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Commentaries

Economic conditions

Industry

The perceptible upward trend in industrial business activity continued throughout the period under review. Seasonally and working-day adjusted output in May, the latest month for which statistics have been published, increased by 1½% on the month. Taken together, April and May outperformed the first quarter by 1% on average. Although the pace of industrial output was somewhat less rapid recently than in the second half of 2005, it was higher than in the first quarter, when output rose by ½%.

Industrial output

There has also been a noticeable rise in demand for industrial goods in the past few months. Having cleared its strike-related reporting backlog, the Federal Statistical Office has now published the first robust data for February and the following months. As can now be seen, new orders in the first quarter of 2006 increased by a seasonally and working-day-adjusted 1½% on the final quarter of 2005. The average increase in April and May was similarly high. While export orders remained strong, the intake of domestic orders was also tending to pick up. Overall, new orders were up 12¼% on the year, compared with 10½% in the first quarter.

Demand

The seasonally adjusted value of exports of goods in May fell by 1½% on the month. However, nominal imports of goods dropped even more sharply by 2¾%. This resulted in a further increase in the trade surplus. The real trade surplus grew even more steeply when

Foreign trade

Economic conditions in Germany *

Seasonally adjusted

Period	New orders (volume); 2000 = 100			
	Industry 1			Con- struction
	Total	Domestic	Foreign	
2005 Q3	110.3	99.2	124.2	75.6
Q4	114.0	101.0	130.2	76.0
2006 Q1	115.7	100.9	134.2	72.7
Mar	113.7	101.0	129.6	73.4
Apr	118.3	103.5	136.9	76.6
May	116.9	105.5	131.1	...
Period	Output; 2000 = 100			
	Industry 2			Con- struction
	Total	of which		
		Inter- mediate goods	Capital goods ³	
2005 Q3	107.0	107.4	111.6	77.1
Q4	108.8	109.5	113.4	77.9
2006 Q1	109.4	109.8	115.6	72.9
Mar	109.2	109.9	115.2	68.2
Apr	109.8	110.8	114.1	80.3
May	111.5	112.3	117.2	82.9
Period	Labour market			
	Em- ployed ⁴	Vacancies	Un- employed	Un- employ- ment rate in % ⁵
	Number in thousands			
2005 Q4	38,773	493	4,744	11.4
2006 Q1	38,755	472	4,702	11.3
Q2	...	507	4,602	11.0
Apr	38,765	485	4,674	11.3
May	38,801	506	4,591	11.0
June	...	531	4,542	10.9
Period	Import prices	Producer prices of industrial prod- ucts ⁶	Con- struction prices ⁷	Con- sumer prices
2005 Q4	103.9	112.7	103.0	109.3
2006 Q1	105.2	114.8	103.7	109.3
Q2	...	...	104.4	110.1
Apr	106.8	116.5	.	109.9
May	107.1	116.6	.	110.0
June	...	...	.	110.3

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

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the price increases, especially in imports, are taken into consideration.

Construction

After adjustment for seasonal and working-day variations, construction output grew once again in May. This indicates a continuing return to normal production after the severe weather-related decline during winter. Taken together, April and May outperformed the weak first quarter by 12%. Growth was up by no less than 4¾% on the final quarter of 2005. In May the year-on-year increase went up to 7½%. In April there was a strong increase in new orders, too, particularly in housing construction. Likewise, public sector customers placed a significantly larger number of orders than in the previous quarter. The trend towards stabilisation in the construction industry thus remained on course.

Economy as a whole

The available data indicate that the cyclical upturn in the German economy continued in the second quarter. Growth in real gross domestic product (GDP), after adjustment for seasonal and working-day variations, is likely to have shown a noticeable improvement on the first quarter, when output grew by 0.4%. The positive overall result was driven by industry and particularly construction where business was substantially better than in the winter months, when cold weather had depressed activity. Along with construction investment, expenditure on machinery and plant is also likely to have risen, thus making investment the main driver of growth in the

GDP

second quarter. In addition, the external sector can also be assumed to have made a positive contribution to growth. Although real exports of goods largely remained at the first quarter's high level, imports of goods probably decreased slightly in real terms. Spending by foreign visitors in connection with the football World Cup, which is recorded as exports of services in the national accounts, may have also provided an additional temporary stimulating effect. Following the positive first few months of the year, private consumption is likely to have continued improving at a moderate pace. A slight decline in classical retail purchases was offset by a greater number of car purchases and improved demand for services.

Labour market

Employment

There were signs of a gradual improvement in the labour market in May. According to initial estimates by the Federal Statistical Office, the seasonally adjusted number of persons in work rose to 38.8 million. This was 36,000 more than in April and 49,000 more than in the previous year. The Federal Employment Agency's estimate of the number of employees subject to social security contributions, which was revised upwards for the first few months of the year, was 42,000 higher in April than in March, according to initial calculations. This means that, for the first time in over four years, there was no year-on-year decline. The number of part-time low-income workers (mini jobs) also increased by 250,000 in April. Government-assisted forms of employment also rose in June, especially casual work for social security recipients ("one-euro

jobs") and persons assisted by labour market reintegration grants.

According to Federal Employment Agency figures, there was a further decrease in registered unemployment in June. After adjustment for seasonal variations, 4.54 million persons were officially registered as unemployed. This was 49,000 fewer than in May and 380,000 fewer than in the same month last year. The unemployment rate fell from 11.0% in May to 10.9%.

Prices

Prices in the international energy markets remained at a very high level in June. At US\$70, the average June spot quotation for a barrel of Brent North Sea oil was only about US\$1 below the latest record high in May. The price rose yet again at the end of June and in early July; at the time this report went to press (6 July) the spot price was just over US\$73½. Mid-term (6-month) futures contracts were quoted at US\$½ above the spot rate, and long-term futures contracts (18 months) were quoted at US\$¼ below the spot rate. This shows that the market is still expecting prices to remain high in the long term, too.

*International
oil prices*

At the consumer level, seasonally adjusted prices rose by 0.3% in June compared with May. Energy, in particular, became more expensive. The prices of seasonal food products also rose more sharply than is usual at this time of year. The prices of some services are likely to have been affected by the football World Cup. There were obvious increases for

*Consumer
prices*

accommodation services, for example. Package holidays, on the other hand, were reduced somewhat. The prices of industrial goods declined slightly. Developments in housing rents remained moderate. Year-on-year consumer price inflation (CPI) increased by a total of 0.1 percentage point to 2.0%. The HICP inflation rate also stood at 2.0%.

Public finances¹

Local government finances

Favourable revenue trend reduces first-quarter deficit

According to recently published cash data for the first quarter of 2006, the generally positive trend in local government finances continued: the deficit declined year on year from €3½ billion to just over €2½ billion. This was due primarily to the sharp increase in revenue (+8%), which was largely a result of the continuing very steep rise (+19%) in net receipts from local business tax. The proceeds from asset sales and repayments of granted credits were also much larger again compared with their particularly low level at the beginning of the previous year. With regard to the funds received from other levels of government, reductions in the current grants dependent on state governments' tax receipts (-3%) and investment grants (-4%) from state governments were offset by larger payments from central government and state governments in connection with the Hartz IV reform.

Expenditure growth driven by increase in social benefits

Local government expenditure increased year on year, rising by almost 4½%. The main contributory factor here was the continued sharp rise in expenditure on social benefits

(+9%), which was due primarily to the increase in accommodation costs for recipients of unemployment benefit II (housing benefits, 29.1% of which are covered by central government). In contrast to what had happened in earlier quarters, expenditure on personnel was again down on the year (-1½%) after rising temporarily in some states, mainly as a result of the shifting of some responsibilities to the municipalities. By contrast, fixed asset formation again increased (+1½%), especially in Baden-Württemberg and Bavaria, whereas in eastern Germany it continued to decline (-9%).

The financial situation of the individual local authorities varies considerably. For example, the growth in revenue from local business tax is spread unevenly across the individual municipalities depending on the number of taxable enterprises located there and their profits, with the result that in many cases the financial situation remains very tense. Trends in indebtedness also point in this direction. Although debt incurred through regular budgetary borrowing declined quarter on quarter by almost €½ billion to just under €88½ billion, there was a further sharp rise of just under €2½ billion to almost €26½ billion in the case of cash advances, which are actually intended to be used only as a means of bridging short-term liquidity shortages. Starting from a relatively moderate level, the local authorities in Schleswig-Holstein more than

Further rise in cash advances confirms persistent budget difficulties in many local authorities

¹ In the short reports on public finances the emphasis is on recent outturns. The quarterly Monthly Reports (February, May, August and November), by contrast, contain a detailed description of and commentary on general government budget trends during the preceding quarter. Detailed statistical data on public finances are published in the Statistical Section of the Monthly Report.

doubled their debt through this form of borrowing, thereby incurring an increase that is far above average. However, by far the highest share of cash advances in local authority debt was recorded in Saarland (over 55%). In Saxony, Thuringia, Bavaria and Baden-Württemberg, by contrast, the corresponding ratio was below 5%.

Decline in deficit also possible in 2006

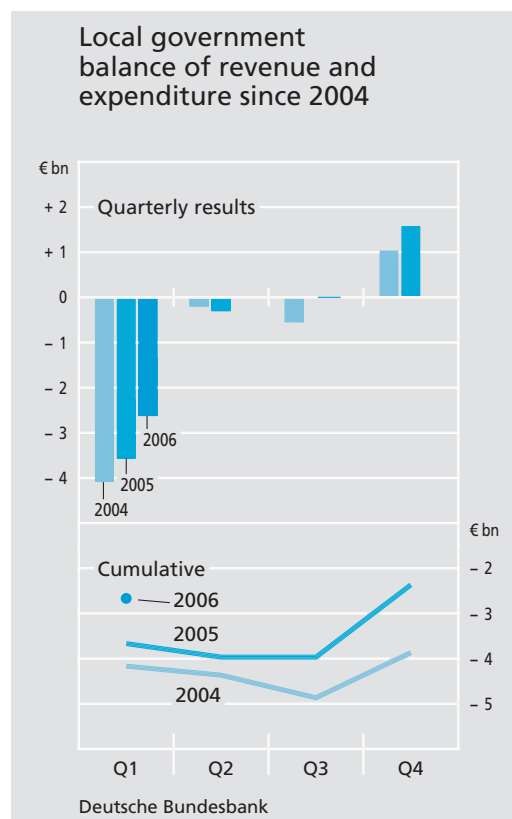
Even if the outturn of the first quarter can provide only a limited indication of developments during the year as a whole, a further decline in municipal deficits does seem possible in 2006. In addition to the expected significant rise in tax revenue, proceeds from selling off some of the municipal housing agencies will probably also play a part in this. While the effect on municipal budgets of the further rise emerging in expenditure on accommodation costs for the recipients of unemployment benefit II will still be noticeably cushioned this year by the central government share in housing benefit payments, the planned reduction in central government's participation laid down in the draft 2007 federal budget means that next year local government will have to face a further financial burden of approximately €2 billion.

Securities markets

Bond market

Sales of debt securities

Issuing activity in the German bond market picked up in May 2006. Domestic borrowers issued bonds to the gross value of €93.1 billion compared with €84.9 billion in the previous month. After taking account of redemp-



tions and changes in issuers' holdings of their own bonds and notes, net sales amounted to €34.0 billion after the volume of domestic bonds outstanding had remained unchanged on balance in April. Net sales of foreign bonds likewise increased and amounted to €14.8 billion, bringing the total amount of funds raised in May to €48.9 billion.

General government was the main issuer among domestic borrowers, adding €13.9 billion to its bonded debt. Central government accounted for €10.5 billion of this amount. In the long-term maturity segment, it issued ten-year and thirty-year bonds in the amount of €8.6 billion and €0.4 billion respectively. In the short-term maturity segment, it issued two-year Federal Treasury notes (Schätze) worth €0.7 billion and Federal

Public debt securities

Sales and purchases of debt securities

€ billion

Item	2005		2006	
	May	Apr	May	
Sales of domestic debt securities ¹	- 6.1	0.0	34.0	
of which				
Bank debt securities	1.2	- 4.1	12.1	
Public debt securities	- 9.6	1.5	13.9	
Foreign debt securities ²	5.5	7.9	14.8	
Purchases				
Residents	- 0.9	2.2	44.3	
Credit institutions ³	- 2.0	- 1.5	21.3	
Non-banks ⁴	1.0	3.7	23.0	
of which				
Domestic debt securities	- 5.6	- 2.4	15.5	
Non-residents ²	0.3	5.7	4.6	
Total sales/purchases	- 0.6	7.9	48.9	

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

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Treasury financing paper for €0.2 billion. Five-year Federal notes (Bobl) were sold for €1.0 billion net. State governments borrowed €3.5 billion on the bond market in May.

In May 2006, credit institutions issued own debt securities in the amount of €12.1 billion net after redeeming their own securities for €4.1 billion in the previous month. Specialised credit institutions made the largest contribution to this development, issuing debt securities to the net value of €7.3 billion. The volume of mortgage Pfandbriefe and public Pfandbriefe went up by €4.3 billion and €0.8 billion respectively. Other bank debt securities were redeemed for a net €0.3 billion.

Corporate bonds and commercial paper were issued for a total of €8.0 billion in May, the

highest level of net sales recorded in the past two years. Sales of corporate bonds with maturities of more than one year reached €4.9 billion (April: €2.9 billion); the volume of shorter-term commercial paper outstanding rose by €3.1 billion after having fallen by €0.4 billion in the preceding month.

Debt securities were purchased by domestic non-banks (€23.0 billion) and credit institutions (€21.3 billion). Domestic credit institutions increased their holdings of German government debt securities by €13.9 billion and purchased foreign bonds to the amount of €7.4 billion. Foreign investors added German bonds worth €4.6 billion to their portfolios.

Purchases of debt securities

Equity market

Issuing activity in the German equity market largely came to a halt in May. The market value of the issues reached €0.2 billion compared with €1.4 billion in April. Domestic sales of foreign equities reached €0.8 billion. Foreign investors bought German shares worth a total of €5.2 billion, while domestic investors reduced their holdings of domestic and foreign shares by €4.1 billion.

Sales and purchases of shares

Mutual fund shares

In May, specialised funds reserved for institutional investors accounted for most of the inflow of resources to domestic investment funds; share certificates worth €4.2 billion net were sold. The inflows and outflows recorded by investment funds open to the general public were roughly in balance; all in all, €0.3 billion was raised. In net terms,

Sales of mutual fund shares

Bank debt securities

€0.7 billion accrued to money market funds and €0.2 billion to bond-based funds, funds of funds and mixed funds respectively. Mixed security-based funds recorded inflows amounting to €0.1 billion net. By contrast, both share-based funds and open-end real estate funds recorded outflows of funds to the value of €0.5 billion. German investors sold foreign mutual fund shares in the amount of €1.7 billion on balance.

Purchases of mutual fund shares

Resident credit institutions invested €1.9 billion in domestic funds. Domestic non-banks invested €2.4 billion in domestic mutual fund shares but redeemed €1.9 billion worth of their foreign certificates on balance. In May 2006, foreign investors changed their holdings of German investment fund certificates only slightly; they invested €0.3 billion in domestic mutual fund shares.

Balance of payments

Current account

Germany's current account ran a surplus – in unadjusted terms – of €4.3 billion in May, compared with one of €7.0 billion a month earlier. The increase in the trade surplus was more than offset by the greater deficit on invisibles, which comprise services, income and current transfers.

Foreign trade

According to provisional figures from the Federal Statistical Office, the foreign trade surplus stood at €12.9 billion in May, up €1.7 billion on the month. After adjustment for seasonal and working-day variations, the surplus rose by €½ billion to just under €13 billion. At 2¾%, the value of imports of goods fell

Major items of the balance of payments

€ billion			
Item	2005	2006	
	May	Apr	May
I Current account			
1 Foreign trade 1			
Exports (fob)	63.5	69.9	72.6
Imports (cif)	51.5	58.6	59.7
Balance	+ 12.1	+ 11.2	+ 12.9
Memo item			
Seasonally adjusted figures			
Exports (fob)	64.7	72.4	71.3
Imports (cif)	52.0	60.0	58.4
2 Supplementary trade items 2	- 1.4	- 1.5	- 1.6
3 Services			
Receipts	9.7	11.1	11.7
Expenditure	11.9	12.2	13.2
Balance	- 2.3	- 1.1	- 1.6
4 Income (net)	- 0.8	+ 0.5	- 4.4
5 Current transfers from non-residents to non-residents	1.8 3.9	1.1 3.4	2.4 3.5
Balance	- 2.1	- 2.2	- 1.1
Balance on current account	+ 5.5	+ 7.0	+ 4.3
II Capital transfers (net) 3	+ 0.3	- 0.1	- 0.3
III Financial account (net capital exports: -)			
1 Direct investment	+ 0.6	- 9.7	+ 9.2
German investment abroad	- 0.5	- 9.3	+ 6.4
Foreign investment in Germany	+ 1.1	- 0.5	+ 2.8
2 Portfolio investment	+ 25.4	- 21.8	+ 1.4
German investment abroad	- 11.3	- 3.8	- 8.6
of which			
Equity	- 3.5	+ 4.7	+ 4.5
Bonds and notes 4	- 7.2	- 3.8	- 13.3
Foreign investment in Germany	+ 36.7	- 18.0	+ 10.0
of which			
Equity	+ 36.6	- 25.0	+ 5.2
Bonds and notes 4	+ 4.4	- 0.9	+ 4.2
3 Financial derivatives	- 1.1	- 1.4	+ 1.8
4 Other investment 5	- 16.6	+ 21.6	- 26.1
Monetary financial institutions 6			
of which			
Short-term	- 1.4	+ 14.8	+ 5.3
Enterprises and individuals	+ 5.2	+ 17.2	+ 12.6
General government	- 3.6	+ 3.3	- 2.3
Bundesbank	+ 5.1	- 0.8	- 10.3
Bundesbank	- 16.7	+ 4.3	- 18.9
5 Change in the reserve assets at transaction values (increase: -) 7	- 0.1	+ 1.5	- 1.1
Balance on financial account 8	+ 8.1	- 9.9	- 14.8
IV Errors and omissions	- 13.9	+ 3.0	+ 10.8

1 Special trade according to the official foreign trade statistics (source: Federal Statistical Office). — 2 Mainly warehouse transactions for account of residents and deduction of goods returned as well as goods under repair. — 3 Including the acquisition/disposal of non-produced non-financial assets. — 4 Original maturity of more than one year. — 5 Includes financial and trade credits, bank deposits and other assets. — 6 Excluding Bundesbank. — 7 Excluding allocation of SDRs and excluding changes due to value adjustments. — 8 Balance on financial account including change in the reserve assets.

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markedly more sharply than that of nominal exports of goods (-1½%). In the period from April to May, seasonally adjusted exports were nevertheless ¾% above the level of the first quarter. The ¼% average increase in the value of imports in the same period can be attributed to price effects alone.

Invisibles

The deficit on invisible current transactions went up by €4.3 billion on the month to €7.1 billion in May. The main reason for this was that, in the case of the cross-border income account, expenditure rose faster than revenue, giving a deficit of €4.4 billion in the income account in May, compared with a surplus of €0.5 billion in April. At the same time, the deficit on services rose by €0.5 billion to €1.6 billion. By contrast, the deficit on current transfers halved to €1.1 billion.

Direct investment

Direct investment resulted in net capital imports amounting to €9.2 billion in May (compared with outflows of €9.7 billion in April). These can be put down essentially to the operations of German enterprises (€6.4 billion). This mainly involved German parent companies borrowing (predominantly short-term) funds from their affiliates located abroad (€12.2 billion), while providing them with equity capital at the same time (€6.0 billion). Foreign enterprises transferred €2.8 billion net to their German affiliates, essentially in the form of short-term loans.

Portfolio investment

German cross-border portfolio investment resulted in slight net capital imports in May (€1.4 billion), compared with comparatively

large outflows of funds in April (€21.8 billion net). This can be attributed mainly to the investment of non-residents, who purchased German securities for €10.0 billion, after selling German paper – notably shares – for €18.0 billion in the previous month. In doing so, non-residents again acquired equities (€5.2 billion) and debt securities (€4.6 billion). In the case of interest-bearing securities, their preference was for longer-term paper issued by private borrowers. German investors added foreign securities worth €8.6 billion net to their portfolios. Whereas they increased their holdings of debt securities (€14.8 billion) – particularly bonds – they sold foreign shares (€4.5 billion) and mutual fund shares (€1.7 billion).

Other investment, which comprises loans and trade credits as well as bank deposits and other assets, resulted in outflows of funds of €26.1 billion net in the month under review. General government transferred €10.3 billion abroad, building up, among other things, their balances with foreign banks. Enterprises and individuals exported funds amounting to €2.3 billion net. The Bundesbank recorded an increase in its net external assets (excluding reserve assets) of €18.9 billion, essentially in connection with the large-value payment system TARGET. By contrast, domestic credit institutions acquired funds from abroad (€5.3 billion net).

Other investment

The Bundesbank's reserve assets rose – at transaction values – by €1.1 billion in May.

Reserve assets

Recent developments in German banks' lending to domestic enterprises and households

The amount of German banks' unsecured lending to the domestic non-bank sector has shown barely any increase over the past few years. This is especially true of loans to enterprises and self-employed persons, although employees' consumer credit and housing loans have increased only slightly as well. Ultimately, this development is a reflection of economic growth over the past few years, which has not only been weak but also heavily reliant on exports, and of the structural adjustment in the construction sector, a process that was set in train as long ago as the mid-1990s.

However, there are identifiable signs that lending has recently started to pick up again slightly in Germany. This is probably due mainly to the demand for loans having increased somewhat and, to a lesser extent, to banks having marginally eased their credit standards. The present report provides a detailed account of these recent trends. However, it also shows that the rise in the demand for bank loans is still quite limited. One key reason for this is that German enterprises are in a favourable position with regard to their liquidity and profitability, which allows them to use their own resources for much of their funding.

German banks' lending to the domestic private sector

Weakening of lending since 1990

In Germany, bank loans are of major importance for the economy as a whole since they have traditionally been by far the most significant source of external financing for domestic enterprises and households.¹ Bank loans account for around 40% of German non-financial corporations' debt; households are, in any case, indebted almost exclusively to domestic banks. Since 1991-92, however, growth in outstanding bank loans declined from an average of 10% to around 7% in the second half of the 1990s. Along with the progressive withdrawal of tax incentives related to the reconstruction of eastern Germany and the end of the construction boom in this area, there was a fall not only in the demand for mortgage loans but also in the financing requirement for business investments, which had initially been at a high level. The technology boom up to the end of the 1990s did sharply inflate the borrowing requirement of some sectors, however. The resulting deterioration in the balance sheet ratios, combined with the economic slowdown, forced enterprises to undertake radical consolidation measures in the years that followed, which also led to a marked decline in general investment activities. Together with the persistent problems of structural adjustment in the construction sector and households' poorer employment and income prospects, this noticeably depressed the demand for bank loans further.

The above-mentioned trends in the economy as a whole have been reflected to varying de-

grees in the credit demand of the individual sectors. While the economic upswing at the end of the 1980s and, in particular, the subsequent "reunification boom" led to a rapid rise in the demand for business loans and consumer credit, it was only after some time that housing loans picked up momentum, achieving their highest growth rates in the middle of 1994. Various tax incentives were introduced in the late 1980s and early 1990s to stimulate the construction of rented housing as well as the acquisition or modernisation of owner-occupied residential property. After these incentives were cut back, there was a marked slowdown in the growth of housing loans in the second half of the 1990s.² Like the general private sector demand for borrowed funds, housing loans did grow somewhat more rapidly for a time in 1999, but then the trend slowdown set in once again. Bank loans for commercial residential construction, in particular, lost a great deal of momentum during this period.

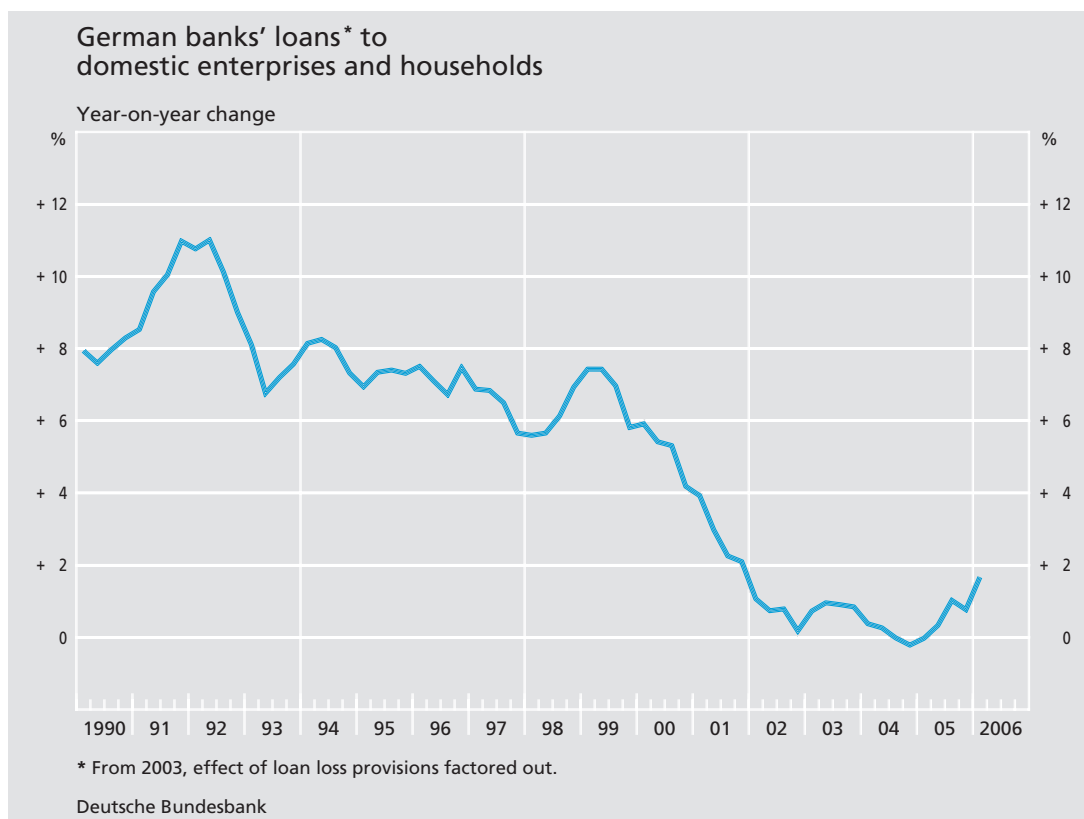
All in all, in fact, there has been a marked decline – in some cases in absolute terms – in loans to enterprises and self-employed persons in Germany during the past four years. All economic sectors have played a part in

Marked slowdown in demand for housing loans since the mid-1990s

Weak development of commercial loans on a broad basis

¹ See, for example, Deutsche Bundesbank, Investment and financing in 2005, Monthly Report, June 2006, pp 15-33.

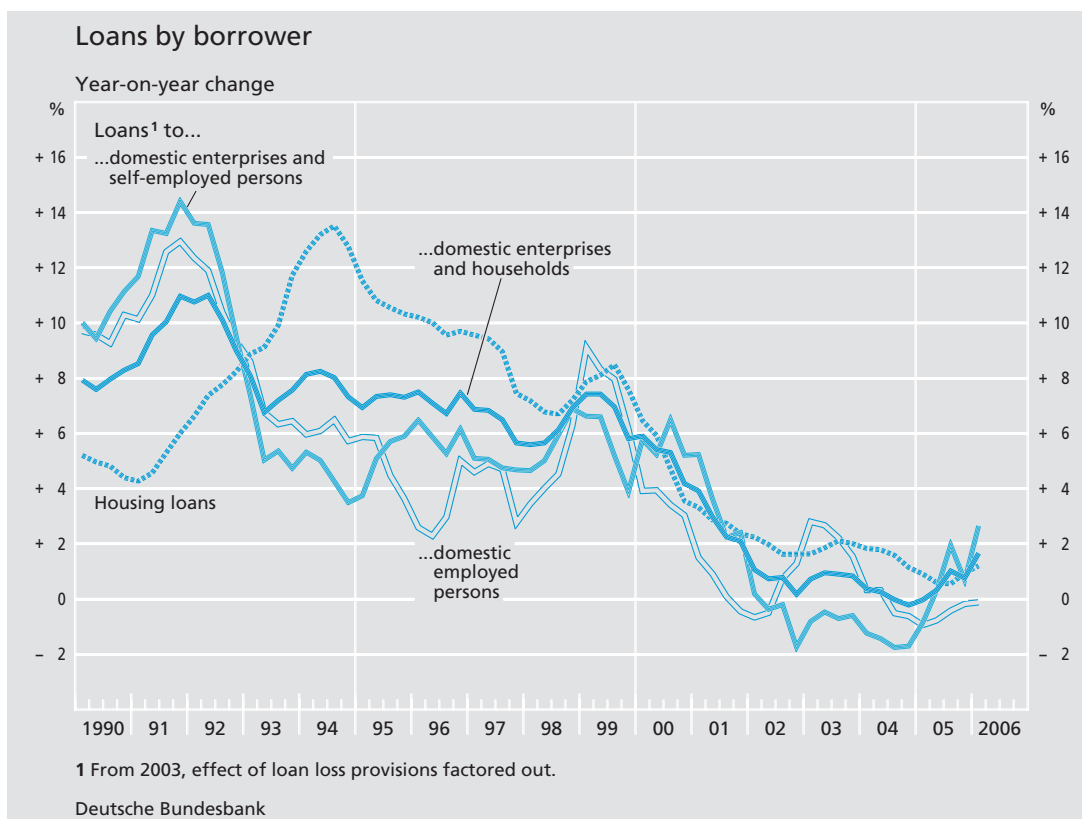
² The progressive withdrawal of tax incentives was often also associated with clear anticipatory effects on borrowing at the end of each year. Such an impact was apparent, for example, in the case of the changeover from a primarily income-tax-related promotion of residential property to a grant to homebuyers (also dependent on the number of children), which came into effect at the beginning of 1996. The limiting of the grant to homebuyers in the case of extensions scheduled for 1997 likewise resulted in a temporary marked increase in housing loans in the final quarter of 1996.



this development. Besides the construction sector, which, as mentioned earlier, was in a process of contraction from the mid-1990s up to last year and which has been steadily reducing its outstanding loans from domestic banks since 2001, manufacturing, too, has been running down its indebtedness to domestic credit institutions on a considerable scale in the past five years. Moreover, the wholesale and retail trade and the (statistically quite broadly defined) services sector (including the self-employed professions) have, on balance, been paying back loans from German banks over recent years. This has also been due to the lower financing requirements of housing enterprises and other real estate firms, which had benefited from the special boom in housing construction in the mid-1990s.

The weak growth of loans over the past four years is also apparent from the banks' perspective and has left its mark in the balance sheets of nearly all the major categories of banks. Commercial banks' loans to the private sector in Germany in March 2006 were only 5% up on their end-2001 level, for example. By contrast, from 1998 to 2001 they rose by just under 17½%. Nevertheless, it has been mainly growth in the big banks' lending that has been weak during the past four years; at the end of the period under review, it was almost 10½% down on its level at the end of 2001. By contrast, the other commercial banks (regional banks and branches of foreign banks) stepped up their lending to domestic enterprises and households by 24%, therefore more or less as sharply as in the period from 1998 to 2001.

Only minor loan growth for almost all categories of banks



In the case of the Landesbanks and savings banks, the increase during the past four years was likewise slight at 3½% and almost 4½% respectively, while the credit cooperatives expanded their lending to domestic enterprises and households by as much as 7%. This means that, compared with the period from 1998 to 2001, these three categories of banks also experienced a marked slowdown in the pace of growth of their loans to domestic private debtors. This is especially true of the Landesbanks, which had increased their lending by almost one-half between 1998 and 2001. The slowdown was less marked in the case of the credit cooperatives, however. Between 1998 and 2001, they had expanded their loans to domestic enterprises and households at only a comparatively moderate annual average rate of 3%, however.

Mainly short-term loans have been paid back in the past few years and, given the lower capital market rates, have been replaced in some cases by medium and long-term loans. In this way, borrowers have improved the quality of their financing structure and secured lower interest rates for longer periods. This development has been especially pronounced in the savings banks and credit cooperatives sector.

In the past few years, loan growth in Germany has been very slight not only from a historical perspective but also when compared with other euro-area countries. In the past three years, loans to the private sector in the euro area have increased at an average year-on-year rate of just over 8%. If the euro area is considered excluding Germany, the rate

German loan growth also weak in comparison with other euro-area countries

Lending to enterprises and households in Germany by category of banks

Annual percentage change, end-of-period levels ¹

Year	Commercial banks				Landesbanks		Savings banks		Credit cooperatives		Other banks	
	Big banks		Other commercial banks		Total	of which longer-term	Total	of which longer-term	Total	of which longer-term	Total	of which longer-term
	Total	of which longer-term	Total	of which longer-term								
1990	15.7	10.1	11.9	8.8	5.6	0.7	6.9	6.1	8.7	8.4	4.3	3.5
1992	3.6	8.5	9.5	13.3	8.4	10.3	10.1	10.5	10.1	10.6	10.6	11.0
1994	2.6	5.4	9.3	11.7	9.6	9.1	9.9	11.5	10.3	12.0	2.3	3.1
1996	8.1	9.4	8.5	8.8	8.8	7.3	6.5	7.4	6.5	7.8	8.2	8.2
1998	10.1	8.6	5.5	5.0	6.8	6.3	6.0	6.3	4.9	5.7	10.0	8.8
2000	2.2	2.6	6.5	5.5	6.4	4.7	4.1	3.6	3.0	3.2	4.5	5.0
2001	-2.0	-2.4	4.1	4.4	4.6	3.8	3.3	3.5	1.3	2.0	2.0	2.3
2002	-6.2	-3.2	3.0	6.7	1.5	1.8	1.8	2.3	1.1	2.0	-0.1	0.7
2003	-4.8	-5.6	4.0	7.3	0.2	0.3	1.7	2.7	1.4	2.8	2.1	1.1
2004	-4.3	-3.1	5.6	8.5	1.2	2.4	-0.1	1.0	1.5	2.8	-3.1	-2.3
2005 Q1	-2.0	-2.4	6.2	7.9	-0.8	1.3	0.0	0.7	1.5	2.5	-2.8	-2.7
Q2	0.5	-1.9	7.2	8.0	0.0	-0.6	0.0	0.9	1.4	2.6	-3.4	-3.2
Q3	3.1	-2.0	8.0	7.8	0.4	0.3	0.1	1.1	1.7	2.7	-2.8	-3.0
Q4	1.0	-0.9	7.8	8.8	-1.9	0.7	0.7	1.4	2.2	3.2	-2.3	-2.4
2006 Q1	4.4	-1.2	7.6	9.6	0.6	1.3	0.9	1.7	2.6	3.7	-2.2	-2.2

¹ Loans; from 2003, excluding the effect of loan loss provisions.

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was, in fact, 11½%. There was an increase, in particular, in housing loans (15½%) – a development to which the sharp increase in property prices in some euro-area countries is also likely to have contributed. In many other euro-area countries, however, loans to enterprises also expanded at a rapid pace. If Germany is excluded, they have grown at an average rate of 9½% in the past three years.

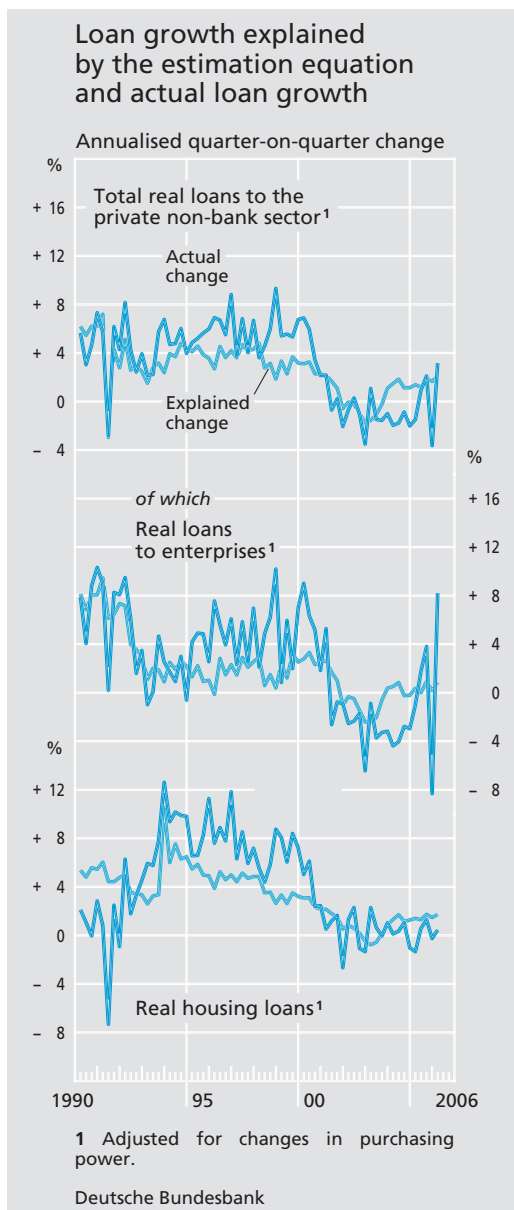
Determinants of loan development in Germany

The described situation as it has developed over the past few years has been perceived as a major concern by various commentators and, given German banks' unfavourable profitability, as a reflection of a particularly re-

strictive loan supply stance on the part of the banks. However, a more in-depth analysis including not only an econometric assessment but also the incorporation of other relevant indicators reveals that loan developments as a whole in Germany since 1970 and, in particular, the weakening of loan expansion in 2001 may be explained largely in demand-side terms.

In the empirical estimation approach, which is based on annualised rates of change, the explanatory variables used are the growth rate of real gross domestic product (GDP) as a general activity variable, the investment ratio as a rough measure of enterprises' need for external finance, and the spread between corporate and government bonds to capture

Estimation approach for determining loan development



the external finance premium as a risk premium.

Model provides good explanation of loan development

An obvious method of assessing current loan development is a comparison with the values forecast on the basis of the estimation equation. The chart above compares the annualised actual quarter-on-quarter rate of change in real loans with the projection resulting from the model.³ The estimated empirical re-

lationship appears to exist over a relatively long period. The times of upswings and downswings in lending are captured well by the model. This applies, for example, to the oil price shocks in the 1970s and the period of relatively high growth rates at the end of the 1980s. The downswing in loans starting in early 2001 is also indicated correctly by the model, however.

Compared with the values explained from within the model, loan growth over the past few years does appear to have been weak but not exceptionally low. Thus, the actual rate of loan growth in most quarters since 2001 has been below the projected growth rate of real loans, ie below the development explained by the aforementioned fundamentals. Nevertheless, the scale of this deviation is comparable to that of earlier deviations, such as in the period of sharply declining loan growth in 1974-75.

Loan growth in the past few years not exceptionally low

An analysis of the individual determinants of the low level of growth in the benchmark projection shows that the all-time low investment ratio, in which both enterprises' fixed investment and households' residential investment are combined, was a major cause of the weak loan development in the past few years. In addition, the external finance premium was also rather high in 2003-04. However, even after the spread had shown a marked decline again, loan development re-

Low investment ratio as major cause of subdued loan development

³ This forecast is a dynamic in-sample projection. This takes into consideration only the actual development of the explanatory exogenous macrovariables (GDP, investment ratio, spread) but not the lagged real growth in loans. The relevant projected values are used for the latter.

Estimation of loan equations in Germany

The following variables are taken into account as determinants of real private loan development (K): real gross domestic product (BIP) as a general activity variable, the investment ratio (I/BIP) as an approximation of the need for external financing, and the interest rate spread between corporate and government bonds (S) as a measure of the development of the risk premium. Using lagged values for the loan variables allows for any potential adjustment delays.

$$\Delta \ln K_t = a_0 + a_1 \Delta \ln BIP_t + a_2 (I/BIP)_t + a_3 S_t + a_4 (L) \Delta \ln K_{t-1} + \varepsilon_t \quad (1)$$

The estimation draws on seasonally adjusted quarterly data. The dependent variable is first-differenced, providing a closer approximation of current loan development. Hence, the rate of loan growth, $\Delta \ln K_t$, was calculated as the quarterly difference at the end of the quarter in the logarithmic real loan stocks and then annualised. A GDP deflator is used to deflate the variable. Real GDP growth compared with the previous quarter, $\Delta \ln BIP_t$, ie the difference between the logarithmic GDP in two consecutive quarters, was also annualised. The investment ratio, $(I/BIP)_t$, is defined as the ratio of nominal investment to nominal GDP.¹ The interest rate spread, S_t , denotes the difference between the yields for corporate and government bonds respectively. This can be used to gauge the level of the external finance premium which, in turn, reflects the severity of the problems associated with an information asymmetry between the borrower and the lending bank. The underlying assumption here is that a higher external finance premium is accompanied by an increase in the bank's perceived loan risk, thus implying higher lending costs for the borrower and restraining banks' lending. It appears that, by taking investments into account, the impact of the actual interest rate level on loan development has, indirectly, already been factored in. At all events, estimations of the model which include real capital market interest rates as an additional explanatory variable have not indicated that the interest rate level has a significant additional impact.

¹ As capital goods prices and the GDP deflator often indicate very different developments, using correspondingly deflated variables might mean that inaccurate conclusions are drawn regarding the demand for real loans. — ² * denotes significance at the 5% level. LM(1) test for serial cor-

In an OLS estimation of aggregated loans to the private sector for the period 1970 Q1 to 2006 Q1, all explanatory variables have the expected sign and, with the exception of the annualised rate of change in real lending (which is lagged by a quarter), all are statistically significant. According to these figures, real credit growth in Germany is positively dependent on real GDP growth and the investment ratio and negatively dependent on the spread.

In the sectoral estimation for corporate loans, GDP growth, the ratio of investment in machinery and equipment, $(IA/BIP)_t$, and the spread are significant. The development in loans for house purchase is determined by the ratio of investment in construction, $(IB/BIP)_t$, but also by GDP growth and the spread.

The explanatory power of all the estimation equations is comparatively high. In addition, the designated test statistics have not detected any misspecification in the model. Even so, there is a certain degree of uncertainty in the empirical results, which is reflected in fairly wide confidence intervals.

Determinants of real growth in loans to the private sector in Germany, 1970 Q1 to 2006 Q1²

Variable	Total loans	Corporate loans	Housing loans
$\Delta \ln BIP_t$	0.20 (0.06)*	0.27 (0.08)*	0.14 (0.06)*
I_t/BIP_t	0.05 (0.03)*		
IA_t/BIP_t		0.32 (0.11)*	
IB_t/BIP_t			0.05 (0.03)*
S_t	-0.37 (0.18)*	-0.44 (0.22)*	-0.35 (0.17)*
$\Delta \ln K_{t-1}$	0.11 (0.07)	0.04 (0.08)	0.24 (0.07)*
$\Delta \ln K_{t-2}$	0.29 (0.07)*	0.22 (0.08)*	0.39 (0.07)*
R^2	0.46	0.36	0.52
LM(1)	0.67	0.39	0.36
DW	1.91	2.04	2.08
RESET ³	0.32	0.34	0.21

relation (p-value). Dummies to remove outliers: 1971 Q1 and 1991 Q2 for total loans, 1970 Q1 and 1993 Q4 for housing loans. An outlier was removed from the spread variable in 2003 Q1. — ³ RESET denotes Ramsey's Regression Specification Error Test (p-value).

mained weak owing to the low investment ratio.

Analysis of loan development disaggregated by sector...

This empirical approach can be applied not only to overall lending but also largely to the loans to the most important private sector borrowers, ie loans to enterprises, which account for 40% of all loans to the domestic private non-bank sector, and to housing loans, which account for 50% of all loans. To do this, however, the aggregate investment ratio has to be replaced by a variable that is more appropriate to the loan aggregate in question, ie the ratio of investment in machinery and equipment in the case of loans to enterprises and the ratio of investment in premises in the case of housing loans.

... likewise illustrates the particular role of the relevant investment ratio

The weak growth in loans over the past few years can be even better explained by the results of such sectorally disaggregated estimations than in the context of the aggregated model which combines the entire corporate sector (including residential construction) and households. This applies particularly to housing loans, revealing the key relevance of historically low construction investment to the demand for construction finance. Much the same also applies to loans to enterprises and the multi-year weakness of investment. Overall, the sectoral analysis of loans to enterprises and housing loans, which cover as much as 90% of all loans, suggests that the growth in real loans predicted by the aggregated model for the first quarter of 2006 (roughly 2¼%) is, if anything, to be rated as rather high.

Possible causes of sluggish loan business in the past few years

Unfortunately, the estimated loan equations do not allow a precise separation of loan supply and loan demand factors. The reason for this is that the explanatory variables used cannot be unambiguously classified either as determinants solely of demand for borrowed funds or solely of the banks' supply of loans. Viewed less strictly, however, the GDP growth rate and the investment ratio are more likely to capture the loan demand side, while the spread tends to be assignable to the loan supply side. The fact that the estimations trace the sluggish loan business especially to the low investment ratio(s) therefore tends to point more towards weak loan demand and less towards restrictions on the supply of loans.

This judgement is largely supported by additional reference to a number of other indicators. For example, the majority of banks covered by the Bank Lending Survey for 2003 and 2004 reported a declining demand for bank loans, especially loans to enterprises. In this context, enterprises' comparatively minor need for external finance was regarded mainly as a consequence of their weak investment activity. Furthermore, favourable profitability in the past few years has contributed to non-financial corporations being able to cover the vast majority of their financing needs from internal resources. This was also reflected, for instance, in their moderate recourse to the capital market. In the past four years, they have raised around €31 billion in the capital market on an annual average. In the period

Weak loan demand or loan supply restrictions?

Bank Lending Survey points to German non-financial corporations' reduced need for external financing

from 1998 to 2001, the figure was more than three times as high per year.

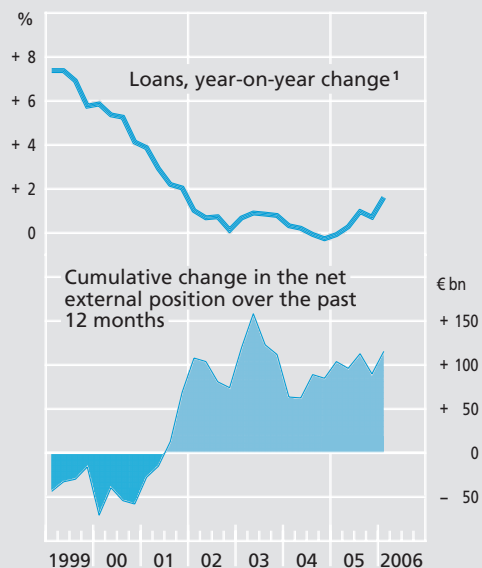
Inflows of resources from abroad curb need for domestic borrowing

Furthermore, sizeable funds from abroad have flowed into enterprises and households in the past few years. The net external asset position of the German banking system, in which the transactions of the domestic private sector with non-residents are recorded statistically, has shown mostly large inflows of funds in the past few years. At its peak, the cumulative increase in net external assets over 12 months amounted to €168 billion.⁴ Overall, the inflows of funds, taken by themselves, are likely to have not only promoted the liquidity holding of the private sector but also dampened borrowing domestically.

Loan securitisations have only minor impact on loan levels...

Finally, it should be pointed out that the weak loan development of the past few years has not been due to a sharp increase in securitisations or sales of loans. Both generally lead to a decline in the statistically recorded level of domestic banks' loans to domestic enterprises and households. However, the scale of such transactions has been too small to have made a crucial impact on credit developments in Germany over the past few years.⁵ For example, bank loans managed on the basis of issued asset-backed securities (ABS) – and only such loans continue to be recorded in the statistics after they have been securitised – account for no more than roughly ½ percentage point of all German banks' loans to domestic enterprises and households. This is especially the case as bank loans managed through ABS securitisations rose sharply in 1998-99, showed subdued growth in the following years and have been declining almost

Loans to enterprises and households and net external position of German banks



¹ From 2003, effect of loan loss provisions factored out.

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continuously since the second quarter of 2003. In any case, in the vast majority of cases it has been automotive banks that have been making use of ABS as a securitisation option in recent years. Overall, therefore, developments in the past few years cannot be used to determine a clear trend towards loan securitisation. The creation of Germany's own securitisation infrastructure by the 13 banks participating in the True Sale Initiative in 2004 means that the underlying conditions for

⁴ In addition to the "net external asset position" item shown in the consolidated balance sheet of the German banking system, this also covers German banks' net asset position vis-à-vis institutions in other euro-area countries, which forms part of "Other factors" in the consolidated balance sheet of the German banking system. The outcome of this is that the entire net external asset position of the German banking system is analysed.

⁵ Moreover, only true sale securitisations lower the statistically recorded credit level as loans remain in the originating bank's balance sheet if credit risks are synthetically securitised.

such transactions in Germany are now distinctly more favourable, however.

... and loan
sales

German banks' sales of loans in the past few years have also been too insignificant in terms of their quantity. If at all, sales of entire portfolios of loans were an important factor. Such portfolios include not only sound loans but also, above all, non-performing loans. However, as part of the nominal volume of these non-performing loans had already been written off as specific loss provisions – for which the underlying figures on German banks' lending used here have been adjusted – this effect is likely to have been relatively limited. It may be assumed that the statistically relevant overall level of such sales of problem loans in the past two and a half years has been well below €10 billion, thus covering less than ½% of the loans to domestic enterprises and households.

Bank Lending
Survey points
to temporary
worsening of
supply,
however

Nevertheless, indications from the Bank Lending Survey that German banks' lending policy has become somewhat stricter show that loan supply effects cannot be entirely ruled out. From the time the survey was introduced in January 2003, the responding institutions on balance reported a continuing supply-side tightening of their credit standards for corporate loans, which did not end until mid-2004. This trend was apparent across all size categories and maturities. The main reasons cited for this continuous tightening were the ongoing deterioration in the general economic outlook, the changed risk assessment of sector and firm-specific factors, and the decreasing value of the collateral.⁶ When the survey started, there was also a continuous

tightening of the credit standards for loans to households. Although this largely came to an end in the third quarter of 2003 in the case of consumer credit, it persisted until the second quarter of 2004 in the case of housing loans – in much the same way as with loans to enterprises. For retail customers, too, the reporting banks cited a worsening of the general economic outlook as the main reason for the supply-side tightening. As becomes clear from the surveyed institutions' margin policy, it was mainly more risky exposures that were affected. This may have been the result of banks' more risk-sensitive pricing, since the banks had had to cope with considerable write-downs from their loan portfolios.⁷

Despite these indications of loan supply effects, the indicators tend to suggest by and large that the sluggish lending of the past few years has been determined mainly by the demand side. Although the empirical evidence does not rule out German banks exercising a certain cyclical restraint in their lending, there has not been an exceptional restriction of lending to enterprises and households in the past few years.

*Conclusion:
sluggish
lending
probably due
mainly to
demand side*

⁶ Corporate insolvencies affecting, in particular, young enterprises, rose sharply, especially in 2001-03, although the number of corporate failures fell again afterwards.

⁷ For an initial empirical study on the determinants of German banks' lending behaviour based on the Bank Lending Survey, see H S Hempell, Credit constraints in the euro area? – Bankers' perceptions, Kredit und Kapital (forthcoming).

Outlook for loan developments in Germany

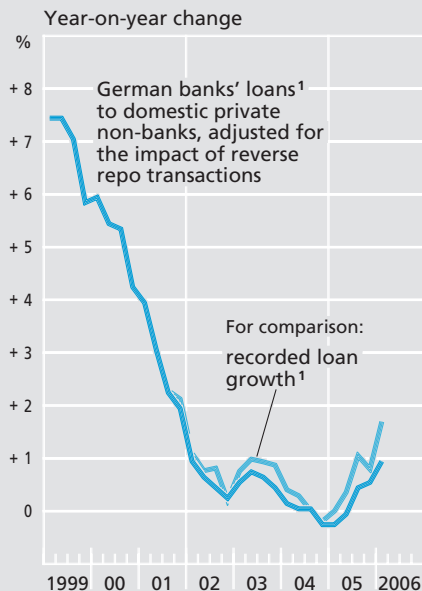
Slight acceleration in lending recently...

The most recent figures on lending in Germany now point to a slight acceleration in the expansion of private credit. At the end of the period under review, the year-on-year rate of unsecuritised lending to the domestic private sector was 1.9%. In the past few quarters, it has been mainly lending to enterprises and self-employed persons that has gathered pace. Housing loans were also picking up at the end of the period under review. The decline in consumer loans to employed persons has now come to a standstill.

... although this is biased upwards by money market operations between banks

When interpreting loan development, however, it should be borne in mind that, currently, the most important factor in the increase in loans to the domestic private sector is lending to non-monetary financial intermediaries (excluding insurance enterprises). This is due to short-term loans in connection with repo transactions (including securities repurchase agreements) between German banks and a large German securities trading house which, as the provider of an electronic trading platform, acts as the central counterparty in repo transactions between participants (usually banks). Since the start of 2005, such (reverse) repo transactions have been more in evidence. This has led not only to an increase in short-term loans to non-monetary financial intermediaries but also to an increase in the number of repo transactions with such customers.⁸ Excluding such transactions, which ultimately do not involve any flow of funds to the private non-bank sector, the growth rate of loans to the private sector in Germany is $\frac{3}{4}$

Impact of reverse repo transactions on domestic loan growth



¹ From 2003, effect of loan loss provisions factored out.

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percentage point lower, ie 1.2% in March 2006 rather than 1.9%. The (reverse) repo transactions are, furthermore, also responsible for the pronounced fluctuations in lending in the second half of 2005 and the first quarter of 2006.⁹

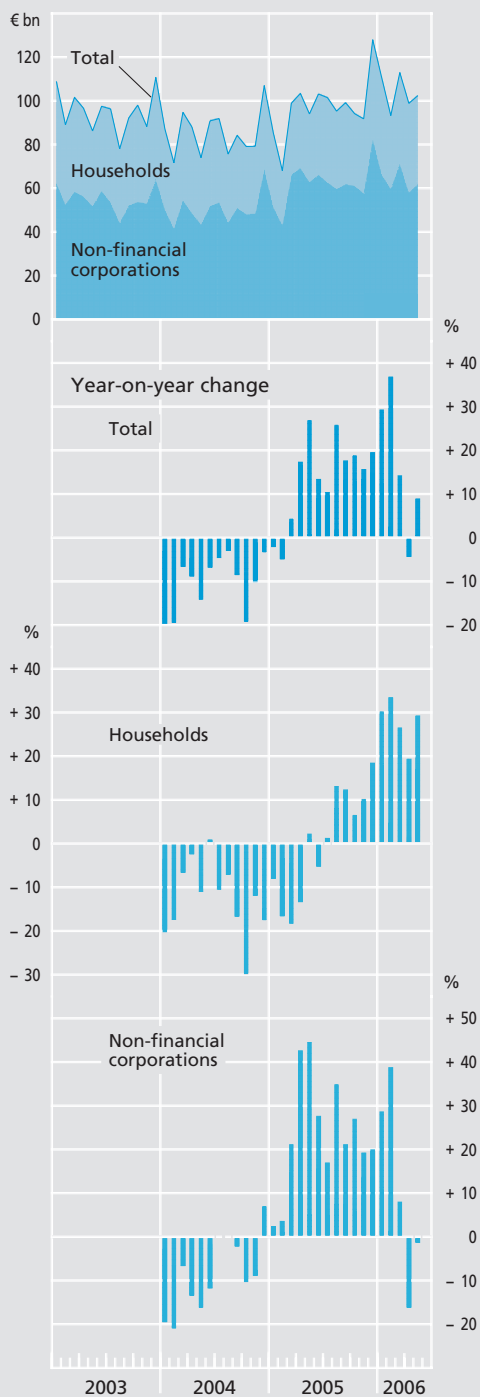
The monthly balance sheet statistics – especially after adjustment for the effects of the

Volumes of new business from the interest rate statistics...

⁸ As the electronic trading platform is used not only by German banks but also by foreign institutions and the German Finance Agency, the increase in short-term loans to non-monetary financial institutions associated with (reverse) repo transactions and the increase in the short-term repo deposits of such customers are not necessarily equally large.

⁹ Following a sharp rise in the associated short-term loans to non-monetary financial intermediaries in the third quarter of 2005, they were reduced markedly towards the end of 2005, probably for balance sheet reasons. They then increased again sharply in the first quarter of 2006. This is also shown in the sharp fluctuations of the seasonally adjusted annualised quarter-on-quarter rates in the chart on page 18.

German banks' new lending business* according to MFI interest rate statistics



* With households and non-financial corporations; excluding overdrafts.

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(reverse) repo transactions – point to no more than a slight acceleration in lending in Germany. By contrast, the figures of the MFI interest rate statistics on German banks' new lending business, which do not contain any loans to financial enterprises, show a much sharper increase. For example, total new loans by German banks as shown in the MFI interest rate statistics have been noticeably up on the year since as long ago as March 2005. Such monthly year-on-year comparisons are, by nature, very volatile, however (see the adjacent chart). Looking at the cumulative volumes of new business over 12 months, therefore, shows that of late they were almost 16½% up on the same period in the previous year.

However, these figures systematically overstate the actual flow of funds to the private sector (see the box on pages 26-27), especially as short-term loans are by far the most prevalent in new business. It is precisely in this segment that the relationship between new business and changes in stocks is crucially affected by the average interest rate fixation. Even a comparatively minor shortening of this period perceptibly increases the average transaction velocity of the loans and, thus, the reported new business without this implying a matching increase in the stock of loans. Added to this is the fact that banks' new business gives an inflated impression of the underlying net financing volume – especially in periods of longer-term debt consolidation when enterprises and households typically reduce their short-term debt and replace it with long-term loans, as has been the case in the past few years.

... difficult to interpret as they overstate the actual inflow of funds

*Developments
in types of
loans to
enterprises ...*

Despite the problems of interpretation, the data on new lending business can provide certain clues to the factors underlying the development of loans, however. They essentially confirm the impression gained from the balance sheet statistics: in the case of loans to enterprises, both short-term loans (up to one year) and long-term loans (more than five years) have increased much more sharply during the past 12 months than in the 12-month period from June 2004 to May 2005. The recorded increase in the comparatively favourable short-term fixed-rate loans to enterprises ought also to be seen as closely connected with the reduction in their overdrafts (which are not captured in the new business volumes of the interest rate statistics), whereas the long-term loans – during a turnaround in interest rates – are likely to have also benefited from further debt restructurings from shorter-term loans.

*... and new
lending
business with
households*

Up to now, new lending business with households has been driven mainly by housing loans, especially by those with a long interest fixation period. Their current slowdown suggests, however, that the sharp increase in volumes of new business since the third quarter of 2005 is likely to have also been influenced by the changes in assistance to homebuyers, the interest rate turnaround and the announced increase in value added tax. In the past 12 months, newly issued consumer loans have been only slightly higher than in the 12-month period up to and including May 2005.

Irrespective of this, the recent results of the Bank Lending Survey also point to a marginal

supply-side easing, especially in the case of loans to enterprises. According to the surveyed banks, the credit standards have been eased slightly across all maturities and size categories and the margins for average loans have been lowered again somewhat. In contrast to this, however, the margins for more risky exposures are still increasing slightly. Overall, however, the risk to banks that is associated with granting loans to enterprises appears to have declined of late. At least, the number of cumulative corporate insolvencies over 12 months and the associated exposure amounts have been falling for well over one and a half years.

At the same time, the institutions participating in the survey have reported a slight upturn in loan demand since the third quarter of 2005. In the case of loans to enterprises, this was initially attributed mainly to mergers, takeovers and corporate restructuring. In the meantime, debt restructuring and increased financing needs owing to greater fixed investment, larger inventories and more operating materials have contributed to a slight increase in demand. By contrast, the relaxed liquidity conditions and the sustained improvement in profitability owing, in particular, to exports continue, by themselves, to have a dampening impact on the demand for corporate loans.

The banks rate households' demand for loans as somewhat more restrained than that of enterprises. In the case of housing loans, the banks report that it was only at the end of 2005 that a marked rise in demand occurred owing to anticipatory effects linked to the im-

*According to
Bank Lending
Survey, certain
supply-side
easing of late*

*Increased
corporate
demand for
loans...*

*... but only
subdued
demand for
loans on the
part of
households*

New lending business according to the MFI interest rate statistics

In addition to the average interest rates of the individual loan categories, the corresponding business volumes of the banks (MFIs) for both outstanding amounts and new business are recorded and/or extrapolated for the German contribution to the euro-area MFI interest rate statistics. These volume data serve primarily to calculate the euro-area interest rates, which are determined as a volume-weighted average of the corresponding national rates.¹

This means that another indicator for assessing credit developments in Germany is available, the information content of which is looked at in more detail below. For this purpose, the new business volumes taken from the interest rate statistics are compared with changes in loans taken from the monthly balance sheet statistics. The latter are the outcome of new lending and repayments. It is not possible to differentiate between new lending and repayments in this context. By contrast, the data from the interest rate statistics relate solely to new business.

Furthermore, discrepancies between the interest rate statistics and the balance sheet statistics in the reporting of credit developments in

Germany can result from the different reporting schemes of the two sets of statistics.

- For example, German banks report their entire lending business with domestic non-banks to the balance sheet statistics, whereas the interest rate statistics solely comprise loans to non-financial corporations and households domiciled in the euro area. In particular, therefore, they do not capture credit relationships between banks and insurance corporations or other financial intermediaries.²
- Moreover, the monthly balance sheet statistics include foreign-currency loans granted by German banks to domestic non-banks, whereas the interest rate statistics are limited to euro loans.

Lending by German banks is therefore captured more broadly in the balance sheet statistics than in the interest rate statistics.

Unlike the balance sheet statistics, the interest rate statistics are not census but sample statistics.³ Consequently, the uncertainty customarily associated with estimated values has to be taken into consideration when interpreting

¹ For further details on the aggregation method and on MFI interest rate statistics in general, see Deutsche Bundesbank (2004), *The new MFI interest rate statistics – methodology for collecting the German data*, Monthly Report, January, pp 45-59. — ² In addition to this, there are minor differences in the sectoral definition. Thus in the interest rate statistics, non-profit institutions are assigned to the household sector, whereas in the balance sheet statistics they are recorded as a separate sector. — ³ The group of banks reporting com-

prises some 200 institutions, which were selected as a representative sample of the total MFI population in Germany. First, the total population was broken down into 15 strata that were as homogeneous as possible, then the number of banks reporting from each stratum was set. Finally, the largest institutions of each stratum were selected. — ⁴ This type of debt restructuring is likely to have been carried out on a larger scale in the low interest rate environment which has prevailed in recent years, especially in the corporate sector. Short-term

the volumes of new business extrapolated for Germany using the Horvitz-Thompson estimator.

In addition, the underlying purpose of the interest rate statistics, namely to provide an assessment of the contractually agreed bank terms applicable at the reporting date, results in a number of other effects.

- First, new lending is defined in the MFI interest rate statistics in such a way that the entire credit volume is recorded at the time the contract is concluded, whereas only the funds actually drawn down by borrowers are recorded in the balance sheet statistics. Therefore, the new lending business numbers shown in the interest rate statistics may have a certain leading indicator property.
- Second, this focus of the interest rate statistics also embraces (non-automatic) loan extensions after the period of rate fixation has expired, in which new terms are agreed but which does not entail a flow of funds to non-banks. A sharp increase in new lending recorded may thus be caused by the expiry of the period of rate fixation of exist-

loans to non-financial corporations, at least, have been reduced at an annual rate of 6% over the past four years, whereas the corresponding longer-term loans increased by around ½% per annum in the same period. — 5 Unlike the other credit categories, these are not reported as the sum of the relevant new business transactions but, for reasons of practicality and similarly to the way data on outstanding amounts are reported to the interest rate statistics, they are collected

ing loan contracts and the agreement of new terms for the amounts still outstanding, without the banks actually disbursing additional funds. For example, debt restructuring from, say, short-term into longer-term maturities when an interest rate rise is expected is classified as new lending and likewise contributes to the systematic overestimation of the flow of funds to the private sector resulting from the new lending business volumes in the interest rate statistics.⁴

Finally, it should be noted that, for methodological reasons, bank overdrafts to non-financial corporations and households cannot be included in the analysis of business volumes.⁵ The fact that bank overdrafts have been massively reduced for some time now curbs credit growth, although this is not reflected in the figures for new lending business.

All in all, therefore, using new lending business from the interest rate statistics as an indicator of the flow of funds to the private non-bank sector in the context of monetary policy analysis appears problematic.

at the end of the month. Hence their change reflects the difference resulting from new lending and repayments and therefore cannot be meaningfully aggregated with the other categories of new lending business. For the methodology used in the MFI interest rate statistics, see Deutsche Bundesbank (2004), The new MFI interest rate statistics – methodology for collecting the German data, Monthly Report, January, pp 45-59.

pending discontinuation of the grant to homebuyers. Most banks are unable to identify any change in the demand for credit in the case of consumer loans either. Overall, there are roughly just as many banks reporting slightly rising demand as there are ones reporting a slight fall.

Summary

Sluggish lending explicable in macroeconomic terms

The sluggish growth in lending in Germany over the past few years can generally be explained quite well in terms of developments in the German economy as a whole. Besides sluggish economic performance, enterprises' low propensity to invest and weak demand for housing construction have contributed to the domestic private sector's low demand for loans. Moreover, households have been re-

strained in their consumption, which has also dampened their demand for loans.

Even so, the banks, too, have been tightening their lending conditions somewhat in the past few years, although this process has now come to a standstill. The conditions were relaxed again slightly at the end of the period under review. Lending to domestic enterprises and households has accelerated somewhat, with the rise in loans in the past few quarters increasingly being sustained by short-term transactions between banks and non-monetary financial institutions (reverse repo transactions) that did not directly involve any flow of funds to the private sector. Accordingly, the increase in loans to non-financial corporations and households was somewhat smaller than that in loans to the domestic private non-bank sector as a whole.

