – 6.59	6.64	5.43 – 8.03
Aug	5.62	5.06 – 6.35	5.69	5.43 – 6.22	6.13	5.88 – 6.54	6.57	5.43 – 8.03
Sep	5.41	4.75 – 6.22	5.57	5.22 – 6.22	6.08	5.85 – 6.43	6.45	5.38 – 7.82
Oct	5.12	4.49 – 5.96	5.36	5.01 – 6.03	5.91	5.64 – 6.43	6.30	4.96 – 7.73
Nov	4.95	4.33 – 5.79	5.20	4.75 – 5.75	5.70	5.38 – 6.14	6.12	4.80 – 7.71
Dec	5.13	4.59 – 5.90	5.42	4.90 – 5.90	5.87	5.20 – 6.22	6.15	4.85 – 7.60
2002 Jan	5.19	4.65 – 5.91	5.52	5.10 – 6.06	5.95	5.36 – 6.27	6.13	4.85 – 7.50
Feb	5.38	4.85 – 6.11	5.66	5.32 – 6.17	6.05	5.62 – 6.42	6.14	4.80 – 7.50
Mar	5.61	5.12 – 6.27	5.89	5.54 – 6.33	6.26	5.84 – 6.61	6.16	4.70 – 7.50
Apr	5.70	5.22 – 6.38	5.96	5.56 – 6.43	6.30	6.00 – 6.69	6.26	5.10 – 7.60
May	5.73	5.22 – 6.38	5.96	5.69 – 6.43	6.30	6.01 – 6.70	6.22	4.95 – 7.50
June	5.63	5.08 – 6.27	5.86	5.54 – 6.38	6.21	5.91 – 6.59	6.21	5.02 – 7.50
July	5.47	4.85 – 6.17	5.71	5.41 – 6.27	6.10	5.85 – 6.54	6.13	4.96 – 7.49
Aug	5.17	4.54 – 5.90	5.42	5.08 – 6.06	5.84	5.57 – 6.38	6.04	4.87 – 7.23
Sep	4.95	4.28 – 5.75	5.22	4.85 – 5.96	5.69	5.38 – 6.26	6.02	4.79 – 7.49
Oct	4.86	4.28 – 5.75	5.14	4.75 – 5.80	5.67	5.33 – 6.22	5.93	4.59 – 7.34
Nov	4.76	4.07 – 5.59	5.08	4.75 – 5.75	5.62	5.27 – 6.17	5.90	4.59 – 7.34
Dec	4.62	3.92 – 5.54	4.96	4.59 – 5.64	5.52	5.20 – 6.17	5.83	4.44 – 7.50
2003 Jan	4.41	3.71 – 5.30	4.73	4.32 – 5.38	5.36	5.02 – 6.01	5.74	4.39 – 7.23
Feb	4.23	3.51 – 5.39	4.52	4.10 – 5.33	5.18	4.90 – 5.90	5.64	4.07 – 7.23
Mar	4.18	3.56 – 5.06	4.51	4.02 – 5.22	5.19	4.80 – 5.75	5.59	4.07 – 7.23
Apr	4.25	3.57 – 5.12	4.63	4.12 – 5.38	5.29	4.89 – 5.85	5.58	4.07 – 7.23
May	3.99	3.25 – 5.17	4.35	3.87 – 5.38	5.02	4.65 – 5.70	5.51	3.95 – 7.23
June +	3.72	3.03 – 4.96	4.06	3.66 – 5.06	4.77	4.43 – 5.69	5.39	3.71 – 7.23

Deposit rates

% p.a.

Reporting period 1	Higher-yielding sight deposits of individuals 7									
	Time deposits with agreed maturities									
	of 1 month									
	less than € 50,000		€ 50,000 and more but less than € 500,000		€ 500,000 and more but less than € 2.5 million		€ 50,000 and more but less than € 500,000			
Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	
2001 June	2.42	0.50 – 3.90	3.34	2.50 – 4.00	3.73	3.10 – 4.25	4.07	3.50 – 4.44	3.84	3.15 – 4.35
July	2.41	0.50 – 3.88	3.34	2.50 – 4.00	3.73	3.10 – 4.20	4.08	3.50 – 4.50	3.83	3.20 – 4.41
Aug	2.39	0.50 – 3.75	3.31	2.50 – 4.00	3.70	3.00 – 4.20	4.05	3.40 – 4.45	3.76	3.10 – 4.30
Sep	2.26	0.50 – 3.50	3.00	2.20 – 3.85	3.38	2.70 – 4.00	3.66	2.95 – 4.15	3.47	2.60 – 4.00
Oct	2.10	0.50 – 3.24	2.69	2.00 – 3.40	3.07	2.40 – 3.50	3.36	2.75 – 3.75	3.12	2.40 – 3.65
Nov	1.96	0.50 – 2.96	2.42	1.75 – 3.00	2.77	2.20 – 3.15	3.00	2.50 – 3.30	2.83	2.17 – 3.45
Dec	1.92	0.50 – 2.95	2.41	1.75 – 3.00	2.76	2.23 – 3.15	3.03	2.50 – 3.40	2.78	2.20 – 3.15
2002 Jan	1.90	0.50 – 2.85	2.37	1.70 – 3.00	2.73	2.20 – 3.10	3.00	2.50 – 3.30	2.76	2.20 – 3.11
Feb	1.86	0.50 – 2.85	2.30	1.65 – 3.00	2.66	2.09 – 3.05	2.89	2.45 – 3.23	2.75	2.20 – 3.13
Mar	1.88	0.50 – 2.80	2.34	1.70 – 3.00	2.70	2.20 – 3.10	2.94	2.40 – 3.25	2.77	2.25 – 3.17
Apr	1.87	0.50 – 3.00	2.34	1.70 – 3.00	2.69	2.25 – 3.05	2.94	2.50 – 3.25	2.78	2.22 – 3.20
May	1.85	0.50 – 2.75	2.33	1.67 – 3.00	2.70	2.25 – 3.05	2.94	2.40 – 3.25	2.79	2.23 – 3.20
June	1.85	0.50 – 2.75	2.35	1.70 – 3.00	2.70	2.25 – 3.10	2.94	2.50 – 3.30	2.83	2.25 – 3.25
July	1.85	0.50 – 2.80	2.35	1.75 – 3.00	2.71	2.20 – 3.10	2.95	2.50 – 3.30	2.81	2.25 – 3.25
Aug	1.82	0.50 – 2.75	2.33	1.66 – 3.00	2.69	2.17 – 3.10	2.92	2.40 – 3.25	2.77	2.20 – 3.10
Sep	1.80	0.50 – 2.75	2.29	1.65 – 3.00	2.65	2.10 – 3.07	2.89	2.35 – 3.22	2.74	2.20 – 3.10
Oct	1.76	0.50 – 2.75	2.29	1.65 – 3.00	2.64	2.10 – 3.02	2.88	2.40 – 3.22	2.72	2.20 – 3.10
Nov	1.77	0.50 – 2.75	2.24	1.57 – 2.90	2.60	2.00 – 3.00	2.84	2.30 – 3.20	2.65	2.10 – 3.00
Dec	1.66	0.50 – 2.55	2.04	1.45 – 2.65	2.37	1.90 – 2.80	2.60	2.10 – 3.00	2.41	1.90 – 2.90
2003 Jan	1.57	0.50 – 2.50	1.94	1.40 – 2.50	2.27	1.80 – 2.65	2.51	2.00 – 2.85	2.33	1.85 – 2.75
Feb	1.55	0.50 – 2.38	1.82	1.21 – 2.45	2.17	1.61 – 2.55	2.39	2.00 – 2.75	2.23	1.70 – 2.65
Mar	1.48	0.50 – 2.25	1.72	1.13 – 2.30	2.06	1.50 – 2.50	2.30	1.90 – 2.60	2.09	1.60 – 2.55
Apr	1.45	0.50 – 2.25	1.68	1.10 – 2.20	2.01	1.53 – 2.40	2.24	1.80 – 2.50	2.04	1.60 – 2.50
May	1.43	0.50 – 2.25	1.66	1.10 – 2.17	1.98	1.50 – 2.35	2.21	1.70 – 2.50	1.99	1.45 – 2.50
June +	1.26	0.50 – 2.10	1.37	0.75 – 2.00	1.67	1.15 – 2.10	1.88	1.46 – 2.30	1.75	1.20 – 2.50

For footnotes *, o, +, 1 to 5 see page 45*. — 6 The figures refer to the time when the contract was concluded and not to the entire duration of the contract. The calculation of the effective interest rate is based on an annual redemption rate of 1% plus interest saved; the repayment conditions agreed

upon in each case by the credit institutions involved are taken into account (at present mostly monthly payment and inclusion). — 7 Only such interest rates are taken into account as are above the relevant standard terms of the banks included in the survey.

VI. Interest rates

7. Lending and deposit rates of banks (MFIs) in Germany *, o, + (cont'd)
Deposit rates

% p.a.