Identifiable acceleration trends in lending

State government finances in Germany

Even though circumstances vary greatly from one Federal state to the next, the overall situation of state government finances is still extremely precarious. Although the deficits have fallen again recently after reaching record highs in 2003, many states are overshooting the constitutional borrowing limits by a considerable amount or are observing them only formally by means of asset disposals or the misapplication of central government funds earmarked for infrastructural reconstruction in eastern Germany. Three states believe that they will not be able to solve their financial problems by themselves in the medium term, either, and have filed an action for aid from the other government budgets. The current budgetary rules have not managed to prevent the critical status of many budgets. The binding nature of the rather generous borrowing ceilings appears limited given the – in some cases severely imbalanced – financial situation of state government. Moreover, state government now faces major challenges, not least because of the foreseeable strains caused by rising expenditure on pensions or the reduction of Federal grants to the east German states. It is therefore imperative that the incentives and institutional framework for sound public finances be improved perceptibly. Stricter budgetary rules, an effective budgetary surveillance procedure and greater individual responsibility – also with regard to taxation – could contribute towards such an improvement.

Overall trend in state government finances

Sharp rise in deficits after 2000

All in all, the situation of state government finances remains extremely precarious despite the fact that the deficits have declined recently. The trend since 2000 mirrors the underlying pattern in general government finances in Germany.¹ After the state government deficits had declined significantly to just over €8 billion or 3½% of expenditure at the end of the 1990s,² partly owing to the favourable cyclical development and an unusually high increase in profit-related taxes, they increased very sharply after 2000 (see table on page 33 concerning the developments described below). In 2001, the previous record high of 1996 was surpassed slightly, with the deficit edging up to €24½ billion. By 2003, there had been a further increase to €30½ billion or just over 11½% of expenditure. While the deficits declined to €24 billion in 2004, hardly any further progress was achieved last year. Thus, state government debt has grown by roughly 40% in the past five years, reaching €482 billion at year-end 2005. The debt ratio to the annual volume of expenditure, which was 140% in 2000, rose to 185%.

Weak development in tax revenue ...

The sharp rise in the deficits, which persisted into 2003, was accompanied by a weak revenue trend. Total revenue in 2005 was down by €4 billion or just over 1½% on the level in 2000. This was largely due to the development in tax receipts. Having reached an exceptionally high level in 2000, in the period from 2001 to 2003 they fell by a total of €14 billion or 8% and rose only slightly in the following period. In addition to the comprehen-

sive income tax cuts – which were also approved by state government in the Bundesrat –, the weak overall economic growth of the previous years (including the muted development in gross wages and salaries) and sharp fluctuations in profit-related taxes took their toll.

A slight counterweight was provided by revenue from business activities which, following muted development in the preceding years, shot up by €2½ billion last year due to extensive subsidy repayments by Landesbanks. However, this was a one-off effect that has, in any case, been more or less offset by additional expenditure on recapitalisation. Furthermore, state government budgets have been increasingly financed by asset disposals. Proceeds from loan repayments and sales of participating interests and tangible assets rose from €3 billion in 2000 to €5 billion at the latest count. There was little change in transfers from other levels of government. The slight increase to €43½ billion is largely due to the rise in funds received from the EU. By contrast, transfers from central government dropped slightly in the period as a whole to €35½ billion at the end of 2005. Declining supplementary Federal grants were offset, in particular, by growing receipts in connection with the Hartz IV labour market reform; however, this revenue has to be forwarded to local

... partly offset by repayment of subsidies and asset disposals

¹ See Deutsche Bundesbank, A disaggregated framework for analysing public finances: Germany's fiscal track record between 2000 and 2005, Monthly Report, March 2006, pp 61-76. While that article examines the financial situation according to the national accounts' methodology, this article focuses on budgetary developments.

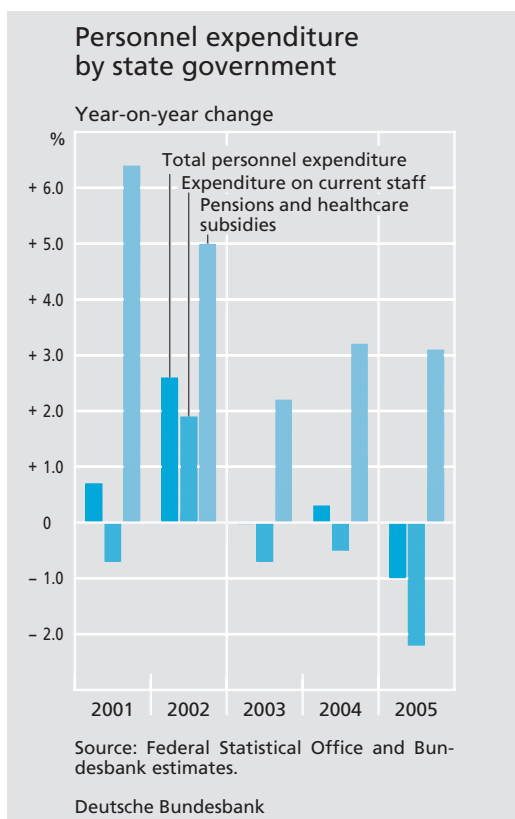
² See Deutsche Bundesbank, Trends in Länder Government finance since the mid-nineties, Monthly Report, June 2001, pp 57-74.

State government revenue and expenditure

Item	2000	2001	2002	2003	2004 pe	2005 pe
	€ billion					
Revenue						
Taxes	174.8	164.5	161.0	160.6	163.3	163.9
Revenue from business activities	4.5	3.6	4.4	4.4	4.6	7.1
Revenue from asset disposals/investment grants	3.2	4.7	4.3	4.2	4.9	5.1
Grants from other public authorities	42.3	41.3	42.2	43.2	42.4	43.5
Other revenue	15.5	16.9	16.9	16.8	17.4	16.5
Total revenue	240.4	230.9	228.8	229.2	232.6	236.2
Expenditure						
Total personnel expenditure	94.7	95.3	97.8	97.8	98.1	97.1
Expenditure on current staff	75.3	74.8	76.2	75.7	75.3	73.7
Pensions and healthcare subsidies	19.3	20.5	21.6	22.1	22.8	23.5
Grants to other public authorities	56.5	54.9	56.8	57.7	56.0	59.8
Other operating expenditure	23.4	23.4	23.0	22.0	22.0	22.2
Interest expenditure	19.0	19.5	20.0	20.5	20.8	20.9
Current grants	31.9	35.1	37.6	39.1	39.5	36.4
Investment expenditure ¹	25.3	27.3	22.8	22.6	20.2	23.4
Total expenditure	250.8	255.5	258.0	259.7	256.6	259.8
Fiscal balance	- 10.4	- 24.6	- 29.2	- 30.5	- 24.0	- 23.6
	Year-on-year percentage change					
Revenue						
Taxes	2.8	- 5.9	- 2.1	- 0.2	1.7	0.4
Revenue from business activities	7.3	- 21.0	24.3	0.2	4.5	52.9
Revenue from asset disposals/investment grants	- 49.2	47.7	- 8.2	- 2.8	16.9	5.5
Grants from other public authorities	0.8	- 2.6	2.3	2.3	- 1.9	2.7
Other revenue	- 0.2	9.0	- 0.1	- 0.7	3.9	- 5.4
Total revenue	0.9	- 3.9	- 0.9	0.2	1.5	1.5
Expenditure						
Total personnel expenditure	0.8	0.7	2.6	0.0	0.3	- 1.0
Expenditure on current staff	- 0.2	- 0.7	1.9	- 0.7	- 0.5	- 2.2
Pensions and healthcare subsidies	4.9	6.4	5.0	2.2	3.2	3.1
Grants to other public authorities	4.6	- 2.9	3.5	1.6	- 2.9	6.7
Other operating expenditure	2.9	- 0.4	- 1.6	- 4.1	0.0	0.8
Interest expenditure	- 0.2	2.8	2.6	2.6	1.1	0.5
Current grants	0.8	10.3	7.1	3.9	1.1	- 7.8
Investment expenditure ¹	0.7	7.9	- 16.6	- 1.0	- 10.6	16.1
Total expenditure	1.8	1.9	1.0	0.6	- 1.2	1.3

Source: Federal Statistical Office, accounting results of the general government budget (until 2003), thereafter quar-

terly cash balances of general government — ¹ Excluding investment grants to other public authorities.



government. On balance, the development in transfers placed a strain on state government.

Overall restrained expenditure growth

Since 2000, spending by state government has grown by a total of 3½%, around 1 percentage point of which is due to the one-off burden from the recapitalisation of the Landesbanks in 2005. While current expenditure increased by 6%, investment expenditure (including investment grants to local government, but excluding the recapitalisation of the Landesbanks) declined significantly by almost 15%. When analysing the rise in expenditure, it should be borne in mind that certain factors which curbed the revenue trend concurrently contributed to the restrained growth in expenditure. For example, moderate wage developments across the board were also reflected in public sector pay

and civil servant pension increases. Transfers to local government, which are linked to tax receipts, likewise fell in consequence of the decline in tax revenue. The analysis of state government's budget ratios is complicated by the fact that the spin-off of entities and activities from the core budgets significantly affects the development of expenditure and revenue as a whole and, above all, in specific categories (see box on page 33).

Personnel expenditure constitutes the largest expenditure item in the state government budgets. At €97 billion last year, it accounted for 37½% of total expenditure and was 2½% above the level in 2000 (see the chart on this page). The rise in spending on civil servants' (non-contributory) pensions and healthcare subsidies, at 21½%, was much greater. The main reason for this was the sharp rise in the number of pension recipients, which went up by one-sixth. By contrast, expenditure on current employees has been sharply restrained in the past few years. The government's financial statistics even show a decline of just over 2% in expenditure in 2005 vis-à-vis 2000. Although cuts in holiday and Christmas bonuses for civil servants (*Beamte*) and new employees with non-civil servant status (*Tarifbeschäftigte*), as well as a reduction in the overall number of employees through staff cuts, have provided some cost relief, the absolute decline in expenditure is primarily the result of outsourcing entities such as universities and enterprises from state government budgets.

Personnel expenditure: increasing pension costs masked by spin-offs

State government transfers to other levels of government are another major cost item. In

Outsourcing of service entities from the core budgets

The strict provisions contained in both budgetary and civil service legislation are often criticised as excessively restricting flexibility and efficiency in the provision of public services. Since a complete withdrawal of government from many operational areas is rejected and may seem only partly feasible in the short term given existing structures, the outsourcing of service entities from the core budgets is suggested as a way of improving cost-effectiveness.

A case in point is the management of buildings and real estate. If these are made available to public authorities by outsourced entities for a fee, the total costs could be lower than when the provision of services is managed internally. A key consideration in this context seems to be that invoicing for services provided carries an incentive to critically assess the extent to which the services are really needed and to leave units no longer needed to other demanders. In the case of higher education, on the other hand, more weight is placed on autonomy in the use of funds. Universities that are completely incorporated into the state government accounts are given extensive instructions as to how they are to apply the funds. By contrast, if universities are outsourced and financed by means of a global budget provided by the state government, they can enjoy more autonomy in their management.

Outsourcing also makes it easier for state government to comply with expenditure ceilings if the outsourced entities generate own revenue that is then no longer channelled through the state government budget. Instead of the overall expenditure of these institutions, only a correspondingly smaller need for grants is disclosed in the budget. Hence, outsourcing may be used to show the expenditure trend in a more favourable light. But an even more problematic feature in this context is authorising outsourced entities to borrow. In this case, the core budgets provide only a limited picture of the true financial situation of state government. This option has indeed been exercised on some occasions in the past. For example, the Budget Acts of North-Rhine Westphalia and Rhineland-Palatinate allow construction and real estate enterprises as well as a road construction enterprise to finance expenditure by incurring debt. The Budget Act of Baden-Württemberg authorises an outsourced entity to pre-fund road construction expenditure of the state government by borrowing up to a pre-defined limit. Bremen maintains a general debt servicing fund for the pre-funding of state government expenditure with an annual borrowing authorisation. As is the case in Hamburg, Bremen also has an off-budget special fund that is allowed to finance harbour construction work by loans. By contrast, outsourced universities have evidently been authorised to take out loans only in very isolated cases to date, and subject to the condition that debt servicing must be assured.

Outsourcing deficits to subsidiary budgets is not a substitute for fiscal consolidation and must therefore be viewed very critically, not least against the background of the budget principles of clarity and completeness. Borrowing of outsourced entities carries the risk that the constitutional borrowing limits may ultimately prove completely ineffective if these entities incur losses which are in the end being assumed by government in addition to the regular new borrowing or are debt-financed by additional capital injections booked as investments.

Against the backdrop of stagnating revenue and the constraints imposed by civil service legislation and collective labour agreements in the public sector, it is imperative that state government curbs its personnel expenditure, which currently accounts on average for almost 40% of its overall expenditure. However, whenever a state government outsources certain services, it retains ultimate responsibility for their financing and, moreover, the labour and pay regulations governing public sector employees continue to apply initially, so that the possibilities for rapidly lowering costs are placed within narrow bounds. Personnel expenditure and other operating expenditure as well as investment is then just reclassified in the state government budgets as grants to enterprises.

Outsourcing considerably complicates a comparison of budget data over time as well as among the state governments. For the financial years 2001 to 2004, the Federal Ministry of Finance indicates outsourcing of personnel expenditure of over €2½ billion in the overviews of the final state government budgets outturns. In 2005 alone, this outsourcing effect (partly in connection with transferring certain tasks to local government) could have amounted to over €1 billion. Adjusted for this, average annual personnel expenditure growth (including expenditure on pensions) from 2001 to 2005 was not ½%, but rather almost 1½%. In 2006, state governments are apparently making even greater use of outsourcing. The effects on the recorded amount of other operating expenditure, however, are not clear-cut because rents or service charges are sometimes paid to the outsourced entities, which could outweigh the respective direct curbing impact of the outsourcing. Fixed capital expenditure recorded in the core budgets is lowered by outsourcing. In the year when construction services in Rhineland-Palatinate were outsourced, an especially strong impact was noted on the fixed capital expenditure of that state government with a decrease by almost three-fifths. Aggregating the figures of all state governments, outsourcing probably contributed to about one-fifth of the decrease in construction investment. However, to the extent that investment grants are subsequently paid to the outsourced entity, the constitutional borrowing limits in the budget are not tightened. Fixed capital expenditure is then simply replaced by grants.

Only slight increase in transfers to local government

2005, they accounted for €59½ billion or almost 23% of expenditure. This amounts to a rise of just over €3 billion on the level in 2000. Local government received €54 billion of this, which was €2 billion more than in 2000. However, this rise was due entirely to the Hartz IV reform. In addition to forwarding Federal funds, state government agreed that the savings which it made on housing allowances as a result of this reform would be passed on to local government in the form of higher transfers. Thus, last year a total of approximately €5 billion should have been transferred to local government in connection with this. Excluding this Hartz IV effect, transfers to local government have fallen considerably.

Sharp rise in interest expenditure and current grants

As far as its interest expenditure is concerned, state government benefited from the favourable financing conditions in the capital markets. If interest expenditure is measured against the debt level at the end of the previous year, the average rate of interest paid in 2005, at just over 4½%, was roughly 1 percentage point or almost one-fifth down on the level in 2000. However, this was accompanied by a notable increase in the volume of debt. Overall, state government's interest costs have grown by nearly 10% since 2000 to €21 billion or 8% of total expenditure. Current transfers to households and enterprises rose even more sharply by 14%. It is true that, owing to decreased expenditure on housing allowance in consequence of the Hartz IV reform, payments to households were €1 billion less in 2005 than in 2000. However, transfers to enterprises increased by just over 40% during this period to almost

€21 billion, not least as a result of spin-offs. More than half of this increase is likely to be due simply to the fact that personnel expenditure was replaced by grants to the out-sourced universities and institutions.

State government's investment in non-financial assets declined continuously. In 2005, at 6½ billion, it was down by €2 billion on the level in 2000. In addition to the cuts made to limit the deficits, this also reflects the spin-off of construction and real estate enterprises, whose investments are no longer captured in the state government budgets. There was also a significant reduction totalling €3½ billion in investment grants to enterprises and in loans. By contrast, there were sharp fluctuations in the acquisition of participating interests.³ After adjustment for special effects, the level has remained practically unchanged. Thus, on balance, there was a notable decline in investments.

Investment declining amid fluctuations

The financial situation in the individual states

The public finance situation varies greatly from one state to the next.⁴ A comparison of

Notable differences in deficits and ...

³ Peaks occurred in 2001, with the equity injection given to Bankgesellschaft Berlin and a substantial shareholder deposit to Landesbank Baden-Württemberg, and in 2005, in particular, as a result of the extensive recapitalisation of Landesbanks following the repayment of subsidies, as well as the topping up of the equity capital of two state-owned enterprises by North-Rhine/Westphalia.

⁴ The figures for local government have been included in the state government comparison to enable an adequate assessment of the city-states and to exclude distortions resulting from differences in the extent to which Federal states pass on responsibilities to local government. As a rule, the figures are per capita, thus enabling a comparison between states of different sizes.

Comparison of consolidated state and local government budget outturns for 2005

€ per capita

Item	West German non-city states	North-Rhine/Westphalia	Bavaria	Baden-Württemberg	Lower Saxony	Hesse	Rhine-land-Palatinate	Schleswig-Holstein	Saarland	All states
Debt 1	6,400	8,170	3,210	4,470	7,670	6,830	8,050	8,500	9,660	7,150
Fiscal balance	- 300	- 470	- 50	- 180	- 400	- 160	- 330	- 600	- 760	- 320
Adjusted fiscal balance 2	- 310	- 380	- 30	- 230	- 380	- 410	- 400	- 610	- 760	- 310
Adjusted total revenue 3	3,370	3,460	3,460	3,400	3,260	3,550	3,190	3,240	3,180	3,590
Adjusted total expenditure 4	3,680	3,840	3,490	3,630	3,640	3,960	3,590	3,850	3,930	3,900
<i>of which</i>										
adjusted current expenditure 5	3,320	3,570	3,040	3,240	3,360	3,580	3,250	3,440	3,570	3,480
interest expenditure	280	330	140	220	350	300	340	360	430	310
<i>Memo item</i>										
Personnel expenditure	1,680	1,680	1,700	1,770	1,530	1,690	1,650	1,650	1,710	1,660
<i>of which</i>										
expenditure on current employees 6	1,330	1,330	1,350	1,410	1,210	1,310	1,320	1,300	1,260	1,360
pensions 6	350	350	350	360	320	380	330	360	450	310
Acquisition of non-financial assets	290	210	390	330	210	350	270	300	250	300
	East German non-city states	Saxony	Brandenburg	Saxony-Anhalt	Thuringia	Mecklenburg-Western Pomerania	Berlin	Hamburg	Bremen	All states
Debt 1	6,870	4,020	7,700	9,390	7,940	7,660	17,270	12,420	18,960	7,150
Fiscal balance	- 200	20	- 160	- 460	- 330	- 230	- 940	- 210	- 1,730	- 320
Adjusted fiscal balance 2	- 120	120	- 120	- 360	- 250	- 200	- 800	- 410	- 1,750	- 310
Adjusted total revenue 3	4,220	4,260	4,170	4,280	3,990	4,410	4,780	4,800	4,410	3,590
Adjusted total expenditure 4	4,340	4,140	4,290	4,640	4,240	4,600	5,580	5,210	6,030	3,900
<i>of which</i>										
adjusted current expenditure 5	3,580	3,280	3,610	3,900	3,580	3,850	5,290	4,730	4,940	3,480
interest expenditure	310	190	340	420	360	340	710	580	760	310
<i>Memo item</i>										
Personnel expenditure	1,470	1,440	1,390	1,530	1,510	1,550	1,960	1,940	1,930	1,660
<i>of which</i>										
expenditure on current employees 6	1,430	1,400	1,350	1,470	1,470	1,510	1,580	1,370	1,390	1,360
pensions 6	40	30	40	60	40	40	370	570	540	310
Acquisition of non-financial assets	420	500	400	350	400	410	100	300	220	300

Source: Federal Statistical Office and Bundesbank calculations. — 1 Credit market debt in the broader sense, state government debt to central government and cash advances. — 2 Adjusted for asset acquisitions, disposals and related income and for subsidy repayments by Landesbanks. — 3 Excluding contributions made by payer states under the state government revenue-sharing scheme, and less receipts from fees, Landesbank subsidy repayments and

income related to asset disposals. — 4 Excluding expenditure by payer states under the state government revenue-sharing scheme and less receipts from fees and asset acquisitions. — 5 Excluding expenditure by payer states under the state government revenue-sharing scheme and less receipts from fees. — 6 Allocation of healthcare subsidies to current and retired civil servants estimated.

the fiscal balances recorded in the cash statistics shows that Saxony recorded a surplus last year and that Bavaria's deficit remained very limited. In North Rhine-Westphalia, Saxony-Anhalt, Schleswig-Holstein and, above all, in Saarland, the *per capita* deficit was well above average. In the city-states Berlin and especially Bremen, the situation was even more precarious. While the divergences in interest expenditure arising from the different debt levels explain a large part of the discrepancies, they were not the only factor. A somewhat different picture is presented if the deficits are adjusted for acquisitions and sales of assets (including loans) and the repayment of Landesbank subsidies in some states in order to factor out possible effects that may obscure the structural budgetary position (see table on page 35 and chart on page 37). After adjustment, the fiscal balance is poorer, in particular, in Hamburg, Hesse and Rhineland-Palatinate, while certain improvements can be seen, above all, in Berlin, North-Rhine/Westphalia and eastern Germany.

... indebtedness

Past fiscal policy is reflected in the debt levels of the individual states. Major divergences can be seen here, too. The spread ranged from €3,200 *per capita* in Bavaria to almost €19,000 in Bremen. While the liabilities of Bavaria, Saxony and Baden-Württemberg were considerably more than one-third below the state government average, indebtedness in all three city-states was more than two-thirds above the average. Among the non-city states, Saarland and Saxony-Anhalt exceeded this average by as much as one-third.

Recent years have witnessed a further increase in the spread of debt levels.

A comparison of (*per capita*) total revenue and expenditure across state government is far from straightforward. For example, payments made under the revenue-sharing scheme do not represent "real" expenditure-effective items in the state concerned. Thus, in this comparison, these payments have been subtracted from the revenue and expenditure figures shown in the cash statistics. In addition, state and local government have to varying degrees spun off entities which are partly financed by fees from their core budgets. As well as a possible impact on the total revenue and expenditure recorded in the budgets, this may lead to significant changes in the individual expenditure categories, which makes a comparison difficult. In order to neutralise as far as possible the effect on total revenue and expenditure, the remaining receipts from fees are shown net, ie deducted from the total revenue and expenditure of the individual states.⁵ Asset acquisitions (including loans granted), which may mask the structural burden of expenditure, have also been factored out of total expenditure. Similarly, comparable proceeds from asset disposals have been factored out of revenue.

State-by-state comparison of budget ratios involves difficulties

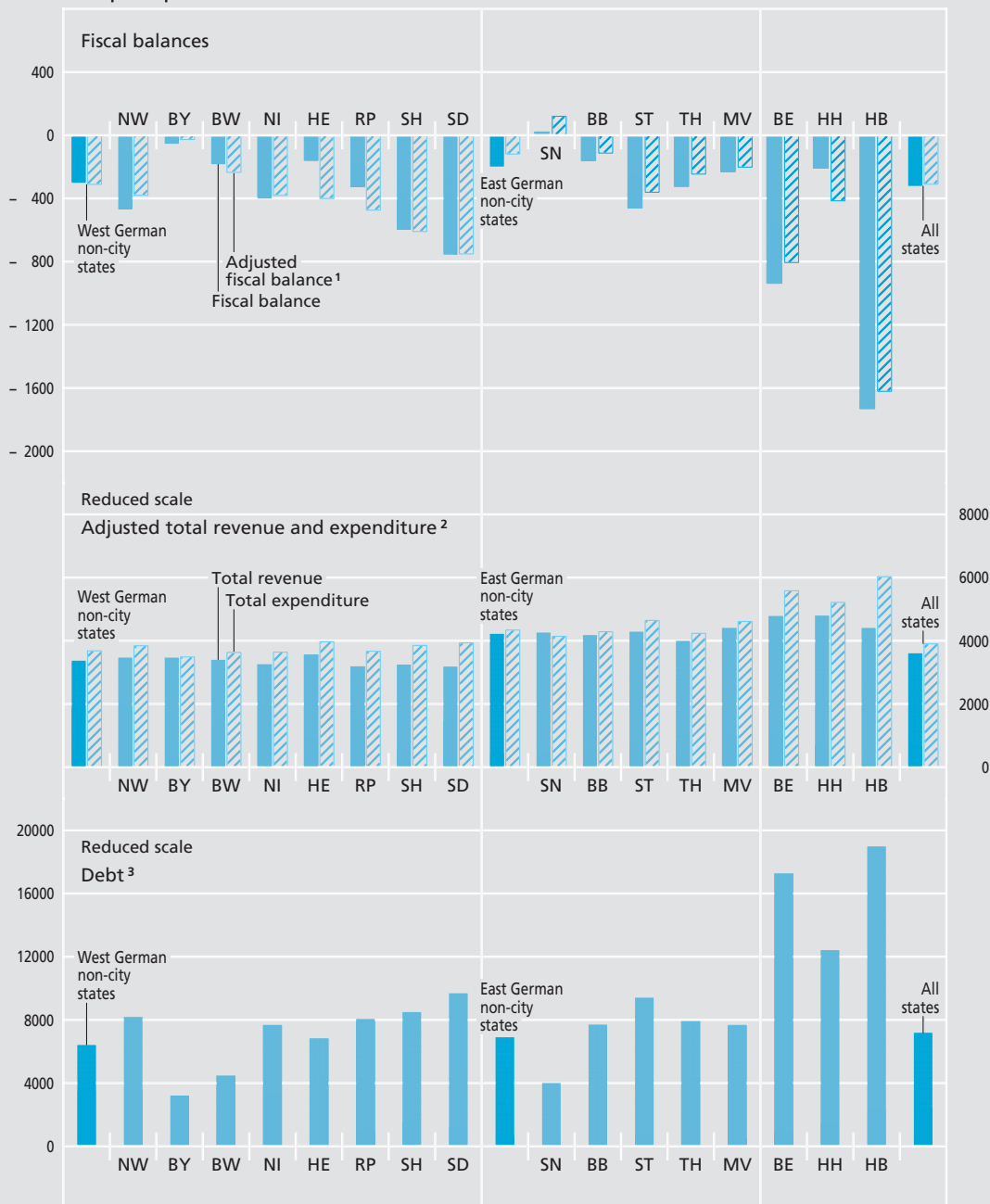
On the revenue side it becomes clear that the state government revenue-sharing scheme significantly reduces differences with regard to tax revenue, whereas substantial differences in the states' capacity to raise taxes from regional activities remain. After includ-

Significant redistribution as a result of revenue-sharing scheme

⁵ A correction of each individual expenditure category was not performed owing to insufficient information.

Budget ratios of state government * (including local government) in 2005

Euro per capita



Source: Federal Statistical Office and Bundesbank calculations. — * State abbreviations: NW=North-Rhine/Westphalia; BY=Bavaria; BW=Baden-Württemberg; NI=Lower Saxony; HE=Hesse; RP=Rhineland-Palatinate; SH=Schleswig-Holstein; SD=Saarland; SN=Saxony; BB=Brandenburg; ST=Saxony-Anhalt; TH=Thuringia; MV=Mecklenburg-Western Pomerania; BE=Berlin; HH=Hamburg; HB=Bremen. — 1 Adjusted for asset acquisitions and disposals and for Landesbank repayments. — 2 Adjusted revenue and expenditure less transfers under the revenue-sharing scheme by states required to make equalisation payments, and less all receipts from fees. In addition, asset disposals and Landesbank repayments have been subtracted from revenue, and asset acquisitions have been subtracted from expenditure. — 3 Credit market debt in the broader sense, state government debt to central government and cash advances.

Deutsche Bundesbank

Per capita financial strength in 2005 before and after revenue-sharing *

As % of nationwide average

Item	Excluding VAT 1	Before revenue-sharing 2	After revenue-sharing	After general supplementary Federal grants	After special supplementary Federal grants 3
West German non-city states					
Hesse	129.1	113.6	102.6	101.3	95.5
Bavaria	124.3	109.0	101.5	100.2	94.5
Baden-Württemberg	123.2	110.6	101.9	100.6	94.8
North-Rhine/Westphalia	110.6	99.8	98.7	97.4	91.8
Rhineland-Palatinate	96.9	92.0	95.0	95.4	90.4
Schleswig-Holstein	92.9	93.4	95.5	95.5	90.7
Saarland	83.1	89.9	94.4	95.2	92.1
Lower Saxony	81.2	93.9	95.7	95.5	90.1
City-states					
Hamburg	179.0	145.8	136.7	135.0	127.2
Bremen	101.5	98.0	121.2	127.1	123.5
Berlin	86.5	88.5	118.8	126.6	143.0
West German states altogether	111.8	103.4	101.5	101.0	96.5
Brandenburg	45.0	83.4	92.9	95.3	116.7
Thuringia	40.1	81.8	92.1	94.7	118.3
Saxony	39.4	82.3	92.2	94.7	117.6
Mecklenburg-Western Pomerania	37.9	82.5	93.0	95.6	119.9
Saxony-Anhalt	33.1	82.8	92.6	95.1	119.6
East German states altogether	39.2	82.6	92.5	95.0	118.2

* Provisional figures. Source: Federal Ministry of Finance and Bundesbank calculations. — 1 States' shares in joint taxes (excluding VAT) and state government taxes according to revenue accrued locally. — 2 After distribution of VAT revenue; including the normalised tax revenue of local government, which must be included at a rate of 64% pursuant to section 8 of the Fiscal Equalisation Act; before revenue-sharing among the states. — 3 Special supplementary Federal grants are paid to the east Ger-

man states (including Berlin) to cover special burdens arising from the need for infrastructural modernisation and to compensate for the below-average financial strength of local government in these states and the additional burdens as a result of structural unemployment in connection with the Hartz IV labour market reform (excluding Berlin), and to small states owing to higher-than-average costs of political administration.

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ing receipts from the revenue-sharing scheme and from supplementary Federal grants, the city-states and the east German states recorded tax-related revenue significantly above the average in 2005. This is due mainly to the higher population weighting of the city-states in the revenue-sharing scheme and to the special supplementary Federal grants (see table on this page). This also translated into above-average levels of total revenue.

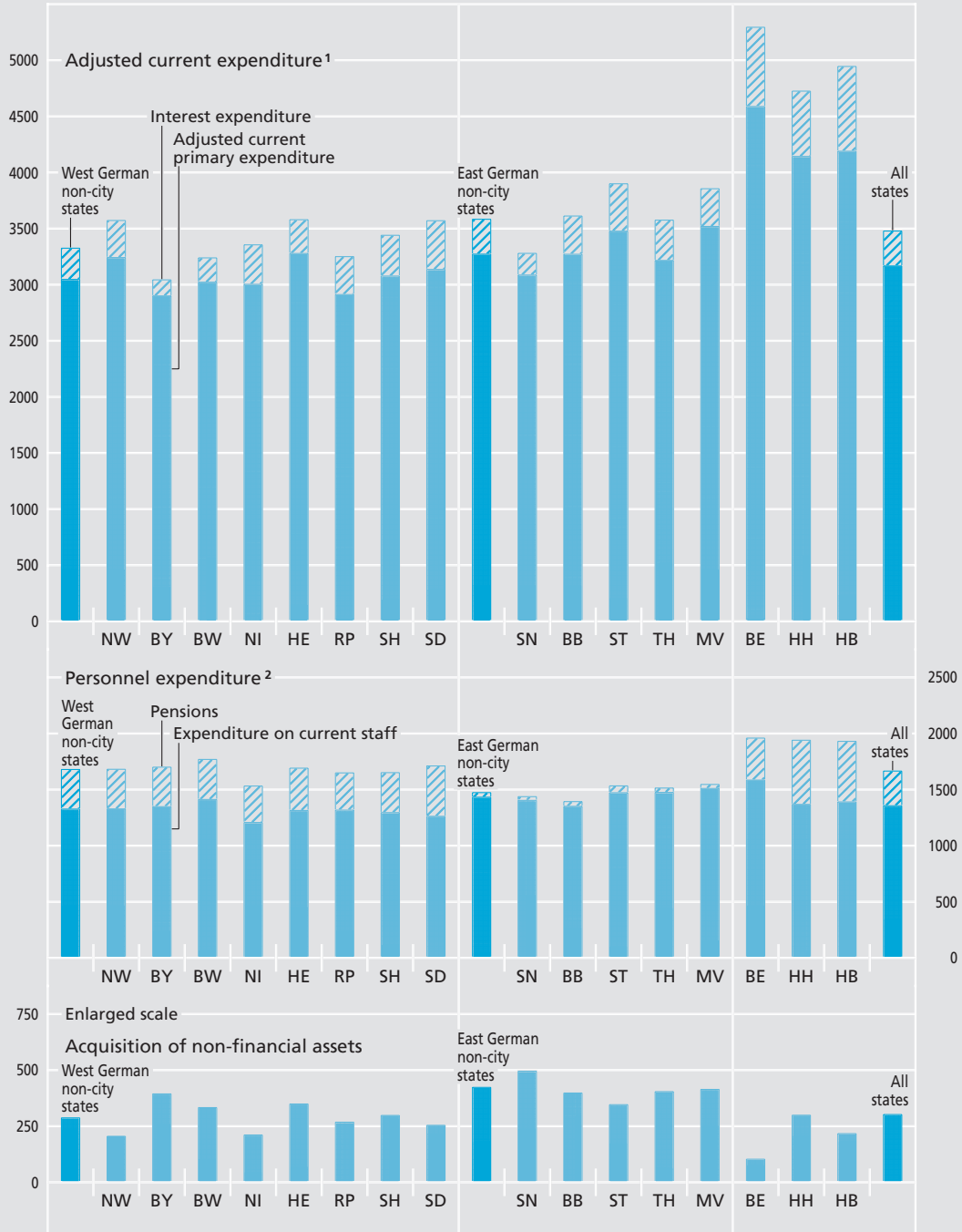
On the expenditure side, considerably higher *per capita* figures were recorded for current expenditure (excluding payments under the revenue-sharing scheme and after deduction of receipts from fees) especially in the city-states and – with the exception of Saxony – the east German states (see table on page 35 and chart on page 39). In the city-states, per-

sonnel expenditure was more than one-sixth above average, and the other expenditure items exceeded the average by an even greater degree. While the west German states recorded high outlays for civil servant pensions, above-average expenditure on current staff was incurred in eastern Germany. Despite lower pay levels, their expenditure was 8% higher on average than in the west German non-city states. Higher expenditure was also incurred in respect of transfers to other public authorities – including transfers for special and supplementary pension benefits for certain categories of retired employees in the former German Democratic Republic – and grants to enterprises, in particular. Moreover, there was a substantial spread within the individual state groups. For example, even after deduction of interest expenditure, adjusted

Higher expenditure in the city-states and eastern Germany

Expenditure by state government * (including local government) in 2005

Euro per capita



Source: Federal Statistical Office and Bundesbank calculations. — * State abbreviations: NW=North-Rhine/Westphalia; BY=Bavaria; BW=Baden-Württemberg; NI=Lower Saxony; HE=Hesse; RP=Rhineland-Palatinate; SH=Schleswig-Holstein; SD=Saarland; SN=Saxony; BB=Brandenburg; ST=Saxony-Anhalt; TH=Thuringia; MV=Mecklenburg-Western Pomerania; BE=Berlin; HH=Hamburg; HB=Bremen. — 1 Excluding payments from payer states under the state government revenue-sharing scheme and less receipts from fees. — 2 Split of healthcare subsidies among current and retired civil servants estimated.

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current expenditure in Saxony was roughly one-eighth less than in Mecklenburg-Western Pomerania and Saxony-Anhalt (all eastern states). In North-Rhine/Westphalia and Hesse it was more than 15% higher than in Bavaria and Rhineland-Palatinate (all western states). Investment in non-financial assets, most of which is undertaken by local government but is considerably dependent on transfers from state government, was clearly higher in the east German states, especially in Saxony. Among the west German states, investment in non-financial assets was highest in Bavaria. Berlin spent by far the least on non-financial assets – at barely more than one-third of the nationwide average.

Compliance with the constitutional borrowing limits

Fundamental problems concerning borrowing limits in Germany

There is a widespread consensus concerning the need for strict legal limits on government borrowing, especially given the current political incentives for excessive use of this instrument by government and the negative consequences thereof. In Germany, both the Federal constitution (Article 115 of the Basic Law – *Grundgesetz*) and those of the individual states follow the golden rule that credit may be taken out essentially only to finance investments. The underlying aim of this rule is to ensure that the generation which profits from government spending must also take responsibility for financing it. However, this golden rule overlooks, among other things, the fact that future generations are not only burdened by explicit borrowings but also by implicit liabilities such as pension entitle-

ments, for example. Moreover, the underlying concept – that borrowing must be linked to the formation of assets – is not legally implemented in a consistent manner. For example, when determining the borrowing limit, proceeds from asset disposals and loan repayments are not deducted from investments even though they constitute disinvestments. Decreases in the value of assets as a result of depreciation are not deducted either. This makes it possible to increase the debt level even with stagnating or falling assets.⁶ Furthermore, certain investment expenditure such as investment grants, do not constitute growth in the state's assets. Moreover, it also appears to be a problem that the constitutional borrowing limits are construed as binding only for budget planning but not for budget implementation.

Article 115 (1) second sentence of the Basic Law, which specifies the borrowing limits for central government, does not apply directly to state government budgets. However, the state government constitutions contain provisions which largely match the content of current Federal law. While there are sometimes deviations in the definition of exceptional circumstances justifying increased borrowing, Article 109 (2) of the Basic Law lays down a minimum norm by binding the budgets to the requirements of overall economic equilibrium.

Borrowing limits prescribed by state constitutions ...

⁶ The courts of auditors also highlight these issues. See, for example, the findings of the conference of the presidents of the courts of auditors of central and state government of 7-9 May 2001. See also Deutsche Bundesbank, Deficit-limiting budgetary rules and a national stability pact in Germany, Monthly Report, April 2005, pp 23-37.

*... and their
enforcement*

State governments vary in terms of the strictness with which they enforce the relevant constitutional provisions for limiting new borrowing. When determining the upper limits for new borrowing, usually only the investments financed by the state government's own funds are considered. These are generally defined as the expenditure recorded in the classification table under the main categories 7 (construction investment) and 8 (other expenditure on investment and investment-promoting measures) less funds collected under group 33 (investment grants received from other public authorities) and group 34 (contributions and other investment subsidies). However, there is no statutory obligation to deduct these items. Thus, the state of Berlin, for example, did not deduct investment revenue when calculating its borrowing limit. Similarly, practices in some states, such as using current Federal grants for regional railways to a significant degree for investment purposes and, thus, raising the borrowing ceiling by means of pre-financed expenditure, also led to an improper expansion of the borrowing limits.⁷ By contrast, in Hesse a stricter interpretation of investment expenditure is applied than in the rest of the country. In this state, extensive investment grants paid within the framework of the tax-revenue-sharing arrangement with local government may not be used to justify borrowing.

*Structural
breaching of
constitutional
provisions in
most states*

In recent years the borrowing limits defined on the basis of the classification table have been exceeded by many states, in some cases significantly (see, for example, the table on page 42 regarding the budget estimates for 2005 and 2006). The 2005 budgets of Berlin,

Bremen, Hesse, Lower Saxony, North-Rhine/Westphalia, Saarland and Schleswig-Holstein foresaw an overshooting of the state-specific upper limits. Although Hesse managed to observe the borrowing limit in the course of implementing its budget, this was largely owing to extensive one-off proceeds from the sale of real estate. Similarly, Rhineland-Palatinate and the payer states within the revenue-sharing scheme, Baden-Württemberg and Hamburg, had recourse to sizeable asset disposals to observe their borrowing ceilings. While the east German states stayed within their constitutional borrowing limits, this was facilitated to a great degree by funds from central government to overcome the consequences of German partition (see box on pages 48 and 49). If one-off proceeds and special supplementary Federal grants to the east German states are factored out, only Bavaria remained clearly within the constitutional upper limits for new borrowing last year. This confirms the exceptionally precarious nature of the budgetary situation since 2002.

In recent years, there have been a number of court cases examining whether certain budget acts breach the constitution. The court rulings have, however, ultimately had very little impact on budgetary policy. For example, in 2003 the budgetary acts of North-Rhine/Westphalia for 2001 and 2002 were subsequently found to have breached the constitution because they foresaw the liquidation of loan-financed reserves in order to ob-

*Rulings by state
constitutional
courts on over-
shooting of
borrowing
limits*

⁷ In this way, the borrowing ceiling in North-Rhine/Westphalia, for example, is extended by roughly €½ billion annually.

Budget estimates for net borrowing and investments financed from own funds in 2005/2006

€ million

Item	Year	Baden- Würt- temberg	Bavaria	Branden- burg	Hesse	Mecklen- burg- West- Pomer- ania	Lower Saxony	North- Rhine/ West- phalia	Rhine- land- Palatin- ate
(1) Net borrowing (credit market) (group 32 less 59)	2005	1,990	1,338	971	959	583	2,149	7,520	1,024
	2006	1,935	0	826	1,346	400	1,800	5,726	885
(2) Investments financed from own funds (groups 7 and 8 less 33 and 34)	2005	2,006	3,139	1,142	1,151	670	865	5,964	1039
	2006	2,005	3,296	1,084	1,355	603	924	3,274	923
(3) Differential 1 [(2)-(1)]	2005	16	1,801	171	192	87	- 1,284	- 1,556	15
	2006	70	3,296	258	9	203	- 876	- 2,452	38
(4) Proceeds from sale of assets, capital repayments (group 13)	2005	457	0	18	849	10	649	11	168
	2006	305	0	17	923	14	859	16	139
(5) Loan repayments from the public sector and other sectors (groups 17 and 18)	2005	99	204	16	79	57	61	145	506
	2006	97	612	14	75	58	60	155	56
(6) Differential adjusted for asset disposals [(3)-(4)-(5)]	2005	- 541	1,597	136	- 737	21	- 1,994	- 1,712	- 659
	2006	- 331	2,684	227	- 989	130	- 1,794	- 2,623	- 157
(7) Net global increases (+) / cuts (-) in expenditure (group 97 less 37) ²	2005	- 268	- 489	- 11	0	- 61	- 136	- 409	- 165
	2006	- 366	- 523	- 10	0	0	- 141	16	- 165
(8) Special supplementary Federal grants for reconstruction in eastern Germany	2005			1,509		1,110			
	2006			1,502		1,104			
	Year	Saarland	Saxony	Saxony- Anhalt	Schles- wig- Holstein	Thurin- gia	Berlin	Bremen	Ham- burg
(1) Net borrowing (credit market) (group 32 less 59)	2005	810	350	954	1,616	995	4,290	1,090	700
	2006	807	250	783	1,562	975	3,124	1,078	650
(2) Investments financed from own funds (groups 7 and 8 less 33 and 34)	2005	279	1,635	972	554	1,097	1,463	673	890
	2006	276	1,821	888	513	1,071	1,372	484	891
(3) Differential 1 [(2)-(1)]	2005	- 531	1,285	18	- 1,062	102	- 2,827	- 417	190
	2006	- 531	1,571	105	- 1,049	96	- 1,752	- 594	241
(4) Proceeds from sale of assets, capital repayments (group 13)	2005	2	1	49	4	17	183	64	11
	2006	10	1	34	4	78	148	2	57
(5) Loan repayments from the public sector and other sectors (groups 17 and 18)	2005	16	20	38	6	9	86	4	23
	2006	6	22	40	6	9	188	1	87
(6) Differential adjusted for asset disposals [(3)-(4)-(5)]	2005	- 549	1,264	- 69	- 1,072	76	- 3,095	- 485	156
	2006	- 547	1,548	31	- 1,059	9	- 2,088	- 597	98
(7) Net global increases (+) / cuts (-) in expenditure (group 97 less 37) ²	2005	0	0	- 40	- 20	- 146	- 122	- 136	- 541
	2006	1	0	- 61	46	- 33	- 105	- 65	- 98
(8) Special supplementary Federal grants for reconstruction in eastern Germany	2005		2,746	1,657		1,507	2,003		
	2006		2,733	1,649		1,500	1,994		

Source: budgets including supplementary budgets, Bundesbank calculations based on classification table. In some cases, where the budget results for 2005 are not yet available or are only provisional, the budget plans have been evaluated. (Berlin: investments financed from own funds without risk provisions for Bankgesellschaft Berlin; Hesse: in 2005 revenue and investments financed from own funds before revisions from the supplementary budget; Bremen: in 2006 draft budgets.) — ¹ The relevant consti-

tutional borrowing limits sometimes deviate from the calculations presented here. For example, in Berlin investments are not revised to take account of investment grants and in Hesse investments financed from the tax-sharing arrangement with local government are deducted. — ² Global increases in revenue are treated as global cuts in expenditure here. — ³ Asset disposals totalling €661 million in 2005 and €183 billion in 2006 are included as global increases in revenue (see line 7).

serve the borrowing limits. Transactions of a very similar nature were also foreseen in Hamburg, Hesse, Lower Saxony and Schleswig-Holstein in 2001. The practical consequences of the ruling were limited as the reserves had been largely exhausted by that time. The State Constitutional Court of Mecklenburg-Western Pomerania found that the budgetary acts for 2003 to 2005 breached the constitution. However, this was mainly due to formal errors. While the structural underfunding was criticised, this was ultimately not a decisive factor. In its judgment delivered in December 2005 on the 2002 supplementary budget, the Constitutional Court of Hesse found that the high borrowing authorisation did not constitute a breach of the constitution. Accordingly, in certain circumstances, under a supplementary budget an unexpected shortfall may be plugged using borrowed funds. However, Hesse also exceeded the borrowing limit in the following years. Proceedings before the Federal Constitutional Court concerning the Schleswig-Holstein 2003 supplementary budget were dismissed because the plaintiffs withdrew their case after the election of a new government in 2005.

*Invoking
budgetary
hardship ...*

In the case of Berlin, the 2002 and 2003 budgetary acts were judged to be in breach of the constitution. The State Constitutional Court found that there was insufficient evidence to support the claim that an overshooting of the upper borrowing limit was necessary in order to avert a disruption to the overall economic equilibrium. However, the court granted the state the option of claiming it faced serious budgetary hardship and then

continuing to overshoot the borrowing limit once all potential cuts had been made. Berlin has exercised this option for its subsequent budgets even though doubts have been raised as to whether it is justified in doing so (see box on page 44). Besides Berlin, Bremen and Saarland – whose aid for amortisation of their excessive debts (which had amounted altogether to roughly €15 billion up to the end of 2004) expired after 11 years – filed actions with the Federal Constitutional Court for further special supplementary Federal grants on the grounds of ongoing drastic underfunding of their budgets. Such applications should be examined very critically given the very strained budgetary situation of central government and most of the other state governments and in view of the extremely worrying incentive effect on future fiscal discipline at state government level.

Lower Saxony, North-Rhine/Westphalia and Schleswig-Holstein, whose medium-term financial plans foresee an overshooting of the borrowing limits for several more years, do not invoke the argument of acute budgetary hardship. Instead, the introductory statements to their draft budgets declare that observance of the borrowing limits pursuant to state constitutional law is “objectively impossible”, at least in the short term, given other obligations of similar priority. For all that, the extent of the budget relief measures (for example, cuts in bonus payments to state employees) varies significantly from one state to the next.

*... and
“objective
impossibility” of
observing
borrowing
limits*

For the future significance of the constitutional borrowing limits, a decision on the action

Berlin's action for a declaratory judgment confirming the existence of extreme budgetary hardship

Three years ago, the state of Berlin commenced proceedings before the Federal Constitutional Court (*Bundesverfassungsgericht*) for a declaratory judgment confirming the existence of extreme budgetary hardship since 2002 and claiming the award of substantial supplementary Federal grants for the purposes of budget consolidation as the state sees itself unable to rectify the budgetary crisis – which it believes to have arisen through no fault of its own – by itself. The hearing was held before the Federal Constitutional Court in Karlsruhe at the end of April 2006. A judgment is expected before the end of the year.

The states of Bremen and Saarland submitted similar applications at the end of the 1980s. In 1992, the Federal Constitutional Court allowed these petitions and put the Federal Government under an obligation to provide extensive financial assistance.¹ This assistance expired in 2004. In delivering its judgment, the Court at the time compared the budgetary positions of the two states with the average position of all the states. The net borrowing requirement to expenditure ratio² and the ratio of interest to tax revenue³ played a particularly important role in this comparison. Based on the observation that the former was twice as high in these two states and the latter was significantly higher than the benchmark figure, extreme budgetary hardship was assumed to exist and an obligation on the part of all other members of the German federation to provide financial assistance was declared. In return, the two states had to prove to the Financial Planning Council (*Finanzplanungsrat*) that they were endeavouring to keep the increase in their current expenditure $\frac{1}{2}$ percentage point below the Council-agreed ceiling for such increases in all states. Furthermore, the Federal legislator was instructed – after examining the possibilities highlighted by the Federal Constitutional Court – to set in place arrangements which both counteract the emergence of budgetary hardship and can eliminate an emergency situation if one should occur. The legislator has failed to fulfil this mandate in the 14 years following delivery of the judgment, however. The Federal Constitutional Court's renewed dealings with this set of issues could now intensify the pressure to create clear rules to prevent budgetary crises.

1 See "Bundesverfassungsgerichtsentscheidungen" (decisions of the Federal Constitutional Court) 86, 148. — 2 Share of a financial year's expenditure which is financed by means of net borrowing. — 3 Ratio of a state's interest payments to its tax revenue including receipts from the state government revenue-sharing scheme and supplementary Federal grants to compensate for below-average

There is a key difference between the situation at that time and the current situation: whereas only the states of Saarland and Bremen were encountering continuous difficulties with the constitutional borrowing limits at the end of the 1980s, today most of the states and even the Federal Government are facing such serious structural financing problems. Nevertheless, there are still marked differences in the size of the budget deficits which, in the petitioners' view, could establish an obligation to assist Berlin (but probably also Bremen and Saarland). However, if virtually all levels of government are in such a difficult situation and are to be burdened further owing to the obligation to provide financial assistance, particularly good reasons for doing so must be given.⁴ Against this background, too, it is essential that the states in question have themselves made all possible efforts to avert and alleviate extreme budgetary hardship.

It is disputed whether this has occurred in Berlin's case. The roots of Berlin's financial crisis lie in the restructuring of its budget financing following German reunification. The substantial Federal aid granted to the previously isolated state was phased out after four years in the expectation that the reunified capital city would grow rapidly and was replaced only partially by payments from the state government revenue-sharing scheme. Both economic and demographic developments remained exceedingly weak, however. The much-needed budgetary adjustment was not initiated in time and was not sufficiently extensive. As a result, the state's debt level was five times higher at the end of 2005 than it had been in 1991 and its budgetary leeway continued to dwindle. Although the current state government points out that it has noticeably reduced interest-adjusted expenditure *per capita* in comparison with the 1995 level not least through civil service cuts and termination of housing construction assistance, this primary expenditure is still structurally higher (more than 5%) than that of the economically strong state of Hamburg. In general, it seems questionable whether the maintenance of an above-average supply of public services can be reconciled with a claim for financial assistance from all other members of the German federation in an extreme emergency. On the revenue side, too, it should be examined whether all potential capacities are being resolutely utilised to the full.

financial capacity. — 4 For instance, in its judgment of 1992, the Federal Constitutional Court stipulated that the obligation to assist a state in financial distress must not lead to the Federal Government and the other states for their part losing the ability to fulfil their constitutional duties ("Bundesverfassungsgerichtsentscheidungen" 86, 148, [270]).

*Important
decision by the
Federal Consti-
tutional Court*

filed by the former Bundestag opposition parties concerning the 2004 Federal Budget Act is particularly important. This could result in a tightening of the budgetary rules that would in future prevent any serious structural underfunding of budgets as is evident in some cases at present. The 1989 decision, which is often referred to in judgments by state constitutional courts, was only a small step in this direction. The decision called for more extensive justification for overshooting the borrowing limits; however, this has so far proved to be a largely ineffective hurdle.

Outlook: marked need for fiscal consolidation

*Medium-term
financial plans
envisage signifi-
cant reduction
of deficits*

State government's financial plans envisage a significant reduction in deficits in the coming years. The recently agreed tax increases provide a better foundation for these plans. According to the most recent tax estimate, state government's tax revenue will go up by 3¼% on average in each of the next four years as a result. Pursuant to the agreements reached in the Financial Planning Council, the average annual growth in expenditure is to be restricted to 1% in this period, resulting in notable consolidation. The medium-term expenditure growth of central, state and local government must remain around 2 percentage points below revenue growth, not least in order to fulfil the minimum criterion of the European Stability and Growth Pact, ie annual structural deficit reduction of at least ½% of GDP. However, this will require considerable effort on the part of state government as some expenditure categories (interest ex-

penditure, civil servant pensions) will increase automatically by far more than 1% per year unless additional fiscal consolidation measures are taken. Even if state government as a whole manages to reduce the deficit as planned, some of the states are likely to fail structurally to meet the stipulated borrowing ceilings right up to the end of the current financial planning period. The Budget Principles Act lays down the objective of a budget with no new net borrowing. So far, only Bavaria, whose budget regulations make this a requirement as of 2006, has managed to achieve this. Saxony is, however, already close to achieving this objective. As far as the other states are concerned, it remains to be seen whether the target paths, which extend into the next decade, really can be kept to.

The expected sharp growth in expenditure on civil servant pensions will prove a major financial burden for state government. In addition to a further rise in the life expectancy of retirees, another major factor is the foreseeable increase in the number of pension recipients owing to a recruitment boom that extended well into the 1970s. Central government's most recent civil servant pension report from 2005 identifies sharp growth in related expenditure – from €16½ billion in 2003 to €47½ billion in 2030.⁸ While the second civil servant pension report from 2001 predicted a decline in the number of pension recipients after 2030, the number is now expected to continue rising until 2040 when it will stabilise at almost twice the current level.

*Major future
burdens from
pension
expenditure*

⁸ In variant 2 of projected expenditure in the civil service pension report (annual pay increases of 2% less cuts which have already been agreed).

State government should strive to set up pension reserves without increasing borrowing

The civil servant pension reserves at central and state government level, which have been funded by lower pay and pension increases since 1999 and were designed to provide relief during a fifteen-year peak in the pension burden starting around 2018, will not achieve the desired objective. Further action is therefore needed. Consequently, some states have set up additional reserves. In Rhineland-Palatinate, an additional contribution – equivalent to up to 30% of current staff remuneration – has been set aside for new civil servants since October 1996. This is aimed at fully financing the related future budget burdens so that the real total costs of the civil servants currently employed by the state are made transparent. As a result, the costs of staffing decisions can be calculated with less distortion. According to the third civil servant pension report, Bremen, Hamburg, Hesse, North-Rhine/Westphalia and Saxony have also set up additional pension reserves although only some of these are aimed at full cost coverage. While these approaches are to be welcomed, it should be pointed out that reserves of this kind will bring about relief for future budgets only if they are not offset by increased net borrowing. Otherwise, implicit debt will merely be converted into explicit debt and long-term sustainability will not improve. Some relief for future budgets would be achieved if the cost-curbing measures adopted for the public pension scheme were to be applied equally to the civil servant pension scheme. One particular such measure is the increase in the official retirement age.

As they still have fewer than average civil servants, the east German states will see their

pension expenditure burden remain smaller, even though the relative rise in expenditure will be sharper because of their lower starting base. The phasing-out by 2019 of the supplementary Federal grants under Solidarity Pact II will have a far greater impact on the east German states' budgets. Given that large amounts of these funds are currently used by most east German states to cover current expenditure, considerable savings will be necessary to compensate for the decline without dramatically pushing up their deficits (see box on pages 48 and 49).

East German states burdened by declining supplementary grants

Closing remarks

All in all, state government's financial situation remains highly problematic. However, considerable differences can be seen between the individual states despite a significant redistribution of revenue owing to the split allocation of turnover tax receipts and the various levels of the revenue-sharing scheme, as well as numerous common nationwide requirements on the expenditure side.

Problematic financial situation and big differences between states

Existing national budget rules have proved ineffective. The practically uninterrupted growth in debt could not be prevented, the majority of the states are structurally failing to observe the constitutional borrowing limits by a significant degree without incurring any notable consequences in the short term, and no less than three states have filed actions for the receipt of financial assistance from the other public authorities on the grounds of supposedly facing acute budgetary hardship.

Current budget rules place insufficient curbs on borrowing

Clearer demarcation of responsibilities under first stage of federalism reform

The first stage of the reform of Germany's federal structure, which has since been adopted by parliament, focuses on a clearer demarcation of responsibilities between central and state government, with the latter gaining additional room for manoeuvre on the expenditure side, in particular, thanks to the transfer of legislative authority for state civil servants' pay. At the same time, their rights vested in the Bundesrat to influence national legislation have been reduced. Moreover, the range of cofinancing projects has been narrowed and a regulation has been agreed compelling state government to make a 35% contribution towards European fines that might be levied in the event of an ongoing excessive deficit. However, this legislation does not constitute a "real" national stability pact, which would significantly increase the pressure for sound budgetary management.

Stage II of federalism reform: opportunity for stricter borrowing limits, ...

The announced second stage of the reform of the federal structure presents the opportunity to make the constitutional borrowing limits more effective, to extend internal budgetary surveillance within the federal system and to further increase both the responsibility and the radius of action of the individual levels of government, in particular, by restructuring the fiscal constitution. Tightening the borrowing rules would appear eminently appropriate. This includes adjusting the very broad definition of investment as the upper borrowing limit. Deducting asset depreciation and asset disposals from investment when calculating the upper borrowing limit – which the courts of auditors are also calling for – would be an important step. Furthermore, a

more rigorous pursuit of the basic objective of a structurally close-to-balance budget, which is already anchored in the Budget Principles Act and in the European Stability and Growth Pact, should be aimed for.

The national budgetary surveillance procedure could also be strengthened. This would require greater transparency regarding financial developments and planning in the individual states. Along the lines of the European budgetary surveillance procedure, one possibility might be to produce regular harmonised stability programmes for the individual states and for central government and to appoint a competent body to assess the situation and outlook of public finances, both overall and at the individual government levels, using various standardised indicators, and to obtain recommendations for appropriate adjustments. In principle, the Financial Planning Council (FPC) could assume an important role here. At present, within the forum of the FPC a discussion is generally held between central and state government on a half-yearly basis concerning the development of public finances. Recommendations for budget planning are also made. However, in the past these have been of very limited significance, particularly in terms of their binding effect on the various levels of government.⁹ Moreover, in the event of a serious misalignment following the overshooting of a critical limit, it might also make sense to restrict the budgetary autonomy of the government concerned – if the federal principle, involving the right to

... national budgetary surveillance procedure ...

⁹ See Deutsche Bundesbank, Deficit-limiting budgetary rules and a national stability pact in Germany, Monthly Report, April 2005, pp 33-37.

Developments in the east German states

Although the east German states (*Länder*) excluding Berlin have only exceeded their constitutional ceilings for net borrowing sporadically in recent years, overall they still face major structural budgetary problems. The performance of the region's economy remains far below that of western Germany. Consequently, revenues *per capita* from taxes on income in the state government budgets in eastern Germany are only just over one-quarter of those in the west German non-city states (*Flächenländer*), ie excluding the city-states Berlin, Bremen and Hamburg. While the state government revenue-sharing scheme, including the advance equalisation in turnover tax distribution, brings about considerable convergence at state government level on the revenue side, it was designed far less to even out the below-average tax-generating power of local government.

By contrast, the east German state governments' current *per capita* expenditure exceeds the comparable figure for western Germany by one-eighth, even after factoring out the (far higher) transfers to local government. In addition to larger current grants to households and enterprises, another contributory factor are the staffing levels which are still higher. Progressive harmonisation with pay levels in the west German public sector means this will have an even greater impact in future unless countermeasures are taken. Moreover, pension payments will increase considerably in the long term, which will be offset only partly by a fall in special and sup-

plementary pension payments to certain former officials of the now defunct German Democratic Republic (GDR). Furthermore, interest payments per inhabitant in the east German non-city states were nearly one-fifth higher than those in the west German non-city states even though the east German states started on an almost debt-free basis in 1990. This trend is exacerbated by the fact that total population figures in the east German states are on the decline, while in western Germany they are still growing, albeit slightly. This puts additional pressure on the east German states to adapt, given the associated weakening of their regional tax-raising base and the fact that their revenue-sharing entitlement is determined according to the number of inhabitants.

Yet, the impending adjustments to financial aid measures beyond the general revenue-sharing arrangement are more serious still. For one thing, EU assistance for eastern Germany will be reduced as, post-enlargement, its economy will no longer be as weak compared with the new EU average. Far more significant is the agreement contained in Solidarity Pact II (which has been in effect since 2005) to gradually reduce the special supplementary Federal grants which the east German states receive pursuant to section 11 (3) of the Revenue-sharing Act (*Finanzausgleichsgesetz*) to ease the burdens resulting from the former partitioning of Germany, such as the costly need to improve the infrastructure in order to catch up with western Germany and

¹ In a comparison of east German states with the financially weak west German states as well as of Berlin with Bremen and Hamburg (excluding their ports), the German Institute for Economic Research (DIW) identified an infrastructure deficit of just over €80 billion. See D Vesper, Zum infrastrukturellen Nachholbedarf in Ostdeutschland, DIW-Wochenbericht, 20/01. It should be borne in mind, however, that this figure is subject to considerable valuation problems and that the implied requirement of equal infrastructure capital per capita is con-

tentious. For example, it does not appear necessary to achieve a comparable stock of capital in schools if, owing to the low birth rate in eastern Germany, the number of pupils is far lower. Concerning the traffic infrastructure, reachability indicators were analysed, too. While these were far less favourable for the east German states, the deficits are considerably mitigated when the geographical location and population density are also taken into account. See also Zweiter Fortschrittsbericht wirtschaftswissenschaftlicher Forschungsinstitute

compensate for their local governments' below-average tax-revenue capacity. The funds, which currently amount to just over €10½ billion annually, will be cut perceptibly from the end of the decade and cease altogether by the end of 2019. By that time, the east German states will have received just over €100 billion in supplementary Federal grants and the infrastructural deficits, which were calculated at the turn of the current decade using projected values for real capital stock per inhabitant, ought to have been eliminated once and for all.¹ In addition, the east German states were granted a second basket of additional funds worth just over €50 billion which is also likely to be paid on a gradually declining scale, thus ratcheting up the pressure on them to adapt.

Generally, the east German states receive the special supplementary Federal grants in the form of current transfers which, technically, they are free to use as they see fit. However, since 2002, when the €3½ billion of investment grants awarded under the Investment Promotion Act (*Investitionsförderungsgesetz*) were converted into current transfers, the east German states (including Berlin) have had to submit statements of accounts specifying how the money was used. Besides spending it to help narrow the infrastructure gap, which is confirmed by the fact that (except in Berlin) their *per capita* investment expenditure outstrips that in comparable west German states, the east German states must also provide evidence that they have not fi-

nanced the catching-up process via increased borrowing.

In recent years, however, only Saxony has been able to provide such evidence² (which also covers the local authorities with their relatively high investment expenditure and more limited borrowing capacity). In the other states, higher investment was accompanied by additional borrowing. This implies that – in breach of the agreements – a far greater proportion of Solidarity Pact funding was used for financing current expenditure than was necessary to achieve the envisaged appropriate levelling-up of the local governments' below-par tax-revenue capacity. According to provisional calculations based on data from cash statistics, just under two-fifths of the money granted to the east German states (excluding Berlin) in 2005 was used for purposes other than those intended.³ This attests to the marked structural under-financing that characterises most of the eastern states' budgets. They, like many of their counterparts in western Germany, would be incapable of keeping below the constitutional ceiling for new borrowing without central government assistance. Even factoring in the additional revenue expected to accrue from recently approved tax increases, most east German states will probably not manage in 2007 either to submit a report showing that all central government transfers were used as agreed. This underscores the magnitude of the consolidation challenge which they face even in the short term.

über die wirtschaftliche Entwicklung in Ostdeutschland, Kiel Discussion Papers 406, 2003, p 13 f. — 2 New borrowing is deducted from self-financed investment in infrastructure (plus other self-financed investments, for which debt financing is generally permitted). The resources are considered to have been completely properly appropriated if the difference, plus the higher grants to local government to even out the below-average financial strength of the local author-

ities, matches or exceeds the amount of central government funding. — 3 See H Seitz (2006): SoBEZ-Verwendungsrechnung für 2005, working paper, p 2. The author states that only Saxony can demonstrate an appropriation of resources in full accord with the intended purpose, whereas the other east German states show misappropriations ranging from over 40% in Brandenburg to almost 80% in Saxony-Anhalt.



support from other government budgets in the event of budgetary hardship, is to be maintained. A possible option would be to specify binding ceilings for expenditure growth or state-specific tax surcharges.

*... and greater
tax autonomy*

The planned reform of the fiscal constitution could also strengthen the tax autonomy of the individual states. The transfer of legislative authority for real estate transfer tax agreed under the first stage of the reform is an initial small step in this direction. After granting more extensive scope for expend-

iture management, one particular option would be to allow individual income tax surcharges. If providing additional services for citizens involves charging higher tax rates, there is a greater incentive to search for economic solutions and to examine more closely the benefits and costs of revenue and expenditure. This might at least weaken the present fiscal illusion created by shifting burdens to other public authorities under the revenue-sharing scheme or by passing on deficits to future tax payers.

Derivatives and their feedback effects on the spot markets

Derivatives are the fastest-growing, most dynamic segment of the modern financial markets. They complement spot market instruments and create new opportunities for the transfer of risk among market participants. Derivatives trading is contributing increasingly to price discovery on financial markets.

On the other hand, derivative instruments can also give rise to additional risks, such as counterparty risk and risks to financial market stability. The present report focuses on the latter, with regard to the potential feedback effects of derivatives markets on the underlying spot markets. One example of such feedback is if derivatives are replicated or hedged by buying and selling the underlying asset on the spot market. This can amplify price fluctuations through pro-cyclical purchases and sales of the underlying asset on the spot market.

Robust market structures are a primary method of avoiding destabilising effects. Moreover, regulatory measures such as price ranges or trading halts can help to defuse crisis situations.

Derivatives include financial products such as options, forward rate agreements, futures, certificates and swaps. The market value of such derivative instruments can be derived from the movement of the value of the

*Spectrum of
derivatives*

underlying asset (eg bonds, stocks, commodities) on which they are based.

Derivatives are traded either in a standardised form (eg exchange-traded futures) or directly between the contractual parties, ie "over the counter" (OTC). The most important exchanges for organised derivatives trading worldwide are the German-Swiss futures and options exchange EUREX, the UK's International Financial Futures Exchange (LIFFE), and the US financial and commodities exchanges Chicago Board of Trade (CBOT) and Chicago Mercantile Exchange (CME).

Potential incentives for derivatives trading include deriving disproportionate benefit from the price movement of the underlying asset for just a relatively small capital input or profiting from falling prices. On the other hand, derivatives are also used to hedge against fluctuations in the price of the underlying asset.

Trade in derivatives has increased sharply in the past two decades. It was initially focused on equities and commodities markets; the strategies tested in those markets were subsequently also applied to interest rate risk and exchange rates. Credit derivatives, with which credit risk can be decoupled from the underlying credit transaction and traded separately or created from scratch, are a relatively new segment.

According to figures from the Bank for International Settlements (BIS), the nominal value of all OTC derivatives contracts outstanding worldwide (excluding credit derivatives) has

roughly tripled between 2000 and 2005, from US\$95 trillion to US\$285 trillion. In itself, the nominal contract volume is not very meaningful, as the risk incurred by market players is measured in terms of their net positions, which make up a small percentage of the aggregate contract volume. However, the trend in the total outstanding contract volume provides an impression of the rapid dynamics of the market for derivatives. Broken down by individual instruments, around 71% of outstanding derivatives are swaps, 16% are options and 13% are forward and futures contracts.

A swap is a contractual agreement to exchange, or swap, assets or payment obligations. Foreign exchange swaps, therefore, are the simultaneous spot sale and forward purchase of foreign currency or the simultaneous spot purchase and forward sale of foreign currency. The most important category of swaps is the interest rate swap, which is the exchange of fixed and variable-rate interest payments based on a (notional) principal. This way, for instance, differences in financing conditions can be used to exploit cost advantages.

By buying an option, the buyer acquires the right to buy or sell a certain amount of an asset (the underlying asset) on a future date at an agreed price. An option is conditional in that the buyer acquires the right, but not the obligation, to exercise the option later.

By contrast, futures are "unconditional" transactions in that the delivery of a precisely determined underlying asset is agreed at a specific future date and a price already set

Swaps as an exchange of payment obligations

Conditional nature of options

Unconditional nature of futures

How the market for derivatives has evolved

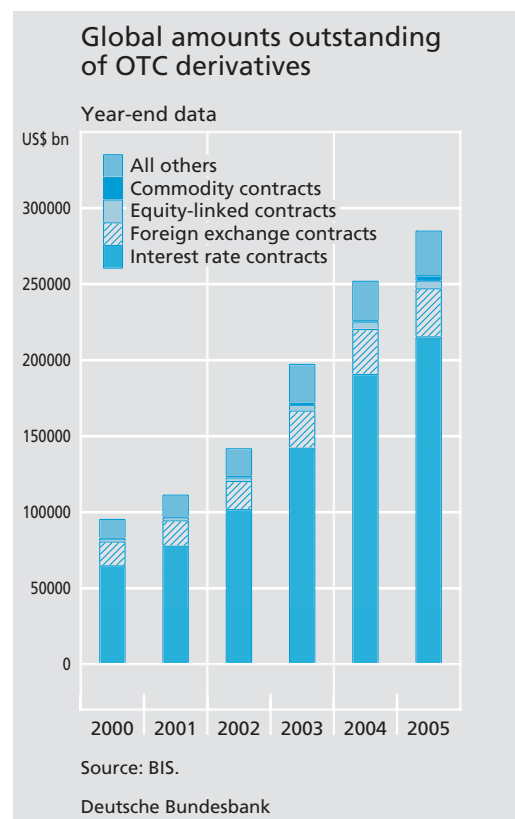
upon the conclusion of the contract. Unlike forward rate agreements, all features of a futures contract are standardised for exchange trading. This paves the way for transparent trading, low trading costs and simplified market access.

Futures markets enable the transfer of risk between different market partners which is born, for instance, of the need to hedge against the spot price risks. By taking a futures position, the buyer freezes the price at which he can buy the underlying asset later on and the writer freezes the price at which he will deliver the underlying asset. However, futures contracts are generally not fulfilled via physical delivery of the underlying asset; instead, the difference between the agreed futures price and the market value of the underlying asset is settled in cash. The profits and losses resulting from the futures position are settled through a clearing intermediary daily. To cover payment obligations, the clearing point requires collateral payments (margin requirements). If the fulfilment of a derivatives contract is not linked to the delivery of the underlying asset, the trade volume can be expanded virtually *ad infinitum*.

Financial derivatives in perfect and complete markets

In perfect markets ...

The perfect markets concept, which is a fundamental element of finance theory, may be used as a point of departure for analysing the link between derivatives and the underlying spot values. In perfect markets, all market players act rationally and share the same in-



formation, ie new information is factored into the prices of financial instruments immediately (also known as information efficiency). Moreover, financial instruments can be traded without transaction costs. On balance, there is no arbitrage: future payment flows are factored into each instrument equally – irrespective of whether they are traded at different exchanges or of differences in the packaging of claims and obligations. In a perfect market, this should thus make it impossible to obtain a risk-free profit by simultaneously buying a financial asset “low” and selling it “high”; price movements on the derivatives and spot markets for their underlying assets should be simultaneous. Moreover, in a perfect market, all the desired possible payment flows can be replicated from a combination of the traded instruments.

*... derivatives
have no impact
on spot
markets*

In this reference framework, derivatives markets have no impact on spot markets. Instead, the value of a derivative can be "derived" explicitly from the value of the underlying asset. In the real world, however, financial market frictions – such as transaction costs, trade restrictions, fragmented markets and illiquidity – mean that derivatives markets could well have feedback effects on spot markets. The conditions under which this could happen, and the potential consequences, will be illustrated below.

Derivatives trading given market frictions

*Why derivatives
are traded*

In order to implement their strategies, investors can generally use both the spot and derivatives markets. Their choice of market usually depends on a number of factors. If transaction costs and financing restrictions exist, market players may have an incentive to trade in options instead of the underlying asset in order to capitalise on leverage and relatively low transaction costs.¹

*Derivatives
make portfolio
shifts much
easier*

It is often easier to implement more complex strategies in derivatives markets, in which liquidity is ample, market access is simple and instruments are quickly tradable. If, for instance, a highly diversified portfolio of stocks is to be shifted to bonds, this can be accomplished by selling stocks and buying bonds. It may be easier, however, to sell a future on a stock index which replicates the stocks in the portfolio. The stock risk is reduced by selling a future since gains on stocks are offset by losses from the sale of the future and losses on stocks by gains from the futures position.

If the index future exactly replicates the stocks held in the portfolio, the stock position is said to be completely hedged. The joint futures and equity position is thus risk-free, and therefore equivalent to a bond of similar maturity.

Market players, therefore, can trade the future in one single transaction instead of dealing several individual stocks. This saves transaction costs and focuses liquidity on the future. Stock indices are weighted averages of the prices of various stocks that are not traded at the exact same time. The index future, however, could be interpreted as an approximation of the notional value of the stock index if all the stocks contained in the index were traded simultaneously.

How derivatives markets affect price discovery

Against this background, the question now is the extent to which derivatives markets affect price discovery on the spot markets. Empirical evidence on stock markets indicates that the prices of stock index futures often lead the underlying stock indices. The lead is frequently five minutes or more.² Grunbichler et al (1994) find, for the German stock index

*Price discovery
for stock
indices and
stock index
futures ...*

¹ See F Black (1975), Fact and fantasy in use of options, *Financial Analysts Journal* 31, pp 36-41 and 61-72, and S Mayhew, A Sarin and K Shastri (1995), The allocation of informed trading across related markets: An analysis of the impact of changes in equity-option margin requirements, *Journal of Finance*, 505, pp 1635-1654.

² See *inter alia* L Harris (1989), S&P 500 cash stock price volatilities, *Journal of Finance*, 46, pp 1155-1175 or H R Stoll and R E Whaley (1990), The dynamics of stock index and stock index futures returns, *Journal of Quantitative Financial Analysis*, 25, pp 441-468.

(DAX), that the DAX index futures price leads the DAX index by 15 to 20 minutes.³ One explanation is that new information enters into the stock index only through the trading of individual stocks. However, owing to transaction costs, it is not possible for all stock prices to adjust immediately and simultaneously to new market information. This means that, in the derivatives market, even though the law of one price is generally valid, information of relevance to the market could be factored in more quickly – at least whenever the arbitrage bands defined by the differences in transactions and opportunity costs are not violated.

In an independent study on the co-movement of the DAX and the DAX future, an approach to determine the share of information from the DAX and the DAX future in price discovery was chosen instead of the “lead-lag approach”, in which the chronological order of price formation is estimated and measured in units of time. The prices of both instruments at five-minute intervals from 20 April to 26 June 2006 were used for this study. For the approximately 4,680 observations, a vector error correction model which replicates both the long-run price equilibrium between the DAX and the DAX future and the short-run dynamics of the prices when they deviate from this equilibrium was estimated. This model can be used to estimate to what extent the DAX price follows a change in the DAX futures price or vice versa. The coefficient of the estimation model can be used to derive the Granger and Gonzalo (GG) measure, which quantifies the share of information from the DAX and the DAX futures in price

discovery.⁴ The GG measure indicates that the DAX futures index leads the DAX index.

There is also empirical evidence that derivatives markets prices lead those of bond markets. The highly liquid Bund future, for instance, makes a much greater contribution to the price formation process than the underlying German government bonds.⁵ Moreover, in many markets credit derivatives prices have begun to lead those of bond markets.⁶ Credit derivatives can be used to hedge against credit risks or to exploit changes in credit risks. They enable credit risks to be traded individually at low transaction costs and without any major restrictions. Many market players therefore take recourse to the liquid segments of the credit derivatives market to implement their strategies quickly.

The results, admittedly, are not consistent with the above-postulated law of one price for derivatives and spot markets: more precisely, the spot markets for financial claims are no less forward-looking than their derivatives markets. Even if derivatives markets are assumed to have a certain lead, given the long time lag before real supply responds, the

... and in the
credit markets

³ See A Grunbichler, F A Longstar and E S Schwartz (1994), Electronic screen trading and the transmission of information: An empirical examination, *Journal of Financial Intermediation*, 3, pp 166-187.

⁴ For a derivation of the GG measure, see J Gonzalo and C Granger (1995), Estimation of common long-memory components in cointegrated systems, *Journal of Business and Economic Statistics*, 13, pp 27-35.

⁵ See C Upper and T Werner (2002), Tail wags dog? Time-varying information shares in the Bund market, Deutsche Bundesbank, Discussion paper 24/02.

⁶ See also H Zhu (2004), An empirical comparison of credit spreads between the bond market and the credit default swap market, BIS Working Paper No 160 and Deutsche Bundesbank, Credit Default Swaps – functions, importance and information content, *Monthly Report*, December 2004, pp 43-56.

relevance of the derivatives markets' price lead is likely to be limited.

Do derivatives influence the stability of the spot markets?

Other approaches in the finance literature examine the effects of the introduction of futures and options on the volatility of spot market prices.

The relevance of volatility considerations

Among other things, the question of the potential impact of derivatives on spot market volatility is relevant with regard to financial stability. To be sure, volatility is not negative for financial markets *per se*. In fact, fundamentally justified volatility reflects the processing of information in the financial markets and, thus, is a precondition for efficient price discovery. However, from an investor's point of view, volatility is an approximation of the prevailing uncertainty in the market and – at least in falling markets – is perceived as generating stress. This is all the more so as diversification of assets often affords little or no protection against strong and market-wide price changes. In extreme cases, this may result in liquidity and solvency problems and ultimately in a disruption of various functions in the financial system – examples being payment settlement, risk valuation and risk transfer, as well as liquidity allocation.

Derivatives' effects on volatility

Analyses of the volatility effects of derivatives markets are often linked to the question of how much spot market volatility is affected by speculative trading.⁷ Friedman (1953) noted that market players willing to take risks

would, in the long run, ultimately contribute to smoothing prices. Market players with false expectations who increase price volatility by selling "low" and buying "high", by contrast, would eventually be doomed to failure and disappear from the market.⁸ However, Friedman's argument, which seems intuitively reasonable, was refuted by the emergence of successful trend-following strategies.⁹

In many of the models discussed in the finance literature, derivatives markets can have a stabilising effect on the relevant spot markets. Peck (1976) shows that futures can stabilise commodities prices if production and storage decisions are made based on the futures price.¹⁰ Rising prices in the forward-looking futures markets could then provide an incentive to increase production and storage and thus contribute to preventing supply bottlenecks in the future. This will tend to smooth price movements. Depending on the parameter values, the results produced by the individual models, however, can generally be equally stabilising or destabilising.

Stabilising effects on commodities markets?

What the empirical evidence does indicate, though, is that, if derivatives are introduced, spot market volatility either falls or at least

⁷ For an overview of the literature, see S Mayhew (2000), "The impact of derivatives on cash markets: What have we learned?", Working Paper, University of Georgia, Department of Banking and Finance.

⁸ See M Friedman (1953), The case for flexible exchange rates, Essays in Positive Economics, Chicago University Press, p 175.

⁹ The first to formulate this was W J Baumol (1957), Speculation, profitability, and stability, *Review of Economics and Statistics*, 39, pp 263-271.

¹⁰ See A E Peck (1976), "Futures markets, supply response, and price stability", *Quarterly Journal of Economics*, 90, pp 407-423.

does not increase any further, and that spot markets tend to become more liquid.¹¹

How hedging strategies influence derivatives markets' impact on spot markets

The discussion about the link between derivatives markets and spot markets has thus far centred on the distribution and processing of information by market players. There has been no discussion of information-free trading, ie transactions not induced by new information or market expectations, such as the impact that occurs when option writers insure themselves against losses from their open options positions by spot-buying and spot-selling the underlying asset, or if options are replicated by spot-market transactions.¹²

Option valuation ...

The approach used to replicate options is derived from the results obtained by Black and Scholes, who demonstrated that standard call and put options can be priced through replication by a portfolio composed of the underlying asset and a loan or an investment at the risk-free rate of interest.¹³ However, this portfolio must continuously be adapted to current market conditions. The "delta" of the option can be used to determine the quantity of the underlying asset to be called or put, which is why one also speaks of dynamic hedging or delta hedging.¹⁴

... and dynamic hedging

The traditional derivation of option values using the Black-Scholes formula rests on the assumption of efficient markets, which postulates that the replication of options has no effect on the price of the underlying asset. The

trade in the underlying asset induced by dynamic hedging, however, can certainly affect spot-market prices, especially owing to liquidity constraints.

Spot markets are not always liquid enough to permit dynamic hedging; therefore, recourse is normally taken to other derivative instruments, specifically futures. Another advantage of futures is that they can replicate indices and make it easy to obtain insurance against a broad range of market risks. The standardised nature of derivatives market contracts promotes liquidity. The term standardisation indicates that a group of market participants with varying motives for transactions uses a relatively narrow set of instruments; as a result, liquidity is not nearly as fragmented as in the spot markets. High liquidity also reduces the market's price sensitivity when settling large transaction volumes and, in turn, reduces the severity of price fluctuation.

If many market players are pursuing dynamic (pro-cyclical) hedging strategies, this can have a destabilising effect on the markets for hedging instruments. A dynamic hedging strategy requires constant buying and selling of the

Dynamic hedging requires large amount of liquidity...

... and affects price dynamics

¹¹ For a more detailed discussion of the literature see S Mayhew (2000).

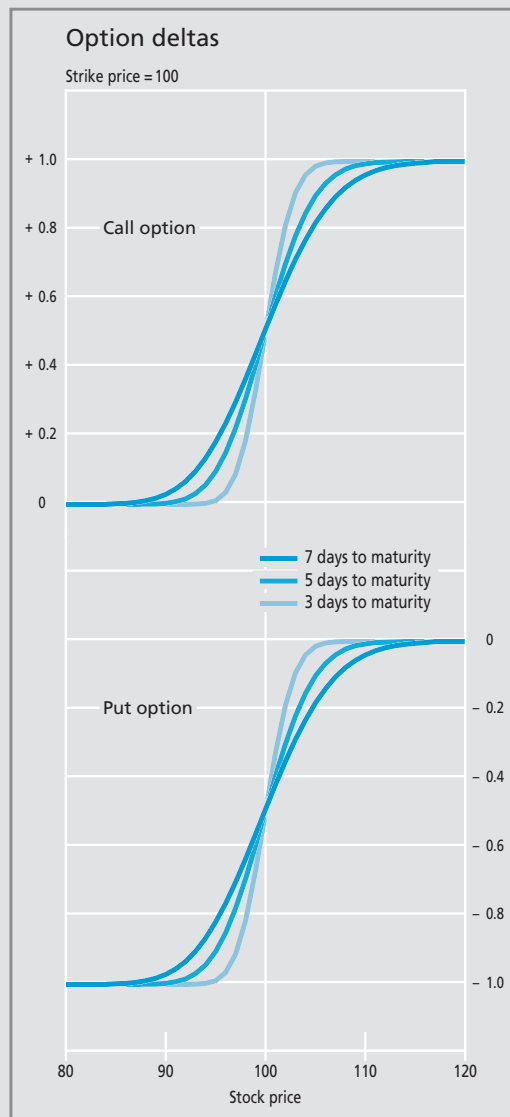
¹² Leland postulates that investors can resort to manufacturing synthetic puts through spot-market transactions to insure their portfolios if a suitable number of actual puts was not available. See H E Leland (1980), "Who should buy portfolio insurance?", *Journal of Finance*, 25, pp 581-596.

¹³ See F Black and M Scholes (1973), The pricing of options and corporate liabilities, *Journal of Political Economy*, 81, pp 637-654.

¹⁴ Delta hedging is the fundamental concept. Other possibilities include gamma hedging (in which the delta itself is held constant) or vega hedging (in which volatility is held constant).

The option delta and delta hedging

The option delta denotes the sensitivity of the option's theoretical value to a one unit change in the price of the underlying asset, where all other variables are constant. Whereas call option deltas are positive, put option deltas are negative.



Call option: where the spot price of the underlying asset is far below the strike price (deep-out-of-the-money call), the delta is 0, ie stock price movements have no impact on the value of the option since the option will not be exercised and will expire worthless. Where the spot price is far above the strike price (deep-in-the-money call), the delta is 1, ie the change in the option's value corresponds to the (absolute) change in the stock price. Where the spot price is close to the strike price (at-the-money call), the delta will rise with the spot price. The delta increases more rapidly as the expiration date approaches.

Put option: where the spot price of the underlying asset is far below the strike price (deep-in-the-money put), the delta is -1, ie the put option's value falls (increases) by the same amount as the increase (fall) in market prices. Where the spot price is far above the strike price (deep-out-of-the-money put), the delta is 0, ie stock market movements have no impact on the value of the option since the option will not be exercised and will expire worthless. Where the spot price is close to the strike price (at-the-money put), the delta will rise with the spot price.

For example: if the delta of a call option on a stock is 0.8, this means that a slight change in the stock price will cause the price of the call option to change by 80% of that amount. In other words, the delta indicates the number of stocks required in a portfolio to replicate the option or to hedge against changes in its value. Since an option's delta fluctuates constantly during its term, continual adjustments have to be made to the replicated portfolio by buying and selling stocks. This is known as delta hedging.

underlying asset and contributes to a correspondingly high trade volume in the markets for hedge instruments. The underlying asset must be bought in times of “rising markets” and sold in times of “falling markets”.

Hedging strategies and the 1987 stock market crash

Strategies to hedge against falling stock prices were already blamed for amplifying the falling price trend in the case of the 1987 stock market crash.¹⁵ The Brady Commission appointed to investigate the cause of the crash emphasised that a wave of institutional sales induced by portfolio insurance strategies accelerated the decline.¹⁶ The Commission stated that the illusion persisted among market participants that there was sufficient liquidity in the stock markets to absorb the hedging sales without major price volatility.

“Uninformed” market players can amplify feedback effects

This view held by market players was consistent with many traditional models founded on the belief that the trading volume induced by hedging strategies was too small to cause noticeable disruptions to the spot markets. Following the 1987 stock market crash, however, more and more models seeking to explain the phenomenon of hedging-induced stock price slides were developed. Whereas Brennan and Schwartz (1989), using a model with a (consumption) utility-maximising investor, forecast only a slight impact of portfolio insurance strategies on capital market prices and volatility,¹⁷ Gennotte and Leland (1990) show that, for example, information asymmetry between market players can lead to relatively illiquid markets.¹⁸ In their model, some market players align their investment behaviour to financial market price movements instead of to the fundamentals. They

take falling prices as a signal to sell irrespective of whether the price movement was triggered by fundamentally justified changes in expectations, liquidity shortfalls or hedging strategies. Gennotte and Leland refer to the market crash of October 1987, in which, according to them, nearly 15% of the turnover in stocks and stock index futures were induced by portfolio insurance strategies, and then show that an unobserved supply shock, in conjunction with dynamic hedging, can cause stock prices to fall relatively sharply. According to Gennotte and Leland, when the market crashed in 1929 the unobserved hedging plans consisted exclusively of stop-loss strategies, whereas in 1987 portfolio insurance (through dynamic hedging) became an additional, and major, contributing factor to the price slide.

The large volumes of orders that were flooding the market in October 1987 were also a reflection of traders’ willingness to trade in large positions, which was fostered by low transaction costs. In addition, index futures, which had just been introduced in 1982, made it easy to carry out dynamic hedging strategies. The market makers were not sufficiently capitalised to provide adequate liquidity and manage the increased volume of orders.

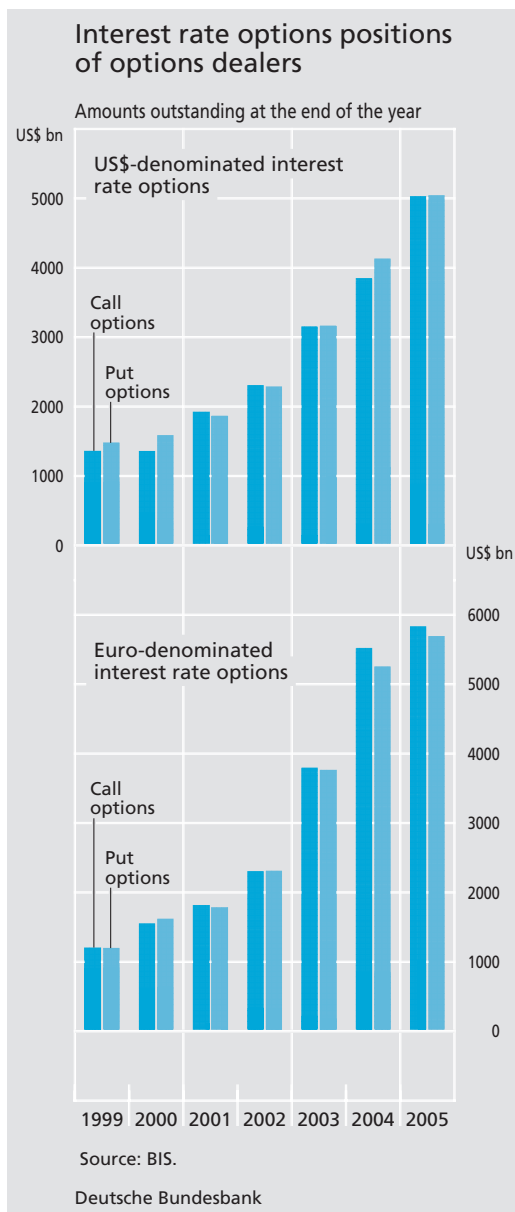
Volume of orders could no longer be handled

¹⁵ On 19 October 1987 – called “Black Monday” – stock prices around the world went into a free fall. That day, the US Dow Jones stock index fell by 22.6%.

¹⁶ See N F Brady et al (1988), Report of the Presidential Task Force on Market Mechanisms, Washington, US Government Printing Office.

¹⁷ See M J Brennan and E S Schwartz (1989), Portfolio insurance and financial market equilibrium, *Journal of Business*, 62, October, pp 455-476.

¹⁸ See G Gennotte and H Leland (1990), Market liquidity, hedging, and crashes, *The American Economic Review*, Vol 80, No 5, December.



Measures to contain price disruptions

These experiences showed the need for measures to strengthen market structures so that, in the future, sudden disruptions in the stock markets could be prevented. Against this background, ideas such as the merger of clearing houses, price ranges to curb extreme volatility and “circuit breakers” to head off the threat of market disruptions, as well as changes in margin requirements, have all been discussed.¹⁹

Margins denote collateral requested by clearing houses or by brokers on behalf of trading parties entering into a futures contract. The cash payment serves as collateral for the traders’ obligations from the futures contract. Following the initial margin payment upon concluding the contract, additional margin payments (margin calls) may become necessary if the investor’s position is losing money on the transaction. The futures markets can be used to illustrate the impact of margin requirements.²⁰ The amount of the margin requirements for the futures contracts has an impact on market liquidity. Small margin payments mean less of a need for capital in order to enter into and maintain a futures position and thus enhance liquidity.

Margin requirements

In times of high volatility, however, there is the danger that the margin payments made will not suffice to offset the volatility and that investors could be forced either to make additional payments or to close out their futures positions. In that case, large volumes of orders from one side of the market (buyers or writers) would flood the market. Low margin requirements, which would promote liquidity in times of low volatility, would have the opposite effect – to dry out the market through a bias of either call or put orders – in times of high volatility.

Where futures positions are completely hedged, by contrast, margin requirements are completely superfluous. If, for instance, an in-

¹⁹ For a detailed overview of regulatory measures see N F Brady et al (1988).

²⁰ See M Rubinstein (1988), Portfolio insurance and the market crash, *Financial Analysts Journal*, Jan-Feb, pp 38-47.

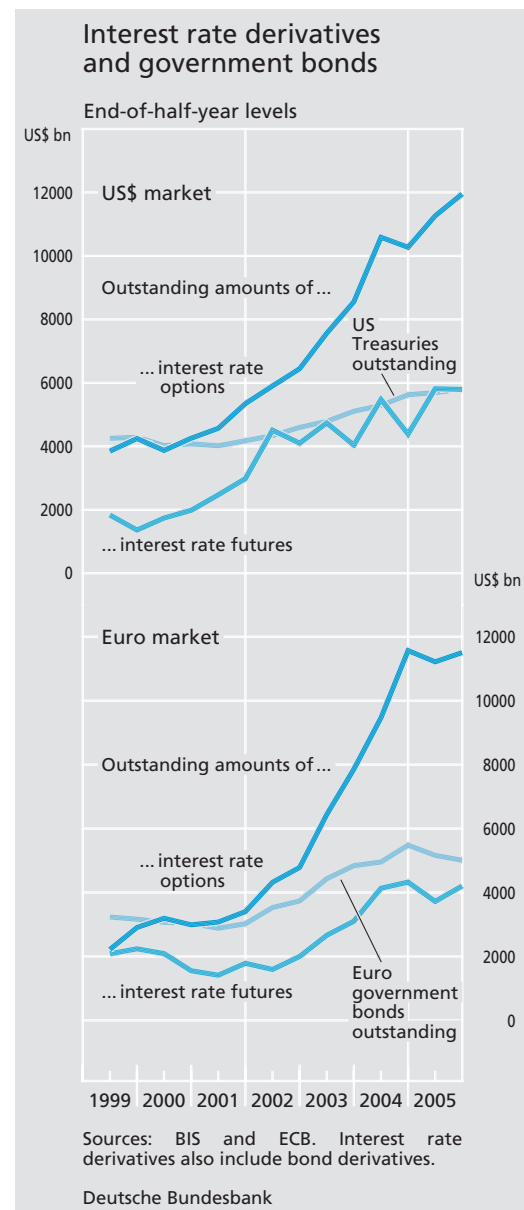
investor is holding a highly diversified stock portfolio and, at the same time, sells an index future that replicates his stock portfolio, the stocks can serve as collateral for the margin payments from the futures contract. During the 1987 crash, hedged market players also created additional selling pressure as they had to liquidate their stocks in order to meet the margin requirements.

Trading rules

Other proposals to curb sharp swings in prices include maximum price ranges and, if appropriate, temporary trading halts. This could slow down the market's momentum and give investors more time to assess their situation and pay outstanding margin requirements. However, there is then the possibility not only of limiting the consequences of panic reactions among market participants but also that fundamentally justified price movements will be stifled – at least for the time being. In addition, upon approaching a price limit, investors could close out their positions so that, in the event of a price limit or a trading halt, they do not run the risk of ending up with an illiquid position. Such behaviour would then cause investors to reach the price limit more quickly. In the end effect, however, the measures described above are necessary to prevent dynamic overvaluation in the financial markets.

Feedback effects of dynamic hedging in the case of interest rate derivatives

Dynamic hedging strategies are demonstrably significant for other markets in much the same way that they are for the equity markets. The market for interest rate options,



which accounts for 70% of financial options traded worldwide, is the largest segment of the market.

Although interest rate options can refer directly to interest rates, this term also covers options on bonds and on bond futures. Hedging strategies are particularly relevant whenever options dealers act as net writers. Their open positions expose dealers to interest rate

*Markets for
hedging
instruments
very liquid ...*

risk, which can be hedged through a variety of interest rate instruments such as first-class bonds or bond futures.

In order to hedge open options positions using bonds and futures, these markets need to be sufficiently liquid. To insure interest rate options completely, it is necessary to have hedging instruments with the same maturity as that of the options to be insured. For the US dollar interest rate options market, Kambhu (1997) investigated how hedging transactions potentially induced by options dealers could lead to feedback effects on the markets for hedging instruments. For the USA, the empirical study showed that the markets for hedging instruments were, at the time, generally sufficiently liquid to absorb the demand for hedging created by changes in interest rates.²¹ However, the demand for hedging median maturities already, in some cases, outpaced the usual volume of turnover in the markets in hedging products.

The balance between sales and purchases of options by options dealers fluctuated only marginally in recent years. At first glance, this would seem to indicate virtually no growth in demand for hedging products. However, in the summer of 2003, for instance, market liquidity problems occurred owing to demand for hedging instruments following a sharp rise in yields. This experience led to an increase in the use of other instruments, such as interest rate swaps, in order to carry out dynamic hedging strategies.

In addition, the total volume of outstanding euro and US dollar-denominated options has

grown much faster than the volumes of futures and bonds. This means that feedback effects on spot markets could be caused not only by options dealers' demand for hedging products but also other market players' increased demand for interest rate derivatives – for both speculative and hedging purposes.

Conclusion

The interplay between the derivatives and spot markets will remain a topic of scholarly debate. Derivatives markets' fast growth has intensified their influence on price discovery and risk allocation in the financial markets. Now that price risks can be traded easily and at low cost, new information is processed more quickly. Derivatives trading can therefore send signals to other markets. Signals can have a stabilising effect if, for instance, the future expectations of derivatives market players influence the production and storage decisions of commodity market players.

On the other hand, during turnarounds in market expectations and major price fluctuations, dynamic hedging strategies can also wreak havoc on illiquid spot markets. The extent to which derivatives create risk for the entire financial system is closely tied to the question of how these instruments are used in specific market circumstances. The potential feedback effects on, and systemic risks to, spot markets created by the use of derivatives raise the question of how to supervise and

*... yet markets
for interest
rate options
growing fast*

*Derivatives
round out
financial
markets*

*Potential
feedback
effects and
regulatory
approaches*

²¹ See J Kambhu (1997), The size of hedge adjustments of derivatives dealers' US dollar interest rate options, Federal Reserve Bank of New York, June 1997.

regulate the financial markets in question. Defining the legal framework, creating a robust market structure, making information systems transparent and instituting trading halts and price ranges are at the heart of the debate on what constitutes suitable measures.

It is not enough, however, to focus regulation on exchange-traded derivatives, which are easier to supervise, as this might create incentives to shift trading activity to the OTC sector, which is more sensitive with regard to hedging and to counterparty risk.



Statistical Section

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Abbreviations and symbols

- e Estimated
- p Provisional
- pe Partly estimated
- r Revised
- ... Data available at a later date
- . Data unknown, not to be published or not meaningful
- 0 Less than 0.5 but more than nil
- Nil

Discrepancies in the totals are due to rounding.

I Key economic data for the euro area

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 households	Monetary capital formation 4	Eonia 5,7	3-month Euribor 6,7	Yield on European government bonds outstanding 8
				3-month moving average (centred)						
	Annual percentage change							% per annum as a monthly average		
2004 Nov	9.8	6.6	6.1	6.2	6.0	6.8	7.8	2.09	2.17	3.9
Dec	8.9	6.7	6.6	6.5	6.1	7.1	8.3	2.05	2.17	3.7
2005 Jan	9.6	7.1	6.8	6.7	6.6	7.4	8.1	2.08	2.15	3.6
Feb	10.1	7.3	6.6	6.6	6.7	7.4	8.8	2.06	2.14	3.6
Mar	9.2	7.1	6.5	6.6	6.3	7.4	8.7	2.06	2.14	3.7
Apr	9.3	7.4	6.8	6.9	6.7	7.8	8.4	2.08	2.14	3.5
May	10.2	7.6	7.4	7.3	6.5	7.9	8.4	2.07	2.13	3.4
June	10.9	8.0	7.6	7.6	6.7	8.2	9.6	2.06	2.11	3.2
July	11.1	8.3	7.9	7.9	6.9	8.4	9.3	2.07	2.12	3.3
Aug	11.6	8.6	8.2	8.1	7.1	8.7	9.2	2.06	2.13	3.3
Sep	11.1	8.8	8.4	8.2	7.4	9.1	8.8	2.09	2.14	3.1
Oct	11.1	8.6	7.9	8.0	7.8	9.4	9.1	2.07	2.20	3.3
Nov	10.5	8.2	7.6	7.6	8.2	9.5	8.9	2.09	2.36	3.5
Dec	11.4	8.5	7.4	7.6	8.3	9.5	8.8	2.28	2.47	3.4
2006 Jan	10.3	8.4	7.7	7.7	8.5	10.0	8.8	2.33	2.51	3.4
Feb	9.9	8.7	7.9	8.0	8.9	10.8	8.8	2.35	2.60	3.5
Mar	10.1	9.0	8.5	8.4	9.4	11.5	8.7	2.52	2.72	3.7
Apr	9.8	9.3	8.7	8.7	9.5	11.8	8.8	2.63	2.79	4.0
May	10.2	9.2	8.9	...	9.3	11.8	8.8	2.58	2.89	4.0
June	...	...	...	...	...	...	...	2.70	2.99	4.1

1 Source: ECB. — 2 Seasonally adjusted. — 3 Excluding money market fund shares/units, money market paper and debt securities with a maturity of up to two years held by non-euro-area residents. — 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.4, p 43*. — 8 GDP-weighted yield on ten-year government bonds.

2 External transactions and positions *

Period	Selected items of the euro-area 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	Reserve assets	Nominal		Real 4	
	€ million								Euro/US-\$	Q1 1999 = 100	
2004 Nov	+ 7,430	+ 5,168	+ 10,149	- 10,378	- 21,153	+ 41,722	- 41	1.2991	105.6	107.6	
Dec	+ 9,117	+ 7,492	+ 3,041	+ 211	+ 38,469	- 37,114	+ 1,475	1.3408	107.1	109.3	
2005 Jan	- 6,932	+ 1,402	+ 15,864	- 12,075	- 17,728	+ 47,246	- 1,579	1.3119	105.8	108.0	
Feb	+ 4,847	+ 5,603	+ 24,248	- 2,841	+ 24,121	- 1,945	+ 4,913	1.3014	105.1	107.2	
Mar	+ 4,285	+ 8,062	- 21,291	- 8,829	- 6,748	- 7,228	+ 1,514	1.3201	106.0	108.2	
Apr	- 10,455	+ 3,516	- 5,483	- 13,710	- 8,366	+ 17,417	- 825	1.2938	105.1	107.2	
May	- 2,861	+ 5,732	+ 41,516	+ 6,704	+ 19,779	+ 12,482	+ 2,551	1.2694	104.0	106.2	
June	+ 2,162	+ 8,847	+ 13,452	- 7,712	+ 97,713	- 77,930	+ 1,380	1.2165	101.2	103.5	
July	+ 2,983	+ 9,525	+ 1,017	- 85,054	+ 78,470	+ 5,023	+ 2,577	1.2037	101.7	103.8	
Aug	- 2,736	+ 966	+ 412	- 12,033	- 14,000	+ 26,521	- 76	1.2292	102.3	104.5	
Sep	- 1,612	+ 5,487	+ 33,151	- 526	+ 24,875	+ 9,263	- 461	1.2256	101.8	103.9	
Oct	- 6,490	+ 1,468	- 6,502	- 7,978	- 1,870	+ 3,116	+ 229	1.2015	101.4	103.5	
Nov	- 5,624	+ 1,015	+ 5,803	- 1,999	- 39,570	+ 46,192	+ 1,180	1.1786	100.7	102.9	
Dec	- 177	+ 1,329	- 12,208	+ 590	- 7,736	- 12,407	+ 7,345	1.1856	100.7	103.0	
2006 Jan	- 9,694	- 6,407	- 11,005	+ 4,916	- 39,452	+ 25,849	- 2,319	1.2103	101.4	103.6	
Feb	- 426	+ 271	+ 13,207	- 25,426	+ 17,506	+ 19,232	+ 1,895	1.1938	100.7	103.0	
Mar	+ 115	+ 2,605	+ 34,684	+ 8,638	+ 46,350	- 26,258	+ 5,954	1.2020	101.5	103.8	
Apr	- 7,991	- 136	+ 3,146	- 2,452	- 11,461	+ 18,287	- 1,229	1.2271	102.7	105.1	
May	...	...	...	...	...	...	...	1.2770	103.8	106.0
June	...	...	...	...	...	...	...	1.2650	103.9	106.2

* Source: ECB. — 1 See also Tables X.12 and 13, pp 74-75. — 2 Including financial derivatives. — 3 Vis-à-vis the currencies of The-EER-23 group. — 4 Based on consumer prices.

I Key economic data for the euro area

3 General economic indicators

Period	Belgium	Germany	Finland	France	Greece	Ireland	Italy	Luxem- bourg	Nether- lands	Austria	Portugal	Spain	Euro area
Real gross domestic product ¹													
2003	0.9	- 0.2	1.8	1.1	4.8	4.4	0.0	2.0	- 0.1	1.4	- 1.1	3.0	0.8
2004	2.6	1.6	3.5	2.3	4.7	4.5	1.1	4.2	1.7	2.5	1.2	3.1	2.1
2005	1.2	1.0	1.5	1.2	3.7	4.7	0.0	4.0	1.1	1.9	0.4	3.4	1.3
2004 Q4	2.3	1.3	3.9	1.9	4.8	2.3	0.6	3.0	2.4	3.3	0.7	3.3	1.6
2005 Q1	1.2	- 0.5	2.5	1.4	3.4	2.6	- 0.4	1.4	0.4	1.7	0.0	2.2	1.2
Q2	1.5	1.8	1.1	1.7	3.7	4.5	0.2	3.6	1.9	1.8	0.4	4.3	1.2
Q3	1.0	1.5	2.5	1.1	3.8	4.7	0.1	5.4	2.0	1.5	0.3	3.1	1.6
Q4	1.3	1.1	2.3	0.8	3.7	5.3	0.0	5.7	1.9	2.2	0.8	4.0	1.7
2006 Q1	2.6	2.9	3.8	1.5	4.1	...	1.9	...	2.9	3.0	1.0	3.2	2.0
Industrial production ^{1,2}													
2003	p 0.8	r 0.4	1.2	- 0.4	0.3	4.7	- 0.5	5.4	- 1.4	2.1	0.1	1.4	0.3
2004	p 3.2	r 3.0	5.0	2.0	1.2	0.3	- 0.6	5.5	2.5	6.3	- 2.7	1.6	2.0
2005	p - 0.3	r 3.4	- 2.4	0.2	- 0.9	3.0	- 0.8	5.6	- 1.2	4.3	0.3	0.7	1.2
2004 Q4	p 3.7	r 2.0	6.4	2.0	- 0.7	- 5.8	- 2.1	4.0	2.5	8.0	- 5.0	0.4	1.2
2005 Q1	p - 1.2	r 2.5	0.5	0.8	- 1.5	1.2	- 2.7	3.0	- 0.9	4.6	- 1.7	0.3	0.6
Q2	p 0.5	r 2.3	- 6.8	0.3	- 2.6	2.0	- 1.2	3.9	- 0.1	5.1	0.0	0.1	0.7
Q3	p - 1.8	r 3.5	- 2.1	0.5	- 0.7	3.0	0.4	9.6	- 2.3	3.9	0.7	0.7	1.5
Q4	p 1.0	r 5.1	- 0.7	- 0.7	1.3	5.8	0.5	6.4	- 1.6	3.5	2.3	1.6	2.1
2006 Q1	p 6.4	r 4.9	3.0	0.4	1.2	2.7	3.0	8.8	3.0	6.0	1.6	2.6	3.4
Capacity utilisation in industry ³													
2003	78.7	82.0	81.9	84.8	76.5	75.1	76.3	84.7	81.7	80.0	79.0	78.9	81.0
2004	80.4	83.2	84.5	84.1	75.6	75.6	76.4	85.6	82.7	81.3	80.4	79.0	81.5
2005	79.4	82.9	84.9	83.2	72.1	74.2	76.4	82.3	82.0	81.7	80.0	80.2	81.3
2005 Q1	80.9	83.9	85.5	84.0	71.9	72.2	76.4	84.9	82.3	82.2	81.6	80.1	81.9
Q2	79.4	81.9	87.5	84.6	72.4	69.7	76.4	83.2	82.0	81.8	79.2	80.1	81.1
Q3	78.2	82.7	82.4	82.5	71.9	78.2	75.9	79.8	81.7	81.3	79.9	80.6	80.9
Q4	79.1	82.9	84.3	81.8	72.2	76.8	76.7	81.4	82.1	81.3	79.2	80.1	81.1
2006 Q1	80.4	84.2	85.2	83.6	74.2	74.0	76.8	82.8	81.5	81.9	78.7	80.7	82.0
Q2	82.8	84.4	85.1	83.7	74.6	76.1	77.3	84.0	81.9	83.2	78.0	81.1	82.4
Unemployment rate ⁴													
2003	8.2	9.0	9.0	9.5	9.7	4.7	8.4	3.7	3.7	4.3	6.3	11.1	8.7
2004	8.4	9.5	8.8	9.6	10.5	4.5	8.0	5.1	4.6	4.8	6.7	10.7	8.9
2005	8.4	9.5	8.4	9.5	9.8	4.3	7.7	4.5	4.7	5.2	7.6	9.2	8.6
2005 Dec	8.4	9.5	8.2	9.2	...	4.3	7.7	4.7	4.4	5.1	7.8	8.8	8.3
2006 Jan	8.2	9.1	8.1	9.1	...	4.3	...	4.7	4.3	5.1	7.6	8.8	8.2
Feb	8.3	8.9	8.0	9.1	...	4.3	...	4.7	4.2	5.0	7.6	8.9	8.1
Mar	8.3	8.7	7.9	9.0	...	4.3	...	4.8	4.1	5.0	7.6	8.9	8.0
Apr	8.4	8.2	7.7	8.9	...	4.3	...	4.8	4.0	4.9	7.6	8.3	8.0
May	8.4	8.3	7.6	8.8	...	4.3	...	4.7	3.9	4.9	7.5	8.3	7.9
June	8.4	...	...	...	...	4.4	...	...	...	4.9	...	8.3	...
Harmonised Index of Consumer Prices ¹													
2003	1.5	1.0	1.3	2.2	3.5	4.0	2.8	2.5	2.2	1.3	3.3	3.1	2.1
2004	1.9	1.8	0.1	2.3	3.0	2.3	2.3	3.2	1.4	2.0	2.5	3.1	2.1
2005	2.5	1.9	0.8	1.9	3.5	2.2	2.2	3.8	1.5	2.1	2.1	3.4	2.2
2005 Dec	2.8	2.1	1.1	1.8	3.5	1.9	2.1	3.4	2.0	1.6	2.5	3.7	2.2
2006 Jan	2.8	2.1	1.2	2.3	3.0	2.5	2.2	4.1	1.8	1.5	2.6	4.2	2.4
Feb	2.8	2.1	1.3	2.0	3.2	2.7	2.2	3.9	1.4	1.5	2.9	4.1	2.3
Mar	2.2	1.9	1.2	1.7	3.3	2.8	2.2	3.7	1.4	1.3	3.0	3.9	2.2
Apr	2.6	2.3	p 1.5	2.0	3.5	2.7	2.3	3.5	1.8	p 2.1	2.9	3.9	2.4
May	2.8	2.1	p 1.7	2.4	3.3	3.0	2.3	3.6	1.8	p 2.1	2.9	4.1	p 2.5
June	2.5	p 2.0	...	...	3.5	...	e 2.4	3.9	p 1.8	...	...	...	p 2.5
General government financial balance ⁵													
2003	0.1	- 4.0	2.5	- 4.2	- 5.8	0.2	- 3.4	0.2	- 3.1	- 1.5	- 2.9	0.0	- 3.1
2004	0.0	- 3.7	2.3	- 3.7	- 6.9	1.5	- 3.4	- 1.1	- 1.9	- 1.1	- 3.2	- 0.1	- 2.8
2005	0.1	- 3.3	2.6	- 2.9	- 4.5	1.0	- 4.1	- 1.9	- 0.3	- 1.5	- 6.0	1.1	- 2.4
General government debt ⁵													
2003	98.5	63.8	44.3	62.4	107.8	31.1	104.2	6.3	51.9	64.4	57.0	48.9	69.3
2004	94.7	65.5	44.3	64.4	108.5	29.4	103.8	6.6	52.6	63.6	58.7	46.4	69.8
2005	93.3	67.7	41.1	66.8	107.5	27.6	106.4	6.2	52.9	62.9	63.9	43.2	70.7

Sources: National data, European Commission, Eurostat, European Central Bank. Latest data are partly based on press reports and are provisional. — 1 Annual percentage change; GDP of Greece, Portugal and the Euro-area calculated from seasonally adjusted data. — 2 Manufacturing, mining and energy; 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 the civilian labour force; seasonally adjusted. — 5 As a percentage of GDP; Maastricht Treaty definition; Euro-area aggregate: European Central Bank, member states: European Commission.

II Overall monetary survey in the euro area

1 The money stock and its counterparts *

(a) Euro area

€ billion

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 households		General government		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								
2004 Oct	56.9	57.5	6.3	- 0.6	- 1.1	20.4	30.8	10.4	25.2	7.3	0.9	15.3	1.8
Nov	90.5	86.9	18.2	3.5	6.9	10.2	105.8	95.6	29.2	15.4	0.8	7.2	5.8
Dec	28.0	70.9	16.1	- 43.0	- 48.4	26.4	- 7.2	- 33.7	40.9	26.0	1.2	9.1	4.6
2005 Jan	96.6	54.8	15.4	41.9	38.2	- 15.7	84.0	99.7	11.9	1.9	- 0.3	10.7	- 0.4
Feb	60.8	37.5	10.7	23.2	32.5	13.7	66.1	52.4	46.4	7.5	0.5	32.6	5.8
Mar	48.3	53.9	6.7	- 5.6	- 4.5	- 22.6	37.2	59.9	46.8	15.3	- 0.1	23.8	7.8
Apr	136.4	120.2	68.1	16.2	11.6	2.7	110.0	107.3	17.4	5.4	- 0.5	15.3	- 2.8
May	55.6	62.2	2.9	- 6.6	- 4.2	- 39.1	- 6.3	32.8	26.4	0.2	- 0.4	21.7	4.9
June	80.1	71.7	- 23.8	8.4	8.3	100.8	21.7	- 79.2	78.5	27.6	- 0.7	30.0	21.6
July	52.8	53.0	- 8.2	- 0.2	- 0.7	0.5	44.9	44.5	14.3	5.6	- 1.0	6.7	3.0
Aug	- 1.0	3.3	- 1.5	- 4.2	- 5.7	1.9	- 1.1	- 3.0	17.9	1.6	- 1.0	12.5	4.8
Sep	98.8	99.3	12.9	- 0.4	- 6.2	- 21.7	65.3	86.9	30.4	2.5	- 1.6	14.8	14.7
Oct	102.9	89.9	23.2	12.9	15.8	- 5.3	57.7	62.9	41.4	9.6	- 0.5	31.0	1.3
Nov	143.2	105.0	20.1	38.2	44.0	- 43.4	25.8	69.2	24.9	13.3	0.2	6.4	4.9
Dec	40.8	74.3	- 0.0	- 33.4	- 56.5	42.1	- 47.5	- 89.5	43.2	27.9	0.8	- 7.6	22.1
2006 Jan	126.1	104.9	19.6	21.2	26.1	2.1	127.0	124.9	9.4	6.2	0.7	0.7	1.9
Feb	106.5	109.7	28.5	- 3.1	6.4	- 33.3	11.8	45.0	56.3	12.4	0.3	25.0	18.6
Mar	116.1	127.8	45.2	- 11.8	- 15.6	18.1	97.4	79.3	46.5	20.3	0.8	20.9	4.6
Apr	160.9	158.8	60.0	2.1	1.7	- 4.8	91.2	96.0	24.1	11.3	0.4	17.7	- 5.2
May	38.6	72.0	4.9	- 33.4	- 18.4	8.4	62.7	54.3	28.1	10.4	1.3	22.2	- 5.8

(b) German contribution

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 households		General government		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								
2004 Oct	11.7	- 0.6	1.5	12.3	7.3	18.7	8.1	- 10.6	3.9	2.7	0.6	- 0.5	1.1
Nov	6.1	11.8	1.1	- 5.7	- 1.8	3.3	41.4	38.1	0.5	2.6	0.8	- 0.9	2.0
Dec	- 14.0	- 1.8	9.9	- 12.2	- 8.2	10.3	- 25.6	- 36.0	2.1	3.7	1.1	- 5.2	2.5
2005 Jan	20.9	6.3	6.3	14.6	10.2	- 4.8	26.3	31.1	2.3	0.6	- 0.3	0.7	1.3
Feb	- 2.2	0.6	- 5.1	- 2.8	1.6	1.7	14.0	12.3	4.9	4.1	0.5	4.8	- 4.5
Mar	8.5	- 1.1	6.2	9.6	9.8	- 10.4	4.0	14.3	10.6	2.6	- 0.0	7.8	0.3
Apr	63.2	50.8	45.3	12.4	7.5	15.6	56.3	40.7	11.8	- 2.8	- 0.5	10.8	4.2
May	- 21.7	- 15.0	- 17.7	- 6.6	- 5.7	- 22.7	- 25.5	- 2.9	- 1.8	- 4.0	- 0.5	2.0	0.7
June	- 27.7	- 9.3	- 16.0	- 18.4	- 12.8	49.9	- 6.3	- 56.2	9.1	- 0.4	- 0.6	4.9	5.3
July	3.9	2.9	4.5	1.0	- 3.0	3.7	14.3	10.6	6.8	1.8	- 0.7	2.8	2.9
Aug	2.8	2.7	2.3	0.2	3.4	- 3.4	- 10.4	- 7.0	- 1.3	0.2	- 1.0	- 1.0	0.6
Sep	5.1	17.1	1.9	- 12.0	- 7.2	- 0.1	16.2	16.3	- 5.6	- 0.4	- 1.5	- 2.0	- 1.7
Oct	10.3	11.0	2.7	- 0.7	- 2.3	- 4.2	2.9	7.1	3.7	- 0.7	- 0.5	0.7	4.2
Nov	4.2	1.9	5.4	2.3	10.0	- 7.0	2.3	9.3	2.5	2.0	0.2	- 2.4	2.8
Dec	- 7.7	- 3.4	11.2	- 4.3	- 6.6	16.8	- 38.3	- 55.1	- 5.0	4.0	0.7	- 10.7	0.9
2006 Jan	38.3	30.0	13.0	8.3	6.2	9.1	36.9	27.8	6.7	0.9	0.7	4.7	0.4
Feb	0.2	12.8	4.7	- 12.6	- 3.2	- 7.1	6.9	14.0	17.0	5.3	0.3	6.2	5.2
Mar	19.0	16.8	9.3	2.1	2.0	2.9	17.9	14.9	- 0.1	- 0.0	0.8	- 4.1	3.2
Apr	44.8	45.1	30.1	- 0.4	- 1.6	9.7	10.3	0.6	2.4	4.2	0.2	- 3.3	1.2
May	- 3.8	- 9.5	- 6.9	5.7	13.2	- 7.8	3.2	11.0	- 0.1	1.7	1.1	4.7	- 7.7

* 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. — 3 After

deduction of inter-MFI participations. — 4 Including the counterparts of monetary liabilities of central governments. — 5 Including the monetary liabilities of central governments (Post Office, Treasury). — 6 In Germany, only savings deposits. — 7 Paper held by residents outside the euro area has been eliminated. — 8 Less German MFIs' holdings of paper issued by

II Overall monetary survey in the euro area

(a) Euro area

IV De- posits of central gov- ernments	V Other factors			VI Money stock M3 (balance I plus II less III less IV less V)										Period
	Total 4	of which Intra- Eurosystem liability/ claim related to banknote issue	Total	Money stock M2						Repo transac- tions	Money market fund shares (net) 2,7,8	Debt secur- ities with maturities of up to 2 years (incl money market paper) (net) 2,7		
				Money stock M1			Deposits with an agreed maturity of up to 2 years 5	Deposits at agreed notice of up to 3 months 5,6						
				Total	Currency in cir- culation	Overnight deposits 5								
- 6.7	- 2.7	-	61.5	42.0	10.1	6.4	3.8	27.7	4.1	13.9	7.4	-	1.7	2004 Oct
- 14.6	47.0	-	39.1	43.8	50.5	4.4	46.2	- 13.5	6.7	- 5.7	- 3.2	-	4.2	Nov
- 20.4	- 70.8	-	104.8	109.5	38.7	19.7	19.1	39.2	31.6	5.0	- 8.0	-	1.6	Dec
18.2	42.4	-	8.4	- 0.3	14.6	- 8.5	23.2	- 27.8	12.8	- 0.2	12.4	-	3.5	2005 Jan
29.5	- 11.2	-	9.8	4.4	4.4	3.7	0.8	- 5.3	5.2	- 1.7	- 1.9	-	8.9	Feb
- 22.7	- 26.0	-	27.5	35.0	26.9	8.2	18.7	4.1	4.0	- 0.2	- 0.8	-	6.5	Mar
- 6.5	43.2	-	85.0	57.1	33.1	9.3	23.8	16.7	7.3	- 0.6	13.8	-	14.7	Apr
- 7.4	- 49.1	-	46.7	34.1	30.1	4.8	25.4	- 1.9	5.9	12.8	7.3	-	7.6	May
38.0	5.3	-	59.2	68.1	76.8	10.7	66.1	- 12.5	3.8	- 0.3	- 14.5	-	5.9	June
- 0.7	- 12.5	-	52.2	39.0	17.8	9.9	8.0	15.6	5.6	- 0.3	12.9	0.6	0.6	July
- 44.3	46.4	-	19.1	- 35.6	- 52.0	- 5.5	- 46.5	12.1	4.3	10.6	4.1	1.9	1.9	Aug
15.7	- 25.1	-	56.2	78.3	53.2	6.2	47.0	23.1	2.0	- 14.8	- 6.9	-	0.4	Sep
- 3.0	20.1	-	39.1	37.0	27.2	3.4	23.8	9.5	0.2	7.0	- 6.0	1.1	1.1	Oct
5.7	51.8	-	17.4	24.2	28.2	4.0	24.2	- 2.9	- 1.0	- 2.1	- 9.3	4.6	4.6	Nov
- 11.6	- 66.0	-	117.3	149.5	91.9	18.3	73.6	38.0	19.5	- 18.2	- 14.2	0.2	0.2	Dec
18.0	89.6	-	11.1	- 18.6	- 27.1	- 11.9	- 15.2	- 7.9	16.4	15.2	6.6	7.9	7.9	2006 Jan
8.0	- 17.1	-	26.0	15.9	- 6.6	4.0	- 10.6	19.4	3.2	- 2.1	3.2	9.0	9.0	Feb
- 6.6	28.8	-	65.4	55.7	25.8	7.4	18.4	28.3	1.6	1.2	- 0.7	9.2	9.2	Mar
- 10.5	21.1	-	121.5	96.1	55.2	8.0	47.2	42.5	- 1.6	13.8	10.1	1.4	1.4	Apr
- 15.6	- 9.2	-	43.8	11.9	23.5	3.1	20.3	- 10.8	- 0.8	8.8	9.1	13.9	13.9	May

(b) German contribution

IV De- posits of central gov- ernments	V Other factors				VI Money stock M3 (balance I plus II less III less IV less V) ¹⁰									Period
	Total	of which Intra- Eurosystem liability/ claim related to banknote issue 9,11	Currency in cir- culation	Total	Components of the money stock									
					Overnight deposits	Deposits with an agreed maturity of up to 2 years	Deposits at agreed notice of up to 3 months 6	Repo transac- tions	Money market fund shares (net) 7,8	Debt securities with maturities of up to 2 years (incl money market paper)(net) 7				
- 2.6	29.4	1.4	1.0	- 0.3	- 3.5	- 2.3	0.5	3.1	- 1.3	-	1.4	2004 Oct		
- 1.9	- 7.6	0.8	2.1	18.4	29.2	- 9.5	- 0.1	0.8	- 1.9	-	0.2	Nov		
0.1	4.0	0.3	4.8	- 10.0	- 29.5	23.5	9.2	- 7.2	- 3.9	-	2.2	Dec		
1.4	- 4.7	1.1	- 2.0	17.1	23.2	- 15.8	0.9	10.3	- 0.2	-	1.1	2005 Jan		
- 0.8	- 5.6	1.3	1.0	1.0	5.2	- 5.6	0.3	2.2	0.3	-	1.4	Feb		
- 3.3	- 1.7	2.1	2.5	- 7.4	0.4	- 5.5	- 1.0	1.0	1.6	-	3.9	Mar		
0.8	54.2	0.9	2.3	12.0	2.4	6.9	0.1	0.3	0.4	-	1.8	Apr		
- 1.3	- 50.1	2.4	1.0	9.0	9.0	3.0	- 0.4	- 0.3	- 0.5	-	1.9	May		
0.8	6.6	0.7	3.4	5.7	10.0	- 5.8	- 1.2	- 0.1	0.2	-	2.5	June		
0.4	1.0	0.6	2.2	- 0.6	0.6	1.1	- 0.1	- 1.5	1.4	-	2.0	July		
- 0.4	- 7.9	1.6	- 1.2	9.0	1.7	1.1	- 0.5	3.9	0.2	-	2.7	Aug		
0.5	4.1	2.3	1.0	6.0	7.1	0.1	0.1	- 2.6	- 0.5	-	1.8	Sep		
- 1.2	- 3.6	0.0	1.0	7.2	3.4	2.1	- 1.1	4.3	- 2.4	-	0.9	Oct		
- 0.3	- 17.9	- 0.1	2.1	12.8	15.5	0.8	- 1.4	0.9	- 1.0	-	1.9	Nov		
0.9	18.5	- 1.2	4.2	- 5.3	- 8.6	10.2	6.6	- 13.6	- 0.0	-	0.1	Dec		
2.0	30.8	0.7	- 2.9	7.9	2.7	0.3	- 1.3	7.9	- 0.6	-	1.0	2006 Jan		
- 6.2	- 15.9	2.0	0.5	- 1.8	- 2.8	0.7	- 0.4	2.2	0.6	-	2.1	Feb		
1.8	3.8	0.5	2.4	16.4	8.1	1.3	- 2.0	7.4	- 0.1	-	1.7	Mar		
- 0.2	34.1	0.4	2.0	18.1	9.3	12.7	- 1.9	- 1.4	- 0.1	-	0.7	Apr		
1.7	- 17.9	0.8	1.2	4.7	4.5	0.5	- 3.5	0.6	0.4	-	2.0	May		

euro-area MFIs. — 9 Including national banknotes still in circulation. — 10 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. — 11 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 2 on banknote circulation in Table III.2).