Reporting period 1	Bank savings bonds with regular interest payments		Savings deposits							
			with minimum rates of return ⁸				with higher rates of return ⁹ (without a duration of contract being agreed)			
	maturity of 4 years		with agreed notice of 3 months		with agreed notice of 3 months					
					less than € 5,000		€ 5,000 and more but less than € 10,000		€ 10,000 and more but less than € 25,000	
Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	
2001 June	4.31	3.95 – 4.60	1.21	1.00 – 2.00	2.29	1.50 – 3.66	2.87	1.75 – 4.00	3.09	2.00 – 4.00
July	4.26	3.90 – 4.60	1.20	1.00 – 2.00	2.26	1.50 – 3.50	2.85	1.75 – 4.00	3.07	2.00 – 4.00
Aug	4.16	3.75 – 4.50	1.18	1.00 – 1.75	2.20	1.50 – 3.35	2.77	1.75 – 3.75	3.02	2.00 – 4.00
Sep	3.99	3.60 – 4.35	1.16	1.00 – 1.75	2.11	1.35 – 3.25	2.63	1.60 – 3.50	2.88	1.85 – 3.90
Oct	3.77	3.40 – 4.20	1.14	1.00 – 1.75	2.01	1.25 – 3.05	2.47	1.50 – 3.50	2.69	1.85 – 3.50
Nov	3.48	3.00 – 4.00	1.11	0.75 – 1.50	1.86	1.25 – 2.75	2.25	1.50 – 3.00	2.49	1.75 – 3.20
Dec	3.65	3.10 – 4.00	1.08	0.75 – 1.50	1.81	1.25 – 2.75	2.18	1.50 – 3.00	2.42	1.75 – 3.00
2002 Jan ^o	3.73	3.25 – 4.10	1.07	0.75 – 1.50	1.78	1.25 – 2.75	2.15	1.50 – 2.75	2.40	1.70 – 3.00
Feb	3.90	3.25 – 4.25	1.06	0.75 – 1.50	1.78	1.25 – 2.70	2.14	1.50 – 2.75	2.37	1.60 – 3.00
Mar	4.07	3.30 – 4.50	1.05	0.75 – 1.50	1.79	1.25 – 2.75	2.14	1.50 – 2.80	2.38	1.60 – 3.00
Apr	4.15	3.30 – 4.50	1.04	0.75 – 1.50	1.78	1.25 – 2.60	2.15	1.50 – 2.80	2.38	1.60 – 3.00
May	4.15	3.30 – 4.50	1.04	0.75 – 1.50	1.79	1.25 – 2.60	2.16	1.50 – 2.80	2.40	1.75 – 3.00
June	4.12	3.30 – 4.50	1.04	0.75 – 1.50	1.78	1.25 – 2.50	2.15	1.50 – 2.80	2.40	1.75 – 3.00
July	4.01	3.30 – 4.40	1.03	0.75 – 1.50	1.78	1.15 – 2.60	2.16	1.50 – 2.81	2.40	1.75 – 3.00
Aug	3.70	3.12 – 4.05	1.01	0.75 – 1.50	1.76	1.00 – 2.50	2.14	1.50 – 2.80	2.36	1.60 – 3.00
Sep	3.50	3.05 – 4.00	1.00	0.75 – 1.50	1.75	1.25 – 2.50	2.12	1.50 – 2.75	2.34	1.50 – 3.00
Oct	3.38	2.85 – 4.00	0.99	0.75 – 1.50	1.71	1.01 – 2.50	2.10	1.40 – 2.75	2.32	1.50 – 3.00
Nov	3.35	2.85 – 3.75	0.99	0.75 – 1.50	1.69	1.00 – 2.50	2.07	1.35 – 2.75	2.31	1.50 – 3.00
Dec	3.23	2.75 – 3.70	0.96	0.75 – 1.50	1.63	1.00 – 2.50	1.97	1.25 – 2.75	2.19	1.50 – 2.95
2003 Jan	3.02	2.70 – 3.50	0.95	0.75 – 1.25	1.61	1.00 – 2.50	1.90	1.25 – 2.95	2.13	1.50 – 3.15
Feb	2.83	2.50 – 3.30	0.91	0.75 – 1.25	1.57	1.00 – 2.30	1.83	1.25 – 2.70	2.07	1.50 – 2.80
Mar	2.69	2.20 – 3.10	0.86	0.50 – 1.25	1.47	1.00 – 2.25	1.71	1.15 – 2.70	1.93	1.25 – 2.80
Apr	2.80	2.40 – 3.20	0.80	0.50 – 1.13	1.41	1.00 – 2.20	1.68	1.10 – 2.35	1.86	1.25 – 2.45
May	2.61	2.25 – 3.05	0.78	0.50 – 1.13	1.37	1.00 – 2.20	1.64	1.10 – 2.20	1.82	1.25 – 2.37
June ⁺	2.28	1.95 – 2.75	0.71	0.50 – 1.00	1.23	0.65 – 2.00	1.48	0.80 – 2.20	1.69	1.00 – 2.30

Reporting period 1	Savings deposits with higher rates of return ⁹ and with duration of contract being agreed for € 10,000 and more but less than € 25,000 (total rate of return) ¹⁰									
	with agreed notice of 3 months and a duration of contract of						with agreed notice of more than 3 months and a duration of contract of			
	up to and including 1 year		more than 1 year and up to and including 4 years		more than 4 years		up to and including 1 year		more than 4 years	
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
2001 June	3.67	2.80 – 4.20	3.93	3.25 – 4.30	4.48	3.64 – 5.22	3.85	2.50 – 4.25	4.35	3.90 – 4.78
July	3.64	2.80 – 4.15	3.91	3.25 – 4.45	4.48	3.64 – 5.25	3.80	2.50 – 4.05	4.33	3.90 – 4.75
Aug	3.52	2.60 – 4.00	3.83	3.20 – 4.30	4.42	3.60 – 5.40	3.68	2.50 – 4.00	4.22	3.84 – 4.73
Sep	3.32	2.40 – 3.90	3.62	2.61 – 4.25	4.32	3.36 – 5.42	3.33	2.50 – 3.65	4.06	3.72 – 4.73
Oct	2.94	2.25 – 3.45	3.36	2.60 – 3.88	4.17	3.00 – 5.40	3.01	2.50 – 3.50	3.85	3.50 – 4.50
Nov	2.64	2.00 – 3.25	3.09	2.48 – 3.50	4.01	2.66 – 5.40	2.75	2.00 – 3.50	3.53	2.93 – 4.30
Dec	2.63	1.75 – 3.10	3.14	2.48 – 4.00	3.98	2.88 – 5.40	2.79	2.20 – 3.20	3.63	3.00 – 4.30
2002 Jan ^o	2.67	2.00 – 3.10	3.23	2.50 – 4.25	3.98	2.91 – 5.08	2.80	2.00 – 3.20	3.74	3.25 – 4.25
Feb	2.76	2.00 – 3.25	3.32	2.60 – 4.00	4.07	2.91 – 5.13	2.91	2.20 – 3.50	3.84	3.25 – 4.20
Mar	2.84	2.10 – 3.30	3.45	2.50 – 4.25	4.15	3.13 – 5.13	3.00	2.40 – 3.50	3.96	3.25 – 4.40
Apr	2.89	2.10 – 3.40	3.50	2.25 – 4.25	4.17	2.91 – 5.13	3.07	2.50 – 3.70	3.97	3.25 – 4.44
May	2.91	2.10 – 3.40	3.48	2.50 – 4.25	4.20	2.91 – 5.13	3.08	2.20 – 4.00	3.98	3.25 – 4.50
June	2.93	2.10 – 3.40	3.52	2.25 – 4.25	4.21	2.91 – 5.15	3.08	2.20 – 4.00	3.97	3.10 – 4.50
July	2.89	2.10 – 3.30	3.48	2.25 – 4.10	4.14	2.91 – 5.08	3.02	2.50 – 3.50	3.90	3.15 – 4.29
Aug	2.73	2.00 – 3.25	3.19	2.25 – 4.00	4.02	2.91 – 5.02	2.94	2.45 – 3.50	3.68	2.85 – 4.21
Sep	2.61	1.90 – 3.20	3.08	2.42 – 3.80	3.90	2.90 – 5.02	2.73	2.25 – 3.25	3.54	3.00 – 4.04
Oct	2.53	1.95 – 3.25	2.88	2.12 – 3.50	3.84	2.75 – 5.08	2.63	2.25 – 3.00	3.43	2.70 – 4.04
Nov	2.46	1.75 – 3.00	2.84	2.08 – 3.44	3.80	2.75 – 5.08	2.55	2.15 – 3.00	3.41	2.75 – 4.00
Dec	2.34	1.75 – 2.80	2.77	2.08 – 3.44	3.68	2.50 – 4.82	2.41	1.95 – 3.00	3.30	2.75 – 3.75
2003 Jan	2.20	1.75 – 2.75	2.60	2.00 – 3.44	3.62	2.50 – 4.82	2.34	1.90 – 3.00	3.14	2.54 – 3.60
Feb	2.08	1.75 – 2.55	2.44	1.78 – 3.50	3.52	2.31 – 4.82	2.12	1.75 – 4.00	2.99	2.50 – 3.39
Mar	1.93	1.45 – 2.40	2.32	1.50 – 3.00	3.36	2.24 – 4.82	2.05	1.60 – 4.00	2.77	2.38 – 3.25
Apr	1.92	1.43 – 2.30	2.30	1.50 – 2.90	3.39	2.25 – 4.86	2.05	1.65 – 3.50	2.81	2.30 – 3.40
May	1.86	1.30 – 2.30	2.21	1.50 – 2.85	3.30	2.24 – 4.80	1.92	1.45 – 2.50	2.74	2.25 – 3.80
June ⁺	1.62	1.20 – 2.20	1.90	1.25 – 2.50	3.08	2.00 – 4.43	1.65	1.35 – 2.20	2.46	2.00 – 3.55

For footnotes *, o, +, 1 to 5 see page 45*; for footnotes 6 and 7 see page 46*. — ⁸ Only a minimum rate of return is granted, but no premium or bonus. — ⁹ An interest rate above the minimum rate of return and/or a pre-

mium or a bonus is granted. — ¹⁰ Rate of return which is paid when savings plans are held until maturity or when savings objectives have been achieved.

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
2003 Apr	19,329	11,476	– 1,500	– 4,380	8,595	7,853	12,265	– 339	11,926	–	7,064
May	17,788	11,846	– 4,351	– 4,322	3,173	5,942	5,991	– 5,636	355	–	11,797
June	9,599	4,044	– 179	– 887	5,111	5,555	3,242	– 2,777	6,019	–	6,357

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	53,680	–	21,740
2003 Apr	–	7,562	– 4,675	–	12,237	– 6,439	– 3,986	– 10,425	–	– 1,123
May	–	4,888	– 264	–	4,624	– 7,211	– 570	6,641	–	– 2,323
June	–	11,180	– 693	–	10,487	– 5,267	– 904	4,363	–	– 5,913

* 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. — The figures for the latest data are to be regarded as provisional; corrections are not specially marked.