II Overall monetary survey in the euro area

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 households				General government					
Total	Loans		Debt securities 2	Shares and other equities	Total	Loans	Debt securities 3					
Euro area (€ billion) ¹												
2004 Apr	15,223.0	10,620.2	8,342.9	7,230.4	440.4	672.1	2,277.4	836.6	1,440.8	3,228.7	1,374.1	
May	15,251.5	10,683.4	8,383.8	7,270.0	444.5	669.3	2,299.7	830.8	1,468.9	3,196.7	1,371.3	
June	15,323.8	10,750.7	8,433.4	7,321.5	449.0	662.9	2,317.3	836.7	1,480.6	3,182.5	1,390.6	
July	15,346.7	10,780.5	8,460.6	7,356.2	451.2	653.3	2,320.0	843.0	1,477.0	3,185.0	1,381.1	
Aug	15,379.8	10,759.3	8,441.6	7,347.6	450.7	643.3	2,317.7	838.0	1,479.7	3,225.3	1,395.2	
Sep	15,481.9	10,806.1	8,494.1	7,401.7	449.3	643.1	2,312.0	830.9	1,481.1	3,213.9	1,461.9	
Oct	15,580.2	10,860.6	8,548.7	7,449.7	452.1	647.0	2,311.8	831.2	1,480.6	3,218.8	1,500.8	
Nov	15,772.1	10,945.7	8,630.3	7,512.7	457.4	660.1	2,315.5	827.7	1,487.8	3,281.7	1,544.6	
Dec	15,719.1	10,962.7	8,689.4	7,556.3	466.9	666.2	2,273.3	833.4	1,439.9	3,236.9	1,519.5	
2005 Jan	15,987.2	11,067.4	8,746.0	7,596.6	471.2	678.1	2,321.5	838.0	1,483.4	3,372.7	1,547.1	
Feb	16,098.8	11,126.5	8,783.4	7,622.8	481.1	679.5	2,343.1	828.7	1,514.3	3,420.8	1,551.5	
Mar	16,259.8	11,173.7	8,835.8	7,669.4	482.8	683.6	2,337.9	827.5	1,510.4	3,483.3	1,602.8	
Apr	16,566.7	11,312.4	8,954.9	7,721.5	493.4	740.0	2,357.5	832.1	1,525.4	3,602.6	1,651.8	
May	16,754.9	11,381.5	9,025.9	7,785.7	500.8	739.4	2,355.6	830.0	1,525.6	3,661.2	1,712.2	
June	17,036.3	11,516.1	9,143.1	7,924.1	507.9	711.1	2,373.0	830.4	1,542.7	3,721.6	1,798.5	
July	17,125.6	11,567.4	9,198.3	7,982.2	507.3	708.8	2,369.1	830.8	1,538.3	3,755.3	1,802.9	
Aug	17,095.8	11,566.7	9,200.6	7,984.8	506.0	709.8	2,366.1	832.2	1,533.9	3,748.5	1,780.6	
Sep	17,319.7	11,670.7	9,306.6	8,073.4	506.7	726.5	2,364.1	837.9	1,526.2	3,845.7	1,803.3	
Oct	17,460.9	11,767.6	9,366.2	8,140.3	523.1	702.8	2,401.4	835.1	1,566.3	3,905.0	1,788.2	
Nov	17,889.3	11,959.6	9,478.7	8,225.9	544.4	708.4	2,480.9	829.4	1,651.6	4,056.9	1,872.8	
Dec	17,893.1	11,992.2	9,544.9	8,288.1	551.5	705.3	2,447.4	852.5	1,594.8	4,015.5	1,885.4	
2006 Jan	18,199.5	12,127.9	9,664.3	8,386.6	556.4	721.3	2,463.6	847.5	1,616.1	4,129.0	1,942.6	
Feb	18,356.3	12,239.1	9,778.5	8,469.2	568.2	741.2	2,460.6	838.0	1,622.6	4,173.9	1,943.3	
Mar	18,514.9	12,335.9	9,897.5	8,544.3	575.9	777.3	2,438.3	841.7	1,596.7	4,235.2	1,943.9	
Apr	18,762.3	12,485.1	10,050.5	8,638.4	584.0	828.2	2,434.6	841.9	1,592.7	4,286.1	1,991.1	
May	18,846.8	12,507.6	10,112.9	8,701.8	592.8	818.3	2,394.8	826.8	1,567.9	4,319.5	2,019.7	
German contribution (€ billion)												
2004 Apr	4,514.1	3,385.7	2,646.0	2,299.2	65.4	281.5	739.6	467.5	272.2	962.8	165.7	
May	4,495.6	3,374.2	2,634.5	2,296.1	66.2	272.3	739.7	461.6	278.0	952.1	169.3	
June	4,477.8	3,364.6	2,621.6	2,295.8	66.5	259.2	742.9	456.3	286.6	944.6	168.6	
July	4,479.3	3,372.7	2,619.4	2,292.9	70.7	255.8	753.4	465.2	288.2	937.4	169.1	
Aug	4,477.2	3,362.1	2,608.0	2,286.8	69.1	252.1	754.2	460.6	293.6	949.3	165.8	
Sep	4,507.8	3,365.6	2,616.9	2,294.9	69.5	252.6	748.6	455.9	292.7	974.8	167.4	
Oct	4,522.7	3,376.3	2,615.4	2,291.9	69.3	254.3	760.9	460.8	300.0	976.6	169.8	
Nov	4,559.3	3,380.9	2,626.0	2,301.2	68.5	256.2	754.9	456.8	298.2	1,005.9	172.4	
Dec	4,511.9	3,363.1	2,620.3	2,285.7	68.7	265.9	742.9	453.1	289.7	969.6	179.2	
2005 Jan	4,562.3	3,381.7	2,623.9	2,283.1	68.7	272.0	757.7	457.7	300.1	1,009.8	170.8	
Feb	4,569.3	3,376.7	2,622.0	2,286.5	69.6	266.0	754.7	453.2	301.5	1,018.7	173.9	
Mar	4,580.5	3,384.2	2,619.8	2,278.0	71.6	270.1	764.4	453.1	311.4	1,029.4	166.9	
Apr	4,706.9	3,446.9	2,670.0	2,283.0	74.7	312.2	776.9	458.0	318.9	1,087.9	172.2	
May	4,682.9	3,426.6	2,656.1	2,286.6	76.1	293.4	770.5	457.3	313.2	1,078.6	177.8	
June	4,650.4	3,397.3	2,644.9	2,291.2	80.8	272.9	752.4	451.9	300.5	1,080.5	172.5	
July	4,665.0	3,400.1	2,646.8	2,288.6	80.4	277.9	753.2	455.8	297.4	1,091.8	173.1	
Aug	4,654.8	3,402.2	2,648.8	2,288.2	80.1	280.4	753.4	452.6	300.8	1,079.7	172.9	
Sep	4,684.5	3,407.5	2,666.3	2,303.8	80.2	282.3	741.2	447.7	293.5	1,103.6	173.4	
Oct	4,699.9	3,417.0	2,676.6	2,311.6	82.1	282.9	740.4	449.3	291.1	1,106.4	176.5	
Nov	4,722.5	3,421.6	2,678.8	2,308.0	83.5	287.3	742.8	441.6	301.2	1,117.8	183.1	
Dec	4,667.4	3,412.0	2,673.6	2,291.3	87.7	294.6	738.4	443.8	294.6	1,080.6	174.8	
2006 Jan	4,754.2	3,463.2	2,717.0	2,321.5	88.4	307.1	746.2	445.9	300.3	1,120.2	170.8	
Feb	4,765.6	3,463.1	2,729.4	2,329.2	91.1	309.1	733.7	436.5	297.2	1,134.2	168.3	
Mar	4,791.8	3,478.9	2,743.5	2,334.6	93.4	315.5	735.4	436.5	298.9	1,145.0	167.9	
Apr	4,843.7	3,522.5	2,787.6	2,348.9	94.5	344.2	734.8	437.6	297.2	1,146.9	174.3	
May	4,843.8	3,517.8	2,777.3	2,346.0	95.5	335.8	740.5	430.1	310.4	1,145.4	180.5	

* 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 issued by general government. — 4 Euro currency in circulation (see also footnote 8 on p 12*). Excluding MFIs' cash in hand (in euro). The German contribution includes the volume of euro banknotes put into circulation by the Bundesbank in accordance with

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Liabilities											End of year/month
Currency in circulation ⁴	Deposits of non-banks (non-MFIs) in the euro area										
	Total	of which in euro ⁵	Enterprises and households							At agreed notice of ⁶	
			Total	Overnight	With agreed maturities of			over 2 years			
					up to 1 year	over 1 year and up to 2 years	over 3 months		over 3 months		
Euro area (€ billion) ¹											
409.4	6,322.1	5,947.9	5,997.9	2,225.0	894.2	71.7	1,261.1	1,456.8	89.2	2004 Apr	
416.6	6,366.8	5,980.0	6,023.2	2,235.3	900.5	71.2	1,266.1	1,461.7	88.3	May	
423.0	6,433.1	6,021.8	6,060.1	2,275.7	875.9	71.3	1,276.3	1,472.9	88.0	June	
436.2	6,417.4	6,028.2	6,069.2	2,260.8	887.0	70.7	1,283.1	1,479.4	88.0	July	
433.4	6,384.5	6,000.9	6,045.8	2,223.8	892.2	69.3	1,289.6	1,482.9	88.0	Aug	
438.0	6,444.1	6,051.3	6,088.9	2,275.5	881.2	67.8	1,293.0	1,483.7	87.7	Sep	
444.4	6,476.5	6,087.4	6,126.5	2,275.2	906.3	69.7	1,300.1	1,486.6	88.6	Oct	
448.8	6,504.0	6,128.7	6,165.8	2,305.9	893.7	69.4	1,315.4	1,492.0	89.4	Nov	
468.4	6,589.6	6,245.0	6,274.3	2,321.0	925.0	71.6	1,344.8	1,521.5	90.5	Dec	
459.9	6,624.1	6,248.9	6,284.3	2,340.9	901.5	71.4	1,347.7	1,532.6	90.2	2005 Jan	
463.6	6,660.8	6,254.4	6,291.8	2,340.3	900.0	70.9	1,354.9	1,534.9	90.8	Feb	
471.8	6,684.3	6,294.8	6,343.6	2,367.2	905.4	70.7	1,370.4	1,538.7	91.2	Mar	
481.1	6,730.8	6,347.1	6,396.8	2,391.8	922.5	71.6	1,375.9	1,544.3	90.7	Apr	
485.8	6,760.3	6,372.7	6,428.5	2,419.0	920.4	72.2	1,377.1	1,549.5	90.3	May	
496.6	6,917.7	6,492.1	6,543.2	2,643.8	904.5	78.2	1,436.0	1,390.2	90.5	June	
506.4	6,942.6	6,510.2	6,577.6	2,654.9	922.2	77.7	1,438.9	1,394.4	89.5	July	
500.9	6,866.4	6,473.6	6,543.2	2,605.8	933.7	78.0	1,440.7	1,396.6	88.4	Aug	
507.1	6,956.1	6,545.1	6,614.2	2,653.1	950.0	83.3	1,443.5	1,397.4	86.9	Sep	
510.5	6,994.2	6,582.5	6,649.0	2,667.4	962.3	83.5	1,453.2	1,396.3	86.2	Oct	
514.5	7,029.5	6,604.5	6,673.5	2,683.8	955.2	87.5	1,466.7	1,393.8	86.4	Nov	
532.8	7,181.8	6,779.1	6,837.3	2,761.4	985.8	90.8	1,501.2	1,410.8	87.3	Dec	
520.9	7,194.7	6,763.3	6,831.4	2,745.8	974.5	91.7	1,506.8	1,424.6	87.9	2006 Jan	
524.9	7,228.2	6,775.2	6,854.5	2,734.7	990.4	95.4	1,520.0	1,425.8	88.2	Feb	
532.3	7,291.5	6,848.1	6,928.4	2,761.5	1,010.0	97.4	1,544.0	1,426.5	89.0	Mar	
540.3	7,375.0	6,938.3	7,015.0	2,802.9	1,044.2	100.4	1,554.2	1,423.9	89.3	Apr	
543.4	7,377.8	6,954.4	7,024.0	2,819.3	1,025.3	102.2	1,563.9	1,422.6	90.7	May	
German contribution (€ billion)											
109.3	2,219.4	2,145.3	2,112.5	637.8	196.2	17.5	668.3	505.6	87.1	2004 Apr	
111.6	2,229.8	2,154.8	2,118.4	634.1	202.7	16.9	672.6	505.8	86.2	May	
113.8	2,229.2	2,151.6	2,114.1	636.3	193.0	16.6	676.9	505.5	85.8	June	
117.4	2,226.0	2,149.7	2,113.7	629.2	197.9	16.2	678.5	506.0	85.9	July	
116.7	2,232.2	2,153.1	2,119.1	630.6	199.7	16.0	680.3	506.6	85.8	Aug	
118.0	2,238.1	2,162.0	2,126.3	644.8	191.9	15.9	681.5	506.7	85.5	Sep	
119.0	2,237.6	2,164.0	2,132.6	642.0	197.5	16.0	684.1	507.0	86.1	Oct	
121.1	2,258.0	2,187.6	2,153.3	668.5	188.1	15.7	687.1	507.0	86.9	Nov	
125.9	2,264.6	2,193.8	2,158.6	639.4	208.7	15.7	690.9	516.0	88.0	Dec	
123.9	2,275.5	2,203.9	2,167.3	661.1	193.9	15.7	691.8	517.0	87.8	2005 Jan	
124.9	2,278.8	2,208.6	2,170.9	664.8	189.0	15.7	695.8	517.3	88.3	Feb	
127.4	2,272.0	2,204.8	2,169.7	666.7	183.6	15.5	698.0	517.2	88.7	Mar	
129.7	2,279.1	2,210.9	2,177.8	669.1	192.2	15.7	695.3	517.3	88.2	Apr	
130.7	2,285.8	2,217.2	2,182.7	677.7	193.6	15.7	691.4	516.7	87.7	May	
134.1	2,288.9	2,220.6	2,182.8	686.7	186.4	16.1	691.0	515.4	87.1	June	
136.3	2,289.1	2,221.5	2,185.0	688.3	189.1	16.0	690.0	515.3	86.4	July	
135.2	2,290.5	2,224.1	2,185.3	689.5	189.8	15.7	690.5	514.4	85.4	Aug	
136.2	2,296.5	2,229.3	2,191.8	697.8	189.7	15.9	690.1	514.4	83.9	Sep	
137.2	2,298.5	2,231.2	2,195.7	699.1	194.3	16.3	689.4	513.4	83.2	Oct	
139.3	2,315.7	2,249.4	2,211.4	714.1	193.8	16.6	691.3	512.2	83.5	Nov	
143.5	2,329.5	2,260.2	2,222.9	706.0	201.4	17.0	695.1	519.2	84.2	Dec	
140.6	2,334.4	2,263.0	2,225.0	709.0	199.9	17.3	695.9	518.0	84.9	2006 Jan	
141.1	2,331.8	2,266.9	2,225.6	704.7	199.3	17.6	701.3	517.5	85.2	Feb	
143.5	2,341.2	2,273.7	2,232.7	714.4	197.9	17.8	701.1	515.5	86.0	Mar	
145.5	2,365.1	2,296.3	2,255.8	723.6	209.2	18.1	705.1	513.7	86.2	Apr	
146.8	2,370.8	2,302.7	2,252.2	725.2	204.7	18.5	706.4	510.2	87.3	May	

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" (see "Other liability items"). — 5 Excluding central governments' deposits. — 6 In Germany, only saving deposits.

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

Liabilities (cont'd)													
Deposits of non-banks (non-MFIs) in the euro area (cont'd)													
General government													
End of year/month	Other general government								Repo transactions with non-banks in the euro area			Debt securities	
	Central govern- ments	Total	Overnight	With agreed maturities of			At agreed notice of ²		Total	of which Enterprises and households	Money market fund shares (net) ³	Total	of which denom- inated in euro
				up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months					
Euro area (€ billion) ¹													
2004 Apr	179.6	144.7	77.7	39.2	1.0	23.1	3.2	0.4	224.8	221.8	611.0	1,976.1	1,588.7
May	195.1	148.5	78.3	42.5	1.0	23.1	3.3	0.4	221.2	217.8	609.0	1,986.8	1,591.7
June	223.7	149.2	81.1	40.6	1.0	22.8	3.3	0.4	216.9	213.4	609.2	2,000.4	1,601.1
July	201.5	146.8	77.6	41.3	1.0	22.9	3.4	0.4	223.0	219.5	613.0	2,017.7	1,610.1
Aug	193.0	145.7	78.0	40.7	1.0	22.1	3.5	0.5	224.3	220.2	624.1	2,027.6	1,618.9
Sep	204.1	151.0	81.5	42.8	1.0	21.8	3.5	0.5	215.9	212.5	609.5	2,049.9	1,637.5
Oct	197.4	152.6	83.7	41.9	1.2	21.6	3.7	0.5	229.7	226.7	617.1	2,059.1	1,643.1
Nov	182.8	155.4	89.2	39.2	1.2	21.6	3.7	0.5	223.9	220.9	613.4	2,061.5	1,646.8
Dec	162.4	152.9	84.8	42.0	1.3	20.3	3.8	0.5	228.8	225.9	604.9	2,061.7	1,654.9
2005 Jan	180.6	159.3	92.4	41.0	1.4	20.3	3.8	0.5	228.7	225.5	616.4	2,086.7	1,663.7
Feb	210.1	158.9	92.4	40.6	1.4	20.2	3.9	0.4	227.0	224.2	615.4	2,123.7	1,693.3
Mar	187.4	153.3	87.4	40.0	1.4	20.3	3.8	0.5	226.9	223.2	614.5	2,145.6	1,702.8
Apr	180.9	153.2	88.2	39.0	1.5	20.3	3.8	0.5	226.3	222.5	627.8	2,176.8	1,714.0
May	173.5	158.2	90.6	41.3	1.5	20.4	4.0	0.5	239.2	235.2	634.8	2,203.7	1,721.3
June	211.5	163.0	93.8	42.9	1.5	20.4	3.9	0.4	238.9	234.5	621.3	2,243.3	1,742.9
July	210.8	154.3	87.2	40.8	1.6	20.3	3.9	0.5	238.6	235.3	635.1	2,249.8	1,741.9
Aug	166.8	156.4	89.4	40.8	1.5	20.0	4.2	0.4	249.2	245.4	639.7	2,263.5	1,745.9
Sep	182.4	159.4	90.8	42.5	1.5	19.9	4.2	0.4	234.4	230.8	631.5	2,284.2	1,755.3
Oct	179.4	165.8	100.0	40.0	1.3	19.9	4.2	0.4	241.4	237.7	629.0	2,316.1	1,776.2
Nov	185.1	170.9	104.4	40.5	1.3	20.2	4.0	0.4	239.3	235.9	629.7	2,334.3	1,774.8
Dec	173.6	171.0	100.5	44.4	1.1	20.9	3.7	0.4	221.9	219.1	615.8	2,326.2	1,760.7
2006 Jan	191.6	171.7	101.4	44.3	1.1	20.8	3.6	0.4	237.0	233.7	608.4	2,337.7	1,772.5
Feb	199.6	174.1	103.1	45.1	1.1	20.7	3.6	0.4	235.0	231.4	610.2	2,381.3	1,799.2
Mar	193.0	170.0	94.7	49.3	1.2	20.9	3.6	0.4	236.1	231.8	603.3	2,401.4	1,825.8
Apr	182.5	177.5	99.6	51.8	1.2	21.0	3.4	0.4	249.8	246.2	613.3	2,411.1	1,835.1
May	166.9	186.9	104.2	56.1	1.3	21.4	3.5	0.4	259.4	254.9	620.9	2,437.8	1,852.5
German contribution (€ billion)													
2004 Apr	47.3	59.7	14.9	21.4	0.6	20.6	1.8	0.4	17.3	17.3	34.2	858.7	698.9
May	48.3	63.1	15.7	24.1	0.6	20.5	1.8	0.4	17.0	17.0	34.6	861.5	701.5
June	50.7	64.4	17.3	24.0	0.6	20.3	1.8	0.4	16.1	16.1	34.5	859.1	697.1
July	49.7	62.6	15.6	23.7	0.6	20.4	1.9	0.4	16.8	16.8	38.4	860.1	692.4
Aug	52.1	61.0	15.7	22.8	0.6	19.5	2.0	0.5	14.2	14.2	39.6	865.1	696.9
Sep	48.1	63.6	15.8	25.4	0.6	19.3	2.0	0.5	18.1	18.1	37.5	869.5	699.7
Oct	45.6	59.4	15.0	21.9	0.7	19.2	2.1	0.5	21.2	21.2	36.2	865.5	691.2
Nov	43.7	61.1	16.7	21.8	0.7	19.3	2.0	0.5	22.0	22.0	34.3	860.8	687.5
Dec	43.8	62.2	16.0	24.8	0.6	18.1	2.2	0.5	14.8	14.8	30.5	850.2	678.1
2005 Jan	45.2	63.0	17.9	23.9	0.6	18.0	2.0	0.5	25.1	25.1	30.2	854.7	673.7
Feb	44.3	63.5	19.2	23.2	0.6	18.0	2.1	0.4	27.3	27.3	30.5	856.4	671.1
Mar	41.0	61.2	17.5	22.7	0.6	18.0	2.0	0.5	28.3	28.3	32.1	862.2	671.6
Apr	41.8	59.4	17.5	20.9	0.6	18.0	1.9	0.5	28.6	28.6	32.6	875.9	676.5
May	40.5	62.5	18.4	22.8	0.7	18.1	2.1	0.5	28.3	28.3	32.1	880.9	676.1
June	41.3	64.9	19.6	23.9	0.7	18.1	2.2	0.4	28.3	28.3	32.4	890.3	681.5
July	41.7	62.4	18.5	22.4	0.6	18.1	2.3	0.5	26.7	26.7	33.8	892.6	682.4
Aug	41.6	63.6	19.1	23.1	0.6	17.7	2.6	0.4	30.6	30.6	34.0	893.4	678.4
Sep	42.1	62.6	18.0	23.2	0.6	17.7	2.6	0.4	28.0	28.0	33.5	894.6	678.1
Oct	40.9	61.9	19.6	20.9	0.6	17.7	2.6	0.4	32.3	32.3	31.1	896.4	679.9
Nov	40.7	63.6	20.3	21.9	0.6	18.0	2.3	0.4	33.2	33.2	30.1	894.0	668.9
Dec	41.6	65.1	19.8	24.1	0.6	18.2	2.0	0.4	19.5	19.5	30.1	883.3	660.2
2006 Jan	43.6	65.8	19.2	25.4	0.7	18.3	1.9	0.4	27.4	27.4	29.4	889.1	664.7
Feb	37.5	68.7	20.9	26.5	0.7	18.3	1.9	0.4	29.6	29.6	30.0	896.4	665.8
Mar	39.3	69.2	19.1	28.9	0.7	18.4	1.8	0.4	37.0	37.0	29.9	890.1	663.4
Apr	39.1	70.2	18.9	29.8	0.8	18.5	1.8	0.4	35.6	35.6	29.9	882.1	656.5
May	40.8	77.8	21.7	34.2	0.8	18.8	1.9	0.4	37.0	37.0	30.3	886.1	657.6

* 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. —

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 with the erstwhile German money stocks M1, M2 or M3. — 8 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

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issued (net) ³										Memo item			Monetary liabilities of central governments (Post Office, Treasury) ¹⁴	End of year/month
With maturities of			Liabilities to non-euro-area residents ⁵	Capital and reserves ⁶	Excess of inter-MFI liabilities	Other liability items		Monetary aggregates ⁷ (From 2002, German contribution excludes currency in circulation)			Monetary capital formation ¹³			
up to 1 year ⁴	over 1 year and up to 2 years	over 2 years				Total ⁸	of which Intra-Eurosystem-liability/claim related to banknote issue ⁹	M1 ¹⁰	M2 ¹¹	M3 ¹²				
												Euro area (€ billion) ¹		
...	...	1,876.4	2,936.8	1,016.5	16.2	1,710.0	-	2,770.7	5,344.5	6,279.8	4,266.8	166.4	2004 Apr	
...	...	1,890.2	2,930.9	1,014.0	17.2	1,689.1	-	2,788.6	5,377.4	6,303.8	4,282.1	167.0	May	
...	...	1,899.8	2,892.7	1,018.9	16.1	1,713.5	-	2,833.4	5,408.0	6,334.2	4,306.2	163.2	June	
...	...	1,919.4	2,897.7	1,026.3	17.4	1,697.9	-	2,834.8	5,428.5	6,362.3	4,340.2	170.8	July	
...	...	1,926.8	2,902.7	1,033.0	20.4	1,729.9	-	2,795.7	5,398.0	6,345.6	4,359.8	173.2	Aug	
...	...	1,948.7	2,861.6	1,039.4	14.6	1,808.9	-	2,857.1	5,451.1	6,376.7	4,391.0	176.0	Sep	
...	...	1,958.5	2,847.5	1,041.7	20.8	1,843.5	-	2,866.0	5,490.4	6,436.1	4,410.9	177.7	Oct	
...	...	1,956.1	2,904.7	1,050.4	44.1	1,921.4	-	2,913.7	5,528.9	6,469.7	4,433.4	185.9	Nov	
...	...	1,958.0	2,842.2	1,047.0	33.6	1,842.9	-	2,948.9	5,632.3	6,568.2	4,461.2	192.8	Dec	
...	...	1,986.4	2,993.4	1,049.8	29.3	1,899.0	-	2,966.0	5,637.3	6,581.7	4,495.0	192.6	2005 Jan	
...	...	2,008.8	3,029.0	1,054.1	21.9	1,903.2	-	2,970.1	5,643.4	6,599.9	4,529.3	195.5	Feb	
...	...	2,038.9	3,110.5	1,063.0	0.4	1,942.9	-	2,997.6	5,680.4	6,627.9	4,584.3	194.2	Mar	
...	...	2,055.9	3,224.7	1,063.8	15.5	2,020.0	-	3,031.1	5,738.4	6,713.4	4,607.0	194.8	Apr	
...	...	2,089.4	3,310.2	1,076.2	- 12.2	2,056.9	-	3,064.1	5,778.4	6,766.0	4,653.9	194.1	May	
...	...	2,123.6	3,251.9	1,129.0	- 14.7	2,152.4	-	3,304.4	5,851.9	6,830.7	4,799.9	196.6	June	
...	...	2,130.0	3,288.1	1,131.4	- 15.6	2,149.1	-	3,321.8	5,890.0	6,882.9	4,810.5	200.9	July	
...	...	2,141.5	3,279.6	1,138.2	- 1.9	2,156.3	-	3,268.6	5,852.9	6,862.8	4,829.3	201.9	Aug	
...	...	2,161.9	3,381.1	1,161.9	- 17.8	2,181.2	-	3,322.5	5,933.0	6,918.8	4,874.6	203.0	Sep	
...	...	2,193.2	3,446.6	1,158.8	- 8.3	2,172.6	-	3,349.3	5,970.3	6,962.1	4,911.8	204.7	Oct	
...	...	2,203.1	3,637.5	1,174.0	- 2.3	2,332.8	-	3,378.5	5,996.3	6,995.3	4,950.9	211.3	Nov	
...	...	2,195.9	3,544.4	1,195.5	14.7	2,259.9	-	3,479.6	6,153.9	7,121.5	5,001.1	222.6	Dec	
...	...	2,193.7	3,645.4	1,221.6	- 2.7	2,436.7	-	3,451.0	6,131.8	7,121.2	5,031.3	223.9	2006 Jan	
...	...	2,228.0	3,725.0	1,243.0	- 2.7	2,411.5	-	3,445.9	6,151.0	7,149.6	5,100.4	227.0	Feb	
...	...	2,238.7	3,769.7	1,248.3	19.1	2,413.4	-	3,470.0	6,202.8	7,204.9	5,141.3	226.4	Mar	
...	...	2,246.5	3,824.2	1,243.9	5.9	2,498.9	-	3,523.5	6,294.8	7,322.4	5,155.4	227.0	Apr	
...	...	2,262.5	3,851.3	1,232.8	2.7	2,520.7	-	3,545.8	6,303.9	7,359.5	5,171.7	226.0	May	
German contribution (€ billion)														
29.8	31.1	797.7	690.9	274.2	- 52.8	472.2	52.3	652.7	1,395.8	1,508.3	1,848.3	-	2004 Apr	
27.6	32.3	801.5	671.6	270.6	- 61.3	471.9	53.3	649.8	1,401.8	1,513.4	1,851.8	-	May	
29.5	29.7	799.9	642.5	276.7	- 54.5	474.3	53.9	653.5	1,395.1	1,504.8	1,860.1	-	June	
27.2	27.7	805.2	638.2	280.6	- 59.0	478.3	55.6	644.8	1,391.0	1,501.1	1,871.1	-	July	
29.2	26.5	809.4	636.6	278.9	- 69.5	480.2	58.6	646.4	1,394.0	1,503.5	1,874.5	-	Aug	
27.5	26.1	815.9	654.3	277.5	- 80.2	493.1	60.9	660.7	1,403.1	1,512.3	1,880.2	-	Sep	
27.2	25.1	813.3	639.6	278.9	- 58.8	502.5	62.3	656.9	1,402.1	1,511.7	1,882.2	-	Oct	
29.5	22.7	808.7	669.7	277.1	- 73.6	510.9	63.1	685.2	1,420.6	1,529.0	1,879.6	-	Nov	
27.5	22.5	800.2	627.6	277.6	- 69.5	516.2	63.4	655.4	1,423.3	1,518.6	1,875.2	-	Dec	
27.6	21.2	805.8	667.8	279.2	- 76.0	506.0	64.5	679.0	1,432.3	1,536.4	1,883.1	-	2005 Jan	
27.2	26.5	802.8	676.7	275.0	- 77.0	501.8	65.8	684.0	1,431.9	1,543.3	1,880.3	-	Feb	
23.6	26.1	812.6	695.2	276.1	- 95.6	510.3	67.9	684.1	1,425.8	1,535.8	1,893.9	-	Mar	
24.9	26.6	824.5	737.1	281.0	- 43.8	516.5	68.8	686.6	1,435.3	1,547.9	1,907.4	-	Apr	
25.1	24.4	831.5	745.4	282.5	- 89.5	517.3	71.3	696.1	1,447.7	1,557.5	1,911.5	-	May	
27.0	25.0	838.4	693.3	290.0	- 95.1	522.3	72.0	706.3	1,451.0	1,563.7	1,925.0	-	June	
25.2	24.8	842.6	702.5	291.6	- 98.3	526.9	72.6	706.8	1,452.5	1,563.0	1,929.1	-	July	
27.0	25.7	840.7	694.3	292.3	- 111.5	531.3	74.1	708.5	1,454.8	1,572.1	1,927.1	-	Aug	
28.8	25.7	840.1	713.1	294.7	- 120.9	545.1	76.4	715.8	1,462.3	1,578.3	1,926.9	-	Sep	
28.8	26.5	841.0	720.5	298.7	- 131.6	554.0	76.5	718.8	1,466.8	1,585.5	1,930.5	-	Oct	
26.8	27.0	840.2	733.8	304.7	- 154.4	565.6	76.4	734.4	1,481.9	1,598.9	1,938.0	-	Nov	
26.2	27.7	829.4	678.1	306.9	- 134.4	554.4	75.1	725.8	1,490.1	1,593.6	1,934.2	-	Dec	
24.5	28.8	835.8	701.4	327.5	- 107.9	552.8	75.8	728.2	1,491.3	1,601.5	1,962.8	-	2006 Jan	
23.5	27.7	845.2	720.2	332.3	- 126.0	551.4	77.8	725.6	1,489.2	1,600.0	1,982.6	-	Feb	
23.8	29.2	837.2	729.6	336.7	- 134.5	561.8	78.2	733.4	1,496.1	1,616.0	1,979.6	-	Mar	
22.8	29.5	829.7	723.2	340.8	- 104.1	571.1	78.7	742.5	1,515.9	1,633.7	1,980.6	-	Apr	
22.8	31.5	831.8	729.5	336.0	- 122.9	576.8	79.5	746.9	1,517.1	1,638.8	1,980.7	-	May	

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). — ¹⁰ Overnight deposits (excluding central governments' deposits), and (for the euro area) currency in circulation, central governments' overnight monetary liabilities, which are not included in the consolidated balance sheet. — ¹¹ M1 plus deposits with agreed maturities of up to 2 years and at agreed notice of up to 3 months

(excluding central governments' deposits) and (for the euro area) central governments' monetary liabilities with such maturities. — ¹² M2 plus repo transactions, money market fund shares, money market paper and debt securities up to 2 years. — ¹³ Deposits with agreed maturities of over 2 years and at agreed notice of over 3 months, debt securities with maturities of over 2 years, capital and reserves. — ¹⁴ Non-existent in Germany.

II Overall monetary survey in the euro area

3 Banking system's liquidity position * Stocks

€ billion; period averages of daily positions

Reserve maintenance period ending in 1	Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) 5	Base money 6
	Monetary policy operations of the Eurosystem					Deposit facility	Other liquidity- absorbing operations	Banknotes in circulation 3	Central government deposits	Other factors (net) 4		
	Net assets in gold and foreign currency	Main refinancing operations	Longer- term refinancing operations	Marginal lending facility	Other liquidity- providing operations							
Eurosystem 2												
2004 Jan	309.2	232.6	45.0	0.3	–	0.1	–	427.6	37.0	– 11.2	133.6	561.4
Feb	–	–	–	–	–	–	–	–	–	–	–	–
Mar	303.3	219.4	56.7	0.4	–	0.2	–	418.0	48.6	– 21.1	134.1	552.3
Apr	301.4	217.9	67.1	0.4	–	0.4	–	425.3	51.5	– 25.7	135.3	561.0
May	310.7	213.2	75.0	0.1	–	0.1	0.4	436.4	46.0	– 18.9	135.0	571.5
June	311.3	224.7	75.0	0.1	–	0.5	–	442.5	52.2	– 21.1	137.1	580.1
July	308.2	245.4	75.0	0.3	–	0.1	–	449.1	65.0	– 24.1	138.8	588.1
Aug	300.8	253.6	75.0	0.0	–	0.2	–	460.9	61.1	– 31.8	139.1	600.1
Sep	299.4	251.6	75.0	0.1	–	0.2	–	462.8	56.3	– 32.4	139.3	602.3
Oct	298.8	256.4	75.0	0.3	–	0.0	–	465.1	58.2	– 32.1	139.3	604.4
Nov	298.3	257.9	75.0	0.1	0.2	0.3	–	469.7	55.1	– 32.1	138.4	608.4
Dec	298.0	265.7	75.0	0.1	–	0.1	0.5	475.4	60.2	– 36.0	138.5	614.1
2005 Jan	290.3	272.9	75.0	0.2	0.2	0.1	–	496.0	45.3	– 41.9	139.1	635.2
Feb	280.6	276.6	78.0	0.1	0.1	0.1	–	487.1	63.8	– 55.5	140.0	627.2
Mar	280.2	277.8	82.2	0.1	–	0.1	0.1	489.5	68.5	– 59.2	141.3	630.9
Apr	282.1	278.2	86.9	0.2	–	0.1	–	498.6	67.4	– 62.1	143.3	642.0
May	287.0	276.5	90.0	0.1	–	0.1	–	505.5	62.9	– 58.9	144.0	649.7
June	286.8	273.1	90.0	0.1	–	0.2	0.1	512.8	53.5	– 62.0	145.5	658.5
July	293.3	297.6	90.0	0.1	–	0.2	0.3	522.6	67.4	– 57.3	147.9	670.6
Aug	305.5	309.5	90.0	0.0	–	0.3	0.0	532.6	67.4	– 45.0	149.8	682.7
Sep	304.8	303.5	90.0	–	0.3	0.1	–	531.5	63.1	– 46.2	150.2	681.8
Oct	307.9	288.6	90.0	0.1	–	0.1	0.2	531.6	47.9	– 44.6	151.4	683.1
Nov	315.1	293.4	90.0	0.1	–	0.1	–	535.6	50.4	– 37.9	150.2	686.0
Dec	313.2	301.3	90.0	0.0	–	0.1	0.3	539.8	51.0	– 39.6	153.0	692.9
2006 Jan	317.6	316.4	89.6	0.2	0.2	0.1	–	559.2	44.2	– 33.5	154.1	713.3
Feb	325.2	310.0	96.2	0.0	0.3	0.1	–	548.4	56.6	– 28.7	155.4	709.9
Mar	324.7	299.3	104.7	0.1	–	0.2	0.1	550.8	53.3	– 34.0	158.3	709.2
Apr	327.9	290.1	113.7	0.1	0.7	0.3	–	556.4	51.6	– 35.2	159.5	716.2
May	337.0	291.3	120.0	0.2	–	0.2	0.4	569.1	51.1	– 33.5	161.2	730.5
June	336.9	287.0	120.0	0.1	–	0.1	0.1	572.0	45.5	– 37.0	163.3	735.4
Deutsche Bundesbank												
2004 Jan	73.1	119.5	32.3	0.2	–	0.1	–	116.2	0.1	70.9	37.9	154.1
Feb	–	–	–	–	–	–	–	–	–	–	–	–
Mar	72.4	109.7	41.3	0.2	–	0.2	–	113.5	0.1	72.0	37.9	151.5
Apr	72.9	97.9	48.7	0.2	–	0.3	–	115.8	0.1	65.7	37.8	153.9
May	75.4	100.7	51.8	0.0	–	0.0	0.1	119.3	0.1	70.9	37.7	157.0
June	75.6	115.6	49.4	0.1	–	0.3	–	121.2	0.1	80.9	38.3	159.9
July	74.6	127.9	49.6	0.2	–	0.0	–	122.7	0.1	91.1	38.5	161.1
Aug	72.1	136.9	50.3	0.0	–	0.1	–	126.2	0.1	94.7	38.3	164.6
Sep	72.2	131.7	50.3	0.1	–	0.1	–	127.5	0.1	88.8	37.9	165.4
Oct	72.1	129.8	48.1	0.2	–	0.0	–	127.7	0.1	84.8	37.5	165.3
Nov	72.2	136.0	46.1	0.1	0.0	0.2	–	128.3	0.1	88.4	37.5	166.0
Dec	72.2	142.4	46.5	0.1	–	0.1	0.1	129.9	0.1	93.4	37.6	167.5
2005 Jan	70.2	144.7	46.9	0.1	0.0	0.1	–	135.2	0.1	89.1	37.4	172.7
Feb	67.7	137.7	49.4	0.0	0.1	0.0	–	133.2	0.1	83.8	37.9	171.1
Mar	67.6	145.3	52.0	0.0	–	0.0	0.0	134.0	0.1	93.5	37.5	171.5
Apr	68.1	133.3	53.0	0.2	–	0.1	–	136.6	0.0	79.8	38.0	174.7
May	69.3	140.3	52.7	0.1	–	0.1	–	138.4	0.1	85.9	38.1	176.5
June	69.5	139.3	52.5	0.1	–	0.1	0.1	141.2	0.1	81.5	38.5	179.7
July	71.1	149.5	53.0	0.1	–	0.0	0.1	142.6	0.1	92.0	38.9	181.6
Aug	74.1	155.6	53.9	0.0	–	0.1	0.0	145.2	0.0	98.9	39.4	184.7
Sep	74.0	148.4	52.6	0.0	0.2	0.0	–	145.2	0.0	90.9	39.0	184.3
Oct	75.1	149.4	55.1	0.0	–	0.0	0.2	145.1	0.1	95.2	39.0	184.2
Nov	77.2	145.0	54.5	0.1	–	0.1	–	145.4	0.0	92.6	38.8	184.2
Dec	77.2	140.9	54.4	0.0	–	0.1	0.2	146.9	0.0	86.0	39.3	186.3
2006 Jan	79.1	154.1	55.7	0.1	0.1	0.0	–	151.9	0.0	97.9	39.2	191.2
Feb	81.6	158.1	61.6	0.0	0.1	0.0	–	149.7	0.1	112.1	39.6	189.3
Mar	81.0	145.8	68.3	0.1	–	0.1	0.1	150.7	0.1	104.7	39.6	190.4
Apr	82.5	137.8	74.3	0.1	0.2	0.1	–	151.5	0.0	103.6	39.7	191.3
May	85.2	152.2	76.3	0.1	–	0.1	0.1	154.8	0.0	118.5	40.2	195.0
June	84.9	153.9	73.7	0.1	–	0.1	0.0	156.2	0.1	115.5	40.6	197.0

Discrepancies may arise from rounding. — * The banking system's liquidity position is defined as the current account holdings in euro of euro-area credit institutions with the Eurosystem. Amounts are derived from the consolidated financial statement of the Eurosystem and the financial statement of the Bundesbank. — 1 Figures are daily averages for the reserve maintenance period ending in the month indicated. Owing to the changeover to the new operational framework for monetary policy, there is no reserve

maintenance period ending in February 2004. 2 Source: ECB. — 3 From 2002, euro banknotes and other banknotes which have been issued by the national central banks of the Eurosystem and which are still in circulation. In accordance with the accounting procedure chosen by the Eurosystem for the issue of euro banknotes, 8% of the total value of the euro banknotes in circulation are allocated on a monthly basis to the ECB. The counterpart of this adjustment is shown under "Other factors". The remaining 92%

II Overall monetary survey in the euro area

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												
- 10.9	- 2.9	± 0.0	- 0.3	-	+ 0.0	-	+ 11.5	- 20.0	- 6.7	+ 1.0	+ 12.7	2004 Jan
- 5.9	- 13.2	+ 11.7	+ 0.1	-	+ 0.1	-	- 9.6	+ 11.6	- 9.9	+ 0.5	- 9.1	Feb
- 1.9	- 1.5	+ 10.4	- 0.0	-	+ 0.2	-	+ 7.3	+ 2.9	- 4.6	+ 1.2	+ 8.7	Mar
+ 9.3	- 4.7	+ 7.9	- 0.3	-	- 0.3	+ 0.4	+ 11.1	- 5.5	+ 6.8	- 0.3	+ 10.5	Apr
+ 0.6	+ 11.5	+ 0.0	+ 0.1	-	+ 0.4	- 0.4	+ 6.1	+ 6.2	- 2.2	+ 2.1	+ 8.6	May
- 3.1	+ 20.7	- 0.0	+ 0.2	-	- 0.4	-	+ 6.6	+ 12.8	- 3.0	+ 1.7	+ 8.0	June
- 7.4	+ 8.2	± 0.0	- 0.3	-	+ 0.1	-	+ 11.8	- 3.9	- 7.7	+ 0.3	+ 12.0	July
- 1.4	- 2.0	- 0.0	+ 0.1	-	+ 0.0	-	+ 1.9	- 4.8	- 0.6	+ 0.2	+ 2.2	Aug
- 0.6	+ 4.8	+ 0.0	+ 0.2	-	- 0.2	-	+ 2.3	+ 1.9	+ 0.3	- 0.0	+ 2.1	Sep
- 0.5	+ 1.5	+ 0.0	- 0.2	+ 0.2	+ 0.3	-	+ 4.6	- 3.1	- 0.0	- 0.9	+ 4.0	Oct
- 0.3	+ 7.8	± 0.0	± 0.0	- 0.2	- 0.2	+ 0.5	+ 5.7	+ 5.1	- 3.9	+ 0.1	+ 5.7	Nov
- 7.7	+ 7.2	± 0.0	+ 0.1	+ 0.2	- 0.0	- 0.5	+ 20.6	- 14.9	- 5.9	+ 0.6	+ 21.1	Dec
- 9.7	+ 3.7	+ 3.0	- 0.1	- 0.1	- 0.0	- 0.7	- 8.9	+ 18.5	- 13.6	+ 0.9	- 8.0	2005 Jan
- 0.4	+ 1.2	+ 4.2	- 0.0	- 0.1	- 0.0	+ 0.1	+ 2.4	+ 4.7	- 3.7	+ 1.3	+ 3.7	Feb
+ 1.9	+ 0.4	+ 4.7	+ 0.1	-	+ 0.0	- 0.1	+ 9.1	- 1.1	- 2.9	+ 2.0	+ 11.1	Mar
+ 4.9	- 1.7	+ 3.1	- 0.1	-	+ 0.0	- 0.1	+ 6.9	- 4.5	+ 3.2	+ 0.7	+ 7.7	Apr
- 0.2	- 3.4	± 0.0	+ 0.0	-	+ 0.1	+ 0.1	+ 7.3	- 9.4	- 3.1	+ 1.5	+ 8.8	May
+ 6.5	+ 24.5	± 0.0	- 0.0	-	- 0.0	+ 0.2	+ 9.8	+ 13.9	+ 4.7	+ 2.4	+ 12.1	June
+ 12.2	+ 11.9	- 0.0	- 0.1	-	+ 0.1	+ 0.3	+ 10.0	- 0.0	+ 12.3	+ 1.9	+ 12.1	July
- 0.7	- 6.0	- 0.0	+ 0.0	+ 0.3	- 0.2	- 0.0	- 1.1	- 4.3	- 1.2	+ 0.4	- 0.9	Aug
+ 3.1	- 14.9	+ 0.0	+ 0.1	- 0.3	+ 0.0	+ 0.2	+ 0.1	- 15.2	+ 1.6	+ 1.2	+ 1.3	Sep
+ 7.2	+ 4.8	+ 0.0	+ 0.0	- 0.3	+ 0.0	- 0.2	+ 4.0	+ 2.5	+ 6.7	- 1.2	+ 2.9	Oct
- 1.9	+ 7.9	+ 0.0	- 0.1	-	+ 0.0	+ 0.3	+ 4.2	+ 0.6	- 1.7	+ 2.8	+ 6.9	Nov
+ 4.4	+ 15.1	- 0.4	+ 0.2	+ 0.2	- 0.0	- 0.3	+ 19.4	- 6.8	+ 6.1	+ 1.1	+ 20.4	Dec
+ 7.6	- 6.4	+ 6.6	- 0.2	+ 0.1	+ 0.0	- 10.8	+ 12.4	+ 4.8	+ 1.3	- 9.4	- 9.4	2006 Jan
- 0.5	- 10.7	+ 8.5	+ 0.1	- 0.3	+ 0.1	+ 0.1	+ 2.4	+ 3.3	- 5.3	+ 2.9	+ 5.3	Feb
+ 3.2	- 9.2	+ 9.0	+ 0.0	+ 0.7	+ 0.1	- 0.1	+ 5.6	- 1.7	- 1.2	+ 1.2	+ 7.0	Mar
+ 9.1	+ 1.2	+ 6.3	+ 0.1	- 0.7	- 0.1	+ 0.4	+ 12.7	- 0.5	+ 1.7	+ 1.7	+ 14.3	Apr
- 0.1	- 4.3	+ 0.0	- 0.1	-	- 0.1	- 0.3	+ 2.9	- 5.6	- 3.5	+ 2.1	+ 4.9	May
Deutsche Bundesbank												
- 3.0	+ 1.2	+ 1.4	- 0.1	-	+ 0.0	-	+ 0.2	- 0.0	- 1.2	+ 0.5	+ 0.7	2004 Jan
- 0.8	- 9.8	+ 9.0	+ 0.1	-	+ 0.1	-	- 2.7	+ 0.0	+ 1.0	+ 0.0	- 2.6	Feb
+ 0.5	- 11.8	+ 7.4	- 0.0	-	+ 0.2	-	+ 2.4	- 0.0	- 6.3	- 0.1	+ 2.4	Mar
+ 2.5	+ 2.9	+ 3.1	- 0.2	-	- 0.3	+ 0.1	+ 3.4	- 0.0	+ 5.2	- 0.1	+ 3.1	Apr
+ 0.2	+ 14.9	- 2.4	+ 0.1	-	+ 0.3	- 0.1	+ 1.9	+ 0.0	+ 10.0	+ 0.7	+ 2.9	May
- 1.0	+ 12.3	+ 0.1	+ 0.0	-	- 0.3	-	+ 1.5	- 0.0	+ 10.2	+ 0.1	+ 1.3	June
- 2.5	+ 9.0	+ 0.7	- 0.1	-	+ 0.0	-	+ 3.6	- 0.0	+ 3.6	- 0.1	+ 3.5	July
+ 0.1	- 5.2	- 0.1	+ 0.1	-	- 0.0	-	+ 1.3	+ 0.0	- 6.0	- 0.5	+ 0.8	Aug
- 0.1	- 1.9	- 2.2	+ 0.1	-	- 0.0	-	+ 0.2	+ 0.0	- 3.9	- 0.3	- 0.1	Sep
+ 0.1	+ 6.2	- 2.0	- 0.1	+ 0.0	+ 0.2	-	+ 0.6	- 0.0	+ 3.6	- 0.0	+ 0.7	Oct
- 0.0	+ 6.3	+ 0.4	- 0.0	- 0.0	- 0.2	+ 0.1	+ 1.6	+ 0.0	+ 5.0	+ 0.1	+ 1.6	Nov
- 2.0	+ 2.3	+ 0.3	+ 0.1	+ 0.0	+ 0.0	- 0.1	+ 5.3	- 0.0	- 4.3	- 0.2	+ 5.1	Dec
- 2.5	- 6.9	+ 2.6	- 0.1	+ 0.1	- 0.0	-	- 2.0	+ 0.0	- 5.3	+ 0.4	- 1.6	2005 Jan
- 0.0	+ 7.6	+ 2.6	- 0.0	- 0.1	+ 0.0	+ 0.0	+ 0.7	- 0.0	+ 9.7	- 0.4	+ 0.4	Feb
+ 0.4	- 12.0	+ 0.9	+ 0.1	-	+ 0.0	- 0.0	+ 2.7	- 0.0	- 13.7	+ 0.5	+ 3.2	Mar
+ 1.3	+ 7.0	- 0.2	- 0.1	-	- 0.0	-	+ 1.7	+ 0.0	+ 6.1	+ 0.1	+ 1.8	Apr
+ 0.1	- 1.0	- 0.2	+ 0.0	-	+ 0.0	+ 0.1	+ 2.9	+ 0.0	- 4.4	+ 0.4	+ 3.3	May
+ 1.7	+ 10.2	+ 0.5	- 0.0	-	- 0.0	+ 0.0	+ 1.4	- 0.0	+ 10.5	+ 0.4	+ 1.8	June
+ 3.0	+ 6.1	+ 0.9	- 0.0	-	+ 0.1	+ 0.1	+ 2.6	- 0.0	+ 6.9	+ 0.5	+ 3.1	July
- 0.2	- 7.2	- 1.3	+ 0.0	+ 0.2	- 0.1	- 0.0	+ 0.0	+ 0.0	- 8.0	- 0.4	- 0.4	Aug
+ 1.1	+ 1.0	+ 2.5	+ 0.0	- 0.2	+ 0.0	+ 0.2	- 0.1	+ 0.0	+ 4.4	- 0.0	- 0.1	Sep
+ 2.1	- 4.4	- 0.5	+ 0.0	-	+ 0.0	- 0.2	+ 0.3	- 0.0	- 2.7	- 0.2	+ 0.1	Oct
- 0.0	- 4.1	- 0.1	- 0.1	-	+ 0.0	+ 0.2	+ 1.5	+ 0.0	- 6.6	+ 0.5	+ 2.1	Nov
+ 1.9	+ 13.2	+ 1.3	+ 0.1	+ 0.1	- 0.0	+ 0.2	+ 5.0	- 0.0	+ 11.9	- 0.1	+ 4.9	Dec
+ 2.5	+ 4.0	+ 5.9	- 0.1	+ 0.0	+ 0.0	-	- 2.3	+ 0.0	+ 14.2	+ 0.3	- 1.9	2006 Jan
- 0.6	- 12.3	+ 6.7	+ 0.1	- 0.1	+ 0.1	+ 0.1	+ 1.0	+ 0.0	- 7.4	+ 0.0	+ 1.1	Feb
+ 1.5	- 8.0	+ 6.0	± 0.0	+ 0.2	- 0.0	- 0.1	+ 0.8	- 0.0	- 1.1	+ 0.1	+ 0.9	Mar
+ 2.7	+ 14.4	+ 2.0	- 0.0	- 0.2	- 0.0	+ 0.1	+ 3.3	+ 0.0	+ 14.9	+ 0.5	+ 3.7	Apr
- 0.2	+ 1.7	- 2.6	- 0.0	-	+ 0.0	- 0.1	+ 1.5	+ 0.0	- 3.0	+ 0.5	+ 2.0	May
												June

of the value of the euro banknotes in circulation is allocated, likewise on a monthly basis, 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".

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									
2005 Oct 28	1 003.5	149.2	160.2	19.3	140.9	21.4	8.7	8.7	–
Nov 4	998.6	149.1	161.2	19.3	142.0	20.8	8.2	8.2	–
11	998.3	149.0	159.2	19.2	140.0	20.1	8.5	8.5	–
18	999.1	148.8	159.8	19.2	140.6	20.1	9.2	9.2	–
25	1 017.2	148.7	159.7	19.1	140.6	20.2	9.1	9.1	–
Dec 2	1 013.5	148.6	157.7	19.0	138.6	21.4	9.1	9.1	–
9	1 041.8	148.4	157.3	19.0	138.3	21.5	9.0	9.0	–
16	1 016.9	148.3	156.7	19.6	137.1	22.6	9.5	9.5	–
23	1 019.7	148.1	152.0	16.4	135.6	24.0	9.3	9.3	–
30	3 1 038.2	3 163.9	3 154.1	16.4	3 137.8	23.7	9.2	9.2	–
2006 Jan 6	1 038.6	163.8	155.3	13.8	141.6	22.8	8.9	8.9	–
13	1 033.3	163.8	156.2	13.8	142.4	22.2	9.2	9.2	–
20	1 051.2	163.8	156.7	13.3	143.4	22.9	9.4	9.4	–
27	1 055.2	163.8	155.4	13.2	142.2	23.1	9.1	9.1	–
Feb 3	1 030.4	163.7	156.1	13.1	143.1	22.7	8.9	8.9	–
10	1 035.4	163.7	154.4	12.5	141.9	23.1	9.2	9.2	–
17	1 039.3	163.6	154.2	12.5	141.6	23.2	10.9	10.9	–
24	1 062.7	163.5	155.3	12.5	142.7	22.6	11.4	11.4	–
2006 Mar 3	1 055.8	163.4	152.6	12.5	140.1	24.1	11.6	11.6	–
10	1 052.3	163.3	151.6	12.5	139.1	25.3	11.2	11.2	–
17	1 044.0	163.2	150.1	12.5	137.6	25.8	11.9	11.9	–
24	1 056.1	163.1	151.0	12.5	138.6	26.9	11.8	11.8	–
31	3 1 067.5	3 180.8	3 144.7	12.1	3 132.6	3 25.8	11.4	11.4	–
Apr 7	1 067.0	180.7	147.0	12.1	134.9	26.5	12.0	12.0	–
13	1 075.1	180.7	145.8	12.1	133.7	25.5	12.5	12.5	–
21	1 084.8	180.6	145.2	12.1	133.1	24.7	12.1	12.1	–
28	1 080.4	180.5	146.0	12.1	134.0	24.4	13.0	13.0	–
May 5	1 079.3	179.6	149.5	11.7	137.9	25.2	12.4	12.4	–
12	1 075.7	179.6	147.0	11.7	135.3	25.3	12.7	12.7	–
19	1 076.4	179.5	148.2	11.7	136.5	25.9	12.8	12.8	–
26	1 084.1	179.5	147.0	11.7	135.3	25.3	13.3	13.3	–
June 2	1 084.5	179.5	148.0	11.7	136.3	26.1	13.5	13.5	–
9	1 080.5	179.5	147.6	11.7	135.9	25.5	13.2	13.2	–
16	1 087.3	179.4	149.3	11.7	137.6	25.1	12.4	12.4	–
23	1 112.5	179.4	149.7	14.1	135.6	26.2	13.3	13.3	–
30	3 1 112.8	3 175.5	3 142.1	12.9	3 129.2	3 25.7	13.5	13.5	–
Deutsche Bundesbank									
2004 Aug	284.2	35.8	39.8	7.4	32.4	–	0.3	0.3	–
Sep	283.6	3 36.7	3 39.1	7.0	32.1	–	0.3	0.3	–
Oct	293.7	36.7	38.2	7.0	31.3	–	0.3	0.3	–
Nov	298.6	36.7	38.4	6.9	31.5	–	0.3	0.3	–
Dec	3 293.5	3 35.5	3 35.8	6.5	3 29.3	–	0.3	0.3	–
2005 Jan	287.9	35.5	36.2	6.5	29.7	–	0.3	0.3	–
Feb	300.1	35.5	35.7	6.4	29.3	–	0.3	0.3	–
Mar	3 294.6	3 36.4	3 37.4	6.1	3 31.3	–	0.3	0.3	–
Apr	299.0	36.4	37.0	6.1	30.9	–	0.3	0.3	–
May	304.6	36.4	37.2	6.2	31.0	–	0.3	0.3	–
June	3 310.7	3 39.8	3 38.9	5.8	3 33.1	–	0.3	0.3	–
July	317.5	39.8	38.6	5.0	33.5	–	0.3	0.3	–
Aug	315.3	39.8	37.6	5.0	32.6	–	0.3	0.3	–
Sep	3 325.0	3 43.3	3 39.5	5.0	3 34.5	–	0.3	0.3	–
Oct	324.6	43.3	39.3	5.0	34.3	–	0.3	0.3	–
Nov	329.2	43.3	38.2	5.0	33.2	–	0.3	0.3	–
Dec	3 344.1	3 47.9	3 38.3	4.5	3 33.7	–	0.3	0.3	–
2006 Jan	338.9	47.9	38.3	4.5	33.7	–	0.3	0.3	–
Feb	335.1	47.9	36.7	3.8	32.9	–	0.3	0.3	–
Mar	3 340.5	3 53.2	3 36.0	3.8	3 32.2	–	0.3	0.3	–
Apr	344.9	53.2	34.5	3.7	30.8	–	0.3	0.3	–
May	357.5	53.1	35.6	3.4	32.1	–	0.3	0.3	–
June	3 359.1	3 52.0	3 33.9	3.6	3 30.3	–	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

III Consolidated financial statement of the Eurosystem

Lending to euro-area credit institutions related to monetary policy operations denominated in euro							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	Credits related to margin calls						
Eurosystem ²												
391.5	301.5	90.0	-	-	0.0	0.0	3.3	92.3	40.8	136.3	2005 Oct	28
384.5	294.0	90.0	-	-	0.5	0.0	2.8	92.9	40.8	138.3	Nov	4
385.0	295.0	90.0	-	-	0.0	0.0	3.1	93.2	40.8	139.4		11
383.5	293.5	90.0	-	-	-	0.0	3.7	92.8	40.8	140.5		18
401.0	311.0	90.0	-	-	0.0	0.0	3.5	92.6	40.8	141.7		25
396.5	306.5	90.0	-	-	0.0	0.0	3.1	93.5	40.8	143.0	Dec	2
423.5	333.5	90.0	-	-	0.0	0.0	3.1	94.2	40.8	143.9		9
398.5	308.5	90.0	-	-	-	0.0	3.2	93.9	40.7	143.6		16
404.0	314.0	90.0	-	-	-	-	3.5	94.4	40.3	144.1		23
406.0	315.0	90.0	-	-	0.9	-	3.6	³ 92.4	40.1	³ 145.2		30
406.2	316.0	90.0	-	-	0.2	0.0	3.7	93.0	40.1	144.7	2006 Jan	6
399.1	309.0	90.0	-	-	0.1	-	4.1	93.2	40.1	145.3		13
414.1	324.0	90.0	-	-	0.1	0.0	3.9	93.7	40.1	146.5		20
416.0	316.0	100.0	-	-	0.0	-	4.0	95.2	40.1	148.4		27
390.0	290.0	100.0	-	-	0.0	0.0	3.7	95.5	40.6	149.1	Feb	3
393.5	293.5	100.0	-	-	-	-	3.9	96.4	40.6	150.7		10
395.2	295.0	100.0	-	-	0.2	0.0	4.0	94.3	40.6	153.4		17
418.4	308.0	110.0	-	-	0.4	-	3.9	94.0	40.6	153.0		24
411.5	301.5	110.0	-	-	0.0	-	3.6	95.5	40.6	153.0	2006 Mar	3
408.0	298.0	110.0	-	-	0.0	-	4.3	94.6	40.6	153.3		10
400.6	290.5	110.0	-	-	0.0	-	5.1	93.8	40.6	152.8		17
408.0	298.0	110.0	-	-	-	0.0	5.1	95.3	40.6	154.3		24
404.1	284.0	120.0	-	-	0.1	-	5.9	³ 94.8	40.6	³ 159.5		31
400.0	280.0	120.0	-	-	-	-	5.3	95.8	40.6	159.3	Apr	7
408.5	288.5	120.0	-	-	0.0	-	5.4	94.9	40.6	161.3		13
418.2	298.0	120.0	-	-	0.2	-	5.3	95.1	40.6	163.1		21
411.1	291.0	120.0	-	-	0.1	-	5.7	93.8	40.6	165.4		28
406.0	286.0	120.0	-	-	0.0	-	6.1	94.0	40.6	165.9	May	5
404.0	284.0	120.0	-	-	0.0	0.0	5.4	95.0	40.6	166.1		12
403.3	283.0	120.0	-	-	0.3	-	5.8	93.6	40.6	166.8		19
411.5	291.5	120.0	-	-	-	0.0	5.8	93.5	40.6	167.6		26
410.5	290.5	120.0	-	-	0.0	0.0	5.6	93.3	40.6	167.4	June	2
406.2	286.0	120.0	-	-	0.2	-	5.5	94.2	40.6	168.3		9
412.0	292.0	120.0	-	-	0.0	0.0	6.1	93.8	40.6	168.5		16
436.0	316.0	120.0	-	-	-	-	6.1	92.1	40.6	169.1		23
448.6	328.5	120.0	-	-	0.1	0.0	6.1	91.6	40.0	³ 169.6		30
Deutsche Bundesbank												
184.8	135.3	49.5	-	-	0.0	-	0.0	-	4.4	19.1	2004 Aug	
173.6	127.4	45.6	-	-	0.6	-	0.0	-	4.4	29.5	Sep	
195.1	148.1	46.9	-	-	-	-	0.0	-	4.4	19.0	Oct	
199.8	153.5	46.0	-	-	0.3	-	0.0	-	4.4	19.0	Nov	
190.4	143.0	47.3	-	-	0.1	-	0.0	-	4.4	26.9	Dec	
185.1	134.3	50.9	-	-	0.0	-	0.0	-	4.4	26.3	2005 Jan	
205.2	151.7	53.5	-	-	0.0	-	0.0	-	4.4	18.9	Feb	
184.4	129.9	52.1	-	-	2.4	-	0.0	-	4.4	31.7	Mar	
201.7	148.2	53.5	-	-	-	-	0.0	-	4.4	19.1	Apr	
190.8	139.3	51.4	-	-	0.0	-	0.0	-	4.4	35.6	May	
208.1	151.2	55.6	-	-	1.3	-	0.0	-	4.4	19.2	June	
215.3	163.4	51.9	-	-	0.0	-	0.0	-	4.4	19.1	July	
194.5	142.6	51.9	-	-	0.0	-	0.1	-	4.4	38.6	Aug	
211.2	156.0	54.8	-	-	0.4	-	0.1	-	4.4	26.1	Sep	
203.0	148.6	54.2	-	-	0.2	-	0.1	-	4.4	34.2	Oct	
195.0	140.8	54.2	-	-	0.0	-	0.1	-	4.4	47.8	Nov	
203.9	146.5	56.4	-	-	0.9	-	0.1	-	4.4	49.2	Dec	
227.2	162.5	64.7	-	-	0.0	-	0.1	-	4.4	20.6	2006 Jan	
218.9	146.4	72.5	-	-	0.0	-	0.2	-	4.4	26.6	Feb	
224.5	147.1	77.4	-	-	0.1	-	0.3	-	4.4	21.7	Mar	
233.0	158.0	74.9	-	-	0.1	-	0.3	-	4.4	19.2	Apr	
227.6	152.6	74.9	-	-	0.0	-	0.3	-	4.4	36.2	May	
248.8	177.3	71.5	-	-	0.1	-	0.3	-	4.4	19.3	June	

and financial instruments are valued at market rates at the end of the quarter.— ¹ For the Eurosystem: financial statements for specific weekly dates;

for the Bundesbank: 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	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 4													
2005 Oct 28	1 003.5	536.2	150.3	150.2	0.1	-	-	0.0	0.2	-	65.3	57.6	7.6
Nov 4	998.6	539.7	149.1	148.9	0.1	-	-	0.0	0.2	-	56.3	48.9	7.4
11	998.3	538.9	152.5	152.4	0.0	-	-	0.0	0.2	-	53.9	46.3	7.6
18	999.1	537.7	158.2	158.2	0.0	-	-	-	0.2	-	48.2	40.5	7.7
25	1 017.2	538.2	153.5	153.5	0.1	-	-	0.0	0.2	-	70.2	62.6	7.6
Dec 2	1 013.5	547.9	158.3	158.0	0.3	-	-	-	0.2	-	50.8	42.9	7.9
9	1 041.8	554.6	154.1	154.0	0.0	-	-	-	0.3	-	76.5	68.9	7.7
16	1 016.9	558.6	158.4	158.3	0.1	-	-	-	0.2	-	42.4	34.5	7.9
23	1 019.7	568.0	150.7	150.7	0.0	-	-	-	0.2	-	43.5	35.6	7.9
30	5 1 038.2	565.2	155.5	155.3	0.3	-	-	-	0.2	-	41.8	34.2	7.6
2006 Jan 6	1 038.6	560.3	153.1	153.1	0.0	-	-	0.0	0.2	-	49.5	42.0	7.5
13	1 033.3	553.8	152.8	152.8	0.0	-	-	0.0	0.2	-	50.4	42.8	7.6
20	1 051.2	549.4	155.9	155.9	0.0	-	-	0.0	0.2	-	68.1	60.3	7.8
27	1 055.2	546.7	160.0	159.9	0.1	-	-	0.0	0.2	-	72.1	64.6	7.5
Feb 3	1 030.4	550.6	151.0	151.0	0.0	-	-	0.0	0.2	-	51.9	44.3	7.6
10	1 035.4	550.3	159.5	159.5	0.0	-	-	0.0	0.2	-	49.5	42.1	7.4
17	1 039.3	549.4	156.6	156.6	0.0	-	-	0.0	0.2	-	55.5	48.0	7.5
24	1 062.7	550.2	159.8	159.2	0.6	-	-	-	0.2	-	74.5	67.0	7.4
2006 Mar 3	1 055.8	555.2	159.0	158.9	0.0	-	-	0.0	0.2	-	64.5	56.8	7.6
10	1 052.3	555.5	159.7	159.7	0.0	-	-	0.0	0.2	-	60.0	52.1	7.8
17	1 044.0	554.7	160.3	160.2	0.0	-	-	-	0.2	-	52.0	44.2	7.8
24	1 056.1	553.3	159.9	159.9	0.0	-	-	-	0.2	-	66.1	58.4	7.8
31	5 1 067.5	557.2	156.1	155.8	0.4	-	-	0.0	0.1	-	63.1	55.3	7.8
Apr 7	1 067.0	563.4	156.8	156.7	0.1	-	-	0.0	0.1	-	55.8	48.1	7.7
13	1 075.1	571.6	159.6	159.6	0.0	-	-	-	0.1	-	54.4	46.8	7.6
21	1 084.8	565.9	161.8	161.7	0.1	-	-	0.0	0.1	-	68.1	60.8	7.3
28	1 080.4	568.8	154.5	153.9	0.6	-	-	-	0.1	-	66.2	58.8	7.4
May 5	1 079.3	572.7	160.5	160.5	0.1	-	-	0.0	0.1	-	51.6	44.1	7.5
12	1 075.7	570.4	167.1	167.1	0.0	-	-	0.0	0.1	-	48.0	40.5	7.5
19	1 076.4	568.6	160.0	160.0	0.1	-	-	-	0.2	-	55.3	47.8	7.5
26	1 084.1	570.3	162.5	162.5	0.0	-	-	0.0	0.2	-	59.9	52.4	7.6
June 2	1 084.5	575.9	160.4	160.4	0.0	-	-	0.0	0.2	-	55.7	47.8	7.9
9	1 080.5	576.5	160.6	159.9	0.7	-	-	-	0.1	-	52.7	44.6	8.1
16	1 087.3	576.4	165.8	165.8	0.0	-	-	0.0	0.1	-	52.2	44.4	7.8
23	1 112.5	575.2	162.6	162.5	0.0	-	-	0.0	0.1	-	83.4	75.3	8.1
30	5 1 112.8	580.1	158.5	157.4	1.2	-	-	0.0	0.1	-	94.0	86.2	7.9
Deutsche Bundesbank													
2004 Aug	284.2	125.2	41.4	40.9	0.4	-	-	-	-	-	0.5	0.0	0.4
Sep	283.6	126.5	40.1	40.1	0.0	-	-	-	-	-	0.5	0.1	0.4
Oct	293.7	128.2	35.5	35.5	0.0	-	-	-	-	-	0.5	0.1	0.4
Nov	298.6	129.5	48.3	48.3	0.0	-	-	-	-	-	0.7	0.3	0.4
Dec	5 293.5	136.3	41.3	41.2	0.1	-	-	-	0.2	-	0.4	0.0	0.4
2005 Jan	287.9	132.3	40.8	40.8	0.0	-	-	-	-	-	0.4	0.0	0.4
Feb	300.1	133.0	40.2	40.2	0.0	-	-	-	-	-	0.4	0.0	0.4
Mar	5 294.6	136.1	38.1	38.1	0.0	-	-	-	-	-	0.4	0.0	0.3
Apr	299.0	137.9	39.8	39.8	0.0	-	-	-	-	-	0.4	0.0	0.4
May	304.6	139.4	41.3	41.3	0.0	-	-	-	-	-	0.4	0.0	0.4
June	5 310.7	142.6	34.6	33.7	0.8	-	-	-	-	-	0.4	0.0	0.4
July	317.5	145.2	39.7	39.7	0.0	-	-	-	-	-	0.4	0.0	0.4
Aug	315.3	143.5	39.0	39.0	0.0	-	-	-	-	-	0.4	0.0	0.4
Sep	5 325.0	145.0	38.8	38.7	0.0	-	-	-	-	-	0.4	0.1	0.4
Oct	324.6	146.2	37.4	37.3	0.1	-	-	-	-	-	0.5	0.0	0.5
Nov	329.2	147.3	41.9	41.7	0.2	-	-	-	-	-	0.4	0.0	0.4
Dec	5 344.1	153.7	46.3	46.3	0.0	-	-	-	0.2	-	0.4	0.0	0.4
2006 Jan	338.9	148.8	45.4	45.4	0.0	-	-	-	-	-	0.4	0.0	0.4
Feb	335.1	149.9	38.5	38.5	0.0	-	-	-	-	-	0.6	0.0	0.6
Mar	5 340.5	151.5	39.7	39.7	0.0	-	-	-	-	-	0.4	0.0	0.4
Apr	344.9	154.7	38.8	38.7	0.0	-	-	-	-	-	0.4	0.1	0.4
May	357.5	155.3	51.4	51.4	0.0	-	-	-	-	-	0.5	0.0	0.4
June	5 359.1	157.8	39.9	39.4	0.5	-	-	-	-	-	0.5	0.1	0.4

* 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 Eurosystem: financial statements for specific weekly dates; for

the Bundesbank: end-of-month financial statements. — 2 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 counterpart of this adjustment is disclosed as an "Intra-Eurosystem liability related to euro-

III Consolidated financial statement of the Eurosystem

Liabilities to non-euro-area residents denominated in euro	Liabilities to euro-area residents in foreign currency	Liabilities to non-euro-area residents denominated in foreign currency			Counterpart of special drawing rights allocated by the IMF	Other liabilities ³	Intra-Eurosystem liability related to euro-banknote issue ²	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 ⁴										
11.2	0.2	9.8	9.8	—	5.9	62.3	—	103.7	58.4	2005 Oct 28
11.4	0.6	9.9	9.9	—	5.9	63.5	—	103.7	58.4	Nov 4
11.5	0.3	8.9	8.9	—	5.9	64.1	—	103.7	58.4	11
11.3	0.3	9.3	9.3	—	5.9	65.9	—	103.7	58.4	18
11.4	0.3	9.3	9.3	—	5.9	66.1	—	103.7	58.4	25
12.0	0.5	8.6	8.6	—	5.9	67.2	—	103.7	58.4	Dec 2
12.1	0.4	8.5	8.5	—	5.9	67.3	—	103.7	58.4	9
12.1	0.4	8.4	8.4	—	5.9	68.4	—	103.7	58.4	16
12.4	0.5	8.4	8.4	—	5.9	68.0	—	103.7	58.4	23
13.2	0.4	8.4	8.4	—	5.9	5 70.0	5	119.1	58.4	30
12.6	0.4	10.1	10.1	—	5.9	69.0	—	119.1	58.4	2006 Jan 6
12.5	0.3	11.0	11.0	—	5.9	68.8	—	119.1	58.4	13
12.7	0.3	12.3	12.3	—	5.9	67.9	—	119.1	59.3	20
12.8	0.3	10.7	10.7	—	5.9	68.2	—	119.1	59.4	27
12.8	0.2	10.8	10.8	—	5.9	68.5	—	119.1	59.3	Feb 3
12.6	0.2	10.3	10.3	—	5.9	68.4	—	119.1	59.3	10
12.6	0.2	9.9	9.9	—	5.9	67.9	—	119.1	61.9	17
13.2	0.2	10.2	10.2	—	5.9	67.5	—	119.1	62.0	24
13.1	0.2	9.8	9.8	—	5.9	66.9	—	119.1	62.0	2006 Mar 3
13.2	0.3	10.3	10.3	—	5.9	66.1	—	119.1	62.0	10
13.7	0.2	9.6	9.6	—	5.9	66.3	—	119.1	62.1	17
13.8	0.1	11.8	11.8	—	5.9	63.7	—	119.1	62.1	24
14.7	0.1	9.2	9.2	—	5.8	5 66.7	5	132.4	62.0	31
13.9	0.2	11.0	11.0	—	5.8	65.6	—	132.4	62.0	Apr 7
13.6	0.2	9.0	9.0	—	5.8	66.4	—	132.4	62.0	13
13.6	0.2	7.6	7.6	—	5.8	67.3	—	132.4	62.0	21
14.1	0.2	8.1	8.1	—	5.8	68.1	—	132.4	62.0	28
14.3	0.2	11.4	11.4	—	5.8	68.0	—	132.4	62.1	May 5
14.1	0.2	9.2	9.2	—	5.8	65.6	—	132.4	62.8	12
14.3	0.2	10.6	10.6	—	5.8	66.1	—	132.4	62.8	19
14.8	0.2	8.9	8.9	—	5.8	66.2	—	132.4	62.8	26
14.5	0.2	10.6	10.6	—	5.8	65.9	—	132.4	62.8	June 2
14.3	0.1	9.5	9.5	—	5.8	65.7	—	132.4	62.8	9
14.5	0.1	10.9	10.9	—	5.8	66.0	—	132.4	62.8	16
14.5	0.1	10.0	10.0	—	5.8	65.7	—	132.4	62.8	23
14.5	0.1	8.7	8.7	—	5.7	5 66.2	5	122.0	62.8	30
Deutsche Bundesbank										
5.8	0.0	2.0	2.0	—	1.5	15.2	58.6	29.3	5.0	2004 Aug
5.6	0.0	2.0	2.0	—	1.4	12.0	60.9	29.6	5.0	Sep
5.9	0.0	1.3	1.3	—	1.4	24.1	62.3	29.6	5.0	Oct
5.6	0.0	1.5	1.5	—	1.4	13.9	63.1	29.6	5.0	Nov
5.9	0.0	2.0	2.0	—	1.4	5 9.7	63.4	5 27.8	5.0	Dec
3.5	0.0	2.7	2.7	—	1.4	9.5	64.5	27.8	5.0	2005 Jan
3.4	0.0	2.1	2.1	—	1.4	21.0	65.8	27.8	5.0	Feb
3.2	0.0	3.1	3.1	—	1.4	9.4	67.9	5 30.1	5.0	Mar
3.4	0.0	2.7	2.7	—	1.4	9.5	68.8	30.1	5.0	Apr
3.5	0.0	2.6	2.6	—	1.4	9.6	71.3	30.1	5.0	May
3.3	0.0	2.5	2.5	—	1.5	13.0	72.0	5 35.9	5.0	June
3.5	0.0	3.0	3.0	—	1.5	10.8	72.6	35.9	5.0	July
3.4	0.0	2.1	2.1	—	1.5	10.5	74.1	35.9	5.0	Aug
3.5	0.0	4.1	4.1	—	1.5	11.0	76.4	5 39.2	5.0	Sep
3.4	0.0	4.0	4.0	—	1.5	11.0	76.5	39.2	5.0	Oct
3.4	0.0	2.9	2.9	—	1.5	11.2	76.4	39.2	5.0	Nov
3.4	0.0	2.8	2.8	—	1.5	11.3	75.1	5 44.3	5.0	Dec
3.4	0.0	3.0	3.0	—	1.5	11.5	75.8	44.3	5.0	2006 Jan
3.5	0.0	2.1	2.1	—	1.5	12.0	77.8	44.3	5.0	Feb
3.8	0.0	2.5	2.5	—	1.4	9.4	78.2	5 48.5	5.0	Mar
3.6	0.0	1.0	1.0	—	1.4	12.7	78.7	48.5	5.0	Apr
3.8	0.0	2.4	2.4	—	1.4	9.8	79.5	48.5	5.0	May
3.7	0.0	2.1	2.1	—	1.4	22.3	80.6	5 45.8	5.0	June

bank-note issue". The remaining 92 % of the value of the euro banknote 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". — ³ For the Deutsche Bundesbank: including DM banknotes still in circulation. — ⁴ Source: ECB. — ⁵ Changes are due mainly to revaluations at the end of the quarter.