VII. Capital market

2. Sales of debt securities issued by borrowers domiciled in Germany *)

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

Period	Bank debt securities 1						Industrial bonds 2	Public debt securities 3	Memo item: Foreign DM/euro bonds issued by German-managed syndicates					
	Total	All bank debt securities	Mortgage bonds (Hypothekenpfandbriefe)	Communal bonds (Öffentliche Pfandbriefe)	Debt securities issued by specialised credit institutions	Other bank debt securities								
Gross sales 4														
1990	428,698	286,709	14,923	70,701	89,755	111,326	–	141,990	35,168					
1991	442,089	292,092	19,478	91,489	80,738	100,386	707	149,288	32,832					
1992	572,767	318,522	33,633	134,363	49,195	101,333	–	254,244	57,282					
1993	733,126	434,829	49,691	218,496	34,028	132,616	457	297,841	87,309					
1994	627,331	412,585	44,913	150,115	39,807	177,750	486	214,261	61,465					
1995	620,120	470,583	43,287	208,844	41,571	176,877	200	149,338	102,719					
1996	731,992	563,076	41,439	246,546	53,508	221,582	1,742	167,173	112,370					
1997	846,567	621,683	53,168	276,755	54,829	236,933	1,915	222,972	114,813					
1998	1,030,827	789,035	71,371	344,609	72,140	300,920	3,392	238,400	149,542					
€ million														
1999	571,269	448,216	27,597	187,661	59,760	173,200	2,570	120,483	57,202					
2000	659,148	500,895	34,528	143,107	94,556	228,703	8,114	150,137	31,597					
2001	687,988	505,646	34,782	112,594	106,166	252,103	11,328	171,012	10,605					
2002	818,725	569,232	41,496	119,880	117,506	290,353	17,574	231,923	10,313					
2003 Mar	84,288	53,301	2,545	5,735	8,852	36,169	2,836	28,151	–					
Apr	74,802	51,146	6,899	7,043	10,286	26,919	3,366	20,290	–					
May	81,254	59,023	4,550	11,798	9,856	32,819	2,810	19,422	–					
June	75,207	49,503	5,675	7,652	8,036	28,140	2,159	23,545	–					
of which: Debt securities with a maturity of over 4 years 5														
1990	272,642	133,347	10,904	43,250	26,767	52,425	–	139,295	29,791					
1991	303,326	172,171	11,911	65,642	54,878	39,741	707	130,448	22,772					
1992	430,479	211,775	28,594	99,627	40,267	43,286	–	218,703	51,939					
1993	571,533	296,779	43,365	160,055	26,431	66,923	230	274,524	82,049					
1994	429,369	244,806	36,397	109,732	29,168	69,508	306	184,255	53,351					
1995	409,469	271,763	30,454	141,629	28,711	70,972	200	137,503	85,221					
1996	473,560	322,720	27,901	167,811	35,522	91,487	1,702	149,139	92,582					
1997	563,333	380,470	41,189	211,007	41,053	87,220	1,820	181,047	98,413					
1998	694,414	496,444	59,893	288,619	54,385	93,551	2,847	195,122	139,645					
€ million														
1999	324,888	226,993	16,715	124,067	37,778	48,435	2,565	95,331	44,013					
2000	319,330	209,187	20,724	102,664	25,753	60,049	6,727	103,418	27,008					
2001	299,751	202,337	16,619	76,341	42,277	67,099	7,479	89,933	6,480					
2002	309,157	176,486	16,338	59,459	34,795	65,892	12,149	120,527	9,213					
2003 Mar	33,388	17,558	929	3,196	2,119	11,314	325	15,505	–					
Apr	28,604	18,444	4,388	4,735	2,342	6,979	552	9,608	–					
May	31,552	18,860	3,350	7,098	3,104	5,308	–	12,692	–					
June	30,256	16,016	2,768	4,559	2,835	5,854	1,757	12,483	–					
Net sales 6														
1990	226,707	140,327	–	3,922	–	72	73,287	71,036	–	67	86,449	21,717		
1991	227,822	139,396	–	4,729	–	22,290	65,985	46,390	–	558	87,868	18,583		
1992	304,751	115,786	–	13,104	–	58,235	19,585	24,864	–	175	189,142	34,114		
1993	403,212	159,982	–	22,496	–	122,917	–	27,721	–	180	243,049	43,701		
1994	270,088	116,519	–	18,184	–	54,316	–	6,897	–	62	153,630	21,634		
1995	205,482	173,797	–	18,260	–	96,125	–	3,072	–	354	32,039	61,020		
1996	238,427	195,058	–	11,909	–	121,929	–	6,020	–	585	42,788	69,951		
1997	257,521	188,525	–	16,471	–	115,970	–	12,476	–	1,560	67,437	63,181		
1998	327,991	264,627	–	22,538	–	162,519	–	18,461	–	3,118	60,243	84,308		
€ million														
1999	209,096	170,069	–	2,845	–	80,230	–	31,754	–	55,238	2,185	36,840	22,728	
2000	155,615	122,774	–	5,937	–	29,999	–	30,089	–	56,751	7,320	25,522	–	16,705
2001	84,122	60,905	–	6,932	–	9,254	–	28,808	–	34,416	8,739	14,479	–	30,657
2002	131,976	56,393	–	7,936	–	26,806	–	20,707	–	54,561	14,306	61,277	–	44,546
2003 Mar	18,025	2,993	–	2,725	–	4,323	–	2,200	–	7,841	2,836	12,196	–	6,292
Apr	6,312	–	–	1,629	–	4,396	–	4,388	–	3,125	3,295	4,646	–	3,333
May	10,671	–	–	5,826	–	405	–	3,867	–	2,853	1,299	2,688	–	3,530
June	5,994	–	–	2,442	–	261	–	646	–	1,089	446	1,195	–	6,688

* For definitions see the notes in the Statistical Supplement to the Monthly Report 2, Capital market statistics. — 1 Excluding registered bank debt securities. — 2 Debt securities of enterprises. — 3 Including Federal Railways

Fund, Federal Post Office and Treuhand agency. — 4 Gross sales means only initial sales of newly issued securities. — 5 Maximum maturity according to the terms of issue. — 6 Gross sales less redemptions.

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 ¹							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	
2003 Apr	2,547,020	1,580,872	158,049	626,650	243,608	552,564	47,032	919,116	225,967	
May	2,557,691	1,586,698	158,454	630,517	246,461	551,265	49,721	921,273	222,436	
June	2,563,685	1,589,140	158,716	631,162	247,550	551,712	50,916	923,629	215,748	
Breakdown by remaining period to maturity ²										
	Position at end-June 2003									
less than 2	925,861	629,504	51,949	238,516	73,424	265,615	14,322	282,034	75,025	
2 to less than 4	602,150	420,977	45,624	180,100	71,115	124,138	16,899	164,276	42,387	
4 to less than 6	416,321	255,332	35,745	112,335	44,789	62,464	5,788	155,201	59,974	
6 to less than 8	253,285	133,860	14,346	63,696	19,349	36,468	4,476	114,948	22,825	
8 to less than 10	194,530	77,405	10,517	23,948	14,684	28,257	5,741	111,383	4,610	
10 to less than 15	46,568	34,587	490	8,103	7,569	18,425	1,990	9,991	6,883	
15 to less than 20	17,096	12,168	44	1,564	5,977	4,583	427	4,501	1,207	
20 and more	107,876	25,307	-	2,902	10,643	11,762	1,274	81,296	2,839	

* 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 ²			
			cash payment and ex- change of convertible bonds ¹	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
2003 Apr	161,519	373	401	21	23	18	-	19	-	33	-	38	687,348
May	162,041	522	204	37	6	56	-	29	-	361	-	112	688,666
June	162,106	65	214	77	-	20	-	1,012	-	1,069	-	188	739,025

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 listed 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 "Herausbergemeinschaft 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	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	
2003 Apr	3.8	3.9	3.9	4.2	3.8	4.4	5.5	4.7	118.22	98.15	190.67	2,942.04	
May	3.5	3.5	3.6	3.8	3.4	4.0	4.9	4.4	120.83	100.00	192.07	2,982.68	
June	3.3	3.3	3.4	3.6	3.2	3.8	4.5	4.1	119.90	99.50	205.73	3,220.58	
July	3.6	3.6	3.6	4.0	3.5	4.2	4.5	4.3	118.76	97.59	221.81	3,487.86	

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	Money market funds	Securities-based funds	Open-end real estate funds				Total	of which Foreign investment fund certificates	Total	of which Foreign investment fund certificates					
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	—	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	66,267	59,482	25,907	3,682	7,247	14,916	33,575	6,784	66,507	2,100	3,007	64,407	3,778	—	241	—	—	—
2003 Apr	4,375	4,575	2,275	—	670	1,172	2,300	—	200	4,361	—	68	4,429	—	270	—	—	—
May	5,206	4,881	1,845	—	55	575	1,325	—	325	5,289	—	603	4,686	515	—	83	—	—
June	4,221	4,294	2,851	—	854	1,577	2,175	—	73	4,209	—	116	4,093	81	—	12	—	—

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). — The figures for the latest data are to be regarded as provisional; corrections are not specially marked.

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	Re-ceipts ⁶	Ex-pend-iture	Balance of receipts and expenditure	Re-ceipts	Ex-pend-iture	Balance of receipts and expenditure
	Total	of which Taxes ³	Total ⁴	of which												
				Person-nel ex-pend-iture	Other operat-ing ex-pend-iture	Current grants	Interest paid	Capital forma-tion	Finan-cial aid ⁵							
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	566.1	453.1	592.9	168.7	72.4	202.7	69.8	40.8	38.0	-26.8	429.1	425.6	+ 3.5	925.2	948.5	-23.3
2000 p	612.3	467.3	595.5	169.3	73.7	205.7	67.6	40.7	37.9	+16.8	434.0	434.1	-0.1	974.8	958.0	+16.8
2001 pe	554.0	446.2	601.0	169.9	70.1	213.5	66.6	40.9	39.6	-47.0	445.2	449.1	-3.9	921.9	972.8	-50.9
2002 pe	547.5	441.7	607.3	173.1	69.0	226.0	66.1	38.2	33.8	-59.8	457.2	465.1	-7.9	920.3	988.0	-67.7
2001 Q1 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
Q2	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
Q3	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
Q4	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 Q1	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
Q2	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
Q3	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
Q4 p	154.4	129.0	164.7	49.9	21.1	55.8	10.7	13.5	13.4	-10.3	119.3	120.0	-0.7	254.7	265.7	-11.0

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
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	240.3	266.5	191.6	196.6	50.0	53.3	119.8	117.5	26.1	26.3
2000 ⁴	292.1	265.2	193.4	200.9	50.7	53.6	122.4	120.5	25.6	25.6
2001 pe	239.9	260.9	184.0	207.1	49.7	53.2	119.2	123.4	24.8	25.4
2002 pe	238.9	271.5	181.8	206.7	46.6	53.7	119.5	123.7	25.1	25.4
2001 Q1	50.8	66.4	44.8	49.8	12.0	11.6	25.5	28.8	5.2	5.5
Q2	57.6	59.9	46.3	47.5	11.5	11.8	28.8	28.1	5.8	5.8
Q3	62.3	66.3	44.6	49.4	11.7	12.5	29.6	29.9	6.1	6.2
Q4	69.1	68.3	47.6	59.6	14.4	16.4	35.4	36.0	7.5	7.7
2002 Q1	47.4	68.9	42.4	49.4	10.2	12.0	24.7	29.1	5.2	5.4
Q2	56.3	62.6	43.3	48.8	11.1	11.9	28.8	29.1	5.9	5.8
Q3	62.7	70.6	45.3	49.3	11.8	12.9	29.1	30.5	6.1	6.2
Q4 p	72.5	69.5	50.2	58.5	13.5	16.1	37.0	35.4	7.8	7.7
2003 Q1 p	46.6	71.9	42.2	51.1	9.7	12.6	.	.	.	.

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	441,703	389,162	214,371	156,231	.	18,560	52,490	4,769	+ 51
2003 Q1	.	84,210	43,325	35,379	.	5,506	.	.	.
Q2 ^P	.	95,360	51,614	38,249	.	5,497	.	.	.
2003 Feb	.	27,683	14,801	11,165	.	1,718	.	.	.
Mar	.	28,788	16,550	10,971	.	1,268	.	.	.
Apr	.	26,880	14,315	10,733	.	1,831	.	.	.
May	.	30,708	17,075	11,775	.	1,859	.	.	.
June ^P	.	37,773	20,224	15,741	.	1,807	.	.	.

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	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	
2003 Q1	89,121	34,118	30,589	- 5,449	2,443	6,535	33,706	25,526	8,179	358	15,209	5,050	681	4,911	
Q2 P	101,351	40,199	31,683	2,596	1,221	4,698	33,301	24,958	8,343	1,641	20,786	4,753	672	5,991	
2003 Feb	29,245	8,746	9,785	- 1,745	- 372	1,077	12,862	10,087	2,776	246	5,664	1,484	244	1,562	
Mar	30,016	10,687	9,331	- 2,948	3,042	1,263	9,881	6,948	2,933	18	7,475	1,714	240	1,227	
Apr	28,509	8,877	10,399	- 1,377	- 1,071	926	10,389	7,657	2,733	1,113	6,316	1,591	223	1,630	
May	32,409	10,638	10,615	- 1,243	- 336	1,602	11,798	8,815	2,984	490	7,678	1,554	250	1,701	
June P	40,433	20,683	10,669	5,216	2,629	2,170	11,113	8,487	2,626	37	6,792	1,608	199	2,660	

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	23,489	9,261	696
2003 Q1	4,878	1,950	383	3,999	1,161	2,838	1,999	77	749	172	2,052	.	.	.
Q2 P	10,741	3,600	467	1,594	1,588	2,797	1,977	80	899	200	1,597	.	.	.
2003 Feb	1,375	516	52	2,694	344	684	546	15	163	54	706	.	.	.
Mar	3,533	1,220	261	613	620	1,229	672	27	300	56	659	.	.	.
Apr	3,539	1,071	132	484	396	694	688	6	276	56	565	.	.	.
May	3,627	1,850	174	627	613	788	655	11	303	71	514	.	.	.
June P	3,575	679	160	483	579	1,316	634	63	321	73	518	.	.	.

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 *

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

End of year or month	Total	Bundes- bank advances	Treasury discount paper ¹	Treasury notes ^{2, 3}	5-year special Federal bonds ²	Federal savings bonds	Debt secur- ities ²	Direct lending by credit institu- tions ⁴	Loans from non-banks		Old debt		
									Social security funds	Other ⁴	owing to German unifica- tion ⁵	Equalisa- tion claims	Other ⁶
Public authorities													
1996	2,126,320	.	27,609	231,102	176,164	96,391	618,262	836,582	770	39,450	9,960	89,826	203
1997	2,215,893	.	26,336	249,507	177,721	99,317	662,516	879,021	663	29,907	1,315	89,376	216
1998	2,280,154	.	25,631	227,536	199,774	92,698	723,403	894,456	550	26,073	1,249	88,582	202
1999	1,199,975	.	12,594	102,364	120,998	41,621	416,051	450,111	281	10,200	476	45,175	105
2000	1,211,439	.	11,616	109,951	126,276	35,991	438,888	433,443	211	10,524	285	44,146	108
2001	1,223,929	.	23,036	151,401	130,045	26,395	448,148	422,440	174	13,110	85	8,986	108
2002 Mar	1,249,857	.	17,817	158,695	133,421	22,648	461,617	431,066	218	15,234	49	8,986	109
June	1,251,125	.	22,252	176,996	133,289	20,636	463,906	408,991	239	15,681	51	8,986	101
Sep	1,269,119	.	31,440	193,052	135,502	19,752	462,459	401,797	227	16,893	50	7,848	102
Dec ^p	1,277,630	.	30,815	203,951	137,669	17,898	456,300	404,168	195	18,664	29	7,845	97
Federal Government ^{7, 8}													
1996	839,883	.	26,789	55,289	176,164	96,391	434,295	32,988	5	7,766	1,330	8,684	183
1997	905,691	.	25,286	78,848	177,721	99,317	481,619	31,845	5	870	1,300	8,684	197
1998	957,983	.	24,666	84,760	199,274	92,698	519,718	24,125	-	2,603	1,270	8,684	186
1999	714,069	.	11,553	44,335	120,498	41,621	379,808	67,872	60	2,568	476	45,175	104
2000	715,819	.	11,516	44,678	123,642	35,991	400,490	52,836	29	2,099	285	44,146	107
2001	701,077	.	21,136	59,643	119,911	26,395	416,195	47,111	26	1,481	85	8,986	107
2002 Mar	721,619	.	16,917	59,622	123,287	22,648	429,270	59,356	12	1,365	49	8,986	108
June	716,787	.	21,389	66,445	123,155	20,636	431,039	43,600	12	1,374	51	8,986	100
Sep	726,896	.	30,982	72,762	125,316	19,752	429,452	39,392	0	1,242	50	7,848	101
Dec	725,405	.	30,227	78,584	127,484	17,898	422,558	39,517	0	1,167	29	7,845	97
2003 Mar	745,400	.	30,085	80,348	132,987	15,434	435,146	42,281	-	1,183	- 1	7,845	94
West German Länder Governments													
1996	477,361	.	320	91,969	.	.	372,449	54	12,567	.	.	.	2
1997	505,297	.	350	86,639	.	.	406,499	47	11,760	.	.	.	2
1998	525,380	.	520	83,390	.	.	430,709	43	10,716	.	.	.	2
1999	274,208	.	150	43,033	.	.	226,022	23	4,979	.	.	.	1
2000	282,431	.	-	48,702	.	.	227,914	22	5,792	.	.	.	1
2001	305,788	.	1,800	67,721	.	.	228,270	5	7,991	.	.	.	1
2002 Mar	310,210	.	800	73,844	.	.	225,475	58	10,032	.	.	.	1
June	314,447	.	750	83,192	.	.	219,729	79	10,697	.	.	.	1
Sep	320,617	.	250	92,220	.	.	216,121	79	11,946	.	.	.	1
Dec	328,390	.	250	97,556	.	.	217,241	63	13,280	.	.	.	1
2003 Mar	339,986	.	300	109,109	.	.	213,990	77	16,509	.	.	.	1
East German Länder Governments													
1996	80,985	.	500	26,820	.	.	53,483	-	182	.	.	.	.
1997	90,174	.	700	27,540	.	.	61,697	15	222	.	.	.	.
1998	98,192	.	445	27,228	.	.	70,289	-	230	.	.	.	.
1999	53,200	.	891	14,517	.	.	37,602	-	189	.	.	.	.
2000	55,712	.	100	16,092	.	.	39,339	-	182	.	.	.	.
2001	58,771	.	100	20,135	.	.	37,382	-	1,154	.	.	.	.
2002 Mar	59,143	.	100	21,328	.	.	36,256	-	1,460	.	.	.	.
June	60,156	.	112	23,387	.	.	35,399	-	1,258	.	.	.	.
Sep	61,533	.	208	24,097	.	.	35,860	-	1,368	.	.	.	.
Dec	63,782	.	338	23,838	.	.	37,953	-	1,653	.	.	.	.
2003 Mar	64,965	.	245	26,134	.	.	36,351	-	2,235	.	.	.	.
West German local authorities ⁹													
1996	158,613	.	.	200	.	.	1,280	152,311	174	4,648	.	.	.
1997	160,162	.	.	300	.	.	1,330	154,145	149	4,238	.	.	.
1998	158,960	.	.	300	.	.	1,330	153,208	119	4,003	.	.	.
1999	81,511	.	.	153	.	.	680	78,726	53	1,898	.	.	.
2000	81,414	.	.	153	.	.	680	78,656	33	1,891	.	.	.
2001	82,203	.	.	153	.	.	629	79,470	29	1,922	.	.	.
2002 Mar	82,900	.	.	153	.	.	629	80,168	30	1,920	.	.	.
June	83,700	.	.	153	.	.	629	80,968	30	1,920	.	.	.
Sep	84,000	.	.	153	.	.	629	81,268	30	1,920	.	.	.
Dec ^p	84,097	.	.	153	.	.	629	81,307	22	1,986	.	.	.
East German local authorities ⁹													
1996	38,976	.	.	225	.	.	400	37,922	308	121	.	.	.
1997	38,688	.	.	225	.	.	400	37,623	273	167	.	.	.
1998	39,873	.	.	225	.	.	460	38,777	255	156	.	.	.
1999	20,726	.	.	51	.	.	335	20,138	124	78	.	.	.
2000	17,048	.	.	51	.	.	335	16,497	114	50	.	.	.
2001	17,005	.	.	-	.	.	284	16,581	107	33	.	.	.
2002 Mar	16,880	.	.	-	.	.	284	16,456	110	30	.	.	.
June	16,700	.	.	-	.	.	284	16,276	110	30	.	.	.
Sep	16,700	.	.	-	.	.	284	16,276	110	30	.	.	.
Dec ^p	16,745	.	.	-	.	.	284	16,318	102	41	.	.	.

For footnotes see end of the table.

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 ¹	Treasury notes ^{2, 3}	5-year special Federal bonds ²	Federal savings bonds	Debt secur- ities ²	Direct lending by credit institu- tions ⁴	Loans from non-banks		Old debt		
									Social security funds	Other ⁴	owing to German unifica- tion ⁵	Equalisa- tion claims	Other ⁶
"German Unity" Fund / Indemnification Fund ⁷													
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	.	.	.
2003 Mar	39,833	.	.	4,694	10,134	.	23,420	1,585	-	-	.	.	.
June	39,600	.	.	4,694	10,134	.	23,443	1,329	-	-	.	.	.
ERP Special Fund ⁷													
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	.	.	.
2003 Mar	19,369	.	.	.	51	.	10,138	8,660	8	512	.	.	.
June	19,399	.	.	.	51	.	10,169	8,660	8	512	.	.	.
Federal Railways Fund ^{7, 8}													
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	.	.	.
Debt-Processing Fund / Redemption Fund for Inherited Liabilities ^{7, 8}													
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
"Use of Hard Coal" Equalisation Fund ^{7, 8}													
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. — ¹ Predominantly Treasury discount paper. — ² Excluding paper in the issuers' portfolios. — ³ Länder Treasury paper also covers the long-term maturity category. — ⁴ 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. — ⁵ 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. — ⁶ Old debt mainly expressed in foreign currency, in