IV Banks

1 Assets and liabilities of monetary financial institutions (excluding the Bundesbank) in Germany *

Assets

Up to end-1998, DM billion; from 1999, € billion

Period	Balance sheet total	Cash in hand	Lending to banks (MFIs) in the euro area						Lending to non-banks (non-MFIs) in the				
			Total	to banks in the home country			to banks in other member states			Total	to non-banks in the home country		
				Total	Loans	Securities issued by banks	Total	Loans	Securities issued by banks		Total	Total	Enterprises and households	Loans
End of year or month													
1997	9,368.2	30.7	2,836.0	2,580.7	1,758.6	822.1	255.3	208.8	46.5	5,408.8	5,269.5	4,041.3	3,740.8
1998	10,355.5	29.9	3,267.4	2,939.4	1,977.4	962.0	328.1	264.9	63.1	5,833.9	5,615.9	4,361.0	3,966.5
1999	5,678.5	17.2	1,836.9	1,635.0	1,081.4	553.6	201.9	161.8	40.1	3,127.4	2,958.6	2,326.4	2,093.4
2000	6,083.9	16.1	1,977.4	1,724.2	1,108.9	615.3	253.2	184.5	68.6	3,249.9	3,062.6	2,445.7	2,186.6
2001	6,303.1	14.6	2,069.7	1,775.5	1,140.6	634.9	294.2	219.8	74.4	3,317.1	3,084.9	2,497.1	2,235.7
2002	6,394.2	17.9	2,118.0	1,769.1	1,164.3	604.9	348.9	271.7	77.2	3,340.2	3,092.2	2,505.8	2,240.8
2003	6,432.0	17.3	2,111.5	1,732.0	1,116.8	615.3	379.5	287.7	91.8	3,333.2	3,083.1	2,497.4	2,241.2
2004	6,617.4	15.1	2,174.3	1,750.2	1,122.9	627.3	424.2	306.3	117.9	3,358.7	3,083.4	2,479.7	2,223.8
2005	6,859.4	15.3	2,276.0	1,762.5	1,148.4	614.1	513.5	356.3	157.2	3,407.6	3,085.2	2,504.6	2,226.3
2004 Aug	6,567.5	13.2	2,167.2	1,759.6	1,126.4	633.2	407.6	301.7	105.9	3,357.7	3,086.1	2,470.3	2,221.8
Sep	6,597.6	13.2	2,165.1	1,759.6	1,123.8	635.8	405.6	295.9	109.6	3,361.1	3,091.0	2,478.1	2,229.6
Oct	6,627.7	13.9	2,178.3	1,759.5	1,128.1	631.4	418.7	306.4	112.4	3,371.9	3,094.1	2,475.6	2,226.8
Nov	6,683.4	13.3	2,197.3	1,771.7	1,137.6	634.1	425.6	310.6	115.1	3,376.5	3,098.8	2,482.9	2,233.7
Dec	6,617.4	15.1	2,174.3	1,750.2	1,122.9	627.3	424.2	306.3	117.9	3,358.7	3,083.4	2,479.7	2,223.8
2005 Jan	6,672.1	13.2	2,182.9	1,749.0	1,124.6	624.4	433.9	312.6	121.4	3,377.2	3,092.4	2,478.8	2,216.8
Feb	6,717.4	12.8	2,220.8	1,752.4	1,124.4	628.1	468.3	339.6	128.7	3,372.3	3,080.6	2,474.4	2,219.9
Mar	6,723.0	13.6	2,215.6	1,757.1	1,123.7	633.4	458.5	325.4	133.0	3,379.8	3,084.0	2,475.2	2,216.6
Apr	6,908.4	13.1	2,275.5	1,814.0	1,174.8	639.1	461.6	325.9	135.6	3,442.4	3,127.8	2,518.2	2,217.5
May	6,892.0	13.8	2,284.9	1,808.0	1,167.1	640.9	477.0	338.3	138.6	3,422.1	3,107.1	2,500.9	2,220.6
June	6,851.3	13.6	2,279.3	1,788.0	1,141.2	646.8	491.4	348.5	142.8	3,392.9	3,073.3	2,482.3	2,222.8
July	6,871.3	14.0	2,282.1	1,797.8	1,149.9	647.8	484.3	342.6	141.7	3,395.6	3,082.2	2,488.3	2,224.4
Aug	6,849.5	13.5	2,270.8	1,787.5	1,143.7	643.8	483.3	338.5	144.8	3,397.7	3,085.8	2,491.0	2,225.3
Sep	6,873.8	14.0	2,271.5	1,770.2	1,129.9	640.3	501.3	353.7	147.6	3,403.1	3,089.8	2,505.3	2,238.3
Oct	6,888.8	14.1	2,270.7	1,754.8	1,123.5	631.3	515.9	368.7	147.2	3,412.5	3,098.7	2,512.0	2,244.5
Nov	6,924.1	13.3	2,287.0	1,760.4	1,133.3	627.1	526.6	373.7	152.9	3,417.1	3,093.2	2,510.3	2,240.3
Dec	6,859.4	15.3	2,276.0	1,762.5	1,148.4	614.1	513.5	356.3	157.2	3,407.6	3,085.2	2,504.6	2,226.3
2006 Jan	6,940.6	13.3	2,275.4	1,739.2	1,128.2	610.9	536.2	374.0	162.3	3,458.7	3,123.8	2,542.5	2,251.5
Feb	6,967.7	14.1	2,289.3	1,745.9	1,132.6	613.4	543.4	376.9	166.4	3,458.7	3,117.1	2,546.9	2,255.5
Mar	7,004.8	13.3	2,302.4	1,736.7	1,123.2	613.4	565.7	392.7	172.9	3,474.5	3,127.4	2,556.8	2,258.4
Apr	7,075.7	14.5	2,320.4	1,768.4	1,156.7	611.7	552.1	379.5	172.6	3,518.0	3,161.1	2,590.8	2,264.9
May	7,102.2	14.0	2,347.7	1,787.2	1,170.7	616.6	560.4	381.7	178.7	3,513.4	3,160.2	2,584.0	2,264.5
Changes ¹													
1998	1,001.0	- 0.8	422.2	355.7	215.1	140.6	66.4	56.2	10.2	440.4	363.3	337.5	245.2
1999	452.6	1.8	179.8	140.1	81.4	58.6	39.8	26.3	13.5	206.6	158.1	156.8	126.4
2000	401.5	- 1.2	143.0	91.7	28.1	63.6	51.4	22.8	28.6	123.2	105.4	116.8	89.5
2001	244.9	- 1.4	91.0	50.7	30.3	20.5	40.3	34.5	5.8	55.1	23.9	50.4	48.1
2002	165.7	3.3	63.6	6.5	23.7	- 17.1	57.1	51.9	5.2	34.1	15.7	16.5	10.4
2003	83.5	- 0.6	- 20.2	- 49.0	- 47.5	- 1.5	28.8	15.7	13.1	29.6	23.0	22.2	26.4
2004	207.5	- 2.1	68.9	22.5	9.5	13.1	46.3	15.8	30.5	44.1	17.5	- 0.4	- 1.2
2005	197.2	0.1	101.8	13.2	25.7	- 12.5	88.6	50.5	38.1	59.7	14.2	37.2	15.5
2004 Sep	39.6	0.0	- 1.7	0.3	- 2.6	2.9	- 1.9	- 5.8	3.8	5.3	6.3	9.2	9.4
Oct	36.3	0.7	13.2	0.0	4.3	- 4.3	13.2	10.4	2.7	11.7	3.9	- 1.8	- 2.0
Nov	67.8	- 0.6	19.3	12.2	9.5	2.7	7.1	4.2	2.9	6.1	5.7	8.3	7.9
Dec	- 55.0	1.9	- 19.2	- 17.8	- 11.2	- 6.6	- 1.4	- 4.2	2.9	- 14.0	- 12.4	0.2	- 6.6
2005 Jan	40.4	- 2.0	8.2	- 1.2	1.7	- 2.9	9.4	6.2	3.2	20.9	11.7	1.9	- 4.1
Feb	50.7	- 0.4	38.0	3.6	- 0.2	3.8	34.5	27.1	7.4	- 2.2	- 9.4	- 2.0	5.4
Mar	- 0.5	0.8	- 4.9	4.9	- 0.6	5.6	- 9.9	- 14.2	4.3	8.5	4.8	2.2	- 1.9
Apr	183.0	- 0.5	59.4	56.8	51.1	5.7	2.6	0.5	2.1	63.2	44.4	43.7	1.4
May	- 32.5	0.7	9.2	- 6.1	- 7.7	1.6	15.3	12.4	2.9	- 21.7	- 21.4	- 18.0	2.6
June	- 46.3	- 0.2	- 5.5	- 19.8	- 25.9	6.1	14.4	10.2	4.2	- 27.7	- 32.1	- 16.7	4.4
July	22.1	0.4	2.9	10.0	8.8	1.2	- 7.0	- 5.9	- 1.1	3.9	10.0	7.0	2.7
Aug	- 19.9	- 0.5	- 11.3	- 10.5	- 6.2	- 4.3	- 0.9	- 3.6	2.7	2.8	4.3	3.4	1.3
Sep	20.2	0.5	0.7	- 17.3	- 13.8	- 3.5	18.0	15.2	2.8	5.1	4.0	14.0	12.8
Oct	14.7	0.1	- 0.8	- 15.4	- 6.4	- 9.0	14.6	15.1	- 0.5	10.3	9.6	7.4	6.8
Nov	29.4	- 0.8	16.6	5.9	9.8	- 3.8	10.7	4.9	5.7	4.2	- 5.7	- 1.8	- 4.0
Dec	- 64.0	2.0	- 10.8	2.3	15.2	- 12.9	- 13.1	- 17.4	4.3	- 7.7	- 6.1	- 3.9	- 11.8
2006 Jan	62.7	- 2.1	- 4.5	- 22.4	- 20.2	- 2.3	18.0	14.2	3.8	38.3	25.3	24.7	12.2
Feb	19.1	0.8	13.8	6.7	4.4	2.4	7.1	2.9	4.1	0.2	- 6.0	5.1	4.7
Mar	46.6	- 0.8	13.4	- 9.1	- 9.3	0.3	22.4	15.8	6.6	19.0	12.8	12.4	4.8
Apr	81.7	1.2	18.2	31.8	33.4	- 1.7	- 13.5	- 13.3	- 0.2	44.8	34.4	34.6	6.8
May	26.5	- 0.5	28.0	19.6	14.7	4.9	8.4	2.3	6.1	- 4.6	- 0.8	- 6.7	- 0.7

* This table serves to supplement the "Overall monetary survey" in section II. Unlike the other tables in section IV, this table includes – in addition to

the figures reported by banks (including building and loan associations) – data from money market funds. — 1 Statistical breaks have been eliminated

IV Banks

euro area										Claims on non-euro-area residents		Other assets	Period
										to non-banks in other member states			
General government				Enterprises and households			General government			Total	of which Loans		
Secur-ities	Total	Loans	Secur-ities 2	Total	Total	of which Loans	Total	Loans 3	Secur-ities				
300.6	1,228.2	911.0	317.2	139.2	41.9	41.2	97.3	23.4	73.9	839.6	710.2	253.1	1997
394.5	1,254.9	939.1	315.8	218.0	62.5	56.0	155.5	35.6	119.9	922.0	758.0	302.2	1998
233.0	632.1	488.4	143.7	168.8	65.3	35.9	103.6	20.7	82.8	511.2	404.2	185.8	1999
259.1	616.9	478.5	138.4	187.3	83.8	44.2	103.5	20.0	83.5	622.4	481.7	218.1	2000
261.3	587.8	468.7	119.1	232.3	111.3	53.7	121.0	26.2	94.8	727.3	572.0	174.3	2001
265.0	586.4	448.5	137.9	248.0	125.0	63.6	123.0	25.5	97.5	738.1	589.2	179.9	2002
256.2	585.6	439.6	146.1	250.2	133.5	62.7	116.6	25.9	90.7	806.4	645.6	163.6	2003
255.9	603.8	423.0	180.8	275.3	140.6	61.9	134.7	25.7	109.0	897.8	730.4	171.4	2004
278.2	580.7	408.7	171.9	322.4	169.1	65.0	153.3	30.7	122.6	993.8	796.8	166.7	2005
248.4	615.8	429.9	186.0	271.6	137.7	65.0	133.9	26.2	107.6	871.6	696.5	157.9	2004 Aug
248.5	612.9	425.8	187.1	270.1	138.8	65.3	131.3	25.7	105.6	898.6	725.5	159.6	Sep
248.7	618.5	430.9	187.7	277.8	139.9	65.1	137.9	25.5	112.4	901.8	727.5	161.9	Oct
249.1	615.9	426.6	189.3	277.7	143.1	67.5	134.6	25.7	108.9	931.8	756.6	164.6	Nov
255.9	603.8	423.0	180.8	275.3	140.6	61.9	134.7	25.7	109.0	897.8	730.4	171.4	Dec
262.0	613.6	427.5	186.2	284.9	145.2	66.3	139.7	25.8	113.9	935.8	762.7	163.1	2005 Jan
254.5	606.2	422.2	184.0	291.7	147.6	66.6	144.1	26.5	117.5	945.4	771.9	166.2	Feb
258.6	608.8	420.7	188.2	295.8	144.6	61.4	151.2	28.0	123.2	955.0	780.7	159.1	Mar
300.7	609.6	422.8	186.8	314.6	151.8	65.5	162.9	30.7	132.1	1,013.1	835.4	164.2	Apr
280.3	606.2	421.7	184.5	315.0	155.2	66.0	159.8	31.1	128.7	1,001.3	821.1	169.8	May
259.5	591.0	416.2	174.7	319.6	162.6	68.4	157.0	31.2	125.8	1,001.0	815.4	164.5	June
263.9	593.9	418.9	175.0	313.4	158.5	64.2	154.9	32.4	122.5	1,014.5	830.9	165.1	July
265.8	594.8	417.0	177.8	311.9	157.7	62.9	154.2	31.1	123.0	1,002.5	815.7	164.9	Aug
267.0	584.6	410.7	173.9	313.2	161.0	65.5	152.2	32.6	119.6	1,020.0	829.8	165.2	Sep
267.5	586.7	413.2	173.6	313.8	164.6	67.0	149.2	31.7	117.5	1,023.2	832.3	168.2	Oct
270.0	582.9	406.9	176.0	324.0	168.5	67.7	155.4	30.2	125.2	1,031.7	837.8	174.9	Nov
278.2	580.7	408.7	171.9	322.4	169.1	65.0	153.3	30.7	122.6	993.8	796.8	166.7	Dec
291.0	581.2	409.8	171.4	334.9	174.4	69.9	160.5	31.6	128.9	1,030.5	831.4	162.8	2006 Jan
291.4	570.2	401.1	169.1	341.5	182.5	73.6	159.1	31.0	128.1	1,045.4	846.5	160.2	Feb
298.5	570.5	401.3	169.2	347.1	186.7	76.2	160.4	30.8	129.6	1,055.1	856.0	159.6	Mar
325.9	570.3	402.8	167.4	356.9	196.8	84.1	160.1	30.4	129.8	1,056.7	859.5	166.0	Apr
319.5	576.2	394.9	181.2	353.2	193.3	81.5	159.9	30.7	129.2	1,055.0	854.9	172.1	May
Changes 1													
92.3	25.8	28.1	- 2.3	77.1	18.9	13.0	58.3	12.5	45.7	83.9	52.0	55.3	1998
30.4	1.3	7.7	- 6.4	48.4	12.2	6.4	36.2	2.0	34.2	33.1	13.8	31.3	1999
27.3	- 11.4	- 6.7	- 4.6	17.8	16.8	7.2	1.0	- 0.3	1.2	103.9	71.9	32.5	2000
2.4	- 26.5	- 9.8	- 16.7	31.3	24.3	7.7	7.0	2.2	4.8	110.1	86.6	- 9.9	2001
6.2	- 0.8	- 20.2	19.4	18.3	15.9	12.0	2.4	- 0.6	3.0	65.7	64.1	- 0.4	2002
- 4.3	0.8	- 8.7	9.6	6.6	13.4	2.7	- 6.8	- 0.8	- 6.0	116.2	98.5	- 41.5	2003
0.9	17.8	- 17.0	34.9	26.6	8.2	3.1	18.4	0.0	18.4	111.4	100.5	- 14.7	2004
21.7	- 23.0	- 14.3	- 8.6	45.5	27.4	2.1	18.2	4.6	13.5	57.7	31.6	- 22.2	2005
- 0.2	- 2.9	- 4.1	1.1	- 0.9	1.5	0.6	- 2.4	- 0.5	- 1.9	34.9	36.0	0.9	2004 Sep
0.2	5.7	5.1	0.6	7.9	1.3	- 0.0	6.6	- 0.1	6.7	41.1	7.5	1.7	Oct
0.4	- 2.6	- 4.2	1.6	0.4	3.5	2.7	- 3.1	0.3	- 3.4	9.0	38.9	1.9	Nov
6.8	- 12.5	- 4.1	- 8.4	- 1.7	- 2.0	- 5.1	0.3	0.0	0.3	- 26.1	- 19.1	2.4	Dec
6.0	9.8	4.4	5.4	9.1	4.4	4.1	4.8	- 0.0	4.8	25.6	21.0	- 12.4	2005 Jan
- 7.4	- 7.4	- 5.2	- 2.2	7.2	2.6	0.4	4.6	0.8	3.8	14.6	13.6	0.7	Feb
4.1	2.6	- 1.6	4.2	3.7	- 3.3	- 5.4	7.0	1.4	5.6	4.1	3.7	- 9.0	Mar
42.2	0.8	2.2	- 1.4	18.8	7.2	4.1	11.6	2.8	8.9	56.7	53.5	4.2	Apr
- 20.6	- 3.4	- 1.2	- 2.3	0.3	2.9	0.1	- 3.2	0.3	- 3.5	- 25.7	- 27.2	5.0	May
- 21.0	- 15.4	- 5.7	- 9.8	4.4	7.3	2.3	- 2.9	0.1	- 3.0	- 5.5	- 10.6	- 7.4	June
4.3	3.0	2.7	0.3	- 6.1	- 4.1	- 4.2	- 2.0	- 1.2	- 3.2	15.0	16.9	- 0.2	July
2.1	0.9	- 1.9	2.8	- 1.5	- 0.8	- 1.0	- 0.7	- 1.3	0.5	- 10.2	- 12.8	- 0.7	Aug
1.2	- 10.0	- 6.2	- 3.9	3.1	2.4	- 2.0	- 2.0	1.4	- 3.4	14.3	11.1	- 0.4	Sep
0.6	2.2	2.5	- 0.3	0.7	3.6	1.6	- 2.9	- 0.9	- 2.0	3.1	2.3	1.9	Oct
2.2	- 3.9	- 6.3	2.4	9.9	3.8	0.5	6.1	- 1.5	7.6	3.2	0.7	6.3	Nov
7.9	- 2.2	1.9	- 4.0	- 1.6	0.6	- 2.7	- 2.1	0.4	- 2.6	- 37.4	- 40.5	- 10.2	Dec
12.5	0.6	0.9	- 0.3	13.0	5.3	4.8	7.7	- 1.2	6.5	36.8	34.4	- 5.9	2006 Jan
0.4	- 11.0	- 8.7	- 2.3	6.1	7.7	3.4	- 1.6	- 0.7	- 0.9	8.1	9.1	- 3.8	Feb
7.6	0.4	0.2	0.2	6.2	4.5	2.8	1.7	- 0.1	1.8	17.5	16.4	- 2.4	Mar
27.7	- 0.2	1.6	- 1.8	10.4	10.6	8.2	- 0.1	- 0.3	0.2	11.8	12.9	5.7	Apr
- 6.0	5.9	- 7.9	13.8	- 3.8	- 3.5	- 2.6	- 0.3	0.3	- 0.7	- 1.7	- 4.6	5.3	May

from the flow figures (see also footnote * in Table II.1). — 2 Including debt securities arising from the exchange of equalisation claims.

IV Banks

1 Assets and liabilities of monetary financial institutions (excluding the Bundesbank) in Germany * Liabilities

Up to end-1998, DM billion; from 1999, € billion

Period	Deposits of banks (MFIs) in the euro area				Deposits of non-banks (non-MFIs) in the euro area								
	Balance sheet total	of banks			Total	Deposits of non-banks in the home country					Deposits of non-banks		
		Total	in the home country	in other member states		Total	Over- night	With agreed maturities ²		At agreed notice ³		Total	Over- night
								Total	of which up to 2 years ⁴	Total	of which up to 3 months		
End of year or month													
1997	9,368.2	2,195.6	1,959.1	236.5	3,647.1	3,376.2	654.5	1,364.9	426.8	1,356.9	929.2	162.5	7.3
1998	10,355.5	2,480.3	2,148.9	331.4	3,850.8	3,552.2	751.6	1,411.1	461.6	1,389.6	971.9	187.4	9.4
1999	5,678.5	1,288.1	1,121.8	166.3	2,012.4	1,854.7	419.5	820.6	247.0	614.7	504.4	111.1	6.5
2000	6,083.9	1,379.4	1,188.9	190.5	2,051.4	1,873.6	441.4	858.8	274.3	573.5	450.5	107.9	6.9
2001	6,303.1	1,418.0	1,202.1	215.9	2,134.0	1,979.7	525.0	880.2	290.6	574.5	461.9	105.2	7.6
2002	6,394.2	1,478.7	1,236.2	242.4	2,170.0	2,034.9	574.8	884.9	279.3	575.3	472.9	87.4	8.1
2003	6,432.0	1,471.0	1,229.4	241.6	2,214.6	2,086.9	622.1	874.5	248.0	590.3	500.8	81.8	9.3
2004	6,617.4	1,528.4	1,270.8	257.6	2,264.2	2,148.5	646.2	898.9	239.9	603.5	515.5	71.9	8.8
2005	6,859.4	1,569.6	1,300.8	268.8	2,329.1	2,225.4	715.8	906.2	233.4	603.4	519.1	62.2	9.6
2004 Aug	6,567.5	1,510.2	1,259.4	250.8	2,231.7	2,105.7	636.2	878.2	228.9	591.3	505.6	74.0	9.8
Sep	6,597.6	1,495.3	1,242.0	253.3	2,237.6	2,113.6	645.8	876.6	225.6	591.2	505.7	76.0	14.4
Oct	6,627.7	1,534.8	1,277.0	257.7	2,237.1	2,118.1	646.8	879.0	225.7	592.3	506.3	73.5	9.6
Nov	6,683.4	1,536.2	1,285.2	250.9	2,257.3	2,140.2	672.5	874.6	218.3	593.0	506.2	73.4	11.9
Dec	6,617.4	1,528.4	1,270.8	257.6	2,264.2	2,148.5	646.2	898.9	239.9	603.5	515.5	71.9	8.8
2005 Jan	6,672.1	1,524.6	1,258.7	265.9	2,275.1	2,155.3	665.1	886.0	225.7	604.1	516.4	74.7	13.5
Feb	6,717.4	1,552.6	1,282.7	269.8	2,278.4	2,160.3	670.4	885.0	220.6	605.0	516.7	73.7	13.2
Mar	6,723.0	1,524.3	1,255.2	269.1	2,271.6	2,159.7	672.3	882.2	214.5	605.2	516.5	70.9	11.5
Apr	6,908.4	1,630.5	1,328.3	302.2	2,278.7	2,170.3	675.5	890.0	220.1	604.8	516.6	66.5	10.7
May	6,892.0	1,593.7	1,303.3	290.5	2,285.4	2,177.0	683.3	889.6	223.2	604.1	516.4	67.9	12.4
June	6,851.3	1,577.1	1,301.4	275.7	2,288.5	2,179.8	691.4	885.7	218.6	602.7	515.6	67.4	14.5
July	6,871.3	1,581.0	1,311.5	269.5	2,288.7	2,185.9	694.8	889.3	220.8	601.9	515.5	61.1	11.6
Aug	6,849.5	1,557.4	1,290.4	267.0	2,290.1	2,188.2	697.1	890.7	221.6	600.4	515.0	60.2	11.0
Sep	6,873.8	1,553.7	1,290.8	262.9	2,296.1	2,192.6	703.0	890.7	221.8	598.9	515.0	61.5	12.4
Oct	6,888.8	1,553.0	1,276.7	276.3	2,298.0	2,196.8	706.7	892.9	223.8	597.2	513.9	60.3	11.6
Nov	6,924.1	1,546.0	1,273.1	272.9	2,315.2	2,213.4	722.5	894.9	224.6	596.0	512.5	61.2	11.5
Dec	6,859.4	1,569.6	1,300.8	268.8	2,329.1	2,225.4	715.8	906.2	233.4	603.4	519.1	62.2	9.6
2006 Jan	6,940.6	1,589.6	1,306.9	282.7	2,334.0	2,227.0	716.1	908.1	233.7	602.8	517.9	63.4	11.8
Feb	6,967.7	1,583.4	1,303.2	280.2	2,331.2	2,233.0	714.3	916.1	235.7	602.6	517.4	60.7	10.8
Mar	7,004.8	1,581.0	1,303.4	277.6	2,340.8	2,241.4	720.9	919.1	237.5	601.4	515.4	60.1	12.1
Apr	7,075.7	1,635.0	1,340.8	294.3	2,364.7	2,257.5	725.7	932.0	246.2	599.8	513.6	68.1	16.3
May	7,102.2	1,634.7	1,338.6	296.1	2,370.4	2,269.4	734.6	937.4	249.9	597.4	510.1	60.2	11.8
Changes ¹													
1998	1,001.0	277.0	182.8	94.2	205.9	176.8	97.8	46.3	34.8	32.7	42.0	26.2	2.0
1999	452.6	70.2	66.4	3.7	75.0	65.6	34.2	36.7	13.5	- 5.3	7.4	7.5	1.7
2000	401.5	87.5	66.0	21.5	38.7	19.8	22.5	37.8	27.0	- 40.5	- 53.6	- 4.2	0.3
2001	244.9	32.4	8.4	24.0	80.6	105.2	83.0	21.2	16.2	1.1	11.4	- 4.0	0.4
2002	165.7	70.2	37.2	33.1	53.0	57.0	50.3	5.9	- 11.0	0.8	11.0	- 2.6	0.6
2003	83.5	3.8	- 3.3	7.1	44.7	50.3	48.8	- 13.6	- 31.6	15.1	28.0	- 3.8	1.4
2004	207.5	62.3	42.9	19.5	53.5	64.9	26.3	25.5	- 8.3	13.1	14.7	- 9.3	- 0.4
2005	197.2	32.8	26.9	5.9	65.0	75.5	69.4	7.3	- 6.9	- 1.2	2.9	- 8.0	0.5
2004 Sep	39.6	- 13.1	- 16.8	3.6	6.5	8.2	9.9	- 1.5	- 3.2	- 0.1	0.1	2.2	4.7
Oct	36.3	41.0	35.4	5.6	- 0.1	4.8	1.3	2.4	0.1	1.1	0.5	- 2.3	- 4.8
Nov	67.8	3.5	8.9	- 5.4	20.9	22.6	26.6	- 4.8	- 7.2	0.8	- 0.1	0.2	2.4
Dec	- 55.0	- 5.9	- 13.7	7.8	8.5	9.6	- 26.1	25.3	21.7	10.4	9.3	- 1.3	- 3.1
2005 Jan	40.4	- 6.2	- 12.9	6.7	10.0	6.2	18.6	- 13.0	- 14.4	0.7	0.9	2.4	4.6
Feb	50.7	28.8	24.3	4.5	3.6	5.3	5.4	- 0.9	- 5.1	0.8	0.3	- 0.8	- 0.2
Mar	- 0.5	- 29.7	- 28.1	- 1.5	- 6.9	- 0.5	2.3	- 1.7	- 5.5	- 1.0	- 1.0	- 3.0	- 1.8
Apr	183.0	105.9	73.0	32.9	7.0	10.6	3.2	7.7	5.6	- 0.3	0.1	- 4.4	- 0.8
May	- 32.5	- 39.7	- 26.1	- 13.6	5.8	6.1	7.4	- 0.5	2.9	- 0.8	- 0.3	1.0	1.6
June	- 46.3	- 17.7	- 2.2	- 15.5	2.8	2.6	7.9	- 4.0	- 4.6	- 1.4	- 0.8	- 0.6	2.0
July	22.1	4.3	10.2	- 6.0	3.0	6.2	3.4	3.6	2.2	- 0.8	- 0.1	- 3.6	- 2.8
Aug	- 19.9	- 23.2	- 21.0	- 2.3	1.0	2.3	2.3	1.5	0.8	- 1.5	- 0.5	- 0.8	- 0.6
Sep	20.2	- 4.4	0.2	- 4.5	5.8	4.2	5.8	- 0.1	0.2	- 1.5	0.1	1.2	1.4
Oct	14.7	- 0.9	- 14.2	13.3	1.9	4.2	4.2	1.6	1.5	- 1.6	- 1.1	- 1.2	- 0.8
Nov	29.4	- 8.2	- 4.1	- 4.1	16.9	16.4	15.7	1.9	0.7	- 1.2	- 1.4	0.8	- 0.1
Dec	- 64.0	23.8	27.8	- 4.0	13.9	12.0	- 6.6	11.3	8.8	7.4	6.6	1.0	- 1.9
2006 Jan	62.7	17.5	2.9	14.6	5.3	1.8	0.5	2.0	0.4	- 0.6	- 1.3	1.4	2.2
Feb	19.1	- 7.6	- 4.3	- 3.3	- 3.3	5.7	- 2.0	7.9	1.9	- 0.2	- 0.4	- 2.8	- 1.0
Mar	46.6	- 0.5	1.1	- 1.6	10.1	8.8	6.9	3.1	1.9	- 1.2	- 2.0	- 0.5	1.4
Apr	81.7	55.5	37.7	17.8	24.5	16.4	5.1	12.9	8.8	- 1.6	- 1.9	8.2	4.2
May	26.5	0.5	- 1.4	1.8	5.7	12.0	15.8	- 1.5	- 3.2	- 2.3	- 3.5	- 8.0	- 4.5

* This table serves to supplement the "Overall monetary survey" in section II. Unlike the other tables in section IV, this table includes - in addition to the figures reported by banks (including building and loan associations) - data from money market funds. — 1 Statistical breaks have been eliminated

from the flow figures (see also footnote * in Table II.1). — 2 For the German contribution: from 1999, including deposits under savings and loan contracts (see Table IV.12). — 3 For the German contribution: up to the end of 1998, including deposits under savings and loan contracts (see also

IV Banks

in other member states ⁵				Deposits of central governments		Liabilities arising from repos with non-banks in the euro area ⁶	Money market fund shares issued ⁷	Debt securities issued ⁷		Liabilities to non-euro-area residents	Capital and reserves	Other Liabilities	Period
With agreed maturities		At agreed notice		Total	of which domestic central governments			Total	of which with maturities of up to 2 years ⁷				
Total	of which up to 2 years ⁴	Total	of which up to 3 months										
End of year or month													
145.8	9.2	9.4	9.4	108.3	108.3	-	28.6	1,998.3	62.5	599.2	388.1	511.3	1997
168.3	13.8	9.7	9.7	111.2	111.2	-	34.8	2,248.1	80.2	739.8	426.8	574.8	1998
99.7	8.9	4.8	3.7	46.6	45.9	2.0	20.8	1,323.6	97.4	487.9	262.6	281.1	1999
96.3	6.7	4.7	3.3	69.9	67.6	0.4	19.3	1,417.1	113.3	599.8	298.1	318.4	2000
92.4	9.0	5.2	3.8	49.1	46.9	4.9	33.2	1,445.4	129.3	647.6	319.2	300.8	2001
74.6	9.9	4.7	3.6	47.7	45.6	3.3	36.7	1,468.2	71.6	599.2	343.0	309.8	2002
68.6	11.4	3.9	3.1	45.9	44.2	14.1	36.7	1,486.9	131.3	567.8	340.2	300.8	2003
59.8	9.8	3.3	2.7	43.8	41.4	14.8	31.5	1,554.8	116.9	577.1	329.3	317.2	2004
50.2	9.8	2.4	2.0	41.6	38.8	19.5	31.7	1,611.9	113.8	626.2	346.8	324.5	2005
60.6	10.2	3.6	3.0	52.1	47.6	14.2	41.1	1,562.9	120.7	577.2	336.9	293.3	2004 Aug
58.0	8.2	3.5	2.9	48.1	46.0	18.1	38.7	1,575.0	119.7	595.6	335.1	302.2	Sep
60.4	10.3	3.5	2.9	45.6	42.6	21.2	37.4	1,569.6	118.0	582.7	335.5	309.3	Oct
58.1	8.0	3.4	2.8	43.7	41.3	22.0	35.6	1,569.6	116.1	616.1	332.3	314.4	Nov
59.8	9.8	3.3	2.7	43.8	41.4	14.8	31.5	1,554.8	116.9	577.1	329.3	317.2	Dec
58.0	8.5	3.2	2.7	45.2	41.8	25.1	31.3	1,559.9	110.2	615.0	333.1	308.1	2005 Jan
57.3	8.0	3.2	2.7	44.3	41.5	27.3	31.6	1,570.4	117.3	623.3	332.7	301.2	Feb
56.3	8.0	3.1	2.6	41.0	40.5	28.3	34.0	1,585.3	114.8	639.3	334.6	305.7	Mar
52.8	9.3	3.1	2.5	41.8	39.4	28.6	34.4	1,606.5	117.7	680.0	341.0	308.7	Apr
52.5	9.5	2.9	2.5	40.5	39.2	28.3	33.9	1,614.2	115.8	686.9	343.8	305.7	May
50.4	8.5	2.5	2.1	41.3	39.7	28.3	34.2	1,637.1	118.2	636.2	343.9	306.0	June
47.0	7.4	2.5	2.1	41.7	41.4	26.7	35.7	1,640.1	116.2	645.0	346.2	307.9	July
46.8	7.7	2.4	2.0	41.6	40.5	30.6	35.8	1,639.6	118.1	640.3	344.0	311.6	Aug
46.6	7.6	2.4	2.0	42.1	40.8	28.0	35.6	1,637.1	117.9	657.6	344.2	321.5	Sep
46.3	8.3	2.4	2.0	40.9	39.7	32.3	32.8	1,634.0	116.2	662.6	346.8	329.3	Oct
47.3	8.4	2.4	2.0	40.7	38.7	33.2	31.8	1,631.2	113.8	679.3	348.6	338.8	Nov
50.2	9.8	2.4	2.0	41.6	38.8	19.5	31.7	1,611.9	113.8	626.2	346.8	324.5	Dec
49.3	9.6	2.4	2.0	43.6	40.4	27.4	31.2	1,617.4	112.2	646.3	369.7	325.0	2006 Jan
47.6	8.5	2.4	2.0	37.4	35.8	29.6	31.7	1,630.9	113.9	662.9	377.3	320.6	Feb
45.6	7.8	2.4	2.0	39.3	37.0	37.0	31.6	1,632.1	119.8	667.6	384.1	330.7	Mar
49.5	11.7	2.4	2.0	39.1	37.6	35.6	31.5	1,623.9	121.1	662.7	384.6	337.5	Apr
46.0	8.3	2.3	1.9	40.8	37.0	37.0	32.1	1,632.8	125.7	667.8	386.6	340.8	May
Changes ¹													
24.0	4.6	0.3	0.3	2.9	2.9	-	6.2	263.3	28.1	151.4	28.8	68.3	1998
5.9	1.5	- 0.2	- 1.3	1.9	1.2	0.6	3.5	168.0	65.1	89.7	38.0	7.7	1999
- 4.5	- 0.5	- 0.1	- 0.3	23.1	21.6	- 1.6	- 1.5	90.6	15.9	97.8	35.3	54.6	2000
- 4.6	1.6	0.2	0.4	- 20.5	- 20.4	4.6	13.3	59.5	18.6	34.8	20.9	- 1.1	2001
- 2.6	1.1	- 0.5	- 0.3	- 1.4	- 1.3	- 1.6	4.1	18.8	14.8	- 2.1	25.6	- 2.7	2002
- 4.4	2.0	- 0.8	- 0.4	- 1.8	- 1.4	10.7	0.1	49.8	- 2.2	4.6	- 3.9	- 26.3	2003
- 8.3	- 1.4	- 0.6	- 0.4	- 2.1	- 2.8	0.8	- 5.2	72.9	- 14.8	21.5	- 10.5	12.2	2004
- 7.7	- 0.4	- 0.9	- 0.7	- 2.5	- 3.0	4.7	0.2	39.3	- 9.4	22.4	14.4	18.5	2005
- 2.5	- 1.9	- 0.0	- 0.0	- 4.0	- 1.6	3.9	- 2.4	15.6	- 1.0	23.8	- 1.2	6.4	2004 Sep
- 2.5	2.2	- 0.1	- 0.1	- 2.6	- 3.4	3.1	- 1.3	- 3.2	- 1.7	- 9.2	- 0.8	5.3	Oct
- 2.1	- 2.3	- 0.1	- 0.1	- 1.9	- 1.3	0.8	- 1.8	3.8	- 1.9	40.6	- 2.6	2.6	Nov
1.9	1.9	- 0.1	- 0.1	0.1	0.2	- 7.2	- 4.1	- 11.3	0.7	- 33.4	- 2.4	0.7	Dec
- 2.1	- 1.4	- 0.0	- 0.0	- 1.4	- 0.3	10.3	- 0.2	- 0.1	- 6.6	29.6	- 2.9	- 5.9	2005 Jan
- 0.6	- 0.5	- 0.0	- 0.0	- 0.8	- 0.2	2.2	0.3	12.3	0.9	11.5	- 0.0	- 7.9	Feb
- 1.2	- 0.0	- 0.1	- 0.0	- 3.3	- 1.0	1.0	2.4	12.9	- 2.5	12.2	1.5	6.0	Mar
- 3.6	1.3	- 0.1	- 0.1	- 0.8	- 1.1	0.3	0.4	20.1	3.0	39.7	5.7	3.9	Apr
- 0.5	0.1	- 0.1	- 0.1	- 1.3	- 0.2	- 0.3	- 0.5	2.4	- 1.9	- 3.1	1.7	1.1	May
- 2.2	- 1.1	- 0.4	- 0.4	0.8	0.5	- 0.1	0.3	21.0	2.4	- 54.2	- 0.3	1.9	June
- 0.7	- 1.1	- 0.0	- 0.0	- 0.4	- 1.7	- 1.5	1.5	1.5	- 2.1	10.0	- 2.5	0.8	July
- 0.2	0.3	- 0.0	- 0.0	- 0.4	- 1.2	3.9	0.1	0.0	- 1.9	- 3.6	- 2.1	4.0	Aug
- 0.2	- 0.1	- 0.0	- 0.0	0.5	0.3	- 2.6	- 0.2	- 3.9	- 0.2	15.1	0.0	10.5	Sep
- 0.3	0.7	- 0.0	- 0.0	- 1.1	- 1.1	4.3	- 2.9	- 3.2	- 1.6	4.7	2.6	8.1	Oct
0.9	0.1	- 0.0	- 0.0	- 0.3	- 1.0	0.9	- 1.0	- 4.7	- 2.7	13.1	1.5	10.8	Nov
2.9	1.3	0.0	0.0	0.9	0.0	- 13.6	- 0.1	- 19.1	- 0.1	- 52.6	- 1.7	- 14.8	Dec
- 0.8	- 0.2	- 0.0	- 0.0	2.0	1.7	7.9	- 0.5	4.4	- 1.9	24.3	5.3	- 1.5	2006 Jan
- 1.8	- 1.1	- 0.0	- 0.0	- 6.2	- 4.6	2.2	0.6	10.3	1.8	12.4	7.1	- 2.6	Feb
- 1.9	- 0.6	- 0.0	- 0.0	1.8	1.3	7.4	- 0.1	5.5	5.9	9.4	7.5	7.4	Mar
4.0	3.9	- 0.0	- 0.0	- 0.2	0.5	- 1.4	- 0.1	- 4.0	1.3	1.3	1.3	4.6	Apr
- 3.5	- 3.4	- 0.0	- 0.0	1.7	- 0.6	0.6	0.6	8.4	4.2	5.1	2.4	3.2	May

footnote 2). — 4 Up to December 1998, with maturities of less than four years. — 5 Excluding deposits of central governments. — 6 Data collected separately from 1999 only; up to December 1998, included in the deposits with agreed maturities of up to two years. — 7 In Germany, debt securities

with maturities of up to one year are classed as money market paper; up to the January 2002 *Monthly Report* they were published together with money market fund shares.

IV Banks

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

€ billion

End of month	Number of reporting institutions	Balance sheet total	Cash in hand and credit balances with central banks	Lending to banks (MFIs)			Lending to non-banks (non-MFIs)				Participating interests	Other assets	
				Total	of which		Total	of which					
					Balances and loans	Securities issued by banks		Loans	Bills	Securities issued by non-banks			
						for up to and including 1 year	for more than 1 year						
All categories of banks													
2005 Dec	2,089	6,903.2	63.3	2,723.3	1,956.8	753.9	3,707.1	437.2	2,582.9	2.9	672.4	145.7	263.8
2006 Jan	2,082	6,981.2	58.8	2,742.4	1,974.6	753.6	3,773.8	474.4	2,595.3	2.7	689.1	149.6	256.6
2006 Feb	2,082	7,006.4	56.5	2,784.3	2,007.3	761.7	3,760.1	456.9	2,603.9	2.5	687.7	152.6	252.8
2006 Mar	2,080	7,041.4	52.3	2,821.6	2,033.9	769.9	3,762.7	465.3	2,594.6	2.5	691.9	154.8	250.1
2006 Apr	2,081	7,112.9	54.9	2,834.5	2,047.5	767.5	3,813.3	492.9	2,591.5	2.5	716.4	153.1	257.2
2006 May	2,081	7,137.8	67.8	2,847.7	2,049.1	778.7	3,805.2	478.0	2,591.9	2.5	723.5	154.3	262.8
Commercial banks ⁵													
2006 Apr	253	2,051.1	19.2	807.1	672.7	129.2	1,045.8	275.5	559.0	1.3	202.6	80.9	98.2
2006 May	254	2,078.1	28.5	817.1	677.2	135.0	1,051.6	265.0	562.5	1.3	216.4	82.2	98.7
Big banks ⁶													
2006 Apr	5	1,291.2	10.9	506.0	435.9	66.5	635.6	181.0	302.0	1.1	145.5	69.3	69.5
2006 May	5	1,312.6	17.2	513.8	440.0	70.5	644.2	179.3	303.3	1.1	155.5	70.6	66.8
Regional banks and other commercial banks													
2006 Apr	160	630.9	7.5	232.3	171.8	58.9	354.5	69.0	234.0	0.2	49.8	11.6	25.0
2006 May	160	628.6	10.2	230.2	168.8	59.9	352.6	62.7	235.9	0.2	52.4	11.5	24.1
Branches of foreign banks													
2006 Apr	88	129.0	0.8	68.8	64.9	3.9	55.7	25.5	22.9	0.0	7.2	0.1	3.7
2006 May	89	136.9	1.1	73.1	68.4	4.6	54.9	23.0	23.3	0.0	8.6	0.1	7.8
Landesbanken													
2006 Apr	12	1,416.6	3.6	780.3	599.4	170.5	564.2	80.2	378.0	0.2	104.2	26.2	42.4
2006 May	12	1,398.9	5.6	768.5	582.5	174.6	554.5	79.0	377.6	0.3	95.8	26.0	44.3
Savings banks													
2006 Apr	458	1,002.2	18.2	228.2	79.5	148.2	719.9	65.3	546.6	0.6	107.2	15.6	20.3
2006 May	458	1,004.7	18.4	230.0	81.3	148.1	720.8	63.9	548.2	0.6	108.0	15.7	19.9
Regional institutions of credit cooperatives													
2006 Apr	2	233.6	0.5	157.8	104.9	52.0	55.1	12.0	19.0	0.0	23.8	12.4	7.9
2006 May	2	237.1	0.6	158.3	105.3	52.4	57.0	12.6	19.1	0.0	24.9	12.4	8.7
Credit cooperatives													
2006 Apr	1,291	591.1	12.2	147.9	60.3	85.5	404.8	37.9	317.7	0.3	48.6	9.1	17.1
2006 May	1,290	593.1	12.4	148.9	62.1	84.8	405.4	37.2	319.0	0.3	48.6	9.1	17.3
Mortgage banks													
2006 Apr	23	874.9	0.7	249.2	148.9	100.1	603.3	12.5	449.2	-	141.5	2.5	19.2
2006 May	23	882.6	0.9	259.7	159.0	100.5	598.4	10.9	444.3	-	143.1	2.5	21.1
Building and loan associations													
2006 Apr	26	193.5	0.0	55.1	41.9	13.3	120.0	1.3	102.6	.	16.0	0.4	17.9
2006 May	26	193.5	0.0	54.9	41.8	13.2	120.2	1.3	102.8	.	16.1	0.4	17.9
Special purpose banks													
2006 Apr	16	749.8	0.6	408.8	339.9	68.7	300.2	8.1	219.4	-	72.5	6.0	34.3
2006 May	16	749.8	1.3	410.4	340.0	70.3	297.2	8.1	218.4	-	70.6	6.0	34.8
Memo item: Foreign banks ⁷													
2006 Apr	135	762.3	4.8	280.7	216.7	61.9	440.7	75.5	273.4	0.3	91.3	12.2	24.0
2006 May	136	780.6	10.1	291.4	227.1	62.2	439.6	68.0	273.3	0.3	97.8	12.2	27.4
of which: Banks majority-owned by foreign banks ⁸													
2006 Apr	47	633.3	4.0	211.8	151.7	58.1	385.0	50.0	250.5	0.3	84.1	12.1	20.3
2006 May	47	643.7	8.9	218.3	158.7	57.6	384.7	45.0	250.0	0.3	89.2	12.1	19.6

* 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 Germany; from January 1999, the assets and 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

IV Banks

Deposits of banks (MFIs)			Deposits of non-banks (non-MFIs)							Bearer debt securities outstanding ⁴	Bank savings bonds	Capital including published reserves, participation rights capital, funds for general banking risks	Other liabilities	End of month
Total	of which		Total	of which			Memo item Liabilities arising from repos ²	Savings deposits ³						
	Sight deposits	Time deposits		Sight deposits	Time deposits ¹	for up to and including 1 year		for more than 1 year ¹	Total						of which At three months' notice
All categories of banks														
1,951.7	223.4	1,728.2	2,593.1	779.0	343.7	759.2	105.3	611.9	526.0	99.3	1,654.6	302.7	401.1	2005 Dec
1,972.4	262.1	1,710.2	2,625.2	804.1	349.7	761.0	131.5	611.2	524.7	99.2	1,663.2	322.5	397.8	2006 Jan
1,993.4	252.0	1,741.3	2,614.1	794.7	342.1	766.9	120.6	611.1	524.2	99.4	1,679.5	327.2	392.2	Feb
2,002.2	255.0	1,747.1	2,624.7	803.6	347.0	764.6	126.8	609.8	522.2	99.8	1,684.8	329.7	400.0	Mar
2,052.4	279.2	1,773.1	2,646.3	803.4	367.2	767.2	125.9	608.2	520.3	100.3	1,676.7	330.2	407.4	Apr
2,053.4	297.1	1,756.3	2,656.9	830.3	353.0	767.3	137.3	605.8	516.8	100.6	1,685.4	332.4	409.6	May
Commercial banks⁵														
786.2	161.8	624.3	793.5	387.9	183.6	112.7	103.3	100.3	92.1	8.9	217.0	100.3	154.2	2006 Apr
803.5	173.8	629.6	799.8	406.7	171.5	112.9	111.3	99.7	91.2	8.9	219.0	100.7	155.0	May
Big banks⁶														
500.3	113.1	387.2	475.1	199.6	135.8	72.4	98.6	67.0	65.2	0.3	154.4	57.7	103.7	2006 Apr
514.6	119.4	395.1	479.1	213.4	126.9	72.1	105.1	66.4	64.5	0.3	155.9	57.9	105.1	May
Regional banks and other commercial banks														
189.5	34.0	155.5	294.6	174.4	39.6	38.7	4.7	33.4	26.9	8.6	62.7	39.4	44.8	2006 Apr
185.6	33.9	151.7	298.3	177.8	39.5	39.2	6.1	33.3	26.7	8.6	63.1	39.6	42.0	May
Branches of foreign banks														
96.4	14.8	81.6	23.8	13.9	8.3	1.5	–	0.0	0.0	0.1	0.0	3.2	5.6	2006 Apr
103.4	20.5	82.9	22.3	15.5	5.2	1.5	0.0	0.0	0.0	0.1	0.0	3.2	8.0	May
Landesbanken														
497.9	67.7	430.2	334.0	56.3	52.8	207.7	13.8	16.6	15.9	0.6	464.9	60.9	58.9	2006 Apr
481.7	67.4	414.3	333.1	59.8	50.9	205.2	16.9	16.5	15.8	0.6	463.2	61.5	59.4	May
Savings banks														
215.1	8.5	206.5	648.1	210.9	50.2	12.7	–	307.3	253.1	67.0	42.7	50.3	46.1	2006 Apr
214.9	6.0	208.9	649.2	211.3	51.7	12.7	–	306.4	251.4	67.2	43.4	50.8	46.5	May
Regional institutions of credit cooperatives														
136.8	28.7	108.1	39.3	6.3	14.0	17.7	8.4	–	–	1.3	35.5	10.7	11.4	2006 Apr
137.5	34.1	103.3	41.8	9.4	13.2	17.9	8.8	–	–	1.3	35.8	10.7	11.4	May
Credit cooperatives														
77.2	2.6	74.5	420.1	136.7	52.9	26.0	–	182.6	158.0	21.9	32.9	33.7	27.3	2006 Apr
77.5	2.5	75.0	421.4	138.0	53.3	26.1	–	182.0	157.1	22.0	33.2	34.1	26.8	May
Mortgage banks														
156.3	4.6	151.7	168.5	3.0	5.1	159.5	–	0.9	0.9	0.1	502.1	24.3	23.6	2006 Apr
158.6	6.5	152.1	170.3	2.4	5.3	161.6	–	0.9	0.9	0.1	504.6	24.3	24.9	May
Building and loan associations														
29.1	1.5	27.7	126.6	0.3	1.0	124.6	–	0.4	0.4	0.3	4.3	7.4	26.0	2006 Apr
29.5	1.7	27.9	126.6	0.3	1.0	124.6	–	0.4	0.4	0.3	4.2	7.4	25.8	May
Special purpose banks														
153.8	3.7	150.1	116.2	2.1	7.5	106.4	0.4	–	–	0.2	377.3	42.7	59.9	2006 Apr
150.2	5.0	145.2	114.8	2.5	6.1	106.1	0.3	–	–	0.2	382.1	42.9	59.8	May
Memo item: Foreign banks⁷														
247.2	45.7	201.5	273.2	147.3	34.4	65.2	7.0	22.2	21.9	4.0	159.3	30.2	52.5	2006 Apr
261.6	55.7	205.9	274.0	150.4	31.6	66.0	6.9	21.9	21.6	4.0	160.7	30.4	54.0	May
of which: Banks majority-owned by foreign banks⁸														
150.8	30.9	119.9	249.4	133.4	26.1	63.7	7.0	22.2	21.9	4.0	159.3	27.0	46.9	2006 Apr
158.2	35.2	123.0	251.6	134.9	26.4	64.4	6.9	21.9	21.6	4.0	160.7	27.2	46.0	May

negotiable bearer debt 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, Bayerische Hypo- und Vereinsbank AG and Deutsche Postbank 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 other banking categories.