accordance with the London Debts agreement; excluding debt securities in own portfolios. — ⁷ 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. — ⁸ 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. — ⁹ 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	2002 P	2001				2002			
			Total	1st hf	Q3	Q4	Total P	1st hf	Q3	Q4 P
	€ million									
Borrowers										
Federal Government 2	701,077	725,405	- 14,910	- 24,394	+ 6,820	+ 2,665	+ 24,328	+ 15,709	+ 10,110	- 1,491
"German Unity" Fund	39,638	39,441	- 787	+ 9	- 41	- 754	- 197	+ 64	-	+ 261
ERP Special Fund	19,161	19,400	+ 775	+ 604	+ 449	- 278	+ 239	+ 147	+ 19	+ 73
Indemnification Fund	285	369	+ 81	+ 43	+ 21	+ 17	+ 84	+ 40	+ 19	+ 25
West German Länder Governments	305,788	328,390	+ 23,357	+ 5,617	+ 7,422	+ 10,318	+ 22,603	+ 8,660	+ 6,170	+ 7,774
East German Länder Governments	58,771	63,782	+ 3,059	+ 472	+ 1,365	+ 1,222	+ 5,011	+ 1,385	+ 1,377	+ 2,249
West German local authorities 3	82,203	84,097	+ 2,487	+ 1,250	- 460	+ 1,697	+ 2,718	+ 1,275	+ 900	+ 543
East German local authorities 3	17,005	16,745	+ 162	- 124	-	+ 286	- 146	- 211	- 30	+ 95
Total	1,223,929	1,277,630	+ 14,224	- 16,524	+ 15,576	+ 15,173	+ 54,640	+ 27,068	+ 18,564	+ 9,008
Types of debt										
Treasury discount paper 4	23,036	30,815	+ 11,420	+ 2,130	+ 5,803	+ 3,488	+ 7,779	- 785	+ 9,188	- 625
Treasury notes 5	151,401	203,951	+ 41,449	+ 14,542	+ 12,724	+ 14,183	+ 52,551	+ 25,595	+ 16,056	+ 10,900
Five-year special Federal bonds 5	130,045	137,669	+ 3,770	+ 3,616	+ 1,067	- 913	+ 7,623	+ 3,244	+ 2,213	+ 2,167
Federal savings bonds	26,395	17,898	- 9,596	- 5,746	- 1,422	- 2,428	- 8,497	- 5,759	- 884	- 1,854
Debt securities 5	448,148	456,300	+ 9,260	+ 6,897	+ 336	+ 2,027	+ 8,152	+ 15,758	- 1,446	- 6,159
Direct lending by credit institutions 6	422,440	404,168	- 9,100	- 4,213	- 1,802	- 3,086	- 17,334	- 13,578	- 6,624	+ 2,868
Loans from social security funds	174	195	- 37	- 26	- 3	- 8	+ 21	+ 64	- 12	- 32
Other loans 6	13,070	18,623	+ 2,586	+ 351	+ 36	+ 2,199	+ 5,553	+ 2,571	+ 1,212	+ 1,770
Old debt 7	193	126	- 200	- 43	- 17	- 140	- 67	- 42	- 0	- 25
Equalisation claims	8,986	7,845	- 35,328	- 34,033	- 1,144	- 150	- 1,142	-	- 1,139	- 3
Investment assistance levy	40	41	- 0	- 0	- 0	- 0	- 0	- 0	+ 0	+ 0
Total	1,223,929	1,277,630	+ 14,224	- 16,524	+ 15,576	+ 15,173	+ 54,640	+ 27,068	+ 18,564	+ 9,008
Creditors										
Banking system										
Bundesbank	4,440	4,440	-	-	-	-	-	-	-	-
Credit institutions	534,400	532,900	- 29,304	- 15,083	- 11,361	- 2,859	- 562	- 1,529	+ 270	+ 697
Domestic non-banks										
Social security funds	174	195	- 31	- 6	- 20	- 5	+ 21	+ 65	- 12	- 32
Other 8, r	231,815	229,595	+ 30,541	+ 4,647	+ 9,357	+ 16,537	- 2,220	- 369	- 794	- 1,057
Foreign creditors pe, r	453,100	510,500	+ 13,017	- 6,083	+ 17,600	+ 1,500	+ 57,400	+ 28,900	+ 19,100	+ 9,400
Total	1,223,929	1,277,630	+ 14,224	- 16,524	+ 15,576	+ 15,173	+ 54,640	+ 27,068	+ 18,564	+ 9,008

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	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	-	-	-
Dec P	398,910	34,636	3,172	9,205	262,840	89,057	-	-	-

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 secur- ities 2	Direct lending by credit institu- tions 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 unifica- tion 7	Equal- isation 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 9	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 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	745,992	30,081	1,462	84,808	129,055	15,515	428,692	48,701	0	1,167	36	7,845	94
Mar	745,400	30,085	1,375	80,348	132,987	15,434	435,146	42,281	-	1,183	-1	7,845	94
Apr	747,512	30,048	1,308	80,447	133,377	15,458	429,019	50,040	-	1,183	4	7,845	92
May	749,175	30,490	1,275	85,842	134,238	14,414	431,160	43,917	-	1,183	-2	7,845	89
June	749,920	30,416	1,236	82,834	140,442	14,284	428,166	43,744	-	2,102	-4	7,845	91
July p	759,774	30,818	1,183	87,689	141,135	13,763	426,322	51,153	-	2,102	-4	6,706	91

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	Total new borrowing		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-July	+ 101,030	+ 25,000	+ 25,244	+ 14,717	+ 16,261	+ 3,233	+ 49,181	+ 6,236	+ 3,278	- 5,076	+ 7,066	+ 316
2003 Jan-July p	+ 145,056	+ 34,369	+ 38,947	+ 3,763	+ 27,572	+ 13,652	+ 60,753	+ 5,560	+ 6,740	+ 1,526	+ 11,046	+ 196
2002 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	+ 14,560	+ 2,592	+ 2,063	+ 2,063	+ 7,831	+ 1,269	+ 5,793	+ 725	+ 40	- 305	- 1,166	+ 112
Mar	+ 11,908	- 592	+ 6,451	+ 6,454	+ 3,924	+ 3,933	+ 7,071	- 4,536	+ 633	- 234	- 6,170	+ 6
Apr	+ 17,202	+ 2,112	+ 3,736	- 6,127	+ 380	+ 390	+ 5,001	+ 86	+ 100	- 225	+ 7,984	- 92
May	+ 15,681	+ 1,663	+ 2,133	+ 2,141	+ 8,260	+ 861	+ 10,443	+ 4,794	+ 565	- 404	- 5,720	+ 61
June	+ 20,815	+ 745	+ 2,025	- 2,994	+ 6,192	+ 6,204	+ 11,496	- 3,212	+ 1,156	+ 801	- 54	- 215
July p	+ 30,502	+ 9,854	+ 11,352	- 1,844	+ 693	+ 693	+ 10,217	+ 4,735	+ 3,618	+ 2,786	+ 4,623	- 124

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							
Western Germany													
1996 ⁸	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	139,180	10,253	+ 6,451	14,350	11,459	1,676	1,105	110	4,889
2001 ⁸	178,293	130,064	46,710	172,382	144,374	10,610	+ 5,911	13,973	10,646	1,517	1,699	111	4,917
2002 ^P	181,534	131,103	48,993	178,746	149,822	11,359	+ 2,788	9,832	6,948	1,072	1,686	126	4,927
2002 Q1	43,411	30,893	12,212	43,792	36,898	2,719	- 381	11,943	8,712	1,427	1,698	106	4,933
Q2	44,541	31,949	12,222	43,927	36,784	2,711	+ 614	10,663	7,490	1,366	1,696	111	4,954
Q3	45,371	32,663	12,280	44,799	37,746	2,872	+ 572	8,911	5,919	1,182	1,689	121	4,947
Q4	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
2003 Q1	45,408	31,969	13,173	45,117	38,234	2,900	+ 291	8,686	5,649	1,230	1,685	122	4,874
Q2	46,373	32,875	13,212	45,379	38,127	2,898	+ 994	7,698	4,906	980	1,686	126	4,867
Eastern Germany													
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	39,419	3,112	- 5,872	.	.	.	.	.	.
2001 ^P	44,462	21,984	16,383	50,943	40,356	3,152	- 6,481	.	.	.	.	.	.
2002 ^P	45,275	21,697	17,608	53,040	41,778	3,264	- 7,765	.	.	.	.	.	.
2002 Q1	11,070	5,157	4,410	13,106	10,373	793	- 2,036	.	.	.	.	.	.
Q2	11,493	5,455	4,558	13,046	10,228	797	- 1,553	.	.	.	.	.	.
Q3	10,757	5,275	4,334	13,391	10,530	832	- 2,634	.	.	.	.	.	.
Q4	11,955	5,810	4,306	13,397	10,547	842	- 1,442	.	.	.	.	.	.
2003 Q1	11,187	5,320	4,588	13,359	10,649	827	- 2,172	.	.	.	.	.	.
Q2	11,457	5,474	4,537	13,405	10,636	837	- 1,948	.	.	.	.	.	.

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			
Germany													
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
2002 Q1	11,502	11,188	51	13,093	6,587	4,608	1,979	4,665	2,523	2,142	139	- 1,591	3,720
Q2	12,200	11,459	433	14,141	7,098	5,005	2,093	5,230	2,903	2,327	97	- 1,941	2,200
Q3	12,710	11,808	528	13,905	6,708	4,839	1,869	5,182	2,849	2,334	7	- 1,195	854
Q4	14,473	12,951	1,077	15,369	7,218	5,299	1,919	5,933	3,293	2,640	2	- 896	- 1,151
2003 Q1	11,617	11,281	48	14,408	7,647	5,422	2,225	4,785	2,576	2,209	180	- 2,790	5,151
Q2	12,272	11,487	536	14,607	7,975	5,708	2,267	4,721	2,623	2,098	84	- 2,395	2,408

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, job creation measures, grants to personnel service agencies, wage protection and business start-up grants.

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			
at 1995 prices													
I. Origin of domestic product													
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 ¹	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 ²	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 ³	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 ⁴	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
II. Expenditure of domestic product													
Private consumption ⁵	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 ⁶	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 ⁷	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
at current prices													
III. Expenditure of domestic product													
Private consumption ⁵	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 ⁶	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 ⁷	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
IV. Prices (1995=100)													
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	.	.	.	.
V. Distribution of national income													
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 May 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

6. Labour market *

Period	Employed 1,2,r			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 %	Mining and manufacturing sector	Construction 4				Thousands	Thousands			Thousands	Change from previous year, thousands
		in %	Thousands													
Germany																
2000	38,750	+ 1.8	+ 676	34,748	+ 1.8	6,373	1,053	86	316	352	3,889	- 211	9.7	514		
2001	38,914	+ 0.4	+ 164	34,835	+ 0.3	6,395	958	123	243	345	3,852	- 37	9.4	506		
2002	38,668	- 0.6	- 245	34,590	- 0.7	6,218	883	207	192	332	4,060	+ 209	9.8	451		
2002 July	38,681	- 0.6	- 226			6,214	894	173	187	315	4,047	+ 248	9.7	471		
Aug	38,705	- 0.7	- 288	34,662	- 0.8	6,220	895	145	191	320	4,018	+ 229	9.6	458		
Sep	38,868	- 0.9	- 335			6,215	893	216	199	337	3,942	+ 199	9.5	420		
Oct	38,926	- 0.9	- 354			6,187	884	214	202	342	3,930	+ 204	9.4	378		
Nov	38,842	- 1.1	- 448	34,773	- 1.1	6,165	873	205	197	339	4,026	+ 237	9.7	344		
Dec	38,630	- 1.3	- 505			6,128	849	165	180	318	4,225	+ 262	10.1	324		
2003 Jan	37,790	- 1.5	- 560			...	788	195	155	299	4,623	+ 333	11.1	350		
Feb	37,733	- 1.6	- 608	33,803	- 1.5	...	757	227	150	287	4,706	+ 410	11.3	388		
Mar	37,835	- 1.7	- 660			...	778	244	143	275	4,608	+ 452	11.1	415		
Apr	38,029	- 1.7	- 670			...	795	242	138	262	4,495	+ 471	10.8	419		
May	38,096	- 1.7	- 660	...	...	...	801	225	134	255	4,342	+ 396	10.4	393
June	...	...	...			...	...	222	131	241	4,257	+ 303	10.2	373
July	...	...	...			...	...	196	131	220	4,352	+ 305	10.4	367
Western Germany ⁹																
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 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	.	.	.	.	.	...	593	157	35	175	2,898	+ 262	8.8	294
Feb	.	.	.	.	.	...	572	187	34	168	2,951	+ 317	9.0	328
Mar	.	.	.	.	.	...	586	199	33	165	2,880	+ 352	8.8	348
Apr	.	.	.	.	.	...	597	201	32	160	2,811	+ 363	8.6	350
May	.	.	.	.	.	...	601	187	31	159	2,715	+ 306	8.2	327
June	.	.	.	.	.	...	...	182	30	151	2,663	+ 255	8.1	306
July	.	.	.	.	.	...	...	162	29	137	2,734	+ 253	8.3	300
Eastern Germany ¹⁰																
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 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	.	.	.	.	.	...	196	39	120	125	1,725	+ 71	19.5	55
Feb	.	.	.	.	.	...	185	40	116	118	1,756	+ 94	19.9	61
Mar	.	.	.	.	.	...	192	45	110	110	1,728	+ 99	19.6	67
Apr	.	.	.	.	.	...	198	41	106	102	1,684	+ 108	19.1	69
May	.	.	.	.	.	...	200	38	103	96	1,628	+ 90	18.6	67
June	.	.	.	.	.	...	...	39	102	89	1,594	+ 48	18.3	67
July	.	.	.	.	.	...	...	34	102	82	1,618	+ 53	18.5	67

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 2003 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
2001 Q2	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
Q3	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
Q4	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 Q1	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
Q2	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
Q3	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
Q4	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
2003 Q1	211.9	0.7	137.7	0.0	93.7	3.0	231.4	1.2	352.3	2.4	49.2	3.1	14.0

Source: Federal Statistical Office; figures computed in May 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	% from previous year	on an hourly basis		on a monthly basis		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	95.3	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	1.9	105.7	1.8	102.7	1.0	107.7	1.8	106.4	1.7	106.4	1.6
1999	109.2	2.9	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	113.1	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 Q3	117.3	2.0	116.7	1.9	107.5	1.6	123.5	2.0	121.9	2.0	109.2	2.0
Q4	128.5	2.2	127.8	2.1	120.0	1.8	127.7	2.0	125.9	2.0	122.6	1.7
2002 Q1	106.3	2.5	105.7	2.4	102.1	1.3	106.3	2.1	104.9	2.2	108.2	0.9
Q2	107.8	2.8	107.2	2.8	105.2	1.3	109.1	3.5	107.7	3.6	117.8	1.9
Q3	120.3	2.6	119.7	2.5	109.6	2.0	127.4	3.1	125.7	3.1	112.9	3.4
Q4	131.9	2.6	131.1	2.6	121.6	1.4	132.3	3.6	130.5	3.6	125.4	2.3
2003 Q1	109.5	3.0	108.9	3.1	104.3	2.1	110.0	3.5	108.5	3.5	.	.
Q2	109.7	1.8	109.1	1.8	.	.	111.6	2.3	110.1	2.2	.	.
2002 Dec	108.8	2.8	108.2	2.8	.	.	110.0	3.7	108.5	3.7	117.1	3.3
2003 Jan	109.0	2.6	108.5	2.7	.	.	110.0	3.7	108.5	3.7	.	.
Feb	109.0	2.6	108.5	2.7	.	.	110.0	3.6	108.5	3.6	.	.
Mar	110.4	3.7	109.8	3.8	.	.	110.0	3.2	108.5	3.1	.	.
Apr	109.3	2.4	108.8	2.4	.	.	110.5	3.4	109.0	3.4	.	.
May	109.7	1.2	109.2	1.3	.	.	111.9	0.7	110.3	0.7	.	.
June	110.0	1.8	109.4	1.8	.	.	112.6	2.8	111.0	2.7	.	.

1 Current data are normally revised upwards on account of additional reports. — 2 Source: Federal Statistical Office; figures computed in May 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		2003			
				Q3	Q4	Q1	Mar	Apr	May
A. Current account	- 65,994	- 19,359	+ 59,604	+ 23,015	+ 22,427	+ 2,802	+ 4,037	- 8,608	- 449
1. Foreign trade									
Exports (f.o.b.) incl. supplementary items	989,826	1,033,029	1,059,260	263,213	273,903	252,608	86,921	86,298	84,295
Imports (f.o.b.) incl. supplementary items	958,276	957,556	928,157	224,688	239,312	235,285	80,738	78,917	76,035
Balance	+ 31,553	+ 75,473	+ 131,101	+ 38,524	+ 34,590	+ 17,322	+ 6,182	+ 7,381	+ 8,261
2. Services									
Receipts	287,455	324,954	331,954	89,808	85,165	75,307	26,374	26,446	26,071
Expenditure	304,943	328,678	320,877	83,908	81,128	74,252	24,826	25,653	24,571
Balance	- 17,488	- 3,724	+ 11,075	+ 5,900	+ 4,036	+ 1,055	+ 1,548	+ 794	+ 1,499
3. Factor income (balance)	- 25,492	- 39,870	- 36,595	- 10,662	- 2,363	- 12,558	- 646	- 10,464	- 4,624
4. Current transfers									
Transfer payments from non-residents	66,720	75,274	84,226	18,413	19,892	32,579	7,045	4,706	5,122
Transfer payments to non-residents	121,284	126,518	130,204	29,160	33,729	35,595	10,092	11,025	10,707
Balance	- 54,564	- 51,244	- 45,978	- 10,747	- 13,837	- 3,017	- 3,047	- 6,320	- 5,585
B. Balance of capital transfers	+ 9,839	+ 9,531	+ 11,624	+ 2,323	+ 2,625	+ 1,948	+ 817	+ 88	+ 368
C. Financial account (net capital exports: -)	+ 66,883	- 24,864	- 132,150	- 50,254	- 53,874	- 30,539	+ 7,895	+ 7,845	- 30,959
1. Direct investment	- 16,504	- 102,808	- 33,636	- 11,966	+ 3,581	- 7,655	- 7,709	- 20,175	- 324
Investment outside the euro area	- 443,251	- 259,169	- 163,462	- 32,486	- 28,518	- 40,699	- 17,085	- 22,781	- 1,195
Foreign investment in the euro area	+ 426,744	+ 156,361	+ 129,824	+ 20,520	+ 32,098	+ 33,043	+ 9,376	+ 2,605	+ 872
2. Investment in securities	- 111,550	+ 64,737	+ 108,388	+ 35,672	+ 36,242	+ 2,799	+ 17,618	+ 9,286	+ 7,010
Investment outside the euro area	- 408,986	- 291,027	- 177,846	- 19,828	- 28,796	- 51,392	- 7,398	- 12,100	- 30,447
Equities	- 285,922	- 108,333	- 40,768	+ 12,719	- 7,463	+ 9,983	+ 7,385	- 3,026	- 5,814
Bonds and notes	- 114,280	- 160,125	- 80,645	- 17,330	- 16,094	- 50,993	- 15,044	- 16,145	- 18,765
Money market paper	- 8,775	- 22,572	- 56,431	- 15,216	- 5,239	- 10,380	+ 262	+ 7,070	- 5,868
Foreign investment in the euro area	+ 297,430	+ 355,764	+ 286,233	+ 55,500	+ 65,038	+ 54,191	+ 25,016	+ 21,386	+ 37,457
Equities	+ 49,940	+ 233,244	+ 88,195	+ 5,995	+ 11,781	+ 4,853	- 10,754	+ 10,173	- 7,917
Bonds and notes	+ 239,199	+ 115,145	+ 133,502	+ 26,333	+ 38,647	+ 49,669	+ 40,820	+ 527	+ 46,033
Money market paper	+ 8,288	+ 7,375	+ 64,538	+ 23,173	+ 14,612	- 332	- 5,050	+ 10,686	- 659
3. Financial derivatives	- 3,441	- 3,469	- 13,989	- 9,631	- 4,004	- 92	+ 180	- 4,648	+ 576
4. Credit transactions and other investment (balance)	+ 180,810	- 1,133	- 190,680	- 59,732	- 88,376	- 37,472	- 7,187	+ 22,855	- 39,660
Eurosystem	- 221	+ 5,004	- 1,092	+ 133	+ 2,075	- 4,951	- 507	- 240	+ 1,557
Public authorities	- 1,477	+ 2,472	- 8,261	- 3,340	- 720	- 10,173	+ 4,484	+ 3,748	- 2,042
Credit institutions	+ 158,435	+ 5,913	- 141,168	- 25,325	- 85,754	- 842	- 6,568	+ 23,229	- 31,522
long-term	+ 2,460	- 22,896	+ 21,985	- 69	- 2,181	- 4,868	- 2,135	- 522	+ 668
short-term	+ 155,969	+ 28,815	- 163,152	- 25,254	- 83,574	+ 4,025	- 4,433	+ 23,751	- 32,190
Enterprises and individuals	+ 24,088	- 14,522	- 40,158	- 31,200	- 3,974	- 21,504	- 4,595	- 3,882	- 7,653
5. Change in the monetary reserves of the eurosystem (Increase: -)	+ 17,568	+ 17,815	- 2,235	- 4,596	- 1,317	+ 11,881	+ 4,992	+ 527	+ 1,438
D. Balance of unclassifiable transactions	- 10,731	+ 34,695	+ 60,923	+ 24,914	+ 28,823	+ 25,791	- 12,749	+ 676	+ 31,039

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

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							other services		Compen- sation of employees ⁵	Investment income
	Total	Travel ¹	Trans- portation ²	Financial services	Patents and licences	Government transactions ³	Total	of which			
								Services of selfemployed 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	- 8,843
2000	- 49,868	- 37,420	+ 3,385	+ 980	- 2,904	+ 2,221	- 16,130	- 2,733	- 782	- 512	- 1,325
2001	- 51,215	- 37,416	+ 4,144	+ 509	- 2,395	+ 3,488	- 19,545	- 2,536	- 1,123	- 257	- 6,974
2002	- 38,246	- 35,243	+ 3,032	+ 584	- 1,414	+ 5,257	- 10,461	- 2,026	- 363	- 354	+ 1,105
2001 Q4	- 7,955	- 6,877	+ 1,129	+ 147	- 563	+ 974	- 2,765	- 640	- 312	- 1	- 198
2002 Q1	- 11,092	- 6,811	+ 194	- 48	- 440	+ 1,059	- 5,044	- 524	- 388	+ 132	- 2,280
Q2	- 8,875	- 8,454	+ 1,027	+ 104	- 655	+ 1,228	- 2,126	- 505	- 158	- 148	+ 614
Q3	- 12,808	- 13,331	+ 717	+ 179	- 442	+ 1,707	- 1,638	- 539	+ 194	- 310	- 1,519
Q4	- 5,471	- 6,647	+ 1,094	+ 350	+ 123	+ 1,263	- 1,653	- 457	- 10	- 29	+ 4,291
2003 Q1	- 8,612	- 6,564	+ 751	+ 423	- 216	+ 1,227	- 4,234	- 556	+ 170	+ 173	- 4,511
Q2	- 8,945	- 7,607	+ 1,310	- 68	- 229	+ 1,202	- 3,553	- 489	- 32	- 143	- 2,325
2002 Aug	- 5,824	- 5,683	+ 171	- 8	+ 27	+ 890	- 1,221	- 180	+ 160	- 97	+ 293
Sep	- 3,200	- 4,367	+ 252	+ 112	- 36	+ 402	+ 438	- 156	- 4	- 111	+ 2,042
Oct	- 3,869	- 3,400	+ 394	+ 289	- 51	+ 329	- 1,430	- 139	+ 101	- 13	+ 1,963
Nov	- 1,645	- 1,698	+ 249	+ 7	+ 38	+ 390	- 631	- 145	- 65	- 9	+ 1,574
Dec	+ 43	- 1,548	+ 451	+ 54	+ 135	+ 544	+ 407	- 173	- 46	- 6	+ 754
2003 Jan	- 3,920	- 2,658	+ 144	+ 207	- 73	+ 419	- 1,960	- 216	+ 56	+ 59	- 4,966
Feb	- 2,932	- 1,675	+ 156	+ 149	+ 0	+ 384	- 1,946	- 120	+ 60	+ 52	- 629
Mar	- 1,760	- 2,231	+ 451	+ 68	- 143	+ 424	- 328	- 221	+ 54	+ 62	+ 1,084
Apr	- 2,872	- 2,402	+ 375	- 321	- 109	+ 426	- 841	- 196	- 43	- 42	+ 373
May	- 3,124	- 2,218	+ 290	+ 62	- 55	+ 351	- 1,553	- 136	+ 15	- 50	- 1,119
June	- 2,948	- 2,987	+ 646	+ 192	- 65	+ 424	- 1,159	- 156	- 4	- 51	- 1,580