IV Banks

3 Assets and liabilities of banks (MFIs) in Germany vis-à-vis residents *

Up to end-1998, DM billion; from 1999, € billion

Period	Cash in hand (euro-area banknotes and coins) ¹	Credit balances with the Bundesbank	Lending to domestic banks (MFIs) ^{2,3}					Lending to domestic non-banks (non-MFIs) ^{3,6}					
			Total	Credit balances and loans	Bills ⁴	Negotiable money market paper issued by banks	Securities issued by banks	Memo item Fiduciary loans ⁵	Total	Loans	Bills ⁴	Treasury bills and negotiable money market paper issued by non-banks	Securities issued by non-banks ⁷
End of year or month *													
1996	28.9	59.7	2,134.0	1,443.3	17.9	3.4	657.2	12.2	4,773.1	4,097.9	44.8	5.9	437.2
1997	29.3	60.2	2,397.9	1,606.3	18.1	3.6	758.9	11.1	5,058.4	4,353.9	44.7	2.9	473.3
1998	28.5	63.6	2,738.2	1,814.7	14.6	12.2	887.7	9.1	5,379.8	4,639.7	32.8	5.0	527.8
1999	16.8	45.6	1,556.9	1,033.4	0.0	19.2	504.2	3.9	2,904.5	2,569.6	7.0	3.0	287.5
2000	15.6	50.8	1,639.6	1,056.1	0.0	26.8	556.6	3.6	3,003.7	2,657.3	6.5	2.3	304.7
2001	14.2	56.3	1,676.0	1,078.9	0.0	5.6	591.5	2.8	3,014.1	2,699.4	4.8	4.4	301.5
2002	17.5	45.6	1,691.3	1,112.3	0.0	7.8	571.2	2.7	2,997.2	2,685.0	4.1	3.3	301.9
2003	17.0	46.7	1,643.9	1,064.0	0.0	8.8	571.0	2.3	2,995.6	2,677.0	3.7	3.4	309.6
2004	14.9	41.2	1,676.3	1,075.8	0.0	7.4	592.9	2.1	3,001.3	2,644.0	2.7	2.6	351.0
2005	15.1	47.9	1,684.5	1,096.8	0.0	6.7	580.9	2.1	2,995.1	2,632.7	2.4	2.4	357.6
2004 Dec	14.9	41.2	1,676.3	1,075.8	0.0	7.4	592.9	2.1	3,001.3	2,644.0	2.7	2.6	351.0
2005 Jan	12.9	44.6	1,671.9	1,075.0	0.0	7.2	589.7	2.2	3,009.9	2,641.6	2.6	2.6	362.1
Feb	12.5	44.1	1,676.1	1,075.3	0.0	7.7	593.0	2.2	3,000.5	2,639.5	2.5	2.5	355.0
Mar	13.2	39.3	1,684.2	1,077.9	0.0	8.5	597.7	2.2	3,003.9	2,634.7	2.5	1.4	364.2
Apr	12.7	39.9	1,739.1	1,127.1	0.1	8.8	603.1	2.2	3,042.4	2,637.8	2.5	1.9	399.2
May	13.3	41.4	1,732.2	1,118.4	0.1	8.1	605.7	2.1	3,022.1	2,639.8	2.4	2.2	376.7
June	13.1	36.9	1,716.9	1,097.2	0.0	8.3	611.4	2.1	2,988.9	2,636.7	2.3	1.5	347.5
July	13.5	41.7	1,719.7	1,100.0	0.0	8.7	611.0	2.1	2,998.0	2,640.9	2.5	2.1	352.6
Aug	13.0	39.7	1,712.2	1,095.9	0.0	9.8	606.5	2.1	3,001.1	2,639.8	2.4	2.0	356.9
Sep	13.6	40.7	1,693.9	1,081.2	0.1	10.5	602.2	2.1	3,004.7	2,646.6	2.3	1.1	354.5
Oct	13.7	37.7	1,684.9	1,081.2	0.0	9.9	593.8	2.1	3,012.9	2,655.3	2.4	4.2	351.0
Nov	12.8	42.1	1,687.2	1,087.7	0.0	9.8	589.7	2.1	3,004.8	2,644.9	2.3	3.5	354.0
Dec	15.1	47.9	1,684.5	1,096.8	0.0	6.7	580.9	2.1	2,995.1	2,632.7	2.4	2.4	357.6
2006 Jan	13.0	45.5	1,663.1	1,079.4	0.0	8.1	575.6	2.0	3,032.2	2,659.1	2.3	2.7	368.2
Feb	13.7	42.4	1,672.9	1,086.9	0.0	8.5	577.5	2.0	3,023.3	2,654.5	2.1	1.5	365.1
Mar	12.9	39.0	1,667.9	1,081.2	0.0	10.0	576.7	1.9	3,030.2	2,657.6	2.1	1.5	369.1
Apr	14.1	40.3	1,698.4	1,113.6	0.0	10.9	573.9	2.7	3,066.0	2,665.6	2.1	1.9	396.5
May	13.5	53.7	1,703.7	1,113.6	-	10.5	579.5	2.0	3,065.2	2,657.3	2.1	1.4	404.4
Changes *													
1997	+ 0.4	+ 0.5	+ 262.5	+ 160.7	+ 0.2	+ 0.2	+ 102.6	- 1.1	+ 285.2	+ 255.5	- 0.1	- 3.0	+ 36.5
1998	- 0.8	+ 3.4	+ 343.3	+ 210.3	- 3.6	+ 8.6	+ 130.0	- 2.0	+ 335.3	+ 302.1	- 11.9	+ 2.1	+ 52.1
1999	+ 2.2	+ 13.2	+ 122.1	+ 66.3	+ 0.0	+ 12.9	+ 42.8	- 0.7	+ 156.1	+ 136.9	+ 2.6	+ 0.4	+ 16.7
2000	- 1.1	+ 5.1	+ 83.6	+ 21.7	- 0.0	+ 7.6	+ 54.3	- 0.3	+ 100.7	+ 83.7	- 0.5	- 0.8	+ 19.0
2001	- 1.4	+ 5.5	+ 34.6	+ 20.1	- 0.0	- 21.3	+ 35.8	- 0.9	+ 11.9	+ 40.8	- 1.6	+ 1.6	+ 0.3
2002	+ 3.3	- 10.7	+ 15.0	+ 33.1	+ 0.0	+ 2.3	- 20.3	- 0.2	- 19.2	- 18.0	- 0.8	- 1.1	+ 1.7
2003	- 0.5	+ 1.1	- 47.2	- 48.2	+ 0.0	+ 1.0	+ 0.1	- 0.3	+ 0.1	- 8.0	- 0.4	+ 0.3	+ 9.3
2004	- 2.1	- 5.5	+ 35.9	+ 15.1	+ 0.0	- 1.4	+ 22.1	- 0.2	+ 3.3	- 35.0	- 1.0	+ 1.1	+ 39.2
2005	+ 0.2	+ 6.7	+ 8.4	+ 21.0	- 0.0	- 0.8	- 11.9	- 0.0	- 6.7	- 11.8	- 0.3	- 0.2	+ 6.6
2004 Dec	+ 2.1	- 6.3	- 9.0	- 3.9	- 0.0	+ 0.7	- 5.8	- 0.1	- 15.4	- 15.5	- 0.1	- 1.3	+ 1.6
2005 Jan	- 2.1	+ 3.4	- 4.4	- 0.9	-	- 0.2	- 3.2	+ 0.1	+ 8.6	- 2.4	- 0.1	- 0.0	+ 11.1
Feb	- 0.3	- 0.5	+ 4.2	+ 0.4	-	+ 0.5	+ 3.3	- 0.0	- 9.3	- 2.1	- 0.1	- 0.1	- 7.1
Mar	+ 0.7	- 4.8	+ 8.1	+ 2.6	+ 0.0	+ 0.8	+ 4.6	- 0.0	+ 3.3	- 4.8	- 0.0	- 1.1	+ 9.2
Apr	- 0.5	+ 0.7	+ 54.9	+ 49.2	+ 0.0	+ 0.3	+ 5.5	- 0.0	+ 38.5	+ 3.1	- 0.0	+ 0.5	+ 35.0
May	+ 0.6	+ 1.5	- 6.9	- 8.7	-	- 0.7	+ 2.5	- 0.0	- 20.2	+ 2.0	- 0.0	+ 0.3	- 22.5
June	- 0.2	- 4.5	- 15.2	- 21.3	- 0.0	+ 0.2	+ 5.9	- 0.0	- 33.4	- 3.2	- 0.1	- 0.7	- 29.3
July	+ 0.4	+ 4.8	+ 2.8	+ 2.8	+ 0.0	+ 0.4	- 0.5	- 0.0	+ 9.1	+ 4.2	+ 0.1	+ 0.6	+ 5.1
Aug	- 0.6	- 2.0	- 7.5	- 4.1	-	+ 1.1	- 4.5	+ 0.0	+ 3.1	- 1.0	- 0.0	- 0.1	+ 4.3
Sep	+ 0.6	+ 1.0	- 18.3	- 14.8	+ 0.0	+ 0.8	- 4.3	- 0.0	+ 3.1	+ 6.4	- 0.1	- 0.8	- 2.3
Oct	+ 0.2	- 2.9	- 9.0	+ 0.0	- 0.0	- 0.6	- 8.4	+ 0.0	+ 8.3	+ 8.6	+ 0.1	+ 3.1	- 3.5
Nov	- 0.9	+ 4.4	+ 2.3	+ 6.5	- 0.0	- 0.1	- 4.0	- 0.0	- 8.1	- 10.4	- 0.1	- 0.7	+ 3.1
Dec	+ 2.3	+ 5.8	- 2.8	+ 9.2	-	- 3.1	- 8.8	+ 0.0	- 9.7	- 12.2	+ 0.1	- 1.1	+ 3.6
2006 Jan	- 2.1	- 2.4	- 21.4	- 17.5	+ 0.0	+ 1.4	- 5.4	- 0.1	+ 19.6	+ 8.9	- 0.1	+ 0.3	+ 10.5
Feb	+ 0.7	- 3.1	+ 9.8	+ 7.5	- 0.0	+ 0.4	+ 1.9	- 0.1	- 8.9	- 4.6	- 0.1	- 1.2	- 3.1
Mar	- 0.7	- 3.4	- 5.0	- 5.6	- 0.0	+ 1.5	- 0.8	- 0.0	+ 6.9	+ 3.1	- 0.0	- 0.1	+ 4.0
Apr	+ 1.2	+ 1.3	+ 30.5	+ 32.3	- 0.0	+ 0.9	- 2.8	+ 0.7	+ 35.3	+ 7.5	+ 0.0	+ 0.4	+ 27.4
May	- 0.6	+ 13.4	+ 6.0	+ 0.8	- 0.0	- 0.4	+ 5.6	- 0.7	- 1.5	- 9.0	+ 0.0	- 0.4	+ 7.9

* 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 Up to December 1998, domestic banknotes and coins. — 2 Up to December 1998, excluding loans to domestic building and loan associations. — 3 Up to December 1998, including fiduciary loans (see also footnote 5). — 4 Up to December 1998, bill-based lending (bill holdings plus endorsement liabilities arising from

rediscounted bills and bills sent for collection from the banks' portfolios prior to maturity). — 5 From 1999, no longer included in loans or deposits (see also footnote 3). — 6 Up to December 1998, including loans to domestic building and loan associations. — 7 Excluding debt securities arising from the exchange of equalisation claims (see also footnote 8). — 8 Including debt securities arising from the exchange of equalisation claims. — 9 Including liabilities arising from registered debt securities, registered money market paper and non-negotiable bearer debt securities;

IV Banks

Equalisation claims 8	Memo item Fiduciary loans 5	Participating interests in domestic banks and enterprises	Deposits of domestic banks (MFIs) 3,9,10					Deposits of domestic non-banks (non-MFIs) 3,15					Period	
			Total	Sight deposits 11,12	Time deposits 12,13	Redis-counted bills 14	Memo item Fiduciary loans 5	Total	Sight deposits 11	Time deposits 13,16	Savings deposits 17	Bank savings bonds 18		Memo item Fiduciary loans 5
End of year or month *														
81.3	106.0	89.7	1,731.0	401.1	1,202.4	75.4	52.2	3,241.5	675.1	1,109.8	1,143.0	227.8	85.8	1996
76.0	107.6	95.1	1,902.3	427.6	1,349.1	75.6	50.0	3,341.9	689.8	1,146.9	1,182.1	236.9	86.1	1997
71.6	102.8	129.2	2,086.9	472.5	1,505.2	59.4	49.7	3,520.3	799.5	1,194.1	1,211.0	234.9	80.9	1998
37.5	58.0	75.6	1,122.0	114.4	1,007.3	0.3	29.8	1,905.3	420.4	759.6	614.7	110.7	42.1	1999
33.1	58.5	82.7	1,189.2	113.4	1,075.3	0.4	30.1	1,945.8	443.4	819.9	573.5	109.0	42.1	2000
4.0	57.0	95.9	1,204.9	123.1	1,081.6	0.3	27.2	2,034.0	526.4	827.0	574.5	106.0	43.3	2001
3.0	54.8	119.0	1,244.0	127.6	1,116.2	0.2	25.6	2,085.9	575.6	830.6	575.3	104.4	42.1	2002
2.0	56.8	109.2	1,229.6	116.8	1,112.6	0.2	27.8	2,140.3	624.0	825.7	590.3	100.3	40.5	2003
1.0	61.8	99.6	1,271.2	119.7	1,151.4	0.1	30.3	2,200.0	646.9	851.2	603.5	98.4	43.7	2004
-	56.6	108.5	1,300.0	120.5	1,179.4	0.1	26.5	2,276.6	717.0	864.4	603.4	91.9	42.4	2005
1.0	61.8	99.6	1,271.2	119.7	1,151.4	0.1	30.3	2,200.0	646.9	851.2	603.5	98.4	43.7	2004 Dec
1.0	61.7	100.9	1,259.0	141.3	1,117.6	0.1	30.2	2,209.2	665.9	841.3	604.1	97.8	43.7	2005 Jan
1.0	61.3	98.3	1,282.7	130.4	1,152.2	0.1	29.7	2,216.1	670.9	843.1	605.0	97.2	43.7	Feb
1.0	60.9	98.0	1,255.8	131.3	1,124.4	0.1	29.6	2,218.8	673.0	845.1	605.2	95.5	43.4	Mar
1.0	60.7	103.6	1,328.8	163.2	1,165.5	0.1	29.5	2,226.4	675.9	850.4	604.9	95.2	43.3	Apr
1.0	60.7	103.2	1,303.9	151.6	1,152.3	0.1	29.7	2,232.9	683.9	850.1	604.1	94.8	43.0	May
1.0	58.5	102.8	1,301.6	139.3	1,162.3	0.1	27.0	2,238.9	692.5	849.3	602.7	94.5	43.5	June
0.0	58.2	104.0	1,312.0	121.9	1,190.0	0.1	26.9	2,245.4	695.2	854.4	601.9	93.8	43.4	July
0.0	58.2	103.7	1,290.1	128.7	1,161.3	0.1	27.3	2,250.3	698.1	858.8	600.4	93.0	43.5	Aug
-	56.6	104.7	1,290.6	121.0	1,169.6	0.1	27.2	2,254.2	704.0	858.9	598.9	92.4	42.0	Sep
-	56.5	105.3	1,276.3	121.3	1,154.9	0.1	27.1	2,258.1	707.7	861.1	597.2	92.1	41.7	Oct
-	56.7	107.9	1,272.8	126.0	1,146.6	0.1	26.8	2,274.6	723.6	863.2	596.0	91.9	42.1	Nov
-	56.6	108.5	1,300.0	120.5	1,179.4	0.1	26.5	2,276.6	717.0	864.4	603.4	91.9	42.4	Dec
-	56.2	110.8	1,306.0	118.4	1,187.5	0.1	26.2	2,285.7	718.1	872.9	602.8	91.9	38.9	2006 Jan
-	55.1	113.2	1,302.1	115.2	1,186.8	0.1	25.1	2,287.7	715.3	877.7	602.6	92.1	38.2	Feb
-	54.0	115.8	1,302.7	110.3	1,192.3	0.1	23.2	2,303.4	722.4	887.1	601.4	92.4	37.8	Mar
-	53.9	113.7	1,340.4	128.1	1,212.2	0.1	23.5	2,322.4	726.5	903.1	599.8	93.0	38.1	Apr
-	53.8	113.6	1,338.3	132.3	1,205.9	0.1	22.7	2,333.8	742.5	900.6	597.4	93.3	37.9	May
Changes *														
- 5.3	+ 1.6	+ 5.4	+ 175.9	+ 31.6	+ 146.7	+ 0.2	- 2.6	+ 100.5	+ 13.0	+ 37.1	+ 39.1	+ 9.2	+ 2.1	1997
- 4.4	- 4.8	+ 34.1	+ 179.0	+ 39.7	+ 156.4	- 16.2	- 0.9	+ 179.3	+ 110.6	+ 47.2	+ 28.9	- 2.1	- 5.3	1998
- 0.6	+ 0.1	+ 9.3	+ 69.0	- 1.8	+ 81.8	- 11.1	- 0.4	+ 67.3	+ 32.7	+ 48.4	- 4.5	- 9.3	+ 0.7	1999
- 0.8	+ 0.5	+ 7.1	+ 64.7	- 2.3	+ 66.9	+ 0.1	+ 0.3	+ 41.3	+ 22.3	+ 61.1	- 40.5	- 1.7	- 0.0	2000
- 29.1	- 1.5	+ 13.3	+ 9.6	+ 7.4	+ 2.3	- 0.2	- 2.9	+ 88.5	+ 82.3	+ 8.1	+ 1.1	- 2.9	+ 1.0	2001
- 1.0	- 2.1	+ 24.2	+ 37.9	+ 1.7	+ 36.3	- 0.1	- 1.5	+ 51.7	+ 48.4	+ 4.1	+ 0.8	- 1.6	- 1.1	2002
- 1.0	+ 2.1	- 9.8	- 5.6	- 9.5	+ 3.9	+ 0.0	+ 2.4	+ 54.0	+ 48.4	- 4.8	+ 15.1	- 4.8	- 1.2	2003
- 1.1	+ 3.0	- 9.6	+ 41.3	+ 2.9	+ 38.5	- 0.1	+ 2.4	+ 62.0	+ 24.4	+ 25.9	+ 13.1	- 1.5	+ 1.2	2004
- 1.0	- 4.9	+ 8.9	+ 28.9	+ 0.8	+ 28.0	+ 0.0	- 3.5	+ 76.6	+ 70.7	+ 12.4	- 1.2	- 5.4	- 1.2	2005
- 0.1	- 0.3	- 2.2	- 15.3	- 28.8	+ 13.5	- 0.0	- 0.1	+ 5.6	- 26.0	+ 21.5	+ 10.4	- 0.3	- 0.4	2004 Dec
-	- 0.1	+ 1.3	- 12.1	+ 21.7	- 33.8	- 0.0	- 0.1	+ 9.2	+ 19.0	- 9.9	+ 0.7	- 0.6	+ 0.1	2005 Jan
-	- 0.2	- 2.6	+ 23.7	- 10.9	+ 34.6	- 0.0	- 0.2	+ 7.0	+ 5.0	+ 1.8	+ 0.8	- 0.6	- 0.0	Feb
+ 0.0	- 0.5	- 0.4	- 27.1	+ 0.9	- 28.0	- 0.0	- 0.2	+ 3.1	+ 2.7	+ 2.0	- 1.0	- 0.5	- 0.3	Mar
-	- 0.2	+ 5.6	+ 72.9	+ 31.8	+ 41.1	- 0.0	- 0.1	+ 7.6	+ 2.9	+ 5.3	- 0.3	- 0.3	- 0.1	Apr
-	+ 0.0	- 0.3	- 24.8	- 11.6	- 13.2	- 0.0	+ 0.3	+ 6.5	+ 8.0	- 0.3	- 0.8	- 0.4	- 0.3	May
- 0.0	- 2.3	- 0.4	- 2.3	- 12.3	+ 10.0	+ 0.0	- 2.7	+ 6.1	+ 8.6	- 0.8	- 1.4	- 0.3	+ 0.5	June
- 1.0	- 0.2	+ 1.2	+ 10.6	- 17.4	+ 28.0	+ 0.0	- 0.1	+ 6.4	+ 2.7	+ 5.1	- 0.8	- 0.7	- 0.1	July
-	- 0.0	- 0.2	- 21.9	+ 6.8	- 28.6	+ 0.0	+ 0.4	+ 4.5	+ 2.4	+ 4.4	- 1.5	- 0.8	+ 0.0	Aug
- 0.0	- 1.6	+ 1.0	+ 0.5	- 7.7	+ 8.2	- 0.0	- 0.0	+ 3.9	+ 5.9	+ 0.1	- 1.5	- 0.6	- 1.4	Sep
-	- 0.1	+ 0.6	- 14.3	+ 0.3	- 14.6	+ 0.0	- 0.1	+ 3.9	+ 4.1	+ 1.5	- 1.6	- 0.2	- 0.4	Oct
-	+ 0.3	+ 2.5	- 3.6	+ 4.7	- 8.3	+ 0.0	- 0.3	+ 16.5	+ 15.9	+ 2.0	- 1.2	- 0.3	+ 0.4	Nov
-	- 0.1	+ 0.6	+ 27.2	- 5.5	+ 32.7	+ 0.0	- 0.3	+ 2.0	- 6.6	+ 1.2	+ 7.4	- 0.0	+ 0.3	Dec
-	- 0.4	+ 2.3	+ 2.2	- 2.1	+ 4.3	- 0.0	- 0.3	+ 9.0	+ 1.1	+ 8.5	- 0.6	+ 0.0	- 3.6	2006 Jan
-	- 1.1	+ 2.4	- 3.9	- 3.2	- 0.7	- 0.0	- 1.1	+ 2.0	- 2.8	+ 4.7	- 0.2	+ 0.2	- 0.1	Feb
-	- 1.1	+ 2.7	+ 0.8	- 4.9	+ 5.7	- 0.0	- 2.0	+ 15.7	+ 7.1	+ 9.5	- 1.2	+ 0.4	- 0.4	Mar
-	- 0.1	- 2.1	+ 37.1	+ 17.7	+ 19.4	- 0.0	+ 0.4	+ 19.0	+ 4.0	+ 16.0	- 1.6	+ 0.6	+ 0.3	Apr
-	- 0.1	- 0.0	- 1.3	+ 4.4	- 5.7	- 0.0	- 0.8	+ 10.6	+ 16.0	- 3.3	- 2.3	+ 0.3	- 0.2	May

including subordinated liabilities. — 10 Up to December 1998, excluding liabilities to domestic building and loan associations and money market funds. — 11 Up to December 1998, including time deposits with terms of less than one month. — 12 Including liabilities arising from monetary policy operations with the Bundesbank. — 13 Up to December 1998, excluding time deposits with terms of less than one month. — 14 Own acceptances and promissory notes outstanding and, up to December 1998, including

endorsement liabilities arising from rediscounted bills. — 15 Up to December 1998, including liabilities to domestic building and loan associations and money market funds. — 16 Since the inclusion of building and loan associations in January 1999, including deposits under savings and loan contracts (see Table IV.12). — 17 Excluding deposits under savings and loan contracts (see also footnote 16). — 18 Including liabilities arising from non-negotiable bearer debt securities.

IV Banks

4 Assets and liabilities of banks (MFIs) in Germany vis-à-vis non-residents *

Up to end-1998, DM billion; from 1999, € billion

Period	Cash in hand (non-euro-area banknotes and coins) 1	Lending to foreign banks (MFIs) 2							Lending to foreign non-banks (non-MFIs) 2					
		Total	Credit balances and loans, bills 3			Negotiable money market paper issued by banks	Securities issued by banks	Memo item Fiduciary loans 4	Total	Loans and bills 3			Treasury bills and negotiable money market paper issued by non-banks	Securities issued by non-banks
			Total	Short-term	Medium and long-term					Total	Short-term	Medium and long-term		
End of year or month *														
1996	1.4	588.9	544.2	386.6	157.6	0.3	31.5	13.0	352.0	230.4	60.2	170.2	4.9	103.9
1997	1.5	689.1	635.3	456.1	179.2	0.2	43.1	10.5	474.8	312.7	96.2	216.5	6.0	140.3
1998	1.5	774.9	706.9	533.6	173.3	0.4	58.7	9.0	610.3	364.9	93.9	270.9	11.6	211.0
1999	0.4	427.1	383.5	279.5	104.1	0.4	43.2	4.2	396.1	235.8	52.7	183.1	7.5	152.7
2000	0.4	507.7	441.4	325.4	116.0	1.3	65.0	3.6	475.8	286.8	71.1	215.7	6.5	182.5
2001	0.4	596.1	521.7	383.7	138.0	0.8	73.6	3.5	570.3	347.2	99.7	247.5	5.2	217.9
2002	0.3	690.6	615.3	468.0	147.2	0.9	74.4	2.7	558.8	332.6	92.6	240.0	9.3	216.9
2003	0.3	769.6	675.8	515.7	160.1	1.5	92.3	1.6	576.3	344.8	110.9	233.9	6.0	225.4
2004	0.2	889.4	760.2	606.5	153.7	2.8	126.3	1.5	629.5	362.5	136.6	225.9	10.9	256.1
2005	0.2	1,038.8	860.0	648.5	211.5	5.8	173.0	1.5	712.0	387.9	132.8	255.1	9.3	314.8
2004 Dec	0.2	889.4	760.2	606.5	153.7	2.8	126.3	1.5	629.5	362.5	136.6	225.9	10.9	256.1
2005 Jan	0.3	918.7	784.9	627.9	156.9	3.3	130.5	1.5	656.3	380.8	151.7	229.1	9.8	265.7
Feb	0.3	962.5	821.3	660.8	160.5	3.5	137.7	1.5	662.7	381.2	152.9	228.3	7.7	273.8
Mar	0.4	969.4	821.6	657.3	164.3	4.5	143.4	1.5	659.3	372.1	139.4	232.7	5.1	282.0
Apr	0.4	1,001.7	850.2	679.8	170.4	5.8	145.7	1.5	707.4	405.6	168.8	236.8	6.5	295.3
May	0.4	1,014.5	858.7	681.6	177.1	5.4	150.4	1.5	698.2	396.5	155.0	241.5	4.3	297.3
June	0.5	1,040.0	877.6	693.9	183.7	6.2	156.2	1.5	690.0	385.1	141.2	243.9	4.0	300.9
July	0.4	1,040.0	880.0	691.0	188.9	6.6	153.4	1.4	689.8	389.2	145.4	243.8	3.4	297.2
Aug	0.5	1,023.0	860.2	668.5	191.7	7.0	155.8	1.5	691.9	387.1	144.0	243.0	4.8	300.0
Sep	0.4	1,057.2	889.0	690.2	198.8	7.1	161.1	1.5	694.1	391.4	142.7	248.7	5.4	297.4
Oct	0.4	1,073.5	905.2	704.2	201.0	6.9	161.4	1.5	697.3	392.8	144.1	248.7	5.5	298.9
Nov	0.5	1,079.5	905.2	707.3	197.9	6.3	167.9	1.5	723.2	403.0	150.0	253.0	7.9	312.3
Dec	0.2	1,038.8	860.0	648.5	211.5	5.8	173.0	1.5	712.0	387.9	132.8	255.1	9.3	314.8
2006 Jan	0.3	1,079.3	895.3	678.6	216.7	6.0	178.0	1.5	741.6	411.1	154.8	256.2	9.5	320.9
Feb	0.4	1,111.4	920.5	701.9	218.6	6.7	184.2	1.5	736.8	406.7	144.3	262.5	7.5	322.6
Mar	0.4	1,153.7	952.8	729.0	223.8	7.6	193.3	1.4	732.4	402.7	140.1	262.6	6.9	322.8
Apr	0.4	1,136.1	933.9	710.2	223.8	8.6	193.6	1.4	747.2	419.3	160.6	258.7	8.0	319.9
May	0.5	1,144.1	935.5	709.1	226.5	9.3	199.3	1.4	740.0	412.9	155.5	257.4	7.9	319.1
Changes *														
1997	+ 0.1	+ 80.6	+ 71.5	+ 53.3	+ 18.2	- 0.1	+ 10.4	- 1.2	+ 109.3	+ 73.0	+ 33.7	+ 39.3	+ 0.7	+ 32.9
1998	- 0.0	+ 100.8	+ 89.5	+ 79.3	+ 10.2	+ 0.0	+ 13.1	- 1.8	+ 122.0	+ 42.7	- 6.4	+ 49.1	+ 5.5	+ 66.0
1999	- 0.3	+ 17.7	+ 5.7	- 5.3	+ 11.0	+ 0.2	+ 11.7	- 0.0	+ 85.8	+ 42.8	+ 8.4	+ 34.4	+ 1.3	+ 41.8
2000	- 0.0	+ 78.9	+ 56.5	+ 44.6	+ 11.8	+ 0.9	+ 21.6	- 0.7	+ 72.0	+ 45.0	+ 17.4	+ 27.7	- 1.2	+ 28.2
2001	+ 0.0	+ 83.7	+ 75.6	+ 54.4	+ 21.2	- 0.5	+ 8.5	- 0.2	+ 88.3	+ 53.4	+ 27.0	+ 26.4	- 1.5	+ 36.3
2002	- 0.1	+ 120.3	+ 118.0	+ 99.4	+ 18.6	+ 0.1	+ 2.2	- 0.9	+ 21.2	+ 12.7	- 0.4	+ 13.2	+ 4.6	+ 3.9
2003	- 0.1	+ 103.8	+ 84.6	+ 65.2	+ 19.3	+ 0.6	+ 18.7	- 0.4	+ 46.3	+ 35.1	+ 24.0	+ 11.0	- 2.7	+ 13.9
2004	- 0.1	+ 128.3	+ 89.4	+ 95.3	- 5.9	+ 1.3	+ 37.6	- 0.1	+ 65.8	+ 29.5	+ 31.7	- 2.2	+ 5.1	+ 31.1
2005	+ 0.0	+ 127.3	+ 78.9	+ 26.3	+ 52.6	+ 2.9	+ 45.4	- 0.0	+ 59.4	+ 7.3	- 9.4	+ 16.7	- 1.8	+ 54.0
2004 Dec	- 0.2	- 4.9	- 8.3	- 9.4	+ 1.1	+ 0.9	+ 2.5	- 0.1	- 18.6	- 20.1	- 20.3	+ 0.3	- 0.3	+ 1.8
2005 Jan	+ 0.1	+ 21.8	+ 17.6	+ 16.0	+ 1.6	+ 0.5	+ 3.7	+ 0.0	+ 19.7	+ 12.6	+ 13.5	- 0.9	- 1.3	+ 8.4
Feb	- 0.0	+ 46.4	+ 39.0	+ 34.9	+ 4.1	+ 0.2	+ 7.2	- 0.0	+ 9.0	+ 2.3	+ 1.7	+ 0.6	- 2.1	+ 8.7
Mar	+ 0.1	+ 4.1	- 2.6	- 5.6	+ 3.0	+ 1.0	+ 5.6	-	- 6.5	- 11.7	- 14.2	+ 2.5	- 2.5	+ 7.7
Apr	- 0.0	+ 31.5	+ 27.8	+ 21.9	+ 5.8	+ 1.3	+ 2.4	- 0.0	+ 47.4	+ 33.2	+ 29.3	+ 3.8	+ 1.3	+ 12.9
May	+ 0.1	+ 4.7	+ 0.7	- 4.1	+ 4.8	- 0.5	+ 4.4	+ 0.0	- 17.7	- 16.0	- 16.0	+ 0.1	- 2.2	+ 0.5
June	+ 0.0	+ 22.6	+ 16.0	+ 10.2	+ 5.7	+ 0.9	+ 5.8	- 0.0	- 11.1	- 13.9	- 14.5	+ 0.6	- 0.3	+ 3.1
July	- 0.0	+ 1.1	+ 3.4	- 2.2	+ 5.6	+ 0.3	- 2.7	- 0.1	+ 0.4	+ 4.5	+ 4.2	+ 0.3	- 0.6	- 3.5
Aug	+ 0.0	- 15.9	- 18.1	- 21.7	+ 3.6	+ 0.4	+ 1.8	+ 0.1	+ 3.1	- 0.4	- 1.1	+ 0.7	+ 1.4	+ 2.1
Sep	- 0.1	+ 32.2	+ 26.8	+ 20.3	+ 6.5	+ 0.1	+ 3.3	- 0.0	+ 0.2	+ 2.6	- 1.8	+ 4.5	+ 0.6	- 3.0
Oct	- 0.0	+ 16.4	+ 16.2	+ 14.1	+ 2.1	- 0.1	+ 0.3	- 0.0	+ 3.1	+ 1.3	+ 1.5	- 0.2	+ 0.2	+ 1.6
Nov	+ 0.2	+ 3.1	- 2.7	+ 1.2	- 3.9	- 0.6	+ 6.4	+ 0.0	+ 22.7	+ 7.5	+ 5.1	+ 2.3	+ 2.4	+ 12.9
Dec	- 0.3	- 40.5	- 45.0	- 58.8	+ 13.7	- 0.5	+ 5.1	+ 0.0	- 11.0	- 14.8	- 17.1	+ 2.3	+ 1.3	+ 2.5
2006 Jan	+ 0.1	+ 35.3	+ 29.9	+ 32.9	- 3.0	+ 0.2	+ 5.2	- 0.0	+ 32.8	+ 25.5	+ 23.0	+ 2.5	+ 0.4	+ 6.8
Feb	+ 0.1	+ 28.2	+ 21.5	+ 20.6	+ 0.9	+ 0.7	+ 6.1	+ 0.0	- 8.8	- 7.3	- 11.4	+ 4.2	- 2.2	+ 0.7
Mar	- 0.0	+ 46.9	+ 36.6	+ 30.1	+ 6.5	+ 1.0	+ 9.2	- 0.1	+ 0.1	- 0.6	- 3.5	+ 2.8	- 0.5	+ 1.2
Apr	+ 0.0	- 11.7	- 13.0	- 14.8	+ 1.8	+ 0.9	+ 0.4	+ 0.0	+ 20.4	+ 20.8	+ 21.3	- 0.5	+ 1.2	- 1.6
May	+ 0.1	+ 11.9	+ 4.9	+ 1.2	+ 3.8	+ 0.7	+ 6.3	+ 0.0	- 3.6	- 3.0	- 4.1	+ 1.1	- 0.0	- 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 Up to December 1998, foreign

banknotes and coins. — 2 Up to December 1998, including fiduciary loans (see also footnote 4). — 3 Up to December 1998, bill-based lending (bill holdings plus endorsement liabilities arising from rediscounted bills and bills sent for collection from the banks' portfolios prior to maturity). —

IV Banks

Memo item Fiduciary loans 4	Participating interests in foreign banks and enter- prises 5	Deposits of foreign banks (MFIs) 2						Deposits of foreign non-banks (non-MFIs) 2						Memo item Fiduciary loans 4	Period
		Total	Sight deposits 6	Time deposits (including bank savings bonds)			Total	Sight deposits 6	Time deposits (including savings deposits and bank savings bonds)			Memo item Fiduciary loans 4			
				Total 7	Short- term 7	Medium and long- term			Total 7	Short- term 7	Medium and long- term				
End of year or month *															
12.7	45.8	486.5	147.1	335.7	172.0	163.7	3.8	273.5	34.3	237.2	50.0	187.2	2.1	1996	
15.7	54.7	670.3	226.0	440.2	254.3	185.9	4.0	333.9	43.5	285.7	63.0	222.7	4.8	1997	
22.9	62.9	875.7	309.5	562.5	359.1	203.4	3.7	390.3	51.3	329.6	71.8	257.8	9.5	1998	
13.6	33.9	483.6	65.6	418.0	332.3	85.6	2.0	284.4	23.8	260.6	64.9	195.7	5.8	1999	
13.9	47.4	586.0	113.7	472.2	382.9	89.3	1.7	314.9	35.4	279.5	62.5	217.0	5.6	2000	
13.8	47.6	622.7	91.9	530.8	434.5	96.3	1.4	350.6	34.0	316.6	97.6	219.0	5.3	2001	
15.6	44.8	614.2	101.6	512.7	410.4	102.3	1.1	319.2	33.5	285.7	87.0	198.7	4.5	2002	
11.6	41.4	590.7	95.1	495.6	387.7	107.9	0.4	307.3	32.2	275.1	102.4	172.7	3.6	2003	
9.8	39.3	603.3	87.0	516.2	403.2	113.0	0.5	311.2	36.6	274.7	123.4	151.2	0.8	2004	
10.6	37.2	651.7	102.9	548.8	420.4	128.4	0.6	316.4	62.0	254.4	119.4	135.0	1.2	2005	
9.8	39.3	603.3	87.0	516.2	403.2	113.0	0.5	311.2	36.6	274.7	123.4	151.2	0.8	2004 Dec	
9.9	39.4	626.8	143.8	483.0	367.2	115.8	0.6	345.9	67.1	278.7	124.8	153.9	0.8	2005 Jan	
10.8	39.2	630.3	131.4	498.9	385.2	113.6	0.6	353.5	73.3	280.2	127.3	153.0	1.8	Feb	
10.8	39.2	656.8	149.4	507.4	393.9	113.5	0.6	333.1	68.1	264.9	111.9	153.0	1.8	Mar	
10.7	39.3	706.7	154.6	552.1	436.1	116.0	0.6	356.9	73.5	283.4	137.5	145.9	1.7	Apr	
10.6	39.2	703.7	167.7	536.0	419.3	116.7	0.7	354.9	70.5	284.4	136.9	147.5	1.6	May	
10.5	39.8	660.4	160.3	500.1	373.2	126.9	0.6	330.1	67.2	262.9	112.7	150.2	1.5	June	
10.4	39.8	655.2	141.9	513.3	387.5	125.8	0.8	329.8	65.2	264.6	115.8	148.8	1.1	July	
10.7	39.8	655.0	143.1	511.9	385.9	126.0	0.7	323.7	61.7	262.0	115.5	146.5	1.0	Aug	
10.7	39.8	655.2	146.5	508.7	381.8	127.0	0.7	335.8	68.6	267.2	120.7	146.5	0.9	Sep	
10.6	39.2	680.8	142.4	538.4	410.2	128.2	0.6	330.9	65.8	265.0	122.5	142.6	1.3	Oct	
10.5	37.2	681.2	150.5	530.8	402.1	128.7	0.6	345.3	82.1	263.2	124.5	138.6	1.3	Nov	
10.6	37.2	651.7	102.9	548.8	420.4	128.4	0.6	316.4	62.0	254.4	119.4	135.0	1.2	Dec	
7.0	38.8	666.4	143.6	522.7	397.4	125.3	0.6	339.5	86.0	253.5	119.6	134.0	1.1	2006 Jan	
7.1	39.5	691.3	136.8	554.5	428.8	125.7	0.6	326.4	79.4	247.0	114.1	133.0	1.7	Feb	
5.9	38.9	699.4	144.6	554.8	426.3	128.5	0.5	321.3	81.2	240.1	110.1	130.0	1.7	Mar	
5.8	39.4	712.0	151.1	560.9	433.7	127.2	0.5	323.9	76.9	247.0	119.0	128.0	1.7	Apr	
5.5	40.7	715.1	164.8	550.4	424.8	125.5	0.5	323.1	87.8	235.3	109.7	125.6	1.7	May	
Changes *															
+ 2.7	+ 7.9	+ 157.3	+ 67.7	+ 89.5	+ 71.8	+ 17.7	+ 0.1	+ 51.0	+ 5.4	+ 43.3	+ 11.4	+ 31.9	+ 2.3	1997	
+ 7.7	+ 8.8	+ 215.6	+ 87.7	+ 128.1	+ 108.1	+ 20.0	- 0.3	+ 64.7	+ 10.4	+ 48.9	+ 10.3	+ 38.6	+ 5.5	1998	
+ 1.1	+ 10.9	+ 37.4	- 9.2	+ 46.6	+ 47.6	- 1.0	- 0.0	+ 61.0	+ 7.2	+ 53.8	+ 15.9	+ 37.9	+ 0.1	1999	
- 0.2	+ 12.8	+ 90.0	+ 47.0	+ 43.0	+ 42.9	+ 0.1	- 0.4	+ 24.4	+ 11.1	+ 13.3	- 2.9	+ 16.2	- 0.8	2000	
- 0.5	- 0.5	+ 23.5	- 23.6	+ 47.0	+ 42.4	+ 4.6	- 0.4	+ 30.8	- 1.8	+ 32.6	+ 33.3	- 0.7	- 0.6	2001	
+ 1.7	+ 1.6	+ 22.7	+ 14.6	+ 8.1	- 1.3	+ 9.4	- 0.3	+ 4.6	+ 0.8	+ 3.8	- 4.6	+ 8.4	- 0.9	2002	
- 0.7	- 1.9	+ 5.7	- 2.0	+ 7.7	- 2.4	+ 10.0	- 0.0	+ 4.5	+ 0.4	+ 4.1	+ 20.6	- 16.5	+ 1.9	2003	
+ 0.7	- 1.5	+ 19.8	- 6.1	+ 25.9	+ 21.1	+ 4.8	+ 0.1	+ 13.0	+ 5.4	+ 7.6	+ 22.8	- 15.2	- 0.3	2004	
+ 0.8	- 3.5	+ 28.6	+ 12.6	+ 16.0	+ 4.9	+ 11.1	+ 0.1	- 4.9	+ 23.9	- 28.8	- 7.7	- 21.1	+ 0.4	2005	
+ 0.2	+ 1.5	- 10.2	- 53.1	+ 42.8	+ 42.6	+ 0.2	+ 0.0	- 19.3	- 25.4	+ 6.1	+ 9.5	- 3.4	+ 0.0	2004 Dec	
+ 0.1	- 0.3	+ 17.4	+ 55.9	- 38.4	- 40.0	+ 1.5	+ 0.1	+ 30.7	+ 30.2	+ 0.5	+ 0.1	+ 0.4	+ 0.0	2005 Jan	
+ 0.9	- 0.1	+ 5.6	- 11.9	+ 17.5	+ 19.2	- 1.7	-	+ 9.0	+ 6.3	+ 2.7	+ 2.9	- 0.2	+ 0.9	Feb	
- 0.0	- 0.2	+ 23.7	+ 17.5	+ 6.2	+ 7.0	- 0.8	- 0.0	- 22.3	- 5.3	- 16.9	- 15.4	- 1.6	+ 0.0	Mar	
- 0.1	- 0.0	+ 49.2	+ 5.0	+ 44.2	+ 41.8	+ 2.4	- 0.0	+ 23.4	+ 5.4	+ 18.0	+ 25.5	- 7.5	- 0.0	Apr	
- 0.1	- 0.6	- 10.1	+ 12.0	- 22.1	- 21.3	- 0.8	+ 0.1	- 6.9	- 3.5	- 3.3	- 2.4	- 0.9	- 0.1	May	
- 0.1	+ 0.4	- 46.0	- 8.1	- 37.9	- 47.6	+ 9.7	- 0.0	- 26.5	- 3.6	- 22.9	- 24.8	+ 1.9	- 0.1	June	
- 0.1	+ 0.1	- 4.5	- 18.2	+ 13.7	+ 14.7	- 1.0	+ 0.1	+ 3.1	- 1.9	+ 5.0	+ 3.2	+ 1.8	- 0.4	July	
+ 0.2	+ 0.1	+ 0.7	+ 1.4	- 0.7	- 1.1	+ 0.4	- 0.1	- 5.7	- 3.5	- 2.2	- 0.1	- 2.1	- 0.0	Aug	
+ 0.0	- 0.1	- 1.5	+ 3.0	- 4.5	- 5.2	+ 0.6	- 0.0	+ 11.1	+ 6.8	+ 4.3	+ 4.9	- 0.7	- 0.2	Sep	
- 0.1	- 0.6	+ 25.3	- 4.1	+ 29.4	+ 28.3	+ 1.2	- 0.1	- 5.0	- 2.9	- 2.2	+ 1.8	- 4.0	+ 0.4	Oct	
- 0.1	- 2.2	- 2.2	+ 7.6	- 9.8	- 9.7	- 0.1	- 0.0	+ 12.9	+ 16.0	- 3.1	+ 1.6	- 4.7	+ 0.0	Nov	
+ 0.0	+ 0.1	- 29.1	- 47.5	+ 18.3	+ 18.6	- 0.2	- 0.0	- 28.6	- 20.1	- 8.6	- 5.0	- 3.5	- 0.0	Dec	
- 3.5	+ 1.3	+ 17.7	+ 40.9	- 23.2	- 20.6	- 2.6	- 0.0	+ 24.9	+ 24.3	+ 0.6	+ 0.9	- 0.2	- 0.1	2006 Jan	
+ 0.0	+ 0.4	+ 21.9	- 7.6	+ 29.5	+ 29.6	- 0.2	- 0.0	- 15.1	- 6.9	- 8.2	- 6.1	- 2.2	+ 0.0	Feb	
- 1.2	- 0.2	+ 11.8	+ 8.6	+ 3.2	- 0.6	+ 3.8	- 0.0	- 2.9	+ 2.1	- 4.9	- 3.3	- 1.7	+ 0.0	Mar	
- 0.1	+ 0.8	+ 17.2	+ 7.5	+ 9.7	+ 10.1	- 0.4	- 0.0	+ 5.1	- 4.0	+ 9.1	+ 9.7	- 0.6	- 0.1	Apr	
- 0.3	+ 1.4	+ 6.3	+ 14.4	- 8.1	- 7.1	- 1.0	+ 0.0	+ 0.8	+ 11.1	- 10.3	- 8.8	- 1.5	+ 0.0	May	

4 From 1999, no longer included in loans and deposits (see also footnote 2). — 5 Up to December 1998, including working capital supplied to branches abroad. — 6 Up to December 1998, including time deposits with

terms of less than one month. — 7 Up to December 1998, excluding time deposits with terms of less than one month.

IV Banks

5 Lending by banks (MFIs) in Germany to domestic non-banks (non-MFIs) *

Up to end-1998, DM billion; from 1999, € billion

Period	Lending to domestic non-banks, total 1,2		Short-term lending						Medium and long-term		
			to enterprises and households 1			to general government			Total	to enter-	
			Total	Loans and bills 3,4	Negotiable money market paper	Total	Loans	Treasury bills			Total
including negotiable money market paper, securities, equalisation claims	excluding										
End of year or month *											
1996	4,773.1	4,248.7	662.2	617.2	616.2	1.0	45.1	40.2	4.9	4,110.8	3,007.2
1997	5,058.4	4,506.2	667.8	625.8	624.8	1.0	41.9	40.1	1.9	4,390.6	3,223.4
1998	5,379.8	4,775.4	704.3	661.3	660.8	0.5	43.0	38.5	4.5	4,675.5	3,482.4
1999	2,904.5	2,576.5	355.3	328.9	328.7	0.2	26.4	23.6	2.8	2,549.2	1,943.6
2000	3,003.7	2,663.7	371.2	348.2	347.7	0.5	22.9	21.2	1.7	2,632.5	2,038.6
2001	3,014.1	2,704.2	387.9	356.7	355.2	1.5	31.2	28.2	2.9	2,626.2	2,070.2
2002	2,997.2	2,689.1	365.4	331.9	331.0	1.0	33.5	31.1	2.4	2,631.8	2,079.7
2003	2,995.6	2,680.6	355.2	315.0	313.4	1.6	40.2	38.4	1.8	2,640.4	2,096.1
2004	3,001.3	2,646.7	320.9	283.8	283.0	0.8	37.1	35.3	1.8	2,680.4	2,114.2
2005	2,995.1	2,635.1	309.7	273.5	272.9	0.6	36.2	34.4	1.8	2,685.4	2,141.3
2004 Dec	3,001.3	2,646.7	320.9	283.8	283.0	0.8	37.1	35.3	1.8	2,680.4	2,114.2
2005 Jan	3,009.9	2,644.2	323.6	279.1	278.5	0.6	44.4	42.5	2.0	2,686.3	2,117.7
Feb	3,000.5	2,642.1	325.2	285.2	284.6	0.6	40.0	38.1	1.9	2,675.3	2,109.7
Mar	3,003.9	2,637.2	325.3	287.8	286.8	1.0	37.5	37.1	0.4	2,678.5	2,107.7
Apr	3,042.4	2,640.3	328.8	285.7	284.6	1.1	43.1	42.3	0.8	2,713.6	2,147.6
May	3,022.1	2,642.3	331.0	286.3	285.1	1.2	44.7	43.7	1.0	2,691.2	2,130.1
June	2,988.9	2,639.0	325.7	289.1	288.2	1.0	36.5	36.0	0.5	2,663.3	2,109.2
July	2,998.0	2,643.3	323.1	284.0	283.0	1.0	39.1	38.0	1.1	2,674.9	2,120.4
Aug	3,001.1	2,642.3	318.5	280.5	279.3	1.3	37.9	37.2	0.7	2,682.7	2,126.2
Sep	3,004.7	2,649.0	326.2	293.5	292.9	0.6	32.7	32.2	0.5	2,678.4	2,126.9
Oct	3,012.9	2,657.7	339.3	298.0	297.0	1.0	41.3	38.1	3.2	2,673.6	2,128.6
Nov	3,004.8	2,647.2	325.1	288.7	288.1	0.6	36.4	33.5	2.9	2,679.7	2,133.6
Dec	2,995.1	2,635.1	309.7	273.5	272.9	0.6	36.2	34.4	1.8	2,685.4	2,141.3
2006 Jan	3,032.2	2,661.3	325.0	282.8	282.0	0.8	42.2	40.3	1.9	2,707.3	2,168.5
Feb	3,023.3	2,656.6	316.7	283.3	282.6	0.7	33.4	32.6	0.8	2,706.5	2,170.1
Mar	3,030.2	2,659.7	329.2	292.7	291.7	0.9	36.5	35.9	0.6	2,701.1	2,167.3
Apr	3,066.0	2,667.7	336.7	297.1	296.0	1.0	39.7	38.8	0.8	2,729.3	2,199.0
May	3,065.2	2,659.4	326.4	293.2	292.4	0.7	33.2	32.5	0.7	2,738.8	2,196.1
Changes *											
1997	+ 285.2	+ 256.9	+ 2.7	+ 5.9	+ 5.9	+ 0.0	- 3.2	- 0.1	- 3.0	+ 282.5	+ 219.9
1998	+ 335.3	+ 285.5	+ 51.7	+ 50.6	+ 51.2	- 0.6	+ 1.1	- 1.6	+ 2.7	+ 283.6	+ 258.3
1999	+ 156.1	+ 139.5	+ 9.6	+ 6.3	+ 6.4	- 0.0	+ 3.3	+ 2.9	+ 0.4	+ 146.4	+ 146.4
2000	+ 100.7	+ 83.2	+ 14.5	+ 18.1	+ 17.8	+ 0.3	- 3.6	- 2.5	- 1.1	+ 86.1	+ 93.8
2001	+ 11.9	+ 39.2	+ 15.3	+ 7.0	+ 5.9	+ 1.0	+ 8.4	+ 7.8	+ 0.6	+ 3.4	+ 32.0
2002	- 19.2	- 18.8	- 23.4	- 25.7	- 25.2	- 0.5	+ 2.3	+ 2.9	- 0.6	+ 4.3	+ 7.6
2003	+ 0.1	- 8.4	- 10.0	- 16.7	- 17.5	+ 0.9	+ 6.7	+ 7.3	- 0.6	+ 10.1	+ 16.0
2004	+ 3.3	- 36.0	- 31.7	- 30.5	- 29.7	- 0.8	- 1.2	- 3.2	+ 1.9	+ 35.0	+ 15.6
2005	- 6.7	- 12.1	- 11.5	- 10.6	- 10.4	- 0.2	- 0.9	- 0.9	+ 0.0	+ 4.8	+ 26.8
2004 Dec	- 15.4	- 15.6	- 14.1	- 9.3	- 9.0	- 0.2	- 4.8	- 3.7	- 1.0	- 1.4	+ 6.2
2005 Jan	+ 8.6	- 2.5	+ 2.7	- 4.7	- 4.5	- 0.2	+ 7.4	+ 7.2	+ 0.2	+ 5.9	+ 3.4
Feb	- 9.3	- 2.2	+ 1.6	+ 6.1	+ 6.1	- 0.0	- 4.4	- 4.4	- 0.1	- 11.0	- 8.0
Mar	+ 3.3	- 4.8	+ 0.1	+ 2.6	+ 2.2	+ 0.4	- 2.5	- 1.0	- 1.5	+ 3.2	- 2.0
Apr	+ 38.5	+ 3.0	+ 3.5	- 2.1	- 2.2	+ 0.1	+ 5.6	+ 5.2	+ 0.4	+ 35.0	+ 39.8
May	- 20.2	+ 2.0	+ 2.2	+ 0.5	+ 0.5	+ 0.1	+ 1.6	+ 1.4	+ 0.2	- 22.4	- 17.4
June	- 33.4	- 3.3	- 5.3	+ 2.9	+ 3.1	- 0.2	- 8.1	- 7.7	- 0.5	- 28.1	- 20.9
July	+ 9.1	+ 4.3	- 2.6	- 5.1	- 5.2	+ 0.1	+ 2.5	+ 2.0	+ 0.6	+ 11.6	+ 11.2
Aug	+ 3.1	- 1.1	- 4.6	- 3.5	- 3.7	+ 0.2	- 1.1	- 0.8	- 0.3	+ 7.8	+ 5.8
Sep	+ 3.1	+ 6.3	+ 7.4	+ 12.6	+ 13.2	- 0.6	- 5.2	- 5.0	- 0.2	- 4.3	+ 0.6
Oct	+ 8.3	+ 8.7	+ 13.0	+ 4.5	+ 4.1	+ 0.3	+ 8.5	+ 5.8	+ 2.7	- 4.8	+ 1.6
Nov	- 8.1	- 10.5	- 14.0	- 9.1	- 8.8	- 0.4	- 4.9	- 4.6	- 0.3	+ 5.9	+ 4.9
Dec	- 9.7	- 12.2	- 15.5	- 15.2	- 15.2	- 0.0	- 0.2	+ 0.9	- 1.1	+ 5.7	+ 7.7
2006 Jan	+ 19.6	+ 8.8	+ 15.3	+ 9.3	+ 9.1	+ 0.2	+ 6.0	+ 5.9	+ 0.1	+ 4.3	+ 9.9
Feb	- 8.9	- 4.7	- 8.2	+ 0.5	+ 0.6	- 0.1	- 8.8	- 7.6	- 1.1	- 0.7	+ 1.5
Mar	+ 6.9	+ 3.0	+ 12.4	+ 9.3	+ 9.2	+ 0.2	+ 3.1	+ 3.3	- 0.2	- 5.5	- 2.7
Apr	+ 35.3	+ 7.5	+ 7.6	+ 4.3	+ 4.2	+ 0.1	+ 3.4	+ 3.1	+ 0.3	+ 27.6	+ 31.3
May	- 1.5	- 9.0	- 11.0	- 4.6	- 4.3	- 0.3	- 6.4	- 6.3	- 0.1	+ 9.5	- 2.9

* 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 Up to December 1998, including loans to domestic building and loan associations. — 2 Up to December 1998,

including fiduciary loans (see also footnote 9). — 3 Up to December 1998, bill-based lending (bill holdings plus endorsement liabilities arising from rediscounted bills and bills sent for collection from the banks' portfolios prior to maturity). — 4 From 1999, including small amounts of medium-term series of bills. — 5 From 1999, breakdown of securities by medium

IV Banks

lending 2,5												Period
prises and households 1,2					to general government 2							
Loans			Securities 5	Memo item Fiduciary loans 8	Total	Loans			Securities 5,9	Equalisation claims 10	Memo item Fiduciary loans 8	
Total	Medium-term 6	Long-term 7				Total	Medium-term 6	Long-term 7				
End of year or month *												
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
1,927.7	195.0	1,732.8	168.3	49.9	544.3	401.0	34.6	366.4	141.3	2.0	7.0	2003
1,940.8	194.3	1,746.5	173.5	55.3	566.1	387.7	32.9	354.8	177.5	1.0	6.5	2004
1,953.4	194.7	1,758.8	187.9	52.1	544.1	374.4	32.9	341.4	169.7	-	4.5	2005
1,940.8	194.3	1,746.5	173.5	55.3	566.1	387.7	32.9	354.8	177.5	1.0	6.5	2004 Dec
1,938.3	194.0	1,744.3	179.4	55.3	568.6	385.0	32.1	352.8	182.7	1.0	6.4	2005 Jan
1,935.3	193.0	1,742.3	174.4	54.9	565.6	384.1	30.9	353.2	180.6	1.0	6.4	Feb
1,929.8	192.3	1,737.5	178.0	54.6	570.8	383.5	31.7	351.8	186.3	1.0	6.3	Mar
1,932.9	191.0	1,741.8	214.7	54.5	566.0	380.5	31.9	348.7	184.5	1.0	6.2	Apr
1,935.5	191.0	1,744.5	194.6	54.5	561.1	378.0	31.2	346.8	182.1	1.0	6.2	May
1,934.6	190.9	1,743.7	174.6	52.5	554.1	380.2	32.1	348.1	172.9	1.0	6.0	June
1,941.4	192.5	1,748.9	179.0	52.3	554.5	380.9	32.6	348.3	173.5	0.0	5.9	July
1,946.0	195.4	1,750.6	180.2	52.3	556.5	379.8	33.1	346.6	176.7	0.0	5.9	Aug
1,945.4	195.1	1,750.3	181.5	52.0	551.5	378.4	33.2	345.3	173.0	-	4.6	Sep
1,947.5	194.3	1,753.2	181.0	51.9	545.1	375.1	33.1	342.0	169.9	-	4.6	Oct
1,952.2	195.1	1,757.1	181.4	52.2	546.1	373.4	32.1	341.3	172.7	-	4.5	Nov
1,953.4	194.7	1,758.8	187.9	52.1	544.1	374.4	32.9	341.4	169.7	-	4.5	Dec
1,969.5	193.0	1,776.5	199.0	51.8	538.7	369.6	31.8	337.8	169.2	-	4.4	2006 Jan
1,972.9	193.5	1,779.4	197.1	50.7	536.5	368.5	32.2	336.3	168.0	-	4.4	Feb
1,966.6	193.2	1,773.5	200.7	49.6	533.7	365.3	31.9	333.4	168.4	-	4.4	Mar
1,968.9	192.6	1,776.3	230.2	49.4	530.3	364.0	31.9	332.2	166.3	-	4.5	Apr
1,972.0	194.3	1,777.8	224.1	49.3	542.7	362.4	30.9	331.6	180.3	-	4.5	May
Changes *												
+ 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
+ 17.9	+ 0.2	+ 17.8	- 1.9	+ 2.6	- 5.9	- 16.1	+ 4.9	- 21.0	+ 11.2	- 1.0	- 0.5	2003
+ 10.7	+ 0.2	+ 10.5	+ 4.9	+ 3.6	+ 19.4	- 13.8	- 0.9	- 12.9	+ 34.3	- 1.1	- 0.6	2004
+ 12.5	+ 1.7	+ 10.8	+ 14.3	- 3.0	- 22.1	- 13.4	+ 0.9	- 14.2	- 7.7	- 1.0	- 2.0	2005
- 2.5	- 1.3	- 1.2	+ 8.8	- 0.1	- 7.6	- 0.3	+ 0.0	- 0.3	- 7.2	- 0.1	- 0.2	2004 Dec
- 2.5	- 0.3	- 2.2	+ 5.9	- 0.0	+ 2.5	- 2.7	- 0.8	- 1.9	+ 5.2	-	- 0.1	2005 Jan
- 3.0	- 1.0	- 2.0	- 4.9	- 0.1	- 3.0	- 0.9	- 1.2	+ 0.3	- 2.1	-	- 0.0	Feb
- 5.5	- 0.8	- 4.7	+ 3.5	- 0.4	+ 5.2	- 0.6	+ 0.8	- 1.3	+ 5.7	+ 0.0	- 0.1	Mar
+ 3.1	+ 0.1	+ 2.9	+ 36.7	- 0.1	- 4.8	- 3.0	+ 0.1	- 3.1	- 1.8	-	- 0.1	Apr
+ 2.7	+ 0.2	+ 2.5	- 20.1	+ 0.0	- 4.9	- 2.5	- 0.7	- 1.8	- 2.4	-	- 0.0	May
- 0.7	- 0.1	- 0.6	- 20.2	- 2.0	- 7.2	+ 2.0	+ 0.9	+ 1.1	- 9.2	- 0.0	- 0.2	June
+ 6.8	+ 1.6	+ 5.2	+ 4.4	- 0.2	+ 0.4	+ 0.8	+ 0.7	+ 0.1	+ 0.6	- 1.0	- 0.1	July
+ 4.6	+ 2.9	+ 1.7	+ 1.2	- 0.0	+ 2.0	- 1.2	+ 0.5	- 1.7	+ 3.2	-	- 0.0	Aug
- 0.7	- 0.5	- 0.3	+ 1.3	- 0.3	- 4.9	- 1.2	+ 0.2	- 1.4	- 3.7	- 0.0	- 1.3	Sep
+ 2.1	- 0.8	+ 2.9	- 0.5	- 0.1	- 6.4	- 3.3	- 0.1	- 3.3	- 3.1	-	- 0.1	Oct
+ 4.5	+ 0.8	+ 3.8	+ 0.3	+ 0.3	+ 1.0	- 1.7	- 0.5	- 1.2	+ 2.7	-	- 0.0	Nov
+ 1.2	- 0.4	+ 1.6	+ 6.5	- 0.1	- 2.0	+ 0.9	+ 0.9	+ 0.1	- 2.9	-	- 0.0	Dec
- 1.2	- 1.7	+ 0.4	+ 11.1	- 0.3	- 5.6	- 5.0	- 1.2	- 3.8	- 0.6	-	- 0.1	2006 Jan
+ 3.4	+ 0.5	+ 2.9	- 1.9	- 1.1	- 2.2	- 1.1	+ 0.4	- 1.5	- 1.2	-	- 0.0	Feb
- 6.3	- 0.3	- 6.0	+ 3.5	- 1.1	- 2.7	- 3.2	- 0.3	- 2.9	+ 0.4	-	- 0.0	Mar
+ 1.8	- 0.6	+ 2.4	+ 29.5	- 0.2	- 3.6	- 1.5	- 0.3	- 1.3	- 2.1	-	+ 0.1	Apr
+ 3.2	+ 1.3	+ 1.9	- 6.1	- 0.1	+ 12.4	- 1.6	- 1.0	- 0.6	+ 14.0	-	+ 0.0	May

and long-term lending no longer possible. — 6 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. — 7 Up to December 1998, maturity or period of notice of four years and more; from

1999, of more than five years. — 8 From 1999, no longer included in lending (see also footnote 2). — 9 Excluding debt securities arising from the exchange of equalisation claims (see also footnote 10). — 10 Including debt securities arising from the exchange of equalisation claims.

IV Banks

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

€ billion

Lending to domestic enterprises and households (excluding holdings of negotiable money market paper and excluding securities portfolios) 1														
Period	of which					Lending to enterprises and self-employed persons								
	Total	Mortgage loans, total	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 corporations
			Total	Mortgage loans secured by residential real estate	Other housing loans									
Lending, total														
End of year or quarter *														
2003	2,241.6	1,124.5	1,083.3	867.1	216.2	1,252.2	335.1	151.0	37.2	59.0	152.3	32.1	54.4	54.4
2004	2,224.2	1,127.7	1,086.0	869.7	216.3	1,211.6	320.4	136.7	37.1	53.0	141.4	31.9	56.1	60.0
2005 Mar	2,216.9	1,120.6	1,081.3	867.0	214.3	1,209.7	316.5	135.7	37.0	53.1	137.9	31.1	57.0	67.3
June	2,223.1	1,133.4	1,082.7	880.1	202.6	1,210.8	314.3	135.8	36.6	52.0	136.5	31.5	58.2	70.1
Sep	2,238.5	1,144.2	1,087.9	890.9	197.1	1,217.9	312.8	134.5	37.3	50.9	134.1	32.2	57.6	79.7
Dec	2,226.6	1,154.5	1,093.3	895.9	197.4	1,199.7	311.3	130.6	37.2	49.4	134.1	31.6	57.8	74.0
2006 Mar	2,258.6	1,172.5	1,109.3	915.2	194.0	1,229.7	320.7	130.3	37.6	50.0	131.2	32.1	59.0	97.7
Short-term lending														
2003	313.9	-	14.1	-	14.1	266.7	8.9	46.6	4.2	13.2	55.9	3.9	8.0	25.8
2004	283.4	-	12.5	-	12.5	239.3	7.6	40.9	3.5	11.1	52.9	3.6	5.9	26.4
2005 Mar	287.1	-	11.9	-	11.9	245.0	7.3	41.7	3.9	12.1	51.0	3.7	5.9	33.3
June	288.4	-	11.6	-	11.6	246.2	6.9	42.4	3.5	11.4	50.1	3.9	6.4	35.1
Sep	293.1	-	11.7	-	11.7	250.2	7.1	41.9	4.0	10.9	48.0	4.0	6.5	42.1
Dec	273.2	-	11.2	-	11.2	230.0	6.7	38.8	3.2	9.7	49.2	3.3	6.1	32.8
2006 Mar	292.0	-	10.7	-	10.7	250.7	6.5	39.9	3.4	10.6	47.0	3.7	6.2	54.8
Medium-term lending														
2003	195.0	-	38.2	-	38.2	121.2	12.0	17.5	2.3	6.0	11.9	3.4	10.9	6.5
2004	194.3	-	38.8	-	38.8	119.9	11.8	16.4	2.5	5.6	11.1	3.2	11.3	7.6
2005 Mar	192.3	-	38.3	-	38.3	118.9	11.7	16.0	2.1	5.4	11.0	3.0	11.4	7.9
June	190.9	-	36.0	-	36.0	118.4	10.9	16.0	2.0	5.4	11.2	3.1	11.4	8.2
Sep	195.1	-	35.9	-	35.9	122.9	10.8	16.0	2.1	5.3	11.4	3.1	11.0	9.2
Dec	194.6	-	35.7	-	35.7	122.5	10.7	15.6	2.1	5.2	11.4	3.0	10.6	10.8
2006 Mar	193.2	-	34.7	-	34.7	123.2	10.4	15.9	2.1	5.2	11.5	3.0	10.5	11.4
Long-term lending														
2003	1,732.8	1,124.5	1,031.0	867.1	164.0	864.3	314.2	86.9	30.6	39.9	84.5	24.7	35.5	22.1
2004	1,746.5	1,127.7	1,034.7	869.7	165.0	852.4	301.0	79.4	31.2	36.2	77.3	25.0	38.9	26.0
2005 Mar	1,737.5	1,120.6	1,031.1	867.0	164.1	845.7	297.6	78.0	31.0	35.6	75.9	24.4	39.6	26.0
June	1,743.7	1,133.4	1,035.1	880.1	155.0	846.1	296.5	77.4	31.1	35.1	75.2	24.6	40.4	26.9
Sep	1,750.3	1,144.2	1,040.3	890.9	149.5	844.8	294.9	76.6	31.3	34.7	74.7	25.0	40.2	28.4
Dec	1,758.8	1,154.5	1,046.3	895.9	150.4	847.2	293.9	76.2	31.8	34.5	73.5	25.2	41.1	30.4
2006 Mar	1,773.5	1,172.5	1,063.9	915.2	148.7	855.8	303.8	74.5	32.1	34.2	72.7	25.5	42.3	31.5
Lending, total														
Change during quarter *														
2005 Q1	- 7.3	- 9.2	- 4.6	- 4.4	- 0.2	- 2.0	- 3.9	- 1.0	- 0.1	+ 0.1	- 3.5	- 0.7	+ 0.9	+ 6.4
Q2	+ 6.4	+ 3.3	+ 1.4	+ 3.7	- 2.3	+ 1.1	- 2.2	+ 0.1	- 0.4	- 1.1	- 1.5	+ 0.5	+ 1.2	+ 2.7
Q3	+ 14.9	+ 5.8	+ 5.6	+ 5.6	- 0.1	+ 7.0	- 1.1	- 1.1	+ 0.8	- 1.0	- 2.3	+ 0.6	- 0.5	+ 9.3
Q4	- 11.9	+ 5.4	+ 5.1	+ 4.7	+ 0.4	- 18.3	- 1.9	- 4.0	- 0.1	- 1.5	+ 0.0	- 0.6	+ 0.2	- 8.2
2006 Q1	+ 14.7	- 1.3	- 1.7	+ 0.1	- 1.8	+ 18.9	- 2.1	- 0.3	+ 0.4	+ 0.3	- 3.0	+ 0.4	+ 1.2	+ 23.6
Short-term lending														
2005 Q1	+ 3.7	-	- 0.6	-	- 0.6	+ 5.7	- 0.3	+ 0.8	+ 0.4	+ 1.0	- 1.9	+ 0.0	+ 0.1	+ 6.9
Q2	+ 1.3	-	- 0.3	-	- 0.3	+ 1.1	- 0.4	+ 0.6	- 0.4	- 0.7	- 0.9	+ 0.2	+ 0.4	+ 1.8
Q3	+ 4.3	-	+ 0.0	-	+ 0.0	+ 4.0	+ 0.2	- 0.4	+ 0.5	- 0.5	- 2.1	+ 0.1	+ 0.1	+ 7.0
Q4	- 19.7	-	- 0.4	-	- 0.4	- 20.0	- 0.4	- 3.1	- 0.8	- 1.3	+ 1.2	- 0.7	- 0.4	- 9.7
2006 Q1	+ 18.8	-	- 0.6	-	- 0.6	+ 20.6	- 0.2	+ 1.1	+ 0.2	+ 0.9	- 2.2	+ 0.4	+ 0.1	+ 22.0
Medium-term lending														
2005 Q1	- 2.1	-	- 0.5	-	- 0.5	- 1.0	- 0.1	- 0.4	- 0.4	- 0.2	- 0.2	- 0.2	+ 0.1	- 0.1
Q2	+ 0.2	-	- 0.8	-	- 0.8	- 0.5	- 0.7	- 0.0	- 0.1	- 0.0	+ 0.3	+ 0.0	- 0.0	+ 0.1
Q3	+ 4.0	-	- 0.0	-	- 0.0	+ 4.3	- 0.0	+ 0.0	+ 0.1	- 0.1	+ 0.1	+ 0.1	- 0.4	+ 1.2
Q4	- 0.5	-	- 0.2	-	- 0.2	- 0.4	- 0.2	- 0.4	+ 0.1	- 0.1	- 0.0	- 0.1	- 0.4	+ 0.4
2006 Q1	- 1.5	-	- 1.1	-	- 1.1	+ 0.7	- 0.2	+ 0.3	- 0.0	- 0.0	+ 0.1	- 0.1	- 0.1	+ 0.6
Long-term lending														
2005 Q1	- 8.9	- 9.2	- 3.5	- 4.4	+ 0.9	- 6.7	- 3.5	- 1.5	- 0.2	- 0.7	- 1.4	- 0.5	+ 0.7	- 0.4
Q2	+ 4.8	+ 3.3	+ 2.5	+ 3.7	- 1.3	+ 0.5	- 1.1	- 0.5	+ 0.1	- 0.4	- 0.9	+ 0.3	+ 0.8	+ 0.8
Q3	+ 6.6	+ 5.8	+ 5.5	+ 5.6	- 0.1	- 1.3	- 1.3	- 0.7	+ 0.2	- 0.4	- 0.3	+ 0.4	- 0.3	+ 1.0
Q4	+ 8.3	+ 5.4	+ 5.7	+ 4.7	+ 1.0	+ 2.2	- 1.4	- 0.5	+ 0.5	- 0.2	- 1.2	+ 0.2	+ 0.9	+ 1.1
2006 Q1	- 2.6	- 1.3	- 0.1	+ 0.1	- 0.2	- 2.4	- 1.7	- 1.7	+ 0.2	- 0.6	- 0.9	+ 0.1	+ 1.2	+ 1.0