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 Q4	- 7,371	- 4,779	- 3,720	- 3,543	- 1,059	- 2,592	- 880	- 1,712	- 479	- 455	- 24
2002 Q1	- 5,128	- 2,315	- 1,256	- 832	- 1,059	- 2,813	- 868	- 1,946	+ 160	- 229	+ 389
Q2	- 8,550	- 5,262	- 5,254	- 4,997	- 8	- 3,289	- 868	- 2,421	- 75	- 274	+ 199
Q3	- 5,457	- 3,585	- 2,746	- 2,387	- 838	- 1,873	- 868	- 1,005	+ 62	- 348	+ 410
Q4	- 7,419	- 4,483	- 3,161	- 2,998	- 1,322	- 2,936	- 868	- 2,069	- 359	- 565	+ 207
2003 Q1	- 5,321	- 3,310	- 2,294	- 1,628	- 1,016	- 2,011	- 833	- 1,178	+ 5	- 233	+ 238
Q2	- 7,649	- 5,162	- 5,126	- 4,795	- 36	- 2,488	- 833	- 1,655	+ 151	- 276	+ 427
2002 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	- 759	- 247	+ 94	+ 517	- 341	- 512	- 278	- 234	+ 475	- 104	+ 580
Feb	- 2,647	- 1,889	- 1,499	- 1,296	- 390	- 758	- 278	- 480	- 504	- 87	- 416
Mar	- 1,916	- 1,174	- 889	- 850	- 285	- 742	- 278	- 464	+ 33	- 41	+ 74
Apr	- 2,640	- 1,915	- 1,754	- 1,712	- 161	- 725	- 278	- 447	- 123	- 70	- 53
May	- 2,390	- 1,476	- 1,647	- 1,565	+ 171	- 914	- 278	- 636	+ 156	- 90	+ 246
June	- 2,620	- 1,771	- 1,725	- 1,519	- 46	- 849	- 278	- 571	+ 118	- 116	+ 234

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				
				Q3	Q4	Q1	Q2	Apr	May	June
I. Net German investment abroad (Increase/capital exports: -)	- 355,670	- 270,851	- 258,451	- 93,592	- 26,547	- 95,947	- 64,914	- 25,918	- 20,320	- 18,676
1. Direct investment ¹	- 60,030	- 36,314	- 28,700	- 16,437	- 6,256	- 16,036	+ 12,714	+ 3,036	+ 4,138	+ 5,541
Equity capital	- 59,125	- 61,618	- 46,821	- 12,158	- 5,102	- 7,471	- 1,479	+ 87	- 759	- 807
Reinvested earnings ²	+ 1,671	+ 13,949	- 2,630	- 652	- 661	-	-	-	-	-
Credit transactions of German direct investors	+ 3,281	+ 16,360	+ 27,883	- 1,578	+ 1,727	- 6,787	+ 15,978	+ 3,635	+ 5,551	+ 6,792
Other capital	- 5,857	- 5,005	- 7,132	- 2,050	- 2,220	- 1,778	- 1,785	- 686	- 654	- 444
2. Portfolio investment	- 203,368	- 129,559	- 69,036	- 8,305	- 9,436	+ 5,562	- 20,131	+ 4,485	- 9,432	- 15,185
Equities ³	- 102,252	- 15,614	- 5,330	+ 6,440	- 5,448	+ 14,707	- 731	+ 12,138	- 3,165	- 9,704
Investment fund certificates ⁴	- 32,516	- 19,701	- 6,784	- 1,275	- 576	- 3,100	- 51	+ 200	- 325	+ 73
Bonds and notes ⁵	- 70,251	- 95,098	- 50,806	- 10,521	- 7,185	- 9,616	- 21,003	- 9,690	- 7,240	- 4,073
Money market instruments	+ 1,651	+ 853	+ 6,116	- 2,949	+ 2,622	+ 3,571	+ 1,653	+ 1,837	+ 1,298	- 1,482
3. Financial derivatives ⁶	- 5,490	+ 6,278	- 533	- 3,838	+ 340	+ 2,865	- 2,036	- 3,912	- 270	+ 2,146
4. Credit transactions	- 84,596	- 109,871	- 158,634	- 64,670	- 10,909	- 87,752	- 54,820	- 29,176	- 14,654	- 10,990
Credit institutions ⁷	- 101,533	- 130,648	- 130,536	- 45,819	- 30,296	- 74,254	- 66,528	- 20,722	- 34,680	- 11,126
Long-term	- 40,156	- 47,636	- 31,790	- 4,224	- 9,514	- 11,479	- 8,019	- 3,120	- 5,750	+ 851
Short-term	- 61,378	- 83,012	- 98,746	- 41,595	- 20,782	- 62,774	- 58,509	- 17,602	- 28,930	- 11,978
Enterprises and individuals	- 5,116	- 19,217	+ 744	+ 4,698	+ 18,746	- 17,690	- 8,335	- 10,454	- 1,354	+ 3,473
Long-term	+ 91	- 1,857	+ 400	+ 93	- 384	- 756	- 635	- 167	- 250	+ 217
Short-term ⁷	- 5,207	- 17,360	+ 1,144	- 4,791	+ 19,130	- 16,934	- 7,701	- 10,287	- 1,104	+ 3,690
General government	- 19,920	+ 15,980	+ 7,168	+ 4,249	- 368	+ 950	- 547	+ 541	- 1,326	+ 239
Long-term	- 1,079	+ 257	+ 218	+ 61	+ 14	+ 309	- 5	+ 6	- 62	+ 50
Short-term ⁷	- 18,841	+ 15,723	+ 6,950	+ 4,310	- 382	+ 641	- 541	+ 534	- 1,264	+ 189
Bundesbank	+ 41,972	+ 24,015	- 36,010	- 18,402	+ 1,009	+ 3,242	+ 20,590	+ 1,460	+ 22,706	- 3,575
5. Other investment ⁸	- 2,185	- 1,385	- 1,549	- 341	- 287	- 588	- 641	- 351	- 102	- 188
II. Net foreign investment in Germany (Increase/capital imports: +)	+ 391,974	+ 249,433	+ 172,348	+ 74,101	- 20,668	+ 79,998	+ 35,660	+ 20,271	+ 10,199	+ 5,191
1. Direct investment ¹	+ 218,184	+ 23,990	+ 35,635	+ 2,305	+ 5,655	+ 8,454	+ 9,107	+ 313	+ 386	+ 8,407
Equity capital	+ 121,532	+ 30,089	+ 26,985	+ 2,576	+ 1,754	+ 9,064	+ 2,406	+ 648	+ 1,350	+ 408
Reinvested earnings ²	- 5,839	- 17,513	- 8,379	- 2,098	- 2,091	- 900	- 900	- 300	- 300	- 300
Credit transactions of foreign direct investors	+ 102,826	+ 11,558	+ 17,225	+ 1,924	+ 6,034	+ 385	+ 7,653	- 6	- 650	+ 8,310
Other capital	- 335	- 143	- 197	- 97	- 41	- 96	- 53	- 29	- 13	- 10
2. Portfolio investment	+ 47,583	+ 156,175	+ 105,998	+ 41,564	- 2,894	+ 30,557	+ 27,506	+ 5,901	+ 9,326	+ 12,279
Equities ³	- 35,923	+ 88,638	+ 16,844	- 428	+ 2,533	- 2,580	+ 2,345	- 1,177	- 2,388	+ 5,911
Investment fund certificates	+ 11,000	+ 1,105	- 241	+ 975	- 1,271	- 901	- 58	+ 14	- 83	+ 12
Bonds and notes ⁵	+ 73,955	+ 81,246	+ 79,231	+ 24,075	- 563	+ 22,682	+ 24,817	+ 6,698	+ 7,433	+ 10,686
Money market instruments	- 1,450	- 14,815	+ 10,164	+ 16,942	- 3,593	+ 11,355	+ 401	+ 367	+ 4,364	- 4,330
3. Credit transactions	+ 125,945	+ 69,221	+ 30,641	+ 30,191	- 23,422	+ 40,983	- 975	+ 14,035	+ 484	- 15,494
Credit institutions ⁷	+ 115,294	+ 54,341	+ 28,321	+ 28,422	- 19,544	+ 41,251	- 502	+ 13,564	+ 1,160	- 15,226
Long-term	+ 15,665	+ 4,425	+ 18,247	+ 5,534	+ 3,244	- 3,099	- 158	- 1,675	+ 2,839	- 1,322
Short-term	+ 99,629	+ 49,916	+ 10,075	+ 22,888	- 22,786	+ 44,350	- 344	+ 15,239	- 1,679	- 13,904
Enterprises and individuals	+ 9,711	+ 11,412	+ 3,334	+ 1,506	- 3,083	- 2,278	- 2,184	+ 658	- 1,945	- 897
Long-term	+ 4,014	+ 11,351	+ 5,142	+ 1,472	+ 1,444	- 6,014	+ 775	- 319	+ 553	+ 540
Short-term ⁷	+ 5,698	+ 61	- 1,807	+ 34	- 4,527	+ 3,736	- 2,959	+ 976	- 2,499	- 1,437
General Government	+ 526	+ 837	- 1,667	- 466	+ 12	+ 313	+ 1,683	+ 1,246	+ 436	+ 1
Long-term	- 372	- 217	- 112	+ 541	- 159	+ 3,407	- 138	- 94	- 99	+ 55
Short-term ⁷	+ 898	+ 1,054	- 1,555	- 1,007	+ 171	- 3,094	+ 1,821	+ 1,340	+ 535	- 54
Bundesbank	+ 414	+ 2,631	+ 653	+ 728	- 809	+ 1,697	+ 28	- 1,432	+ 832	+ 628
4. Other investment	+ 263	+ 47	+ 74	+ 42	- 8	+ 5	+ 22	+ 21	+ 3	- 1
III. Balance of all statistically recorded financial movements (Net capital exports: -)	+ 36,305	- 21,419	- 86,103	- 19,490	- 47,215	- 15,950	- 29,254	- 5,647	- 10,122	- 13,485

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)
	Total	Monetary reserves				Loans and other claims on non- residents ³	Total	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)	
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 residents in other EMU member countries	Liabilities to non- residents ³	Net external position of the Bundesbank (col.1 less col.9)		
	Total	Monetary reserves				Other claims on non-euro- area residents ^{1 3}				Claims within the Eurosystem (net) ²	
		Total	Gold and gold receivables	Reserve position in the Inter- national Monetary Fund and special drawing rights	Foreign currency reserves						
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	8,752	67,396	
2002	103,948	85,002	36,208	8,272	40,522	312	18,466	167	9,005	94,942	
2002 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	
Mar	98,240	82,530	34,100	8,348	40,083	312	14,908	490	10,599	87,641	
Apr	93,702	79,453	33,442	8,123	37,888	312	13,496	441	9,126	84,575	
May	70,456	78,904	34,252	7,871	36,781	312	–	9,216	455	60,638	
June	73,550	78,425	33,435	8,292	36,698	312	–	5,663	476	63,014	
July	90,714	79,218	34,759	8,289	36,170	312	10,710	474	10,375	80,339	

° 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 Eurosystem. 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 Eurosystem. — 3 See footnote 2. — 4 Euro opening balance sheet of the Bundesbank as at January 1, 1999.

X. Foreign trade and payments

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

1999 Q1 = 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	95.8	96.6	95.8	97.8	98.0	97.6	100.8	102.3	102.2	98.3	105.1	
2000	85.7	86.3	88.2	86.0	91.8	92.6	91.0	105.4	105.2	103.6	96.8	117.9	
2001	87.3	88.6	91.0	87.7	92.1	93.0	91.3	112.0	103.6	100.5	100.5	106.7	
2002	90.0	92.5	95.6	91.7	p 93.4	94.0	92.5	110.7	104.2	98.7	104.9	100.8	
1998 Q1	98.8	98.8	92.6	96.4	99.3	99.8	98.7	103.2	104.5	107.3	100.1	92.5	
Q2	100.2	100.1	94.2	97.4	100.6	100.7	99.1	104.8	104.8	106.5	98.5	86.8	
Q3	102.5	102.5	97.8	100.3	101.6	102.1	101.0	106.3	104.1	102.0	99.4	83.7	
Q4	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 Q1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Q2	96.1	96.0	96.5	96.0	98.5	98.3	97.8	102.8	102.8	103.5	98.6	99.0	
Q3	94.6	94.7	95.5	94.7	97.2	97.8	97.2	101.4	102.3	102.3	97.7	106.2	
Q4	92.2	92.2	94.2	92.6	95.5	95.9	95.5	99.1	104.1	102.8	96.7	115.2	
2000 Q1	89.0	89.5	91.1	89.3	93.6	94.8	93.5	101.5	106.4	104.9	95.1	114.9	
Q2	86.0	86.4	88.4	86.4	92.1	92.5	91.2	104.3	105.4	103.7	96.5	118.4	
Q3	84.8	85.4	87.3	85.1	91.4	92.1	90.3	106.2	103.9	104.1	97.2	119.2	
Q4	83.0	83.8	85.9	83.4	90.2	91.0	89.1	109.4	105.0	101.6	98.2	119.2	
2001 Jan	89.2	89.9	91.7	88.6	.	94.0	92.2	107.7	102.4	102.7	100.0	108.3	
Feb	88.3	89.1	91.0	88.1	92.8	93.9	92.1	108.8	102.0	101.6	99.2	109.9	
Mar	88.4	89.4	91.4	88.4	.	93.6	91.9	111.5	102.9	99.7	99.3	106.0	
Apr	87.6	88.8	91.0	88.0	.	93.1	91.4	113.0	103.7	100.0	99.4	104.9	
May	85.9	87.2	89.3	86.2	91.5	92.4	90.4	113.1	104.3	101.3	98.3	107.5	
June	84.7	86.0	88.1	85.0	.	91.9	89.8	114.1	104.4	102.7	98.5	108.3	
July	85.4	86.8	89.1	85.9	.	92.7	90.7	114.3	104.9	102.5	99.5	105.8	
Aug	87.7	89.0	91.8	88.3	91.7	93.4	91.9	111.6	103.0	101.1	100.4	106.4	
Sep	88.0	89.3	92.6	89.0	.	93.1	91.9	110.7	103.8	99.1	102.2	108.2	
Oct	88.0	89.6	92.8	89.1	.	92.7	91.5	111.8	103.7	99.0	103.0	106.2	
Nov	86.8	88.4	91.3	87.6	92.3	92.0	90.5	113.3	104.0	97.8	103.4	106.3	
Dec	87.7	89.8	91.9	88.5	.	93.5	91.7	114.1	104.3	99.0	103.3	102.1	
2002 Jan	87.6	90.0	91.6	88.1	.	93.6	91.4	116.4	104.9	97.9	103.3	98.3	
Feb	86.8	89.0	91.1	87.4	92.3	93.3	90.9	117.3	105.3	98.5	102.7	98.2	
Mar	86.8	89.3	91.3	87.8	.	93.2	90.8	116.1	104.6	98.7	103.4	99.8	
Apr	87.2	89.7	91.7	88.1	.	92.7	90.4	115.3	105.2	99.0	103.8	99.4	
May	88.6	91.1	93.7	89.9	93.0	93.2	91.3	112.0	103.5	100.4	105.1	101.2	
June	90.6	93.2	96.4	92.5	.	94.2	92.7	109.0	101.9	101.0	104.9	101.7	
July	91.7	94.4	98.2	94.2	.	95.2	94.4	106.0	103.5	99.4	106.0	104.3	
Aug	91.1	93.6	97.7	93.5	p 94.0	94.5	93.6	107.3	103.5	98.0	105.7	104.3	
Sep	91.2	93.8	98.0	93.7	.	94.1	93.2	107.6	104.7	97.7	105.6	102.5	
Oct	91.7	94.3	98.5	94.2	.	94.0	93.3	108.5	105.0	97.6	105.8	99.8	
Nov	92.5	95.1	99.3	94.6	p 94.4	94.0	93.1	106.8	104.3	97.7	106.1	100.8	
Dec	93.6	96.7	100.4	96.0	.	95.6	94.7	106.0	104.0	98.3	106.5	99.6	
2003 Jan	95.8	98.8	103.0	98.1	.	96.3	95.7	103.0	102.6	98.8	107.9	100.4	
Feb	97.1	100.2	104.4	99.4	p 96.2	97.0	96.5	102.2	101.2	100.5	108.0	99.2	
Mar	97.9	101.2	105.1	100.2	.	97.0	96.5	101.4	99.3	103.0	108.1	99.8	
Apr	98.6	102.1	105.2	100.3	.	96.8	96.2	101.4	98.7	104.1	106.4	98.6	
May	102.5	106.0	109.1	103.8	p 98.0	98.3	97.7	96.7	96.9	109.0	106.5	97.7	
June	102.7	106.5	109.3	104.0	.	98.7	98.0	96.1	98.9	111.2	104.9	96.3	
July	101.4	105.2	107.8	102.5	.	98.5	97.4	97.8	98.5	109.5	103.9	97.3	

* 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 the change in the weighting scheme, effective exchange rate data as from January 2001 are not fully comparable with earlier data. Where consumer prices were not yet available, estimates have been used. For details of the methodology 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, Russian Federation, 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

Monthly Report

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

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

April 2003

- The development of public finances in Germany following qualification for European monetary union
- The development of bank deposits in Germany
- German enterprises’ profitability and financing in 2001
- Financial sanctions: legal framework and implementation in Germany

May 2003

- The economic scene in Germany in spring 2003

June 2003

- The debate on deflationary risks in Germany
- Overall financial flows in 2002
- The development of German enterprises’ international capital links between end-1998 and end-2001
- German results of euro-area bank lending survey
- Monetary policy: how relevant are other policy-makers? Bundesbank Spring Conference 2003

July 2003

- Economic and monetary policy cooperation between the EU and the acceding countries following the signature of the accession treaty
- The state of public finance in the EU acceding countries
- Financial markets in central and east European countries before accession to the EU
- Reports from the Economic Research Centre

August 2003

- The economic scene in Germany in summer 2003

Statistical Supplements to the Monthly Report¹

- 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)

Special Publications

The monetary policy of the Bundesbank,
October 1995²

Makro-ökonomisches Mehr-Länder-Modell,
November 1996³

Europäische Organisationen und Gremien im Be-
reich von Währung und Wirtschaft, May 1997³

Die Zahlungsbilanz der ehemaligen DDR 1975 bis
1989, August 1999³

The market for German Federal securities,
May 2000

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

Bundesbank Act, September 2002

Die Europäische Wirtschafts- und Währungsunion,
December 2002³

Weltweite Organisationen und Gremien im Bereich
von Währung und Wirtschaft, March 2003³

Special Statistical Publications

- 1 Banking statistics guidelines and customer clas-
sification, January 2003^{4,5}

2 Bankenstatistik Kundensystematik Firmenver-
zeichnisse, June 2003^{3,6}

3 Aufbau der bankstatistischen Tabellen,
January 2000³

4 Financial accounts for Germany 1991 to 2001,
September 2002⁵

5 Annual accounts of west German enterprises
1971 to 1996, March 1999¹

6 Ratios from annual accounts of German enter-
prises between 1998 and 2000, March 2003³

7 Erläuterungen zu den Leistungspositionen der
Zahlungsbilanz, September 2001³

8 Balance of payments statistics of the Fed-
eral Republic of Germany, 2nd edition,
February 1991^o

9 Securities deposits,
August 2002

10 International capital links,
June 2003¹

11 Balance of payments by region,
August 2002

12 Technologische Dienstleistungen in der Zah-
lungsbilanz, May 2002³

^o Not available on the internet.

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

² Also available in French, Spanish, Russian and Chinese.

³ Available in German only.

⁴ 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.

⁵ Current version only available on the internet at half-
yearly intervals.

⁶ Current version only available on the internet at quar-
terly intervals.

Discussion papers by the Economic Research Centre

February 2003	05/03
A comparison of dynamic panel data estimators: Monte Carlo evidence and an application to the investment function	
March 2003	06/03
A Vectorautoregressive Investment Model (VIM) and Monetary Policy Transmission: Panel Evidence from German Firms	
March 2003	07/03
Die internationale Integration der Geldmärkte in den mittel- und osteuropäischen Beitrittsländern: Abweichungen von der gedeckten Zinsparität, Kapitalverkehrskontrollen und Ineffizienzen des Finanzsektors	
March 2003	08/03
Die internationale Integration der Devisenmärkte in den mittel- und osteuropäischen Beitrittsländern: Spekulative Effizienz, Transaktionskosten und Wechselkursprämien	
March 2003	09/03
Determinants of German FDI: New Evidence from Micro-Data	
March 2003	10/03
On the Stability of Different Financial Systems	
April 2003	11/03
Determinants of German Foreign Direct Investment in Latin American and Asian Emerging Markets in the 1990s	

June 2003 12/03
Active monetary policy, passive fiscal policy and the value of public debt: some further monetary arithmetic

June 2003 13/03
Bidder Behavior in Repo Auctions without Minimum Bid Rate: Evidence from the Bundesbank

June 2003 14/03
Did the Bundesbank React to Stock Price Movements?

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

Banking legislation

- 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 2001³
- 2a Grundsatz I über die Eigenmittel der Institute, January 2001³
- 2b Grundsatz II über die Liquidität der Institute, August 1999³
- 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

For footnotes, see p 79*.