* 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. —

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		Debit balances on wage, salary and pension accounts	Total	of which Housing loans	Period	
	Housing enterprises	Holding companies	Other real estate enterprises						Instalment loans 5						
End of year or quarter *														Lending, total	
711.9	160.7	44.0	207.2	437.0	67.7	975.6	744.7	230.9	118.6	21.6	13.7	3.5	2003		
695.5	163.7	42.5	204.2	419.0	61.7	999.4	762.4	237.0	129.2	19.9	13.2	3.2	2004		
690.5	161.6	42.3	201.1	413.7	61.5	994.2	761.7	232.5	129.2	18.7	13.1	3.0	2005 Mar		
690.1	161.2	41.6	201.5	412.7	60.9	999.3	765.3	234.0	131.7	18.9	13.0	3.1	June		
691.6	161.0	44.4	200.8	410.9	60.2	1,006.9	771.9	235.0	132.7	19.5	13.7	3.2	Sep		
685.0	160.3	40.6	199.3	407.5	60.6	1,012.9	778.9	234.0	130.1	18.8	14.1	3.1	Dec		
691.7	167.9	39.2	199.0	406.1	61.3	1,014.8	784.9	229.9	128.6	18.0	14.2	3.7	2006 Mar		
Short-term lending															
109.1	17.9	14.6	31.2	49.4	12.9	45.9	5.1	40.8	2.4	21.6	1.2	0.0	2003		
95.0	15.8	11.5	27.6	44.4	11.4	43.0	4.9	38.0	2.3	19.9	1.1	0.0	2004		
93.3	15.2	10.9	26.1	43.3	12.0	41.0	4.6	36.4	2.4	18.7	1.1	0.0	2005 Mar		
93.4	15.3	10.7	25.9	42.3	11.4	41.2	4.7	36.5	2.3	18.9	1.0	0.0	June		
92.7	14.9	13.1	24.7	41.1	11.1	41.8	4.6	37.3	2.7	19.5	1.1	0.0	Sep		
86.9	14.1	10.3	23.9	40.1	10.6	41.8	4.5	37.3	2.6	18.8	1.4	0.0	Dec		
85.1	13.5	10.0	22.7	39.6	11.5	40.2	4.1	36.0	2.5	18.0	1.2	0.0	2006 Mar		
Medium-term lending															
62.7	5.7	5.6	18.0	30.4	4.5	73.2	26.2	47.0	37.1	-	0.6	0.1	2003		
62.3	6.5	6.5	17.2	29.6	3.9	73.8	26.9	46.9	37.7	-	0.5	0.1	2004		
62.1	6.3	6.8	16.4	29.2	3.8	72.8	26.6	46.2	37.4	-	0.5	0.1	2005 Mar		
61.2	6.1	6.2	16.1	30.5	3.8	72.0	25.0	46.9	38.6	-	0.5	0.1	June		
64.9	7.1	7.0	17.1	30.2	3.8	71.6	25.0	46.6	38.1	-	0.6	0.1	Sep		
63.7	7.3	6.5	15.9	29.8	3.8	71.5	25.0	46.5	37.2	-	0.7	0.1	Dec		
63.6	7.6	6.0	15.7	29.3	3.7	69.4	24.2	45.2	36.2	-	0.6	0.1	2006 Mar		
Long-term lending															
540.0	137.1	23.8	158.0	357.2	50.4	856.5	713.4	143.1	79.1	-	11.9	3.4	2003		
538.2	141.5	24.5	159.5	345.0	46.4	882.6	730.6	152.0	89.2	-	11.5	3.1	2004		
535.2	140.0	24.6	158.6	341.3	45.7	880.4	730.5	149.8	89.4	-	11.5	3.0	2005 Mar		
535.5	139.8	24.6	159.6	340.0	45.6	886.1	735.6	150.5	90.8	-	11.5	3.0	June		
534.1	139.0	24.2	159.0	339.5	45.3	893.5	742.3	151.2	91.9	-	12.0	3.1	Sep		
534.4	138.9	23.8	159.6	337.6	46.2	899.6	749.4	150.2	90.3	-	12.0	3.1	Dec		
543.0	146.8	23.2	160.5	337.2	46.1	905.3	756.6	148.7	89.9	-	12.4	3.6	2006 Mar		
Change during quarter *														Lending, total	
- 4.2	- 2.2	- 0.7	- 1.5	- 5.3	- 0.2	- 5.2	- 0.6	- 4.6	- 0.4	- 1.2	- 0.1	- 0.1	2005 Q1		
- 0.4	- 0.5	- 0.8	+ 0.3	- 2.5	- 0.5	+ 5.3	+ 3.6	+ 1.7	+ 2.3	+ 0.2	- 0.0	+ 0.1	Q2		
+ 1.4	- 0.3	+ 2.8	- 0.7	- 2.0	- 0.7	+ 7.2	+ 6.6	+ 0.6	+ 0.4	+ 0.6	+ 0.7	+ 0.1	Q3		
- 4.0	- 0.4	- 2.6	- 0.8	- 3.3	+ 0.8	+ 6.0	+ 7.1	- 1.1	- 1.6	- 0.7	+ 0.4	- 0.1	Q4		
- 3.6	- 1.0	- 1.3	- 0.3	- 3.3	+ 0.3	- 3.8	+ 0.4	- 4.2	- 1.5	- 0.7	- 0.5	- 0.0	2006 Q1		
Short-term lending															
- 1.7	- 0.6	- 0.6	- 1.5	- 1.1	+ 0.6	- 2.0	- 0.3	- 1.6	+ 0.1	- 1.2	- 0.0	- 0.0	2005 Q1		
+ 0.1	+ 0.0	- 0.2	- 0.3	- 1.0	+ 0.6	+ 0.2	+ 0.1	+ 0.1	- 0.0	+ 0.2	- 0.0	+ 0.0	Q2		
- 0.7	- 0.4	+ 2.4	- 1.1	- 1.1	- 0.4	+ 0.2	- 0.1	+ 0.3	- 0.1	+ 0.6	+ 0.1	+ 0.0	Q3		
- 5.3	- 0.8	- 2.6	- 0.9	- 1.0	- 0.4	- 0.1	- 0.1	- 0.0	- 0.1	- 0.7	+ 0.3	- 0.0	Q4		
- 1.8	- 0.7	- 0.3	- 1.1	- 0.5	+ 0.8	- 1.6	- 0.4	- 1.2	- 0.1	- 0.7	- 0.3	+ 0.0	2006 Q1		
Medium-term lending															
+ 0.3	- 0.1	+ 0.0	+ 0.2	- 0.4	- 0.1	- 1.0	- 0.3	- 0.7	- 0.4	-	- 0.0	- 0.0	2005 Q1		
- 0.8	- 0.2	- 0.6	- 0.2	- 0.0	+ 0.1	+ 0.7	- 0.0	+ 0.7	+ 0.9	-	- 0.0	+ 0.0	Q2		
+ 3.4	+ 1.0	+ 0.8	+ 1.0	- 0.2	+ 0.0	- 0.4	+ 0.0	- 0.4	+ 0.5	-	+ 0.1	+ 0.0	Q3		
+ 0.0	+ 0.2	- 0.1	- 0.6	- 0.4	+ 0.1	- 0.1	- 0.0	- 0.1	- 0.8	-	+ 0.1	- 0.0	Q4		
- 0.1	+ 0.3	- 0.5	- 0.2	- 0.5	- 0.1	- 2.1	- 0.8	- 1.3	- 1.0	-	- 0.0	- 0.0	2006 Q1		
Long-term lending															
- 2.7	- 1.5	- 0.0	- 0.2	- 3.8	- 0.7	- 2.2	+ 0.1	- 2.3	- 0.1	-	- 0.1	- 0.1	2005 Q1		
+ 0.3	- 0.3	- 0.0	+ 0.8	- 1.5	- 0.0	+ 4.4	+ 3.5	+ 0.8	+ 1.4	-	+ 0.0	+ 0.1	Q2		
- 1.3	- 1.0	- 0.4	- 0.6	- 0.6	- 0.4	+ 7.4	+ 6.7	+ 0.7	+ 1.0	-	+ 0.6	+ 0.1	Q3		
+ 1.3	+ 0.2	+ 0.1	+ 0.7	- 1.9	+ 1.2	+ 6.2	+ 7.2	- 1.0	- 0.7	-	- 0.1	- 0.1	Q4		
- 1.7	- 0.6	- 0.6	+ 1.0	- 2.3	- 0.5	- 0.1	+ 1.6	- 1.6	- 0.4	-	- 0.2	- 0.0	2006 Q1		

1 Excluding fiduciary loans. — 2 Including quarrying. — 3 Including 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 *

€ 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 non-banks, total											End of year or month *		
2003	2,140.3	624.0	825.7	237.8	587.9	8.3	579.6	590.3	100.3	40.5	30.4	9.3	
2004	2,200.0	646.9	851.2	235.0	616.2	8.0	608.2	603.5	98.4	43.7	32.2	10.1	
2005	2,276.6	717.0	864.4	231.3	633.1	8.2	624.9	603.4	91.9	42.4	31.6	12.6	
2005 June	2,238.9	692.5	849.3	223.9	625.4	7.6	617.7	602.7	94.5	43.5	32.2	19.5	
July	2,245.4	695.2	854.4	227.3	627.1	7.7	619.5	601.9	93.8	43.4	32.4	18.1	
Aug	2,250.3	698.1	858.8	230.7	628.1	7.6	620.5	600.4	93.0	43.5	32.2	21.7	
Sep	2,254.2	704.0	858.9	231.4	627.5	7.7	619.8	598.9	92.4	42.0	32.1	21.0	
Oct	2,258.1	707.7	861.1	232.8	628.3	7.9	620.5	597.2	92.1	41.7	32.1	21.7	
Nov	2,274.6	723.6	863.2	232.8	630.3	8.0	622.3	596.0	91.9	42.1	31.9	22.6	
Dec	2,276.6	717.0	864.4	231.3	633.1	8.2	624.9	603.4	91.9	42.4	31.6	12.6	
2006 Jan	2,285.7	718.1	872.9	237.1	635.9	8.4	627.5	602.8	91.9	38.9	31.7	18.4	
Feb	2,287.7	715.3	877.7	235.0	642.7	8.6	634.1	602.6	92.1	38.2	31.7	19.0	
Mar	2,303.4	722.4	887.1	243.8	643.4	8.6	634.8	601.4	92.4	37.8	31.6	25.0	
Apr	2,322.4	726.5	903.1	255.1	648.0	8.7	639.4	599.8	93.0	38.1	31.6	27.4	
May	2,333.8	742.5	900.6	250.1	650.4	8.9	641.6	597.4	93.3	37.9	31.5	27.5	
											Changes *		
2004	+ 62.0	+ 24.4	+ 25.9	- 3.7	+ 29.7	- 0.3	+ 29.9	+ 13.1	- 1.5	+ 1.2	+ 1.7	+ 0.9	
2005	+ 76.6	+ 70.7	+ 12.4	- 3.9	+ 16.4	+ 0.4	+ 16.0	- 1.2	- 5.4	- 1.2	- 0.2	+ 2.4	
2005 June	+ 6.1	+ 8.6	- 0.8	- 1.4	+ 0.6	+ 0.1	+ 0.5	- 1.4	- 0.3	+ 0.5	+ 0.4	+ 2.8	
July	+ 6.4	+ 2.7	+ 5.1	+ 3.4	+ 1.7	+ 0.0	+ 1.7	- 0.8	- 0.7	- 0.1	+ 0.2	- 1.4	
Aug	+ 4.5	+ 2.4	+ 4.4	+ 3.4	+ 1.0	- 0.0	+ 1.1	- 1.5	- 0.8	+ 0.0	- 0.2	+ 3.6	
Sep	+ 3.9	+ 5.9	+ 0.1	+ 0.7	- 0.6	+ 0.1	- 0.7	- 1.5	- 0.6	- 1.4	- 0.1	- 0.7	
Oct	+ 3.9	+ 4.1	+ 1.5	+ 0.9	+ 0.6	+ 0.1	+ 0.6	- 1.6	- 0.2	- 0.4	- 0.0	+ 0.7	
Nov	+ 16.5	+ 15.9	+ 2.0	+ 0.1	+ 2.0	+ 0.1	+ 1.8	- 1.2	- 0.3	+ 0.4	- 0.2	+ 0.9	
Dec	+ 2.0	- 6.6	+ 1.2	- 1.6	+ 2.8	+ 0.2	+ 2.6	+ 7.4	- 0.0	+ 0.3	- 0.2	- 10.0	
2006 Jan	+ 9.0	+ 1.1	+ 8.5	+ 5.8	+ 2.7	+ 0.2	+ 2.5	- 0.6	+ 0.0	- 3.6	- 0.1	+ 5.9	
Feb	+ 2.0	- 2.8	+ 4.7	- 2.1	+ 6.8	+ 0.2	+ 6.6	- 0.2	+ 0.2	- 0.1	+ 0.1	+ 0.6	
Mar	+ 15.7	+ 7.1	+ 9.5	+ 8.8	+ 0.7	+ 0.0	+ 0.6	- 1.2	+ 0.4	- 0.4	- 0.1	+ 6.0	
Apr	+ 19.0	+ 4.0	+ 16.0	+ 11.3	+ 4.7	+ 0.1	+ 4.6	- 1.6	+ 0.6	+ 0.3	- 0.0	+ 2.4	
May	+ 10.6	+ 16.0	- 3.3	- 5.6	+ 2.4	+ 0.2	+ 2.2	- 2.3	+ 0.3	- 0.2	- 0.1	- 0.8	
Domestic government											End of year or month *		
2003	108.1	17.8	86.6	29.1	57.5	0.5	57.0	2.0	1.7	34.9	1.1	-	
2004	103.6	16.8	82.5	30.5	52.0	0.9	51.1	2.7	1.5	34.6	1.1	-	
2005	103.7	21.0	78.7	31.7	47.0	0.5	46.5	2.4	1.5	32.3	1.0	-	
2005 June	104.5	20.7	79.6	30.4	49.2	0.5	48.6	2.7	1.6	34.0	1.1	-	
July	103.7	19.0	80.4	31.6	48.8	0.5	48.3	2.8	1.6	33.7	1.1	-	
Aug	104.0	20.1	79.3	31.2	48.1	0.5	47.6	3.0	1.6	33.8	1.0	-	
Sep	103.3	19.1	79.6	32.6	47.1	0.5	46.5	3.1	1.5	32.4	1.0	-	
Oct	101.5	20.7	76.3	29.4	46.9	0.5	46.4	3.0	1.5	32.3	1.0	-	
Nov	102.0	21.5	76.3	29.2	47.1	0.5	46.6	2.7	1.5	32.2	1.0	-	
Dec	103.7	21.0	78.7	31.7	47.0	0.5	46.5	2.4	1.5	32.3	1.0	-	
2006 Jan	106.1	21.2	81.1	33.7	47.3	0.6	46.8	2.3	1.5	29.5	1.0	-	
Feb	104.4	22.0	78.6	31.1	47.5	0.6	47.0	2.3	1.5	29.5	1.0	-	
Mar	106.2	20.6	81.9	35.1	46.7	0.6	46.1	2.3	1.5	29.2	1.0	-	
Apr	107.7	19.7	84.3	37.2	47.0	0.7	46.3	2.2	1.5	29.4	1.0	-	
May	114.7	22.6	88.3	40.8	47.4	0.7	46.7	2.3	1.6	29.2	0.9	-	
											Changes *		
2004	- 1.9	- 1.0	- 1.5	+ 1.4	- 2.8	+ 0.4	- 3.2	+ 0.7	- 0.1	- 2.2	- 0.1	-	
2005	- 0.2	+ 3.9	- 3.8	+ 1.2	- 5.1	- 0.4	- 4.6	- 0.3	- 0.0	- 2.4	- 0.1	-	
2005 June	+ 2.8	+ 1.6	+ 1.1	+ 1.6	- 0.5	+ 0.0	- 0.5	+ 0.1	- 0.0	+ 0.3	- 0.0	-	
July	- 0.8	- 1.6	+ 0.8	+ 1.2	- 0.4	- 0.0	- 0.3	+ 0.1	- 0.0	- 0.3	+ 0.0	-	
Aug	- 0.0	+ 0.8	- 1.1	- 0.4	- 0.7	+ 0.0	- 0.7	+ 0.3	- 0.0	+ 0.1	- 0.1	-	
Sep	- 0.7	- 1.0	+ 0.3	+ 1.4	- 1.0	+ 0.0	- 1.0	+ 0.0	- 0.0	- 1.3	-	-	
Oct	- 1.8	+ 1.6	- 3.3	- 3.1	- 0.2	- 0.0	- 0.2	- 0.1	- 0.0	- 0.2	- 0.0	-	
Nov	+ 0.5	+ 0.8	- 0.0	- 0.2	+ 0.2	+ 0.0	+ 0.2	- 0.3	+ 0.0	- 0.0	-	-	
Dec	+ 1.6	- 0.5	+ 2.4	+ 2.5	- 0.1	- 0.0	- 0.1	- 0.3	+ 0.0	+ 0.0	- 0.0	-	
2006 Jan	+ 2.5	+ 0.2	+ 2.4	+ 2.0	+ 0.4	+ 0.1	+ 0.3	- 0.1	+ 0.0	- 2.7	+ 0.0	-	
Feb	- 1.7	+ 0.7	- 2.4	- 2.7	+ 0.2	+ 0.0	+ 0.2	+ 0.0	- 0.0	- 0.1	-	-	
Mar	+ 1.8	- 1.4	+ 3.2	+ 4.0	- 0.8	+ 0.0	- 0.8	- 0.1	- 0.0	- 0.2	- 0.0	-	
Apr	+ 1.4	- 1.0	+ 2.4	+ 2.1	+ 0.3	+ 0.1	+ 0.2	- 0.1	+ 0.0	+ 0.2	+ 0.0	-	
May	+ 7.1	+ 3.0	+ 4.0	+ 3.6	+ 0.4	+ 0.1	+ 0.4	+ 0.1	+ 0.0	- 0.2	+ 0.0	-	

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

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

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 households												End of year or month *	
2003	2,032.2	606.2	739.1	208.7	530.4	7.8	522.6	588.3	98.6	5.7	29.3	9.3	
2004	2,096.4	630.1	768.7	204.5	564.2	7.1	557.1	600.8	96.9	9.0	31.1	10.1	
2005	2,173.0	696.0	785.7	199.5	586.1	7.7	578.4	601.0	90.3	10.2	30.7	12.6	
2005 June	2,134.5	671.8	769.7	193.5	576.2	7.1	569.1	600.0	92.9	9.5	31.1	19.5	
July	2,141.6	676.2	774.0	195.7	578.3	7.2	571.2	599.1	92.2	9.7	31.3	18.1	
Aug	2,146.3	678.0	779.5	199.5	580.0	7.1	572.9	597.4	91.4	9.7	31.2	21.7	
Sep	2,150.9	684.9	779.3	198.8	580.5	7.2	573.3	595.9	90.8	9.6	31.1	21.0	
Oct	2,156.6	687.0	784.8	203.3	581.5	7.4	574.1	594.2	90.6	9.4	31.1	21.7	
Nov	2,172.6	702.1	786.9	203.6	583.2	7.5	575.7	593.3	90.4	9.9	30.9	22.6	
Dec	2,173.0	696.0	785.7	199.5	586.1	7.7	578.4	601.0	90.3	10.2	30.7	12.6	
2006 Jan	2,179.6	696.8	791.9	203.3	588.6	7.8	580.7	600.5	90.3	9.3	30.7	18.4	
Feb	2,183.2	693.3	799.0	203.9	595.2	8.0	587.2	600.3	90.6	8.8	30.8	19.0	
Mar	2,197.2	701.8	805.3	208.7	596.6	8.0	588.6	599.1	90.9	8.6	30.7	25.0	
Apr	2,214.7	706.8	818.9	217.8	601.0	8.0	593.0	597.6	91.5	8.7	30.6	27.4	
May	2,219.1	719.9	812.3	209.3	603.0	8.1	594.9	595.1	91.7	8.6	30.6	27.5	
												Changes *	
2004	+ 63.9	+ 25.3	+ 27.4	- 5.1	+ 32.5	- 0.7	+ 33.1	+ 12.5	- 1.3	+ 3.4	+ 1.8	+ 0.9	
2005	+ 76.8	+ 66.8	+ 16.3	- 5.2	+ 21.4	+ 0.8	+ 20.6	- 0.9	- 5.4	+ 1.2	- 0.0	+ 2.4	
2005 June	+ 3.3	+ 7.0	- 1.9	- 3.0	+ 1.1	+ 0.1	+ 1.0	- 1.5	- 0.3	+ 0.2	+ 0.5	+ 2.8	
July	+ 7.2	+ 4.4	+ 4.3	+ 2.2	+ 2.1	+ 0.1	+ 2.0	- 0.9	- 0.7	+ 0.2	+ 0.2	- 1.4	
Aug	+ 4.6	+ 1.7	+ 5.5	+ 3.8	+ 1.7	- 0.0	+ 1.8	- 1.8	- 0.8	- 0.0	- 0.1	+ 3.6	
Sep	+ 4.6	+ 6.9	- 0.3	- 0.7	+ 0.4	+ 0.1	+ 0.4	- 1.5	- 0.6	- 0.1	- 0.1	- 0.7	
Oct	+ 5.7	+ 2.5	+ 4.9	+ 4.0	+ 0.8	+ 0.1	+ 0.7	- 1.5	- 0.2	- 0.2	- 0.0	+ 0.7	
Nov	+ 16.0	+ 15.1	+ 2.1	+ 0.3	+ 1.8	+ 0.1	+ 1.6	- 0.9	- 0.3	+ 0.5	- 0.2	+ 0.9	
Dec	+ 0.4	- 6.1	- 1.2	- 4.1	+ 2.9	+ 0.2	+ 2.7	+ 7.7	- 0.0	+ 0.3	- 0.2	- 10.0	
2006 Jan	+ 6.5	+ 0.9	+ 6.1	+ 3.8	+ 2.3	+ 0.1	+ 2.2	- 0.5	+ 0.0	- 0.8	- 0.1	+ 5.9	
Feb	+ 3.7	- 3.5	+ 7.1	+ 0.5	+ 6.6	+ 0.2	+ 6.4	- 0.2	+ 0.2	- 0.0	+ 0.1	+ 0.6	
Mar	+ 13.9	+ 8.5	+ 6.3	+ 4.8	+ 1.5	- 0.0	+ 1.5	- 1.2	+ 0.4	- 0.2	- 0.1	+ 6.0	
Apr	+ 17.5	+ 5.0	+ 13.6	+ 9.1	+ 4.4	- 0.0	+ 4.4	- 1.6	+ 0.5	+ 0.1	- 0.0	+ 2.4	
May	+ 3.6	+ 13.0	- 7.3	- 9.2	+ 2.0	+ 0.2	+ 1.8	- 2.4	+ 0.3	- 0.0	- 0.0	- 0.8	
of which: Domestic enterprises												End of year or month *	
2003	730.8	205.8	498.1	102.1	396.0	1.6	394.4	4.8	22.1	5.4	17.3	9.3	
2004	762.3	202.0	533.4	110.2	423.1	1.7	421.5	5.1	21.8	8.7	18.3	10.1	
2005	809.9	233.2	550.8	108.7	442.0	2.4	439.6	5.0	21.0	9.7	19.4	12.6	
2005 June	792.6	224.5	541.0	105.6	435.4	2.0	433.3	5.2	22.0	9.0	19.6	19.5	
July	799.3	226.0	545.9	108.3	437.5	2.1	435.4	5.5	22.0	9.3	19.8	18.1	
Aug	807.6	229.5	551.0	112.1	439.0	2.0	436.9	5.3	21.8	9.2	19.8	21.7	
Sep	812.0	234.5	550.6	111.1	439.4	2.1	437.4	5.4	21.6	9.1	19.7	21.0	
Oct	816.6	234.0	556.0	115.5	440.5	2.2	438.3	5.2	21.5	9.0	19.7	21.7	
Nov	821.6	237.6	557.7	115.8	441.9	2.3	439.6	5.1	21.3	9.4	19.5	22.6	
Dec	809.9	233.2	550.8	108.7	442.0	2.4	439.6	5.0	21.0	9.7	19.4	12.6	
2006 Jan	817.6	235.1	556.5	112.4	444.1	2.6	441.5	5.0	21.0	8.9	19.5	18.4	
Feb	817.6	229.7	561.9	111.6	450.3	2.7	447.6	5.0	21.0	8.3	19.4	19.0	
Mar	829.0	237.4	565.7	114.7	451.0	2.6	448.4	5.0	20.8	8.1	19.4	25.0	
Apr	842.3	237.8	578.7	123.6	455.1	2.6	452.5	5.0	20.8	8.2	19.4	27.4	
May	847.7	250.7	571.4	114.3	457.1	2.7	454.4	4.9	20.8	8.2	19.4	27.5	
												Changes *	
2004	+ 31.1	- 2.3	+ 33.0	+ 7.3	+ 25.7	+ 0.0	+ 25.7	+ 0.2	+ 0.1	+ 3.3	+ 1.0	+ 0.9	
2005	+ 46.7	+ 31.0	+ 16.4	- 1.5	+ 18.0	+ 0.7	+ 17.3	+ 0.1	- 0.8	+ 1.0	+ 0.3	+ 2.4	
2005 June	+ 1.1	+ 2.1	- 0.8	- 1.7	+ 0.9	+ 0.0	+ 0.9	- 0.3	+ 0.1	+ 0.2	+ 0.5	+ 2.8	
July	+ 6.6	+ 1.5	+ 4.9	+ 2.7	+ 2.2	+ 0.0	+ 2.1	+ 0.3	- 0.0	+ 0.2	+ 0.2	- 1.4	
Aug	+ 8.2	+ 3.4	+ 5.2	+ 3.7	+ 1.4	- 0.1	+ 1.5	- 0.2	- 0.2	- 0.1	- 0.1	+ 3.6	
Sep	+ 4.4	+ 5.0	- 0.5	- 0.9	+ 0.5	+ 0.0	+ 0.4	+ 0.1	- 0.2	- 0.1	- 0.1	- 0.7	
Oct	+ 4.6	- 0.5	+ 5.3	+ 4.4	+ 0.9	+ 0.0	+ 0.9	- 0.0	- 0.1	- 0.2	+ 0.0	+ 0.7	
Nov	+ 5.0	+ 3.6	+ 1.7	+ 0.3	+ 1.4	+ 0.1	+ 1.3	- 0.1	- 0.2	+ 0.5	- 0.2	+ 0.9	
Dec	- 11.7	- 4.4	- 6.9	- 7.1	+ 0.2	+ 0.2	- 0.0	- 0.1	- 0.3	+ 0.3	- 0.2	- 10.0	
2006 Jan	+ 7.6	+ 1.9	+ 5.7	+ 3.7	+ 2.0	+ 0.1	+ 1.8	+ 0.0	- 0.0	- 0.9	+ 0.0	+ 5.9	
Feb	- 0.0	- 5.4	+ 5.4	- 0.8	+ 6.2	+ 0.1	+ 6.1	- 0.0	+ 0.0	- 0.0	- 0.0	+ 0.6	
Mar	+ 11.4	+ 7.7	+ 3.8	+ 3.1	+ 0.7	- 0.1	+ 0.8	- 0.0	- 0.1	- 0.2	- 0.0	+ 6.0	
Apr	+ 13.4	+ 0.4	+ 13.0	+ 8.9	+ 4.1	- 0.0	+ 4.1	+ 0.0	- 0.1	+ 0.1	+ 0.0	+ 2.4	
May	+ 4.6	+ 12.8	- 8.0	- 9.9	+ 1.9	+ 0.1	+ 1.8	- 0.1	- 0.0	+ 0.0	- 0.0	- 0.8	

liabilities arising from registered debt securities. — 2 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 domestic households and non-profit institutions at banks (MFIs) in Germany *

€ billion

Period	Sight deposits						Time deposits 1,2						
	Deposits of domestic households and non-profit institutions, total	by creditor group					Domestic non-profit institutions	by creditor group					
		Domestic households						Domestic households					
		Total	Total	Self-employed persons	Employees	Other individuals		Total	Total	Self-employed persons	Employees	Other individuals	
	End of year or month *												
2003	1,301.4	400.4	388.1	66.9	265.1	56.1	12.3	241.0	222.1	29.2	174.5	18.4	
2004	1,334.2	428.1	414.8	71.7	283.5	59.6	13.2	235.3	216.9	25.7	175.1	16.2	
2005	1,363.1	462.8	448.1	79.7	305.1	63.2	14.8	234.9	217.0	23.7	179.0	14.2	
2005 Dec	1,363.1	462.8	448.1	79.7	305.1	63.2	14.8	234.9	217.0	23.7	179.0	14.2	
2006 Jan	1,362.0	461.8	446.8	80.0	303.4	63.4	15.0	235.4	218.1	23.7	180.1	14.2	
Feb	1,365.7	463.6	448.6	79.5	305.2	63.8	15.1	237.1	219.4	24.4	180.8	14.3	
Mar	1,368.2	464.4	449.2	77.7	307.1	64.3	15.2	239.6	221.6	24.6	182.4	14.5	
Apr	1,372.4	469.0	454.2	78.5	310.9	64.7	14.8	240.2	222.4	25.0	182.9	14.5	
May	1,371.4	469.2	453.5	79.6	308.9	65.1	15.7	240.9	223.1	25.2	183.3	14.6	
	Changes *												
2004	+ 32.8	+ 27.6	+ 26.7	+ 4.8	+ 19.2	+ 2.7	+ 0.9	- 5.6	- 5.1	- 3.5	+ 0.6	- 2.2	
2005	+ 30.1	+ 35.8	+ 34.2	+ 8.0	+ 21.5	+ 4.7	+ 1.6	- 0.2	+ 0.3	- 2.0	+ 4.1	- 1.8	
2005 Dec	+ 12.1	- 1.7	- 1.4	+ 0.5	- 1.6	- 0.3	- 0.3	+ 5.7	+ 4.8	+ 0.6	+ 3.9	+ 0.4	
2006 Jan	- 1.1	- 1.1	- 1.3	+ 0.3	- 1.8	+ 0.2	+ 0.2	+ 0.5	+ 1.1	- 0.0	+ 1.1	+ 0.0	
Feb	+ 3.7	+ 1.9	+ 1.8	- 0.7	+ 2.2	+ 0.3	+ 0.1	+ 1.8	+ 1.4	+ 0.1	+ 1.2	+ 0.1	
Mar	+ 2.6	+ 0.7	+ 0.6	- 1.8	+ 1.9	+ 0.5	+ 0.1	+ 2.4	+ 2.2	+ 0.3	+ 1.7	+ 0.3	
Apr	+ 4.2	+ 4.6	+ 5.0	+ 0.8	+ 3.5	+ 0.7	- 0.4	+ 0.6	+ 0.8	+ 0.4	+ 0.4	- 0.1	
May	- 1.0	+ 0.2	- 0.7	+ 1.0	- 2.0	+ 0.4	+ 0.9	+ 0.8	+ 0.7	+ 0.1	+ 0.5	+ 0.1	

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

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

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

€ billion

Period	Deposits												
	Domestic government, total	Federal Government and its special funds 1						State governments					
		Total	Sight deposits	Time deposits			Savings deposits and bank savings bonds 2	Memo item Fiduciary loans	Total	Sight deposits	Time deposits		
				for up to and including 1 year	for more than 1 year						for up to and including 1 year	for more than 1 year	Savings deposits and bank savings bonds 2	Memo item Fiduciary loans
	End of year or month *												
2003	108.1	44.2	2.0	5.2	36.9	0.0	12.6	18.5	3.1	1.3	14.1	0.1	21.9
2004	103.6	41.4	0.8	5.8	34.8	0.0	12.9	15.1	2.7	2.2	10.2	0.1	21.5
2005	103.7	38.8	1.3	7.9	29.6	0.0	12.9	16.3	3.9	2.5	9.9	0.1	19.1
2005 Dec	103.7	38.8	1.3	7.9	29.6	0.0	12.9	16.3	3.9	2.5	9.9	0.1	19.1
2006 Jan	106.1	40.4	2.1	8.5	29.8	0.0	10.2	17.4	4.0	3.5	9.8	0.1	19.1
Feb	104.4	35.8	1.1	4.7	29.9	0.0	10.2	18.1	3.9	4.4	9.8	0.1	19.0
Mar	106.2	37.0	1.6	6.4	29.0	0.0	10.2	19.1	3.7	5.6	9.7	0.1	18.7
Apr	107.7	37.6	0.8	7.6	29.1	0.0	10.4	17.9	3.3	4.9	9.7	0.1	18.7
May	114.7	37.0	1.0	6.8	29.2	0.0	10.3	18.1	3.2	5.2	9.7	0.1	18.7
	Changes *												
2004	- 1.9	- 2.8	- 1.2	+ 0.6	- 2.1	+ 0.0	+ 0.2	- 1.0	- 0.4	+ 0.9	- 1.6	- 0.0	- 2.4
2005	- 0.2	- 3.0	+ 0.1	+ 2.1	- 5.2	- 0.0	+ 0.0	+ 1.2	+ 1.2	+ 0.3	- 0.3	+ 0.0	- 2.4
2005 Dec	+ 1.6	+ 0.0	+ 0.1	+ 0.3	- 0.3	-	- 0.1	+ 0.2	+ 0.4	- 0.1	+ 0.0	- 0.1	+ 0.1
2006 Jan	+ 2.5	+ 1.7	+ 0.9	+ 0.6	+ 0.2	+ 0.0	- 2.7	+ 1.1	+ 0.2	+ 1.1	- 0.1	- 0.0	- 0.1
Feb	- 1.7	- 4.6	- 1.0	- 3.8	+ 0.2	- 0.0	+ 0.0	+ 0.7	- 0.1	+ 0.9	- 0.0	- 0.0	- 0.1
Mar	+ 1.8	+ 1.3	+ 0.5	+ 1.7	- 0.9	+ 0.0	+ 0.0	+ 0.9	- 0.2	+ 1.2	- 0.1	- 0.0	- 0.2
Apr	+ 1.4	+ 0.5	- 0.8	+ 1.1	+ 0.1	- 0.0	+ 0.2	- 1.2	- 0.4	- 0.7	- 0.0	+ 0.0	- 0.1
May	+ 7.1	- 0.6	+ 0.2	- 0.8	+ 0.0	+ 0.0	- 0.2	+ 0.2	- 0.1	+ 0.3	+ 0.0	-	- 0.0

* 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				Period
by maturity					Total	Domestic households	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	
Domestic non-profit institutions	up to and including 1 year	more than 1 year ²										
		Total	of which									
		up to and including 2 years	more than 2 years		Total	Domestic households	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	
End of year or month *												
18.9	106.7	134.3	6.1	128.2	583.5	574.3	9.2	76.5	0.2	12.0	-	2003
18.4	94.3	141.0	5.5	135.6	595.7	586.3	9.5	75.1	0.3	12.8	-	2004
17.9	90.8	144.1	5.3	138.8	596.0	586.4	9.6	69.3	0.5	11.3	-	2005
17.9	90.8	144.1	5.3	138.8	596.0	586.4	9.6	69.3	0.5	11.3	-	2005 Dec
17.3	90.9	144.5	5.3	139.2	595.5	585.9	9.6	69.4	0.5	11.2	-	2006 Jan
17.7	92.3	144.9	5.3	139.6	595.3	585.7	9.6	69.6	0.5	11.3	-	Feb
18.0	94.0	145.6	5.4	140.2	594.2	584.6	9.6	70.1	0.5	11.3	-	Mar
17.8	94.3	145.9	5.4	140.5	592.6	583.1	9.5	70.7	0.5	11.2	-	Apr
17.8	95.0	146.0	5.5	140.5	590.3	580.9	9.4	71.0	0.5	11.2	-	May
Changes *												
- 0.5	- 12.3	+ 6.7	- 0.7	+ 7.4	+ 12.2	+ 12.0	+ 0.2	- 1.4	+ 0.1	+ 0.8	-	2004
- 0.5	- 3.7	+ 3.5	+ 0.2	+ 3.3	- 1.0	- 1.1	+ 0.1	- 4.5	+ 0.2	- 0.3	-	2005
+ 0.9	+ 3.0	+ 2.7	+ 0.1	+ 2.7	+ 7.8	+ 7.9	- 0.0	+ 0.2	- 0.0	- 0.0	-	2005 Dec
- 0.6	+ 0.1	+ 0.4	- 0.0	+ 0.4	- 0.5	- 0.5	- 0.0	+ 0.0	+ 0.0	- 0.1	-	2006 Jan
+ 0.4	+ 1.4	+ 0.4	+ 0.0	+ 0.4	- 0.2	- 0.2	+ 0.0	+ 0.2	- 0.0	+ 0.1	-	Feb
+ 0.3	+ 1.7	+ 0.7	+ 0.0	+ 0.7	- 1.1	- 1.1	- 0.1	+ 0.5	- 0.0	- 0.1	-	Mar
- 0.2	+ 0.2	+ 0.3	+ 0.0	+ 0.3	- 1.6	- 1.6	- 0.0	+ 0.6	+ 0.0	- 0.0	-	Apr
+ 0.1	+ 0.7	+ 0.1	+ 0.1	- 0.0	- 2.3	- 2.2	- 0.1	+ 0.3	+ 0.0	- 0.0	-	May

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 government and local government associations (including municipal special-purpose associations)						Social security funds						Period
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	
		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 *												
24.8	9.9	10.1	1.9	2.8	0.2	20.6	2.8	12.5	4.5	0.8	0.0	2003
25.7	10.5	9.6	2.3	3.3	0.3	21.4	2.9	12.9	4.8	0.8	0.0	2004
28.0	11.8	10.4	2.6	3.2	0.3	20.7	4.1	11.0	4.9	0.7	0.0	2005
28.0	11.8	10.4	2.6	3.2	0.3	20.7	4.1	11.0	4.9	0.7	0.0	2005 Dec
24.7	9.1	9.8	2.8	3.1	0.3	23.6	6.0	11.9	5.0	0.6	0.0	2006 Jan
26.9	10.2	10.7	2.8	3.1	0.3	23.7	6.7	11.3	5.1	0.6	0.0	Feb
26.0	9.3	10.8	2.7	3.1	0.3	24.2	6.0	12.3	5.3	0.6	0.0	Mar
26.6	9.7	10.9	2.8	3.1	0.3	25.6	5.8	13.8	5.4	0.6	0.0	Apr
29.3	10.9	12.3	3.0	3.2	0.3	30.3	7.6	16.6	5.6	0.6	0.0	May
Changes *												
+ 0.8	+ 0.5	- 0.5	+ 0.4	+ 0.5	+ 0.0	+ 1.1	+ 0.1	+ 0.4	+ 0.5	+ 0.1	- 0.0	2004
+ 2.3	+ 1.3	+ 0.8	+ 0.3	- 0.1	+ 0.0	- 0.7	+ 1.3	- 1.9	+ 0.1	- 0.2	- 0.0	2005
+ 0.7	+ 0.1	+ 0.5	+ 0.2	- 0.1	+ 0.0	+ 0.6	- 1.1	+ 1.9	- 0.0	- 0.1	- 0.0	2005 Dec
- 3.2	- 2.7	- 0.6	+ 0.1	- 0.1	-	+ 2.9	+ 1.9	+ 0.9	+ 0.1	- 0.0	-	2006 Jan
+ 2.1	+ 1.1	+ 0.9	+ 0.0	+ 0.0	-	+ 0.1	+ 0.7	- 0.6	+ 0.0	- 0.0	-	Feb
- 0.9	- 0.9	+ 0.1	- 0.1	- 0.1	- 0.0	+ 0.5	- 0.8	+ 1.0	+ 0.3	- 0.0	-	Mar
+ 0.6	+ 0.4	+ 0.1	+ 0.1	- 0.0	- 0.0	+ 1.5	- 0.1	+ 1.6	+ 0.0	- 0.0	-	Apr
+ 2.8	+ 1.1	+ 1.4	+ 0.1	+ 0.1	-	+ 4.7	+ 1.8	+ 2.7	+ 0.2	-	-	May

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 *													
2003	600.4	590.3	500.8	377.1	89.5	76.4	10.1	7.9	16.0	107.2	100.3	83.9	7.0
2004	613.0	603.5	515.5	397.9	88.0	76.7	9.6	7.7	14.2	105.8	98.4	85.2	7.4
2005	611.9	603.4	519.2	404.2	84.2	74.4	8.5	6.8	13.3	99.3	91.9	77.5	7.4
2006 Jan	611.2	602.8	517.9	403.4	84.9	75.6	8.5	6.8	0.6	99.2	91.9	76.7	7.3
Feb	611.1	602.6	517.5	403.8	85.2	75.9	8.5	6.8	0.3	99.4	92.1	76.3	7.3
Mar	609.8	601.4	515.4	402.5	86.0	76.7	8.4	6.8	0.3	99.8	92.4	75.9	7.3
Apr	608.2	599.8	513.6	401.8	86.2	76.9	8.4	6.7	0.2	100.3	93.0	75.5	7.3
May	605.8	597.4	510.1	399.7	87.3	78.1	8.4	6.7	0.3	100.6	93.3	75.1	7.3
Changes *													
2004	+ 12.6	+ 13.1	+ 14.7	+ 20.1	- 1.5	+ 0.2	- 0.5	- 0.3	.	- 1.0	- 1.5	+ 1.3	+ 0.4
2005	- 2.2	- 1.2	+ 2.9	+ 6.5	- 4.0	- 2.6	- 1.1	- 0.8	.	- 5.3	- 5.4	- 6.5	+ 0.0
2006 Jan	- 0.6	- 0.6	- 1.3	- 0.8	+ 0.7	+ 1.2	- 0.0	- 0.0	.	- 0.1	+ 0.0	- 0.8	- 0.1
Feb	- 0.2	- 0.2	- 0.4	+ 0.4	+ 0.3	+ 0.3	- 0.0	-	.	+ 0.2	+ 0.2	- 0.4	- 0.0
Mar	- 1.2	- 1.2	- 2.0	- 1.3	+ 0.8	+ 0.8	- 0.0	- 0.0	.	+ 0.3	+ 0.4	- 0.3	- 0.0
Apr	- 1.7	- 1.6	- 1.9	- 0.7	+ 0.2	+ 0.2	- 0.0	- 0.0	.	+ 0.6	+ 0.6	- 0.4	+ 0.0
May	- 2.4	- 2.3	- 3.5	- 2.1	+ 1.1	+ 1.2	- 0.0	- 0.0	.	+ 0.3	+ 0.3	- 0.4	- 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 ⁵					Subordinated	
	Total	of which						Total	of which with maturities of			negotiable debt securities		
		Floating rate bonds ¹	Zero coupon bonds ^{1,2}	Foreign currency bonds ^{3,4}	Certifi- cates of deposit	with maturities of			up to and including 1 year	more than 1 year including 2 years	more than 2 years			
						up to and including 1 year	more than 1 year including 2 years						more than 2 years	
End of year or month *														
2003	1,490.1	353.4	20.8	177.5	39.0	70.1	105.2	1,314.8	2.4	0.6	0.5	1.2	40.2	3.2
2004	1,550.0	382.6	22.9	214.6	36.5	62.1	94.2	1,393.7	2.4	0.5	0.5	1.5	43.3	3.7
2005	1,608.7	400.7	25.3	274.5	32.0	61.8	94.8	1,452.1	1.5	0.2	0.5	0.8	45.8	2.5
2006 Jan	1,617.4	400.2	25.6	277.7	33.4	64.1	94.1	1,459.2	1.4	0.1	0.5	0.8	45.8	2.5
Feb	1,633.5	412.9	30.9	286.8	33.3	64.5	98.2	1,470.8	1.6	0.2	0.6	0.8	45.9	2.6
Mar	1,636.9	405.2	32.2	287.5	38.1	70.0	102.7	1,464.2	1.7	0.3	0.7	0.8	47.9	2.6
Apr	1,628.6	404.1	34.2	286.3	38.4	70.7	103.4	1,454.4	1.8	0.3	0.7	0.8	48.1	2.6
May	1,637.6	406.2	35.2	288.3	38.0	71.1	107.5	1,459.0	1.6	0.2	0.7	0.7	47.8	2.6
Changes *														
2004	+ 57.4	+ 27.9	+ 1.8	+ 34.7	- 7.9	- 8.0	- 11.0	+ 76.4	+ 0.0	- 0.2	- 0.1	+ 0.2	+ 3.1	+ 0.5
2005	+ 56.1	+ 16.2	+ 3.4	+ 59.8	- 5.6	- 0.3	- 5.8	+ 62.1	- 0.6	- 0.3	+ 0.1	- 0.4	+ 2.6	+ 0.0
2006 Jan	+ 3.7	- 6.3	+ 0.3	+ 2.1	+ 1.4	+ 2.2	- 1.3	+ 2.7	- 0.1	- 0.1	+ 0.0	- 0.0	- 0.0	- 0.0
Feb	+ 16.1	+ 2.1	+ 1.2	+ 9.1	- 0.1	+ 0.4	+ 4.1	+ 11.5	+ 0.2	+ 0.1	+ 0.0	+ 0.0	+ 0.1	+ 0.1
Mar	+ 3.3	- 7.8	+ 1.3	+ 0.7	+ 3.8	+ 5.5	+ 4.4	- 6.6	+ 0.1	+ 0.0	+ 0.1	- 0.0	+ 2.0	+ 0.0
Apr	- 8.3	- 0.4	+ 2.0	- 1.2	+ 0.1	+ 0.7	+ 0.7	- 9.7	- 0.0	- 0.0	+ 0.0	-	+ 0.2	- 0.0
May	+ 9.0	+ 2.2	+ 0.8	+ 2.0	- 0.4	+ 0.4	+ 4.0	+ 4.6	- 0.1	- 0.1	- 0.0	- 0.1	- 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 Including debt securities denominated in foreign currencies. — 2 Issue value when floated. — 3 Including floating

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

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																
2005	26	192.4	38.2	0.0	13.6	29.8	64.5	10.1	17.2	0.5	28.5	120.1	5.0	5.6	7.4	94.2
2006 Mar	26	193.1	40.8	0.0	13.6	28.7	64.9	10.5	16.0	0.5	28.0	121.5	5.0	4.7	7.4	9.1
Apr	26	193.5	41.9	0.0	13.3	28.6	64.6	10.7	16.0	0.5	28.7	121.7	4.9	4.3	7.4	8.1
May	26	193.5	41.8	0.0	13.2	28.3	64.8	11.0	16.1	0.4	29.1	121.7	5.0	4.2	7.4	8.1
Private building and loan associations																
2006 Mar	15	140.8	30.5	0.0	6.6	18.2	47.5	9.6	10.7	0.3	21.1	82.1	4.8	4.7	4.8	5.8
Apr	15	141.1	31.3	0.0	6.5	18.1	47.3	9.8	10.5	0.3	22.0	82.0	4.7	4.3	4.8	5.2
May	15	141.3	31.2	0.0	6.5	17.9	47.5	10.1	10.5	0.3	22.5	82.0	4.8	4.2	4.8	5.1
Public building and loan associations																
2006 Mar	11	52.3	10.3	0.0	7.0	10.5	17.4	1.0	5.4	0.1	6.9	39.4	0.2	-	2.6	3.3
Apr	11	52.4	10.6	0.0	6.8	10.5	17.3	1.0	5.5	0.1	6.7	39.6	0.2	-	2.6	2.9
May	11	52.2	10.6	0.0	6.7	10.3	17.3	1.0	5.6	0.1	6.6	39.6	0.2	-	2.6	3.0

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																
2005	26.1	3.3	5.7	41.0	27.1	36.5	16.6	4.1	6.5	3.3	13.5	11.1	7.7	13.8	11.5	0.5
2006 Mar	2.9	0.0	0.6	3.4	2.4	3.4	1.6	0.4	0.6	0.3	1.2	11.0	7.6	1.1	2.5	0.1
Apr	2.3	0.1	0.5	4.1	3.0	3.3	1.7	0.4	0.6	0.4	0.9	11.5	7.9	0.9	0.9	0.1
May	1.9	0.1	0.6	3.6	2.3	3.1	1.5	0.3	0.5	0.2	1.1	11.7	7.9	1.0	0.0	0.0
Private building and loan associations																
2006 Mar	1.8	0.0	0.4	2.4	1.5	2.5	1.1	0.3	0.4	0.2	1.0	6.5	3.6	0.8	1.6	0.0
Apr	1.4	0.0	0.3	2.9	2.1	2.4	1.2	0.3	0.5	0.3	0.7	6.8	3.8	0.6	0.0	0.0
May	1.2	0.1	0.3	2.5	1.4	2.2	1.0	0.2	0.3	0.2	0.9	7.0	3.8	0.6	0.0	0.0
Public building and loan associations																
2006 Mar	1.0	0.0	0.2	1.1	0.8	0.9	0.5	0.1	0.2	0.1	0.2	4.5	4.0	0.4	0.9	0.0
Apr	0.9	0.0	0.2	1.1	0.9	0.8	0.5	0.1	0.2	0.1	0.2	4.6	4.1	0.3	0.0	0.0
May	0.7	0.0	0.2	1.1	0.9	0.9	0.5	0.1	0.2	0.1	0.2	4.6	4.1	0.3	0.0	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	Total	to German non-banks			of which enterprises and households	to foreign non-banks
Foreign branches															
End of year or month *															
2003	55	202	1,294.1	599.0	522.9	185.6	337.3	76.1	632.7	438.0	19.0	16.8	419.0	194.7	62.5
2004	52	203	1,452.7	681.0	595.7	170.2	425.6	85.2	671.0	477.3	17.1	15.8	460.2	193.7	100.7
2005	54	211	1,626.5	713.1	640.8	180.1	460.7	72.3	805.8	587.7	22.0	21.5	565.7	218.1	107.6
2005 July	54	207	1,626.1	726.3	653.1	176.3	476.8	73.2	779.8	562.8	21.5	20.4	541.3	217.0	120.0
Aug	53	207	1,648.9	718.3	645.6	174.7	470.9	72.7	799.8	577.8	20.6	19.4	557.2	222.0	130.9
Sep	53	207	1,643.7	708.8	635.0	173.3	461.7	73.8	806.3	590.1	21.2	20.0	568.9	216.2	128.6
Oct	54	211	1,705.5	729.6	657.1	185.2	471.9	72.5	834.9	612.6	22.2	21.0	590.5	222.3	141.0
Nov	54	211	1,775.0	791.3	717.6	193.7	523.8	73.7	827.4	608.9	23.3	22.4	585.6	218.5	156.3
Dec	54	211	1,626.5	713.1	640.8	180.1	460.7	72.3	805.8	587.7	22.0	21.5	565.7	218.1	107.6
2006 Jan	54	214	1,664.5	717.5	645.5	185.0	460.5	72.0	834.8	621.6	22.3	21.7	599.3	213.3	112.2
Feb	54	215	1,702.8	747.8	673.1	207.5	465.7	74.6	859.3	644.9	21.4	20.9	623.5	214.3	95.8
Mar	54	212	1,713.8	748.6	676.6	214.2	462.4	72.0	870.9	666.5	21.2	20.6	645.3	204.4	94.3
Apr	54	210	1,721.0	728.9	657.6	215.7	441.9	71.4	899.1	696.3	21.4	20.8	674.9	202.8	93.0
Changes *															
2004	- 3	+ 1	+207.5	+100.7	+ 90.1	- 15.4	+105.5	+ 10.6	+ 64.2	+ 57.8	- 1.9	- 1.0	+ 59.7	+ 6.4	+ 42.7
2005	+ 2	+ 8	+ 74.0	- 4.9	+ 10.6	+ 10.0	+ 0.6	- 15.5	+ 80.1	+ 70.1	+ 4.9	+ 5.7	+ 65.2	+ 10.0	- 1.1
2005 July	- 1	+ 2	- 27.2	- 34.1	- 31.2	- 18.4	- 12.8	- 2.9	+ 3.6	+ 9.0	- 0.2	- 0.0	+ 9.2	- 5.4	+ 3.3
Aug	- 1	-	+ 26.6	- 6.4	- 6.0	- 1.6	- 4.4	- 0.4	+ 22.1	+ 16.4	- 0.9	- 1.0	+ 17.3	+ 5.8	+ 11.0
Sep	-	-	- 14.5	- 13.1	- 14.0	- 1.5	- 12.5	+ 0.9	+ 1.3	+ 8.5	+ 0.7	+ 0.6	+ 7.8	- 7.2	- 2.6
Oct	+ 1	+ 4	+ 61.5	+ 20.7	+ 22.1	+ 11.9	+ 10.1	- 1.3	+ 28.5	+ 22.3	+ 0.9	+ 1.0	+ 21.4	+ 6.2	+ 12.2
Nov	-	-	+ 56.3	+ 56.3	+ 55.5	+ 8.6	+ 46.9	+ 0.9	- 15.1	- 9.3	+ 1.1	+ 1.3	- 10.4	- 5.8	+ 15.1
Dec	-	-	-147.3	- 77.8	- 76.4	- 13.6	- 62.8	- 1.4	- 20.8	- 20.6	- 1.3	- 0.8	- 19.3	- 0.2	- 48.7
2006 Jan	-	+ 3	+ 58.2	+ 12.2	+ 12.0	+ 4.8	+ 7.2	+ 0.2	+ 40.4	+ 42.2	+ 0.3	+ 0.1	+ 41.9	- 1.8	+ 5.6
Feb	-	+ 1	+ 20.9	+ 24.1	+ 21.9	+ 22.5	- 0.6	+ 2.2	+ 14.2	+ 15.6	- 0.9	- 0.8	+ 16.5	- 1.5	- 17.3
Mar	-	- 3	+ 31.1	+ 7.9	+ 10.0	+ 6.8	+ 3.3	- 2.1	+ 23.6	+ 30.9	- 0.2	- 0.3	+ 31.1	- 7.3	- 0.4
Apr	-	- 2	+ 35.2	- 10.2	- 10.1	+ 1.4	- 11.5	- 0.1	+ 43.4	+ 41.6	+ 0.2	+ 0.2	+ 41.4	+ 1.8	+ 2.1
Foreign subsidiaries															
End of year or month *															
2003	46	179	645.8	307.2	246.4	127.3	119.1	60.7	277.0	213.8	41.5	37.9	172.3	63.3	61.6
2004	45	170	647.7	304.4	236.1	117.1	119.0	68.3	282.1	211.9	38.6	35.0	173.3	70.2	61.2
2005	43	153	713.6	320.9	249.4	119.9	129.6	71.4	324.6	224.0	39.0	35.8	185.0	100.6	68.1
2005 July	44	165	689.8	314.1	241.4	125.4	116.0	72.7	308.3	212.5	37.4	35.4	175.0	95.9	67.4
Aug	43	162	702.5	320.8	248.8	125.2	123.6	72.0	313.7	217.9	38.4	36.1	179.5	95.8	67.9
Sep	43	162	705.3	320.1	247.6	119.9	127.6	72.6	316.6	220.4	37.2	36.0	183.2	96.2	68.5
Oct	43	162	704.4	325.3	253.2	120.1	133.2	72.0	313.2	215.1	36.8	35.7	178.3	98.1	66.0
Nov	43	156	714.2	326.4	256.1	119.0	137.1	70.4	320.5	217.8	37.1	36.0	180.7	102.7	67.3
Dec	43	153	713.6	320.9	249.4	119.9	129.6	71.4	324.6	224.0	39.0	35.8	185.0	100.6	68.1
2006 Jan	44	154	730.9	328.7	254.9	120.9	134.0	73.8	332.7	220.3	39.4	36.2	180.9	112.4	69.6
Feb	44	153	752.3	336.9	259.7	123.4	136.3	77.2	333.0	219.3	37.5	35.8	181.8	113.7	82.4
Mar	43	153	759.2	335.8	260.7	121.8	138.9	75.1	340.6	221.7	37.2	35.5	184.5	118.9	82.8
Apr	43	152	762.2	338.2	259.7	123.6	136.2	78.4	336.3	218.6	37.6	35.9	181.0	117.7	87.8
Changes *															
2004	- 1	- 9	+ 9.3	+ 0.8	- 8.1	- 10.2	+ 2.0	+ 9.0	+ 8.3	+ 1.3	- 2.9	- 2.8	+ 4.2	+ 7.0	+ 0.1
2005	- 2	- 17	+ 49.9	+ 7.0	+ 7.6	+ 2.7	+ 4.9	- 0.6	+ 36.8	+ 6.5	+ 0.4	+ 0.7	+ 6.1	+ 30.3	+ 6.1
2005 July	-	-	- 9.9	- 6.7	- 6.2	- 0.8	- 5.4	- 0.4	- 1.5	- 2.5	+ 0.3	+ 0.3	- 2.8	+ 1.0	- 1.7
Aug	- 1	- 3	+ 13.1	+ 7.0	+ 7.5	- 0.2	+ 7.7	- 0.5	+ 5.5	+ 5.5	+ 0.9	+ 0.7	+ 4.6	- 0.0	+ 0.5
Sep	-	-	+ 1.4	- 1.6	- 1.7	- 5.3	+ 3.6	+ 0.1	+ 2.5	+ 2.1	- 1.1	- 0.1	+ 3.2	+ 0.4	+ 0.5
Oct	-	-	- 1.1	+ 5.1	+ 5.6	+ 0.1	+ 5.4	- 0.5	- 3.6	- 5.5	- 0.4	- 0.3	- 5.1	+ 1.9	- 2.5
Nov	-	- 6	+ 7.7	- 0.2	+ 2.1	- 1.1	+ 3.2	- 2.3	+ 6.7	+ 2.1	+ 0.3	+ 0.3	+ 1.8	+ 4.6	+ 1.2
Dec	-	- 3	- 0.3	- 5.4	- 6.5	+ 0.9	- 7.4	+ 1.1	+ 4.3	+ 6.4	+ 1.9	- 0.2	+ 4.5	- 2.1	+ 0.8
2006 Jan	+ 1	+ 1	+ 20.6	+ 9.0	+ 6.4	+ 1.0	+ 5.4	+ 2.5	+ 10.0	- 2.7	+ 0.4	+ 0.4	- 3.0	+ 12.7	+ 1.6
Feb	-	- 1	+ 18.7	+ 6.4	+ 4.0	+ 2.6	+ 1.4	+ 2.4	- 0.4	- 1.6	- 1.8	- 0.3	+ 0.2	+ 1.2	+ 12.8
Mar	- 1	-	+ 10.6	+ 1.2	+ 2.2	- 1.7	+ 3.8	- 1.0	+ 8.7	+ 3.5	- 0.3	- 0.3	+ 3.8	+ 5.2	+ 0.7
Apr	-	- 1	+ 7.1	+ 5.0	+ 0.2	+ 1.8	- 1.5	+ 4.8	- 3.2	- 2.0	+ 0.4	+ 0.4	- 2.3	- 1.2	+ 5.2

* 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 subsidiar-

ies.) 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 country of domicile

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								
						Total	of which enterprises and households	Total		of which enterprises and households						
End of year or month *													Foreign branches			
1,076.8	727.6	267.1	460.5	349.2	66.2	60.6	56.8	5.7	5.4	283.0	139.4	30.5	47.4	2003		
1,226.9	798.4	295.2	503.2	428.4	61.8	55.7	52.4	6.1	5.8	366.6	139.9	21.7	64.3	2004		
1,362.8	912.4	373.6	538.9	450.4	63.9	59.0	55.3	4.9	4.6	386.5	171.9	20.9	70.8	2005		
1,379.8	900.1	350.5	549.6	479.7	69.1	63.9	60.9	5.2	4.9	410.6	148.8	22.8	74.8	2005 July		
1,382.4	915.1	353.7	561.4	467.3	65.8	61.0	58.0	4.9	4.6	401.5	158.3	23.0	85.2	2005 Aug		
1,370.7	906.0	359.8	546.1	464.7	69.0	64.1	61.4	4.9	4.6	395.7	159.3	23.0	90.7	2005 Sep		
1,429.9	946.0	353.9	592.1	483.9	66.3	61.5	58.5	4.9	4.6	417.6	156.7	21.6	97.3	2005 Oct		
1,490.4	998.6	360.3	638.3	491.8	66.0	61.1	57.5	4.8	4.5	425.8	158.7	21.3	104.6	2005 Nov		
1,362.8	912.4	373.6	538.9	450.4	63.9	59.0	55.3	4.9	4.6	386.5	171.9	20.9	70.8	2005 Dec		
1,388.6	925.4	362.6	562.8	463.2	72.4	64.5	61.0	7.8	7.6	390.9	168.3	21.4	86.3	2006 Jan		
1,421.7	924.0	357.9	566.0	497.8	70.5	62.4	58.8	8.1	7.8	427.2	175.7	21.4	84.0	2006 Feb		
1,425.6	941.6	355.5	586.1	484.1	70.0	62.0	59.3	8.0	7.7	414.1	180.3	21.6	86.3	2006 Mar		
1,426.5	922.5	340.2	582.3	504.0	68.6	60.8	58.1	7.8	7.5	435.4	188.1	21.9	84.5	2006 Apr		
Changes *													Foreign subsidiaries			
+ 186.4	+ 93.2	+ 28.1	+ 65.1	+ 93.3	- 4.4	- 4.8	- 4.4	+ 0.5	+ 0.4	+ 97.7	+ 0.4	- 8.7	+ 29.4	2004		
+ 59.5	+ 69.4	+ 78.4	- 8.9	- 10.0	+ 2.0	+ 3.3	+ 2.9	- 1.2	- 1.2	- 12.0	+ 32.1	- 0.8	- 16.7	2005		
- 32.4	- 12.1	- 8.5	- 3.6	- 20.2	+ 0.2	+ 0.4	+ 0.6	- 0.2	- 0.2	- 20.4	- 1.2	- 0.0	+ 6.4	2005 July		
+ 5.4	+ 16.9	+ 3.2	+ 13.6	- 11.4	- 3.3	- 3.0	- 2.8	- 0.3	- 0.3	- 8.1	+ 9.5	+ 0.2	+ 11.5	2005 Aug		
- 19.1	- 13.6	+ 6.1	- 19.8	- 5.5	+ 3.2	+ 3.1	+ 3.3	+ 0.1	+ 0.1	- 8.7	+ 0.9	+ 0.1	+ 3.6	2005 Sep		
+ 58.6	+ 39.7	- 6.0	+ 45.7	+ 18.8	- 2.7	- 2.6	- 2.9	- 0.1	- 0.0	+ 21.5	- 2.6	- 1.4	+ 6.9	2005 Oct		
+ 50.0	+ 45.9	+ 6.4	+ 39.5	+ 4.0	- 0.4	- 0.3	- 0.9	- 0.0	- 0.1	+ 4.4	+ 2.0	- 0.3	+ 4.6	2005 Nov		
- 126.4	- 85.5	+ 13.2	- 98.8	- 40.8	- 2.1	- 2.2	- 2.2	+ 0.1	+ 0.1	- 38.8	+ 13.3	- 0.4	- 33.8	2005 Dec		
+ 40.8	+ 22.1	- 10.9	+ 33.0	+ 18.7	+ 8.5	+ 5.5	+ 5.7	+ 2.9	+ 2.9	+ 10.2	- 3.7	+ 0.4	+ 20.7	2006 Jan		
+ 19.8	- 9.4	- 4.7	+ 4.7	+ 29.2	- 1.8	- 2.1	- 2.2	+ 0.2	+ 0.2	+ 31.0	+ 7.5	+ 0.0	- 6.3	2006 Feb		
+ 18.7	+ 25.5	- 2.4	+ 27.9	- 6.8	- 0.6	- 0.5	+ 0.5	- 0.1	- 0.1	- 6.2	+ 4.6	+ 0.2	+ 7.7	2006 Mar		
+ 19.4	- 7.6	- 15.3	+ 7.8	+ 27.0	- 1.4	- 1.2	- 1.2	- 0.2	- 0.2	+ 28.3	+ 7.8	+ 0.3	+ 7.7	2006 Apr		
467.9	283.1	99.8	183.3	184.8	29.9	25.9	24.0	4.0	3.9	155.0	68.2	41.3	68.4	2003		
462.3	277.5	83.4	194.1	184.9	31.8	27.3	26.5	4.5	4.3	153.1	73.5	39.1	72.7	2004		
525.4	310.6	103.3	207.3	214.8	36.0	29.1	27.1	7.0	6.8	178.8	79.7	41.0	67.5	2005		
501.2	305.7	92.1	213.6	195.6	27.3	21.5	19.9	5.8	5.7	168.2	75.4	41.4	71.8	2005 July		
512.2	310.5	94.5	216.1	201.7	29.5	23.7	22.4	5.8	5.7	172.2	76.9	41.5	71.9	2005 Aug		
516.6	309.8	99.0	210.8	206.8	31.6	25.6	24.5	6.0	5.8	175.2	76.8	41.6	70.2	2005 Sep		
518.6	312.9	97.8	215.0	205.8	30.6	23.9	22.4	6.7	6.6	175.2	76.9	41.2	67.7	2005 Oct		
526.5	318.9	97.2	221.7	207.7	29.9	23.0	21.6	6.9	6.8	177.7	76.8	40.8	70.0	2005 Nov		
525.4	310.6	103.3	207.3	214.8	36.0	29.1	27.1	7.0	6.8	178.8	79.7	41.0	67.5	2005 Dec		
534.6	322.2	101.0	221.3	212.4	33.0	24.7	23.5	8.4	8.1	179.3	84.9	41.0	70.5	2006 Jan		
553.4	329.6	101.2	228.5	223.8	34.4	26.4	25.3	8.0	7.9	189.4	87.9	41.0	70.0	2006 Feb		
557.1	336.0	108.7	227.3	221.1	34.8	26.8	25.7	8.0	7.9	186.3	90.8	41.1	70.3	2006 Mar		
558.1	336.0	109.5	226.4	222.1	33.9	25.7	24.9	8.2	7.9	188.2	91.8	40.8	71.6	2006 Apr		
Changes *																
+ 1.4	- 0.7	- 16.4	+ 15.7	+ 2.1	+ 1.9	+ 1.4	+ 2.6	+ 0.5	+ 0.4	+ 0.2	+ 5.4	- 2.2	+ 4.7	2004		
+ 48.6	+ 24.2	+ 19.9	+ 4.3	+ 24.4	+ 4.2	+ 1.7	+ 0.6	+ 2.5	+ 2.5	+ 20.2	+ 6.2	+ 1.9	- 6.7	2005		
- 6.7	- 2.6	+ 0.6	- 3.2	- 4.1	- 1.1	- 1.2	- 1.0	+ 0.1	+ 0.1	- 3.0	- 0.3	- 0.0	- 2.9	2005 July		
+ 11.4	+ 5.1	+ 2.4	+ 2.7	+ 6.3	+ 2.2	+ 2.2	+ 2.6	+ 0.0	+ 0.0	+ 4.1	+ 1.5	+ 0.1	+ 0.1	2005 Aug		
+ 3.2	- 1.4	+ 4.5	- 5.9	+ 4.6	+ 2.1	+ 1.9	+ 2.1	+ 0.2	+ 0.1	+ 2.6	- 0.1	+ 0.2	- 1.8	2005 Sep		
+ 1.6	+ 2.8	- 1.2	+ 4.0	- 1.2	- 1.0	- 1.7	- 2.1	+ 0.7	+ 0.8	- 0.2	+ 0.1	- 0.4	- 2.4	2005 Oct		
+ 6.0	+ 4.8	- 0.7	+ 5.4	+ 1.2	- 0.6	- 0.9	- 0.9	+ 0.2	+ 0.2	+ 1.9	- 0.1	- 0.3	+ 2.1	2005 Nov		
- 0.8	- 8.0	+ 6.1	- 14.1	+ 7.3	+ 6.1	+ 6.1	+ 5.6	+ 0.0	+ 0.0	+ 1.2	+ 2.9	+ 0.2	- 2.6	2005 Dec		
+ 11.9	+ 13.2	- 2.4	+ 15.5	- 1.3	- 3.0	- 4.4	- 3.6	+ 1.4	+ 1.3	+ 1.7	+ 5.2	+ 0.0	+ 3.5	2006 Jan		
+ 16.5	+ 6.0	+ 0.2	+ 5.8	+ 10.5	+ 1.3	+ 1.7	+ 1.8	- 0.3	- 0.3	+ 9.1	+ 3.0	- 0.0	- 0.8	2006 Feb		
+ 6.9	+ 8.2	+ 7.6	+ 0.6	- 1.3	+ 0.4	+ 0.4	+ 0.4	+ 0.0	-	- 1.7	+ 2.8	+ 0.1	+ 0.8	2006 Mar		
+ 4.5	+ 2.2	+ 0.8	+ 1.4	+ 2.3	- 0.9	- 1.1	- 0.8	+ 0.2	+ 0.1	+ 3.2	+ 1.0	- 0.3	+ 1.8	2006 Apr		

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 Aug 1	2	2	1.5

Euro area

% of reserve base 1

Applicable from	Ratio
1999 Jan 1	2

1 Article 3 of the Regulation of the European Central Bank 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		Deficiencies
	Total	Sight liabilities	Time liabilities	Savings deposits			Level	% 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 euro area – from 1999, pursuant to the ECB Regulation on the application of minimum reserves in accordance with Article 19.1 of the Statute of the ESCB

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	Current account 5	Excess reserves 6	Deficiencies 7
Euro area (€ billion)							
2005 Nov	7,624.2	152.5	0.5	152.0	153.0	1.0	0.0
Dec	7,687.9	153.8	0.5	153.3	154.1	0.8	0.0
2006 Jan	7,758.3	155.2	0.5	154.7	155.4	0.7	0.0
Feb	7,908.7	158.2	0.5	157.7	158.3	0.6	0.0
Mar	7,969.3	159.4	0.5	158.9	159.5	0.6	0.0
Apr	8,045.3	160.9	0.5	160.4	161.2	0.8	0.0
May	8,154.9	163.1	0.5	162.6	163.3	0.7	0.0
June p	...	...	...	165.6	...	...	...
July p	...	...	...	...	...	...	...
Of which: Germany (€ million)							
2005 Nov	1,962,969	39,259	204	39,056	39,343	287	2
Dec	1,953,946	39,079	203	38,875	39,246	371	1
2006 Jan	1,974,075	39,481	203	39,278	39,573	295	1
Feb	1,977,327	39,547	203	39,343	39,581	238	1
Mar	1,984,283	39,686	203	39,483	39,699	216	0
Apr	2,003,934	40,079	203	39,876	40,177	301	0
May	2,026,250	40,525	203	40,322	40,647	325	0
June p	2,050,379	41,008	203	40,805	...	...	...
July p	2,060,073	41,201	203	40,999	...	...	...

1 From March 2004, the reserve maintenance period will start on the settlement day of the main refinancing operation immediately following the meeting of the Governing Council of the ECB for which the monthly discussion of the monetary policy stance is scheduled. — 2 Article 3 of the Regulation of the European Central Bank 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 on the application of minimum reserves. — 5 Average credit balances of the credit institutions at the national central banks. — 6 Average credit balances less required reserves after deduction of the lump-sum allowance. — 7 Required reserves after deduction of the lump-sum allowance. —

VI Interest rates

1 ECB interest rates

% per annum

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

2 Base rates

% per annum

Applicable from	Base rate as per Discount Rate Transition Act ²	Applicable from	Base rate as per Civil Code ³
1999 Jan 1	2.50	2002 Jan 1	2.57
May 1	1.95	July 1	2.47
2000 Jan 1	2.68	2003 Jan 1	1.97
May 1	3.42	July 1	1.22
Sep 1	4.26	2004 Jan 1	1.14
2001 Sep 1	3.62	July 1	1.13
2002 Jan to Apr 3	2.71	2005 Jan 1	1.21
		July 1	1.17
		2006 Jan 1	1.37
		July 1	1.95

1 Up to 21 June 2000, fixed rate tenders; from 28 June 2000, variable rate tenders at minimum bid rate. — 2 Pursuant to the Discount Rate Transition

Act, read in conjunction with the Regulation Governing the Use of the Base Rate as a Reference Variable. — 3 Pursuant to section 247 of the Civil Code.

3 Eurosystem monetary policy operations allotted through tenders

Date of settlement	Bid amount € million	Allotment amount	Fixed rate tenders		Variable rate tenders		Running for ... days
			Fixed rate % per annum	Minimum bid rate	Marginal rate ¹	Weighted average rate	
Main refinancing operations							
2006 May 31	371,542	290,500	—	2.50	2.58	2.59	7
June 7	339,282	286,000	—	2.50	2.55	2.57	8
June 15	350,472	292,000	—	2.75	2.82	2.83	6
June 21	391,122	316,000	—	2.75	2.82	2.83	7
June 28	371,979	328,500	—	2.75	2.83	2.84	7
July 5	376,624	326,000	—	2.75	2.78	2.81	7
July 12	367,223	321,500	—	2.75	2.81	2.82	7
Longer-term refinancing operations							
2006 Apr 27	63,596	40,000	—	—	2.76	2.78	91
June 1	59,771	40,000	—	—	2.87	2.88	91
June 29	57,185	40,000	—	—	3.00	3.01	91

Source: ECB. — 1 Lowest or highest interest rate at which funds were allotted or collected.

4 Money market rates, by month

% per annum

Reporting period	Money market rates reported by Frankfurt banks ¹					EONIA ²	EURIBOR ³					
	Overnight money		Three-month funds				One-week funds	One-month funds	Three-month funds	Six-month funds	Nine-month funds	Twelve-month funds
	Monthly averages	Lowest and highest rates	Monthly averages	Lowest and highest rates	Monthly averages							
2005 Dec	2.28	4 1.70 – 2.50	2.45	2.42 – 2.49	2.28	2.37	2.41	2.47	2.60	2.70	2.78	
2006 Jan	2.33	2.18 – 2.36	2.49	2.46 – 2.55	2.33	2.36	2.39	2.51	2.65	2.75	2.83	
Feb	2.35	2.31 – 2.50	2.58	2.52 – 2.66	2.35	2.37	2.46	2.60	2.72	2.83	2.91	
Mar	2.52	1.98 – 2.65	2.70	2.63 – 2.81	2.52	2.60	2.63	2.72	2.87	3.00	3.11	
Apr	2.63	2.57 – 2.74	2.78	2.73 – 2.86	2.63	2.63	2.65	2.79	2.96	3.11	3.22	
May	2.57	2.25 – 2.63	2.87	2.82 – 2.92	2.58	2.62	2.69	2.89	3.06	3.20	3.31	
June	2.70	2.43 – 2.92	2.97	2.91 – 3.06	2.70	2.79	2.87	2.99	3.16	3.29	3.40	

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. — 3 Euro Interbank Offered Rate: unweighted average rate calculated by Moneyline Telerate since 30 December 1998 according to the act/360 method. — 4 At end-December, 2.37% to 2.42%.

VI Interest rates

5 Interest rates for outstanding amounts and new business of banks (MFIs) in the European monetary union * (a) Outstanding amounts °

Effective interest rate % per annum 1

End of month	Households' deposits				Loans to households						Loans to non-financial corporations		
	Non-financial corporations' deposits				Housing loans			Consumer credit and other loans					
	with an agreed maturity of				with a maturity of								
	up to 2 years	over 2 years	up to 2 years	over 2 years	up to 1 year	over 1 year and up to 5 years	over 5 years	up to 1 year	over 1 year and up to 5 years	over 5 years	up to 1 year	over 1 year and up to 5 years	over 5 years
2005 Aug	1.92	3.18	2.10	3.46	4.52	4.24	4.60	7.92	6.86	5.60	4.25	3.80	4.28
Sep	1.92	3.19	2.12	3.55	4.49	4.23	4.59	7.91	6.85	5.67	4.25	3.78	4.26
Oct	1.93	3.17	2.12	3.39	4.49	4.19	4.58	7.92	6.80	5.64	4.24	3.77	4.25
Nov	1.96	3.15	2.16	3.43	4.48	4.17	4.53	7.86	6.77	5.66	4.29	3.79	4.25
Dec	2.01	3.15	2.30	3.41	4.54	4.14	4.52	7.89	6.77	5.62	4.35	3.84	4.24
2006 Jan	2.05	3.10	2.32	3.47	4.62	4.14	4.50	7.99	6.78	5.60	4.42	3.88	4.26
Feb	2.09	3.12	2.38	3.37	4.58	4.16	4.54	7.97	6.79	5.68	4.49	3.95	4.31
Mar	2.16	3.00	2.48	3.35	4.60	4.15	4.52	8.06	6.80	5.73	4.53	3.98	4.31
Apr	2.21	3.01	2.53	3.40	4.63	4.16	4.52	8.10	6.73	5.75	4.59	4.05	4.34

(b) New business +

Effective interest rate % per annum 1

Reporting period	Households' deposits						Non-financial corporations' deposits					
	Overnight	with an agreed maturity of			redeemable at notice of		Overnight	with an agreed maturity of				
		up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months		up to 1 year	over 1 year and up to 2 years	over 2 years		
2005 Aug	0.68	1.95	2.07	2.09	1.98	2.31	0.97	2.02	2.23	2.91		
Sep	0.69	1.97	2.05	2.04	1.98	2.29	0.97	2.04	2.23	2.97		
Oct	0.69	1.99	2.28	2.16	1.97	2.27	0.97	2.04	2.58	3.55		
Nov	0.70	2.02	2.34	2.18	2.00	2.27	1.00	2.08	2.18	3.52		
Dec	0.71	2.15	2.25	2.21	1.97	2.30	1.02	2.25	2.48	3.55		
2006 Jan	0.73	2.21	2.47	2.56	2.00	2.32	1.05	2.27	2.40	3.52		
Feb	0.74	2.24	2.52	2.36	1.97	2.34	1.08	2.31	2.69	3.37		
Mar	0.76	2.37	2.60	2.45	1.98	2.37	1.14	2.48	2.93	3.28		
Apr	0.79	2.40	2.81	2.49	2.00	2.42	1.16	2.51	2.92	3.71		

Reporting period	Loans to households													
	Over-drafts	Consumer credit				Housing loans					Other loans			
		Total 2	with an initial rate fixation			Total 2	with an initial rate fixation				over 10 years	floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years
			floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years		floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years					
2005 Aug	9.58	7.98	7.00	6.66	8.13	3.87	3.32	3.72	4.01	4.01	3.80	4.59	4.44	
Sep	9.61	7.83	7.03	6.43	7.94	3.82	3.31	3.69	3.99	3.97	3.85	4.51	4.29	
Oct	9.65	7.74	6.82	6.43	8.01	3.81	3.33	3.68	3.99	3.96	3.88	4.50	4.33	
Nov	9.70	7.61	6.75	6.40	7.86	3.84	3.38	3.71	3.98	3.98	4.00	4.28	4.37	
Dec	9.67	7.45	6.76	6.36	7.43	3.98	3.49	3.85	4.03	4.01	4.06	4.57	4.40	
2006 Jan	9.81	7.87	6.94	6.48	8.13	4.09	3.61	3.91	4.14	4.07	4.15	4.59	4.34	
Feb	9.61	7.76	6.88	6.34	7.95	4.08	3.66	3.97	4.14	4.06	4.24	4.66	4.35	
Mar	9.90	7.65	6.79	6.28	7.88	4.15	3.73	3.99	4.22	4.10	4.33	4.72	4.49	
Apr	9.76	7.76	7.06	6.31	7.92	4.29	3.84	4.07	4.33	4.17	4.30	4.85	4.62	

Reporting period	Loans to non-financial corporations						
	Overdrafts	Loans up to €1 million with an initial rate fixation			Loans over €1 million with an initial rate fixation		
		floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years	floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years
2005 Aug	5.10	3.91	4.45	4.16	3.00	3.53	3.80
Sep	5.13	3.81	4.36	4.05	2.97	3.40	3.88
Oct	5.11	3.88	4.43	4.04	2.94	3.58	3.80
Nov	5.09	3.92	4.44	4.03	3.10	3.60	3.98
Dec	5.12	3.99	4.50	4.12	3.25	3.58	3.96
2006 Jan	5.23	4.07	4.59	4.13	3.18	3.72	3.96
Feb	5.29	4.13	4.69	4.16	3.26	4.36	4.02
Mar	5.30	4.23	4.59	4.16	3.50	3.83	4.18
Apr	5.40	4.34	4.74	4.16	3.51	3.94	4.22

Source: ECB. — For footnotes *, ° and 1 see p 45. For footnote + see p 46. — 2 Annual percentage rate of charge as defined in Directive 87/102/EEC, which contains other related charges which may occur for enquiries, administration, preparation of the documents, guarantees and credit insurance.

VI Interest rates

6 Interest rates and volumes of outstanding amounts and new business of German banks (MFIs) *
(a) Outstanding amounts °

End of month	Households' deposits				Non-financial corporations' deposits			
	with an agreed maturity of							
	up to 2 years		over 2 years		up to 2 years		over 2 years	
	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million
2005 May	1.99	106,379	2.83	195,384	2.03	71,741	4.42	23,881
June	1.98	105,056	2.83	195,073	2.03	69,719	4.33	24,559
July	1.98	104,577	2.82	194,330	2.03	72,105	4.23	25,296
Aug	1.97	104,573	2.80	194,000	2.04	74,930	4.19	24,961
Sep	1.97	104,938	2.77	193,451	2.03	74,966	4.19	24,849
Oct	1.98	105,488	2.76	192,845	2.05	78,275	4.10	22,472
Nov	2.01	105,875	2.75	192,758	2.11	76,669	4.07	22,497
Dec	2.10	109,209	2.74	195,206	2.26	78,779	4.05	22,543
2006 Jan	2.13	110,140	2.72	194,850	2.28	78,905	4.04	22,655
Feb	2.17	112,180	2.71	194,806	2.33	78,055	4.02	22,895
Mar	2.29	114,677	2.69	195,260	2.48	79,671	3.99	22,943
Apr	2.34	115,934	2.68	195,181	2.53	83,245	3.94	23,474
May	2.39	117,353	2.67	194,845	2.60	82,545	3.94	23,648

End of month	Housing loans to households 3						Consumer credit and other loans to households 4, 5					
	with a maturity of											
	up to 1 year 6		over 1 year and up to 5 years		over 5 years		up to 1 year 6		over 1 year and up to 5 years		over 5 years	
	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million
2005 May	4.99	6,983	4.56	30,996	5.54	898,416	8.76	75,999	5.83	71,128	6.19	328,707
June	4.99	7,118	4.53	30,947	5.52	899,575	8.77	77,156	5.83	71,357	6.18	328,311
July	4.93	7,032	4.49	30,817	5.49	902,650	8.70	75,090	5.79	71,644	6.16	328,183
Aug	4.95	6,792	4.46	30,942	5.47	904,553	8.73	74,731	5.76	71,856	6.15	328,911
Sep	4.95	6,930	4.40	30,916	5.45	906,439	8.74	76,920	5.75	70,882	6.14	328,568
Oct	4.88	6,746	4.37	30,687	5.42	908,391	8.81	76,284	5.73	70,158	6.12	328,289
Nov	4.89	6,778	4.35	30,701	5.40	911,024	8.68	73,793	5.68	70,586	6.10	327,736
Dec	5.00	6,674	4.33	30,827	5.36	913,041	8.83	76,436	5.64	70,569	6.07	326,570
2006 Jan	5.07	6,339	4.31	30,241	5.34	920,556	8.91	74,655	5.57	70,145	6.04	326,777
Feb	5.09	6,296	4.31	30,130	5.33	921,348	8.84	73,963	5.56	69,580	6.03	326,418
Mar	5.17	6,205	4.30	29,959	5.30	921,392	9.01	74,505	5.57	68,684	6.04	323,755
Apr	5.17	6,108	4.31	29,514	5.28	922,067	8.98	73,506	5.60	68,536	6.04	324,317
May	5.21	6,000	4.31	29,959	5.27	922,559	9.09	72,924	5.57	69,051	6.04	324,796

End of month	Loans to non-financial corporations with a maturity of					
	up to 1 year 6		over 1 year and up to 5 years		over 5 years	
	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million
2005 May	4.61	162,342	4.06	83,456	5.07	481,891
June	4.63	164,192	4.02	83,350	5.05	478,638
July	4.56	160,600	3.99	84,654	5.01	481,158
Aug	4.55	156,384	3.96	86,614	5.00	479,790
Sep	4.58	162,536	3.92	87,116	4.98	477,806
Oct	4.57	159,761	3.89	87,126	4.96	479,099
Nov	4.54	157,383	3.92	86,744	4.94	479,951
Dec	4.62	155,094	3.98	85,524	4.91	480,327
2006 Jan	4.65	155,685	3.97	85,081	4.90	490,068
Feb	4.76	151,426	4.02	86,030	4.89	492,375
Mar	4.88	153,697	4.05	87,248	4.89	490,677
Apr	4.92	157,411	4.09	87,594	4.88	492,493
May	4.96	153,940	4.13	88,151	4.88	494,364

* The MFI interest rate statistics are based on the interest rates applied by MFIs and the related volumes of euro-denominated deposits and loans to households and non-financial corporations domiciled in the euro area. The household sector comprises individuals (including sole proprietors) and non-profit institutions serving households. Non-financial corporations include all enterprises other than insurance companies, banks and other financial institutions. The interest rate statistics gathered on a harmonised basis in the euro area from January 2003 are being collected in Germany on a sample basis. The most recent figures are in all cases to be regarded as provisional. Subsequent revisions appearing in the following *Monthly Report* are not specially marked. Further information on the new interest rate statistics can be found on the Bundesbank's website (Statistics / Reporting system / Banking statistics / MFI interest rate statistics). — ° The statistics on outstanding amounts are collected at the end of the month. — 1 The effective

interest rates may always be calculated either as annualised agreed interest rates or as narrowly defined effective rates. Both calculation methods cover all interest payments on deposits and loans but not any other related charges which may occur for enquiries, administration, preparation of the documents, guarantees and credit insurance. — 2 Data based on monthly balance sheet statistics. — 3 Secured and unsecured loans for home purchase, including building and home improvements; including loans granted by building and loan associations and interim credits as well as transmitted loans granted by the reporting agents in their own name and for their own account. — 4 Consumer credit is defined as loans granted for the purpose of personal use in the consumption of goods and services. — 5 For the purpose of these statistics, other loans are loans granted for other purposes such as business, debt consolidation, education etc. — 6 Including overdrafts.

VI Interest rates

6 Interest rates and volumes for outstanding amounts and new business of German banks (MFIs) * (cont'd) (b) New business +

Households' deposits												
Overnight		with an agreed maturity of						redeemable at notice of 8				
		up to 1 year		over 1 year and up to 2 years		over 2 years		up to 3 months		over 3 months		
Reporting period	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 2 € million
2005 May	1.23	442,889	1.89	22,796	2.20	1,067	2.49	1,225	2.12	516,455	2.45	87,517
June	1.22	448,210	1.89	25,674	2.72	994	2.25	1,031	2.10	515,200	2.40	86,665
July	1.17	450,961	1.88	22,781	2.22	1,060	2.35	2,043	2.08	515,042	2.36	85,918
Aug	1.17	449,144	1.88	23,949	2.37	1,060	2.17	1,469	1.98	514,260	2.33	84,891
Sep	1.18	450,970	1.89	23,194	2.41	1,123	2.16	2,960	2.00	514,247	2.31	83,344
Oct	1.18	453,497	1.89	22,812	2.72	1,346	2.37	3,124	1.94	513,181	2.28	82,864
Nov	1.17	465,158	1.92	26,107	2.77	1,372	2.50	2,962	2.02	512,020	2.29	83,107
Dec	1.20	463,399	2.06	31,326	2.73	1,124	2.35	3,036	1.99	518,955	2.31	83,921
2006 Jan	1.22	462,356	2.16	31,502	2.81	2,112	2.69	7,533	2.00	517,768	2.33	84,615
Feb	1.23	464,324	2.21	27,206	2.72	1,715	2.60	4,571	2.00	517,281	2.35	84,898
Mar	1.26	465,115	2.29	32,612	2.84	1,401	2.46	1,823	1.96	515,333	2.39	85,689
Apr	1.31	469,686	2.32	28,341	3.09	1,529	2.55	2,024	1.99	513,543	2.43	85,904
May	1.34	469,840	2.37	29,851	3.14	1,564	2.63	1,688	1.99	509,976	2.49	87,032

Non-financial corporations' deposits								
Overnight		with an agreed maturity of						
		up to 1 year		over 1 year and up to 2 years		over 2 years		
Reporting period	Effective interest rate 1 % pa	Volume 2 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million
2005 May	1.24	144,622	1.98	35,025	2.27	194	3.87	636
June	1.24	148,194	1.97	48,861	2.08	235	4.10	1,211
July	1.25	149,050	1.98	36,761	2.20	128	3.38	1,113
Aug	1.27	151,273	1.99	41,006	2.35	98	3.58	596
Sep	1.25	152,999	2.01	46,851	2.52	234	3.08	1,419
Oct	1.25	157,054	2.01	39,509	2.85	308	4.09	1,433
Nov	1.26	162,669	2.06	44,866	2.29	301	3.99	993
Dec	1.30	164,748	2.22	50,870	2.56	501	4.20	1,070
2006 Jan	1.34	156,885	2.24	47,599	2.66	203	4.08	866
Feb	1.38	153,233	2.29	41,033	2.91	296	3.83	1,366
Mar	1.47	153,285	2.51	47,007	3.10	392	3.56	948
Apr	1.52	156,243	2.59	45,185	3.09	446	3.96	859
May	1.51	157,641	2.55	51,722	3.78	254	4.14	529

Loans to households													
Consumer credit with an initial rate fixation of 4								Other loans with an initial rate fixation of 5					
Total	floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years		Total	floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years	
	Annual percentage rate of charge 9 % pa	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa		Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million
2005 May	7.87	5.47	1,324	6.04	3,972	8.93	3,085	3.61	8,078	4.75	1,488	4.58	1,620
June	7.86	5.35	1,515	6.09	4,707	8.73	3,779	3.65	8,095	4.69	2,177	4.60	2,597
July	7.94	5.37	1,180	6.19	4,978	8.74	3,699	3.65	8,413	4.62	1,941	4.44	2,397
Aug	7.98	5.54	1,085	6.23	4,073	8.70	3,487	3.63	8,483	4.64	1,550	4.50	2,399
Sep	7.91	5.41	1,203	6.16	5,262	8.71	3,081	3.58	9,626	4.61	1,858	4.30	2,490
Oct	7.83	5.16	1,295	6.00	4,314	8.98	2,752	3.65	6,797	4.60	1,415	4.32	2,295
Nov	7.53	5.33	1,102	5.75	4,327	8.63	2,993	3.70	5,719	4.51	1,500	4.44	2,844
Dec	6.98	4.85	1,443	5.64	4,631	7.89	2,778	3.97	9,234	4.69	2,336	4.44	5,586
2006 Jan	7.75	5.18	1,652	5.81	4,330	8.99	2,942	3.93	9,920	4.75	1,922	4.39	3,668
Feb	7.67	5.35	1,090	5.78	4,294	8.74	2,987	4.05	6,990	4.86	1,316	4.45	2,340
Mar	7.53	5.17	1,368	5.62	5,483	8.64	3,733	4.11	8,250	4.91	2,132	4.62	3,635
Apr	7.51	5.24	1,449	5.59	5,435	8.69	3,316	4.07	10,032	4.97	1,610	4.74	3,212
May	7.48	5.49	933	5.49	7,186	8.67	3,338	4.14	8,538	5.19	1,890	4.84	3,161

For footnotes * and 1 to 6, see p 45*. — + In the case of deposits with an agreed maturity and all loans excluding overdrafts, new business covers all new agreements between households or non-financial corporations and the bank. The interest rates are calculated as volume-weighted average rates across all new agreements concluded during the reporting month. In the case of overnight deposits, deposits redeemable at notice and overdrafts, new business is collected in the same way as outstanding amounts for the sake of simplicity. This means that all outstanding deposit and lending

business at the end of the month has to be incorporated in the calculation of average rates of interest. — 7 Estimated. The volume of new business is extrapolated to form the underlying total using the Horvitz-Thompson estimator. — 8 Including non-financial corporations' deposits; including fidelity and growth premia. — 9 Annual percentage rate of charge as defined in Directive 87/102/EEC, which contains other related charges which may occur for enquiries, administration, preparation of the documents, guarantees and credit insurance. — 10 Excluding overdrafts.

VI Interest rates

6 Interest rates and volumes for outstanding amounts and new business of German banks (MFIs) * (cont'd)
(b) New business +

Loans to households (cont'd)											
Overdrafts 11		Housing loans with an initial rate fixation of 3									
		Total	floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years and up to 10 years		over 10 years		
Reporting period	Effective interest rate 1 % pa	Volume 12 € million	Annual percentage rate of charge 9 % pa	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million
2005 May	10.46	48,565	4.40	4.33	2,075	4.08	2,204	4.39	4,412	4.40	3,324
June	10.38	49,871	4.27	4.25	2,196	4.01	2,449	4.22	5,527	4.26	4,262
July	10.35	47,624	4.22	4.15	3,353	3.94	2,699	4.17	6,315	4.23	4,226
Aug	10.40	48,289	4.19	4.30	2,010	3.88	2,439	4.10	5,789	4.19	4,615
Sep	10.42	50,075	4.18	4.21	2,095	3.95	2,331	4.11	5,388	4.16	4,390
Oct	10.53	49,007	4.19	4.22	2,603	3.94	2,395	4.11	5,674	4.18	3,873
Nov	10.40	46,684	4.25	4.36	2,062	4.05	2,620	4.14	6,669	4.25	4,629
Dec	10.47	49,066	4.34	4.44	2,522	4.25	3,138	4.19	8,514	4.32	5,545
2006 Jan	10.63	47,574	4.41	4.55	3,199	4.27	2,857	4.29	8,266	4.35	5,913
Feb	10.54	47,294	4.40	4.58	2,049	4.32	2,275	4.28	6,081	4.31	4,479
Mar	10.59	48,233	4.50	4.71	2,204	4.37	2,588	4.39	6,849	4.39	5,710
Apr	10.61	46,939	4.60	4.74	3,072	4.42	2,364	4.45	6,204	4.56	4,470
May	10.77	46,391	4.68	4.82	2,074	4.58	2,435	4.58	6,381	4.56	4,871

Loans to non-financial corporations								
Overdrafts 11		Loans up to €1 million with an initial rate fixation of 13						
		floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years		
Reporting period	Effective interest rate 1 % pa	Volume 12 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million
2005 May	5.95	71,559	4.38	6,289	4.56	1,065	4.38	1,835
June	5.97	72,936	4.41	7,080	4.50	1,346	4.43	1,308
July	5.95	69,329	4.37	6,987	4.54	1,242	4.41	1,542
Aug	5.97	67,834	4.29	6,317	4.54	1,737	4.42	1,350
Sep	5.95	71,180	4.28	7,229	4.46	1,284	4.32	1,533
Oct	5.93	70,819	4.38	6,822	4.45	1,371	4.39	1,375
Nov	5.84	69,640	4.52	6,735	4.54	1,075	4.31	1,545
Dec	5.79	69,127	4.57	7,716	4.61	1,321	4.46	2,155
2006 Jan	5.86	68,636	4.49	6,725	4.74	1,206	4.48	1,513
Feb	6.02	67,921	4.60	5,966	4.80	1,106	4.43	1,787
Mar	6.04	68,216	4.71	8,373	4.82	1,470	4.46	2,130
Apr	6.14	69,334	4.90	7,905	4.98	1,140	4.43	1,793
May	6.13	69,130	4.98	8,997	5.08	1,433	4.53	2,132

Loans to non-financial corporations (cont'd)							
Loans over €1 million with an initial rate fixation of 13							
floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years			
Reporting period	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Volume 7 € million
2005 May	3.11	42,311	3.68	5,578	3.94	5,733	
June	3.15	45,170	3.67	5,302	4.05	6,020	
July	3.15	42,996	3.82	4,692	4.09	5,191	
Aug	3.17	40,536	3.72	4,520	4.10	5,272	
Sep	3.22	41,690	3.51	4,177	4.11	5,925	
Oct	3.15	42,531	3.89	3,182	3.97	5,831	
Nov	3.30	38,132	3.96	3,327	4.14	6,858	
Dec	3.46	55,247	3.94	5,163	4.15	11,083	
2006 Jan	3.40	44,581	4.04	5,404	4.17	6,838	
Feb	3.41	38,352	4.81	6,422	4.19	6,126	
Mar	3.75	48,056	4.03	4,699	4.38	6,675	
Apr	3.61	36,866	4.07	5,379	4.47	4,994	
May	3.76	36,909	4.37	5,659	4.61	6,865	

For footnotes * and 1 to 6, see p 45*. For footnotes + and 7 to 10, see p 46*. — 11 Overdrafts are defined as debit balances on current accounts. They include all bank overdrafts regardless of whether they are within or beyond the limits agreed between customers and the bank. — 12 Estimated.

The volume of outstanding amounts reported is extrapolated to form the underlying total using the Horvitz-Thompson estimator. — 13 The amount refers to the single loan transaction considered as new business.

VII Capital market

1 Sales and purchases of debt securities and shares in Germany *

Debt securities												
Period	Sales = total purchases	Sales					Purchases					
		Domestic debt securities 1					Residents					
		Total	Bank debt securities	Corporate bonds	Public debt securities 2	Foreign debt securities 3	Total 4	Credit institutions including building and loan associations 5	Non-banks 6	Bundesbank open market operations 5	Non-residents 7	
DM million												
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	226,393	157,994	120,154	12,605	25,234	68,399	151,568	91,447	60,121	–	–	74,825
2001	180,227	86,656	55,918	14,473	16,262	93,571	111,281	35,848	75,433	–	–	68,946
2002	175,396	124,035	47,296	14,506	62,235	51,361	60,476	13,536	46,940	–	–	114,920
2003	177,847	134,455	31,404	30,262	72,788	43,392	86,554	35,748	50,806	–	–	91,293
2004	236,890	133,711	64,231	10,778	58,703	103,179	108,730	121,841	–	13,111	–	128,160
2005	258,684	110,542	39,898	2,682	67,965	148,142	102,658	61,740	40,918	–	–	156,026
2006 Mar	42,915	26,476	11,659	3,856	10,962	16,439	17,098	15,031	2,067	–	–	25,817
Apr	7,889	4	–	4,051	2,525	1,531	7,885	2,205	–	1,470	–	5,684
May	48,868	34,028	12,096	7,997	13,936	14,840	44,259	21,294	22,965	–	–	4,609

Shares									
Period	Sales = total purchases	Sales			Purchases				
		Domestic shares 8	Foreign shares 9		Residents				Non-residents 12
					Total 10	Credit institutions 5,11	Non-banks 6		
DM million									
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	–	2,932	
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	22,678		
1998	249,504	48,796	200,708	149,151	20,252	128,899	100,353		
€ million									
1999	150,013	36,010	114,003	103,136	18,637	84,499	46,877		
2000	140,461	22,733	117,728	164,654	23,293	141,361	–	24,193	
2001	82,665	17,575	65,090	–	2,252	12,462	84,917		
2002	39,338	9,232	30,106	–	14,714	41,634	20,941		
2003	15,470	16,838	1,367	–	23,236	18,885	27,300		
2004	3,316	10,157	6,842	–	7,056	10,365	12,094		
2005	31,803	13,766	18,037	–	15,410	37,247	58,842		
2006 Mar	–	4,204	334	–	27,039	8,231	4,284		
Apr	–	7,751	1,427	–	8,488	9,323	25,043		
May	–	1,035	226	–	4,115	134	5,150		

* Up to end-1999, debt securities in this table comprise bonds and money market paper issued by domestic banks; from January 2000, they comprise all debt securities. For mutual fund shares, see Table VII.6. — 1 Net sales at market values plus/minus 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 mutual

funds. — 7 Net purchases or net sales (–) of domestic debt securities by non-residents; transaction values. — 8 Excluding shares of public limited investment companies; 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 end-1998, excluding syndicated shares. — 12 Net purchases or net sales (–) of domestic shares (including direct investment) by non-residents; transaction values. — The figures for the most recent date are provisional; revisions are not specially marked.

VII Capital market

2 Sales of debt securities issued by residents *

Up to end-1998, DM nominal million value; from 1999, € million nominal value

Period	Bank debt securities 1						Corporate bonds 2	Public debt securities 3	Memo item Foreign DM/euro bonds issued by German- managed syndicates	
	Total	Total	Mortgage Pfandbriefe	Public Pfandbriefe	Debt securities issued by special purpose credit institutions	Other bank debt securities				
Gross sales 4										
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	958,917	668,002	47,828	107,918	140,398	371,858	22,510	268,406	2,850	
2004	990,399	688,844	33,774	90,815	162,353	401,904	31,517	270,040	12,344	
2005	988,911	692,182	28,217	103,984	160,010	399,969	24,352	272,380	600	
2006 Feb	82,407	60,975	3,342	11,838	14,205	31,589	805	20,627	–	
Mar	91,177	59,163	1,529	8,486	15,784	33,364	1,553	30,461	–	
Apr	71,057	46,015	890	8,829	9,252	27,045	3,719	21,323	–	
May	77,018	51,962	6,015	5,909	12,607	27,430	5,544	19,513	69	
of which: Debt securities with maturities of more than four years 5										
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	369,336	220,103	23,210	55,165	49,518	92,209	10,977	138,256	2,850	
2004	424,769	275,808	20,060	48,249	54,075	153,423	20,286	128,676	4,320	
2005	425,523	277,686	20,862	63,851	49,842	143,129	16,360	131,479	400	
2006 Feb	31,692	18,860	3,087	5,430	4,381	5,961	348	12,484	–	
Mar	34,783	19,437	1,176	2,666	6,331	9,265	434	14,912	–	
Apr	23,322	13,307	611	5,090	2,869	4,737	2,502	7,513	–	
May	31,904	17,472	5,036	2,654	3,950	5,832	2,717	11,716	69	
Net sales 6										
1993	403,212	159,982	22,496	122,917	–	13,156	27,721	180	243,049	43,701
1994	270,088	116,519	18,184	54,316	–	6,897	50,914	62	153,630	21,634
1995	205,482	173,797	18,260	96,125	3,072	56,342	–	354	32,039	61,020
1996	238,427	195,058	11,909	121,929	6,020	55,199	585	42,788	69,951	
1997	257,521	188,525	16,471	115,970	12,476	43,607	1,560	67,437	63,181	
1998	327,991	264,627	22,538	162,519	18,461	61,111	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	8,739	14,479	–	30,657
2002	131,976	56,393	7,936	–	26,806	20,707	54,561	14,306	–	44,546
2003	124,556	40,873	2,700	–	42,521	44,173	36,519	18,431	–	54,990
2004	167,233	81,860	1,039	–	52,615	50,142	83,293	18,768	–	22,124
2005	141,715	65,798	–	2,151	–	34,255	37,242	64,962	–	35,963
2006 Feb	2,675	9,853	–	1,847	–	1,096	838	732	–	1,628
Mar	18,235	10,844	–	3,506	–	3,228	979	853	–	1,080
Apr	7,915	–	–	421	–	5,090	–	2,947	–	2,798
May	30,886	13,334	–	4,855	–	833	–	4,863	–	30

* For definitions, see the notes in the Statistical Supplement to Monthly Report 2, *Capital market statistics*. — 1 Excluding registered bank debt securities. — 2 Debt securities issued by 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 Amounts outstanding of debt securities issued residents *

Up to end-1998, DM million nominal value; from 1999, € million nominal value

End of year or month/ Maturity in years	Bank debt securities ¹						Corporate bonds	Public debt securities	Memo item Foreign DM/euro bonds issued by German- managed syndicates
	Total	Mortgage Pfandbriefe	Public Pfandbriefe	Debt securities issued by special purpose credit institutions	Other bank debt securities				
DM million									
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	2,605,775	1,603,906	158,321	606,541	266,602	572,442	55,076	946,793	192,666
2004	2,773,007	1,685,766	159,360	553,927	316,745	655,734	73,844	1,013,397	170,543
2005	2,914,723	1,751,563	157,209	519,674	323,587	751,093	83,942	1,079,218	134,580
2006 Mar	2,961,655	1,785,154	157,862	515,253	349,829	762,209	87,665	1,088,837	130,584
Apr	2,969,570	1,784,918	157,441	510,163	349,600	767,714	90,611	1,094,041	127,786
May	3,000,456	1,798,252	162,296	510,997	357,032	767,928	95,474	1,106,729	127,816

Breakdown by remaining period to maturity ²
Position at end-May 2006

	1,055,413	680,943	59,577	216,015	135,688	269,665	26,115	348,353	49,719
less than 2	666,453	441,084	41,521	142,084	85,358	172,122	14,967	210,402	49,287
2 to less than 4	468,564	269,593	36,335	93,228	42,574	97,456	20,399	178,572	12,145
4 to less than 6	266,468	136,463	15,558	32,298	23,432	65,176	10,820	119,183	7,878
6 to less than 8	305,200	176,236	6,595	16,926	24,838	127,878	10,807	118,155	1,944
8 to less than 10	47,683	27,107	2,661	5,415	9,482	9,548	2,876	17,700	3,483
10 to less than 15	33,582	20,921	35	1,562	15,374	3,949	303	12,357	1,657
15 to less than 20	157,094	45,902	15	3,467	20,286	22,134	9,187	102,005	1,705

* 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 Shares in circulation issued by residents *

Up to end-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 payments 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												
1994	190,012	14,237	6,114	1,446	1,521	1,883	—	447	5,086	—	1,367	519,280
1995	211,231	21,217	5,894	1,498	1,421	1,421	—	623	13,739	—	2,133	553,110
1996	216,461	7,131	8,353	1,355	396	1,684	—	3,056	833	—	2,432	723,077
1997	221,575	5,115	4,164	2,722	370	1,767	—	2,423	197	—	1,678	1,040,769
1998	238,156	16,578	6,086	2,566	658	8,607	—	4,055	3,905	—	1,188	1,258,042
€ 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	—	647,492
2003	162,131	—	6,585	4,482	923	513	—	322	—	10,806	—	851,001
2004	164,802	2,669	3,960	1,566	276	696	—	220	—	1,760	—	887,217
2005	163,071	—	1,733	2,470	1,040	694	—	1,443	—	3,060	—	1,058,532
2006 Mar	161,892	—	540	203	41	0	—	149	—	482	—	1,182,724
Apr	162,309	—	419	255	20	279	—	14	—	31	—	1,197,094
May	162,681	—	372	83	119	10	—	12	—	19	—	1,140,152

* Excluding shares of public limited investment companies. — ^o From January 1994, including the shares of east German companies (resultant increase in share circulation: DM7,771 million). — ¹ Including shares issued out of company profits. — ² Enterprises whose shares are listed on the Official Market, on the regulated market or on the Neuer Markt (stock market segment

was closed down on 24 March 2003) and enterprises whose shares are traded on the free market. Source: Bundesbank calculations based on data of the Herausbergemeinschaft Wertpapier-Mitteilungen and the Deutsche Börse AG. — ³ Figure revised downwards by DM1,902 million.

VII Capital market

5 Yields and indices on German securities

Period	Yields on debt securities outstanding issued by residents ¹									Price indices ^{2,3}			
	Public debt securities				Bank debt securities			Memo item Foreign DM/euro bonds issued by German- managed syndicates ^{1,5}	Debt securities		Shares		
	Total	Total	Listed Federal securities		Total	With a residual maturity of more than 9 and including 10 years ⁴	With a residual maturity of more than 9 and including 10 years		Corporate bonds	German bond index (REX)	iBoxx € Germany price index	CDAX share price index	German share index (DAX)
			Total	With a residual maturity of more than 9 and including 10 years ⁴									
% per annum										Average daily rate	End-1998 = 100	End-1987 = 100	End-1987 = 1000
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	3.7	3.8	3.8	4.1	3.7	4.3	5.0	4.5	117.36	97.09	252.48	3,965.16	
2004	3.7	3.7	3.7	4.0	3.6	4.2	4.0	4.0	120.19	99.89	268.32	4,256.08	
2005	3.1	3.2	3.2	3.4	3.1	3.5	3.7	3.2	120.92	101.09	335.59	5,408.26	
2006 Mar	3.6	3.6	3.6	3.6	3.6	3.8	4.0	3.8	118.09	98.21	376.00	5,970.08	
Apr	3.8	3.8	3.8	3.9	3.9	4.1	4.3	4.0	117.04	97.12	377.68	6,009.89	
May	3.9	3.9	3.9	4.0	3.9	4.1	4.3	4.1	117.46	97.11	351.74	5,692.86	
June	3.9	3.9	3.9	4.0	3.9	4.2	4.3	4.2	116.42	96.49	349.39	5,683.31	

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 euro are not included. Group yields for the various categories of securities are weighted by 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 in a month. The annual figures are the unweighted means of the monthly figures. — ² End of year or month. — ³ Source: Deutsche Börse AG. — ⁴ Only debt securities eligible as underlying instruments for futures contracts; calculated as unweighted averages. — ⁵ If quoted on German stock exchanges.

6 Sales and purchases of mutual fund shares in Germany

Period	Sales									Purchases					
	Domestic mutual funds ¹ (sales receipts)									Residents					
	Sales = total pur- chases	Mutual funds open to the general public				Special- ised funds	Foreign funds ⁴	Total	Credit institutions including building and loan associations ²		Non-banks ³		Non-res- idents ⁵		
		Total	Total	Money market funds	Secur- ities- based funds				Open- end real estate funds	Total	Total	of which Foreign mutual fund shares		Total	of which Foreign mutual fund shares
of which																of which
DM million															
1994	130,995	108,914	63,263	31,180	24,385	7,698	45,650	22,081	125,943	9,849	-	689	116,094	22,770	5,052
1995	55,246	54,071	16,777	6,147	3,709	6,921	37,294	1,175	56,295	12,172	-	188	44,123	987	- 1,049
1996	83,386	79,110	16,517	- 4,706	7,273	13,950	62,592	4,276	85,704	19,924	1,685	65,780	2,591	- 2,318	
1997	145,805	138,945	31,501	- 5,001	30,066	6,436	107,445	6,860	149,977	35,924	340	114,053	6,520	- 4,172	
1998	187,641	169,748	38,998	5,772	27,814	4,690	130,750	17,893	190,416	43,937	961	146,479	16,507	- 2,775	
€ million															
1999	111,282	97,197	37,684	3,347	23,269	7,395	59,513	14,086	105,521	19,862	-	637	85,659	14,722	5,761
2000	118,021	85,160	39,712	- 2,188	36,818	- 2,824	45,448	32,861	107,019	14,454	92	92,565	32,769	11,002	
2001	97,077	76,811	35,522	12,410	9,195	10,159	41,289	20,266	96,127	10,251	2,703	85,876	17,563	951	
2002	66,571	59,482	25,907	3,682	7,247	14,916	33,575	7,089	67,251	2,100	3,007	65,151	4,082	- 680	
2003	46,738	43,943	20,079	- 924	7,408	14,166	23,864	2,795	48,496	- 2,658	734	51,154	2,061	- 1,758	
2004	12,386	1,453	- 3,978	- 6,160	- 1,246	3,245	5,431	10,933	7,715	8,446	3,796	- 731	7,137	4,671	
2005	81,581	41,718	6,400	- 124	7,001	- 3,186	35,317	39,863	80,648	21,290	7,761	59,358	32,102	933	
2006 Mar	4,768	1,669	- 2,019	- 124	- 430	- 2,076	3,688	3,099	4,277	709	298	3,568	2,801	491	
Apr	2,336	1,742	- 1,570	- 178	- 1,399	- 441	3,312	594	1,020	1,604	180	- 584	414	1,316	
May	2,822	4,539	297	678	- 234	- 505	4,242	- 1,717	2,569	2,079	200	- 490	- 1,917	253	

¹ Including public limited investment companies. — ² Book values. — ³ Residual. — ⁴ Net purchases or net sales (-) of foreign fund shares by residents; transaction values. — ⁵ Net purchases or net sales (-) of domestic

fund shares by non-residents; transaction values (up to end-1988 recorded under shares). — The figures for the most recent date are provisional; revisions are not specially marked.

VIII Public finances in Germany

1 General government budgetary position *

Up to end-1998, DM billion; from 1999, € billion

Period	Central, state and local government 1									Social security funds 2			General government, total				
	Revenue		Expenditure							Balance	Re-venue 5	Ex-pend-iture	Balance	Re-venue	Ex-pend-iture	Balance	
	Total	of which Taxes	Total 3	of which					Fixed asset formation								Finan-cial aid 4
				Person-nel ex-pend-iture	Other operat-ing ex-pend-iture	Current grants	Interest	Financial aid 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	948.6	-23.4	
2000	612.3	467.3	595.5	169.3	73.7	205.7	67.6	40.7	37.9	+ 16.8	433.8	434.3	- 0.5	974.6	958.2	+ 16.4	
2001 6	555.4	446.2	599.6	169.9	69.8	213.9	66.6	40.1	39.2	- 44.2	445.1	449.1	- 4.0	923.3	971.4	- 48.2	
2002 p	554.7	441.7	610.9	173.3	70.6	226.9	66.1	38.7	33.5	- 56.2	457.7	466.0	- 8.3	927.7	992.2	- 64.5	
2003 pe	547.0	442.2	614.3	174.0	70.0	235.0	65.6	36.3	32.4	- 67.3	467.7	474.3	- 6.6	925.4	999.3	- 73.9	
2004 pe	543.9	442.8	609.3	173.5	69.8	236.9	64.7	34.5	28.8	- 65.4	470.3	468.8	+ 1.5	925.3	989.3	- 64.0	
2005 pe	567.9	452.1	621.2	172.4	72.0	244.9	64.0	33.3	33.4	- 53.2	468.5	471.4	- 2.8	946.9	1,002.9	- 56.1	
2004 Q1	116.3	96.9	158.5	41.7	15.7	63.0	25.3	5.4	6.3	- 42.1	116.4	116.8	- 0.4	206.4	248.9	- 42.5	
Q2	132.9	112.9	141.5	41.5	15.5	59.4	10.0	6.8	6.3	- 8.6	115.8	116.4	- 0.6	226.0	235.2	- 9.2	
Q3	133.4	107.8	151.9	41.9	16.1	57.5	20.4	8.5	6.3	- 18.6	114.0	116.0	- 2.1	226.3	246.9	- 20.6	
Q4 p	159.7	125.6	157.3	46.7	20.6	56.1	8.7	12.6	10.7	+ 2.4	121.6	118.7	+ 2.9	263.6	258.3	+ 5.3	
2005 Q1 p	121.7	99.2	159.9	41.1	15.2	66.3	25.2	4.6	6.6	- 38.2	117.1	117.5	- 0.4	211.3	249.9	- 38.6	
Q2 p	138.9	112.5	144.8	41.2	16.0	62.8	10.1	6.4	6.3	- 6.0	117.3	118.2	- 0.9	233.5	240.4	- 6.9	
Q3 p	144.3	110.6	154.2	41.3	17.1	59.3	19.7	8.6	6.9	- 10.0	114.1	117.0	- 2.9	236.0	248.8	- 12.9	
Q4 p	162.4	129.5	161.9	47.1	21.8	55.4	8.8	12.5	14.4	+ 0.5	118.1	118.3	- 0.2	264.3	264.0	+ 0.3	

Source: Bundesbank calculations based on data from the Federal Statistical Office. — * The budgetary definition used here differs from that employed for the government account in the national accounts and, in the case of the quarterly figures, in some respects also from the financial statistics. — 1 Including subsidiary budgets. Unlike the annual figure based on the annual accounts statistics of the Federal Statistical Office, the quarterly figures do not include municipal special purpose associations and various special accounts. For more details on revenue from the 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 insurance sectors are estimated. — 3 Including discrepancies in clearing transactions between central, state and local government. — 4 Expenditure on investment grants, loans and acquisition of participating interests. — 5 Including Federal Government liquidity assistance to the Federal Labour Office. — 6 Owing to modifications of the system of classification, shifts occurred, in particular, between other operating expenditure and current grants.

2 Budgetary position of central, state and local government *

Up to end-1998, DM billion; from 1999, € billion

Period	Central government		State government				Local government			
	Revenue 1	Expenditure	Western 2,3		Eastern 3		Western 3		Eastern 3	
			Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
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	240.6	261.3	184.6	207.1	50.4	52.6	119.5	123.2	24.8	25.2
2002	240.8	273.5	183.6	207.6	48.1	53.3	121.7	125.0	25.2	25.4
2003	239.6	278.8	182.9	208.9	49.1	53.5	117.4	124.6	24.7	25.5
2004 pe	233.8	273.6	186.8	207.8	48.9	51.8	120.9	124.4	24.9	25.1
2005 pe	250.0	281.5	190.5	211.5	48.8	51.5	125.7	128.2	25.7	25.5
2004 Q1	44.8	73.4	42.7	52.1	11.1	12.8	25.8	29.7	5.4	5.5
Q2	56.4	62.3	46.3	51.0	11.3	11.5	28.8	29.0	5.7	5.8
Q3	58.3	71.2	45.2	49.9	12.5	12.5	29.9	30.5	6.2	6.2
Q4 p	74.4	66.7	51.7	54.3	13.1	15.0	35.9	34.9	7.6	7.5
2005 Q1 p	46.0	74.9	45.8	52.9	10.8	12.5	25.7	29.4	5.6	5.5
Q2 p	61.4	66.0	47.0	50.2	11.6	11.5	29.9	30.4	6.2	5.9
Q3 p	68.8	73.2	44.4	50.5	12.2	12.4	31.5	31.5	6.3	6.4
Q4 p	73.8	67.4	52.8	57.4	13.6	15.0	38.0	36.7	7.8	7.6

Source: Bundesbank calculations based on data from the Federal Statistical Office. — * See corresponding footnote to Table VIII.1. — 1 Up to 1994, the Bundesbank profit transfer is shown in full; from 1995 onwards, only the DM7 billion envisaged in the budget is shown. From 1995, revenue over and above the envisaged amount accrues directly to the Redemption Fund for

Inherited Liabilities. — 2 Including (eastern and western) Berlin, Bremen and Hamburg. — 3 Unlike the annual figure based on the annual accounts statistics of the Federal Statistical Office, the quarterly figures do not include various special accounts. — 4 Including proceeds from the sale of UMTS licences.

VIII Public finances in Germany

3 Government fiscal position as defined in the national accounts *

Up to end-1998, DM billion; from 1999, € billion

Item	1998	1999	2000 ¹	2001	2002	2003	2004	2005 ^{pe}
Revenue	1,779.3	945.0	967.0	952.6	955.2	963.7	958.7	975.9
<i>of which</i>								
Taxes	897.3	490.5	511.7	488.3	485.4	489.6	487.2	497.6
Social contributions	727.8	375.4	378.4	383.7	389.2	394.4	395.3	397.0
Expenditure	1,862.9	974.3	990.7	1,012.2	1,034.7	1,050.3	1,039.9	1,050.4
<i>of which</i>								
Intermediate consumption	154.3	83.5	82.4	85.2	88.7	89.2	89.5	94.4
Compensation of employees	319.8	165.6	166.1	166.2	169.1	169.0	168.7	167.3
Interest	129.0	63.2	65.1	64.5	62.9	64.6	62.9	63.4
Social benefits ²	998.4	523.1	532.7	551.2	574.1	588.1	586.6	598.1
Gross capital formation	69.4	37.6	36.8	36.8	35.5	32.9	30.7	29.1
Net lending/net borrowing	- 83.6	- 29.3	- 23.7	- 59.6	- 79.6	- 86.6	- 81.2	- 74.5
<i>Memo item</i>								
As defined in the Maastricht Treaty								
Deficit as % of GDP ^{3,4}	2.2	1.5	1.1	2.8	3.7	4.0	3.7	3.3
Debt level	2,317.6	1,224.3	1,231.0	1,241.5	1,293.0	1,381.0	1,451.0	1,520.7
as % of GDP ³	60.3	60.9	59.7	58.8	60.3	63.8	65.5	67.7

Source: Federal Statistical Office. — * Figures in accordance with ESA 95. In contrast to the figures shown by the Federal Statistical Office, totals include (without affecting net lending/net borrowing) customs duties, the EU share in VAT revenue and EU subsidies. — ¹ Adjusted for proceeds from the sale of UMTS licences. The figures of the Federal Statistical Office record such proceeds (€50.8 billion) under "net increase in non-produced assets", with the result that government expenditure is lower and a surplus (€27.1 billion

or 1.3% of GDP) is shown. — ² Including social benefits in kind. — ³ GDP including financial intermediation services indirectly measured (FISIM). — ⁴ Unlike the net lending/net borrowing balance as shown in the national accounts, the deficit ratio as defined in the Maastricht Treaty includes interest payments arising from swap transactions and forward rate agreements.

4 Tax revenue of central, state and local government

Up to end-1998, DM million; from 1999, € million

Period	Central and state government and European Union						Local government ⁴		Balance of untransferred tax shares ⁵
	Total	Total ¹	State government		European Union ³	Total	of which Eastern Germany		
			Central government ²	Total				of which Eastern Germany	
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	442,238	390,437	214,002	155,510	.	20,925	51,673	4,751	+ 127
2004	442,838	386,459	208,918	157,901	.	19,641	56,237	5,233	+ 142
2005	452,078	392,313	211,810	158,792	.	21,711	59,750	5,838	+ 16
2005 Q3	111,103	96,077	52,065	38,840	.	5,172	14,903	1,425	+ 122
Q4	129,346	114,011	65,027	44,534	.	4,450	19,448	1,769	- 4,113
2005 Oct	.	27,794	15,575	11,105	.	1,115	.	.	.
Nov	.	27,709	14,883	10,991	.	1,835	.	.	.
Dec	.	58,508	34,569	22,438	.	1,500	.	.	.
2006 Jan	.	28,370	13,481	13,772	.	1,117	.	.	.
Feb	.	30,833	14,165	12,356	.	4,312	.	.	.

Source: Federal Ministry of Finance. — ¹ Including receipts from the Equalisation of Burdens levies. — ² Before deducting supplementary central government grants and shares in the revenue of mineral oil tax remitted to state government. — ³ Including the additional (GNP-related) revenue accruing to the EU from the central government tax revenue from

1988. — ⁴ Including local government taxes in Berlin, Bremen and Hamburg. — ⁵ Difference between the local government's share in the income taxes received by the state government cash offices in the period in question (see Table VIII.5) and the amounts passed on to local government during the same period.

VIII Public finances in Germany

5 Tax revenue, by type

Up to end-1998, DM million; from 1999, € million

Period	Joint taxes											Local business tax transfers 6,7	Central government taxes 8	State government taxes 8	EU customs duties	Memo item Local government share in income taxes 9
	Income taxes 2						Turnover taxes 5,6									
	Total 1	Total	Wage tax 3	As-sessed income tax	Corporation tax	Investment income taxes 4	Total	Value-added tax (VAT)	Turnover tax on imports							
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	414,846	162,567	133,090	4,568	8,275	16,633	136,996	103,162	33,834	7,085	86,609	18,713	2,877	24,409		
2004	409,517	159,104	123,896	5,394	13,123	16,691	137,366	104,715	32,651	5,661	84,554	19,774	3,059	23,058		
2005	415,355	161,960	118,919	9,766	16,333	16,943	139,712	108,440	31,273	6,218	83,507	20,579	3,378	23,042		
2005 Q3	101,803	38,946	28,172	4,150	3,798	2,826	35,277	27,519	7,758	1,575	20,235	4,868	901	5,726		
Q4	120,926	47,942	33,850	6,017	5,405	2,670	36,511	27,709	8,808	2,967	27,510	5,034	955	6,915		
2005 Oct	29,266	8,107	8,613	- 748	- 489	732	11,835	9,038	2,797	1,025	6,409	1,558	332	1,472		
Nov	29,199	8,058	8,551	- 720	- 403	630	12,420	9,531	2,889	491	6,271	1,672	287	1,490		
Dec	62,461	31,777	16,687	7,485	6,296	1,308	12,262	9,141	3,122	1,451	14,830	1,804	336	3,953		
2006 Jan	30,384	13,205	10,144	- 112	144	3,030	12,352	9,701	2,651	143	2,005	2,398	282	2,014		
Feb	32,505	10,141	9,194	- 374	324	997	13,549	10,648	2,901	169	6,499	1,817	330	1,671		

Source: Federal Ministry of Finance. — 1 This total, unlike that in Table VIII.4, does not include the receipts from the Equalisation of Burdens levies, local business tax on earnings and capital (less local business tax transfers to central and state government), the real property taxes and other local government taxes, or the balance of untransferred tax shares. — 2 The revenue from wage tax and assessed income tax is allocated to central, state and local government in the ratio of 42.5:42.5:15 and the revenue from the withholding tax on interest income is allocated to central, state and local government in the ratio of 44:44:12, while the revenue from corporation tax and non-assessed taxes on earnings is allocated to central and state government in the ratio of 50:50. — 3 From 1996, after deducting child benefit. — 4 Non-assessed taxes on earnings and the withholding tax on interest income. — 5 In 1998, 3.64% and from 1999, 5.63% was allocated to

central government to finance the supplementary grant to the statutory pension insurance scheme, with 2.2% of the balance accruing to local government; of the residual balance, 50.5% was allocated to central government and 49.5% to state government; in 2000 and 2001, 50.25% was allocated to central government and 49.75% to state government; since 2002 49.6% has been allocated to central government and 50.4% to state government. The EU share must also be deducted from the aforementioned central government share. — 6 Since 1991 the distribution of turnover tax and the level and distribution of local business tax transfers have been affected by the financing of the debt service of the German Unity Fund. — 7 Central government and state government 50% each. From 1998, central government 42.2%, state government 57.8%. — 8 For the breakdown, see Table VIII.6. — 9 From 1998, including the share in turnover taxes.

6 Specific taxes levied by central, state and local government

Up to end-1998, DM million; from 1999, € million

Period	Central government taxes						State government taxes					Local government taxes		
	Mineral oil tax	Tobacco tax	Spirits tax	Insurance tax	Electricity tax	Other central government taxes 1	Motor vehicle tax	Wealth tax	Inheritance tax	Beer tax	Other state government taxes	Local business tax 2	Real property taxes	Other local government taxes 3
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	43,188	14,094	2,204	8,870	6,531	11,722	7,336	230	3,373	786	6,989	24,139	9,658	681
2004	41,782	13,630	2,195	8,750	6,597	11,601	7,740	80	4,284	788	6,883	28,373	9,939	669
2005	40,101	14,273	2,142	8,750	6,462	11,779	8,673	97	4,097	777	6,935	32,129	10,247	565
2005 Q3	9,776	3,951	512	1,709	1,589	2,698	2,107	4	849	221	1,687	7,745	2,984	146
Q4	16,003	4,213	733	1,561	1,664	3,338	2,075	7	929	186	1,836	9,049	2,230	109
2005 Oct	3,447	1,288	178	382	481	633	664	2	267	68	557	.	.	.
Nov	3,296	1,125	165	550	482	654	645	2	330	59	637	.	.	.
Dec	9,259	1,800	390	629	701	2,051	767	3	332	60	643	.	.	.
2006 Jan	-215	473	32	461	436	817	1,246	3	354	66	728	.	.	.
Feb	1,399	1,181	87	2,809	265	758	637	7	314	49	811	.	.	.

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 earnings and capital. — 3 Including tax-like revenue.

VIII Public finances in Germany

7 General government debt *

€ million

End of year or month	Total	Treasury discount paper (Bubills) 1	Treasury notes 2,3	Five-year Federal notes (Bobl's) 2	Federal savings notes	Bonds 2	Direct lending by credit institu- tions 4	Loans from non-banks		Old debt		
								Social security funds	Other 4	aris- ing from German unifica- tion 5,6	Equalisa- tion claims 6	Other 7
General government												
2000	1,211,455	11,616	109,951	126,276	35,991	438,888	433,443	211	10,524	301	44,146	108
2001	1,223,966	23,036	151,401	130,045	26,395	448,148	422,440	174	13,110	123	8,986	108
2002	1,277,667	30,815	203,951	137,669	17,898	456,300	404,046	137	18,844	66	7,845	97
2003	1,358,137	36,022	246,414	153,611	12,810	471,115	396,832	341	34,163	33	6,711	86
2004	1,430,453	35,722	279,796	168,958	10,817	495,418	379,984	430	53,672	2	5,572	82
2005 Mar	1,457,187	37,489	290,175	162,644	11,037	506,670	387,456	474	55,586	2	5,572	84
June	1,465,395	37,214	295,608	170,389	11,180	507,071	381,150	501	56,623	2	5,572	87
Sep	1,480,141	37,183	299,830	163,335	11,061	525,365	379,830	498	58,508	2	4,443	87
Dec P	1,488,275	36,945	310,118	174,423	11,055	521,801	368,382	498	60,523	2	4,443	86
Central government 8,9,10												
2000	715,835	11,516	44,678	123,642	35,991	400,490	52,836	29	2,099	301	44,146	107
2001	701,115	21,136	59,643	119,911	26,395	416,195	47,111	26	1,481	123	8,986	107
2002	725,443	30,227	78,584	127,484	17,898	422,558	39,517	0	1,167	66	7,845	97
2003	767,713	35,235	87,538	143,425	12,810	436,181	38,146	223	7,326	33	6,711	85
2004	812,123	34,440	95,638	159,272	10,817	460,380	34,835	333	10,751	2	5,572	81
2005 Mar	870,406	36,393	102,959	162,592	11,037	495,478	45,119	373	10,798	2	5,572	83
June	874,053	36,021	105,227	170,338	11,180	495,879	38,778	408	10,562	2	5,572	86
Sep	885,192	35,989	106,836	163,284	11,061	514,173	38,303	408	10,608	2	4,443	86
Dec	886,254	36,098	108,899	174,371	11,055	510,866	29,318	408	10,710	2	4,443	85
2006 Mar	898,780	36,130	111,773	167,352	10,883	519,889	36,917	408	10,899	2	4,443	84
State government (western)												
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	328,390	250	97,556	.	.	.	217,333	5	13,246	.	.	1
2003	355,661	472	125,356	.	.	.	207,880	4	21,949	.	.	1
2004	376,697	750	148,219	.	.	.	193,216	3	34,508	.	.	1
2005 Mar	382,341	250	154,965	.	.	.	190,360	3	36,762	.	.	1
June	384,373	0	157,226	.	.	.	189,139	3	38,005	.	.	1
Sep	389,392	0	160,561	.	.	.	189,090	0	39,741	.	.	1
Dec P	395,846	0	167,692	.	.	.	187,081	0	41,073	.	.	1
2006 Mar P	401,548	0	173,504	.	.	.	183,549	0	44,493	.	.	1
State government (eastern)												
2000	55,712	100	16,092	.	.	.	39,339	-	182	.	.	.
2001	58,771	100	20,135	.	.	.	37,382	-	1,154	.	.	.
2002	63,782	338	23,838	.	.	.	37,739	-	1,867	.	.	.
2003	68,076	315	28,833	.	.	.	37,022	-	1,906	.	.	.
2004	71,975	533	31,400	.	.	.	35,428	-	4,614	.	.	.
2005 Mar	73,190	846	32,251	.	.	.	35,866	-	4,227	.	.	.
June	74,898	1,193	33,154	.	.	.	36,142	-	4,409	.	.	.
Sep	74,691	1,194	32,433	.	.	.	36,553	-	4,511	.	.	.
Dec P	75,249	847	33,528	.	.	.	35,781	-	5,093	.	.	.
2006 Mar P	76,170	721	35,300	.	.	.	34,636	-	5,513	.	.	.

For footnotes, see end of the table.

VIII Public finances in Germany

7 General government debt * (cont'd)

€ million

End of year or month	Total	Treasury discount paper (Bubills) 1	Treasury notes 2,3	Five-year Federal notes (Bobl)s 2	Federal savings notes	Bonds 2	Direct lending by credit institu- tions 4	Loans from non-banks		Old debt		
								Social security funds	Other 4	arising from German unifica- tion 5,6	Equalisa- tion claims 6	Other 7
Local government (western) 11												
2000	81,414	.	153	.	.	680	78,656	33	1,891	.	.	.
2001	82,203	.	153	.	.	629	79,470	29	1,922	.	.	.
2002	84,097	.	153	.	.	629	81,307	22	1,986	.	.	.
2003	90,906	.	77	.	.	603	87,868	19	2,339	.	.	.
2004	95,057	.	-	.	.	552	91,317	13	3,174	.	.	.
2005 Mar	95,600	.	-	.	.	591	91,819	15	3,175	.	.	.
June	97,250	.	-	.	.	591	93,469	15	3,175	.	.	.
Sep	97,500	.	-	.	.	591	93,719	15	3,175	.	.	.
Dec P	98,260	.	-	.	.	335	94,735	15	3,175	.	.	.
Local government (eastern) 11												
2000	17,048	.	51	.	.	335	16,497	114	50	.	.	.
2001	17,005	.	-	.	.	284	16,581	107	33	.	.	.
2002	16,745	.	-	.	.	284	16,318	102	41	.	.	.
2003	16,951	.	-	.	.	131	16,601	87	132	.	.	.
2004	17,353	.	-	.	.	131	16,914	73	235	.	.	.
2005 Mar	17,250	.	-	.	.	131	16,809	75	235	.	.	.
June	17,250	.	-	.	.	131	16,809	75	235	.	.	.
Sep	17,200	.	-	.	.	131	16,759	75	235	.	.	.
Dec P	17,300	.	-	.	.	131	16,859	75	235	.	.	.
ERP Special Fund 8												
2000	18,386	.	.	-	.	7,585	10,411	13	377	.	.	.
2001	19,161	.	.	-	.	9,462	9,310	8	381	.	.	.
2002	19,400	.	.	51	.	10,144	8,686	8	512	.	.	.
2003	19,261	.	.	51	.	10,169	8,522	8	512	.	.	.
2004	18,200	.	.	51	.	10,169	7,584	8	389	.	.	.
2005 Mar	18,098	.	.	51	.	10,169	7,482	8	389	.	.	.
June	17,270	.	.	51	.	10,169	6,812	-	238	.	.	.
Sep	15,864	.	.	51	.	10,169	5,406	-	238	.	.	.
Dec	15,066	.	.	51	.	10,169	4,609	-	238	.	.	.
2006 Mar	14,811	.	.	51	.	10,169	4,353	-	238	.	.	.
Indemnification Fund												
2000	204	.	.	.	.	204	.	.	.	.	.	.
2001	285	.	.	.	.	285	.	.	.	.	.	.
2002	369	.	.	.	.	369	.	.	.	.	.	.
2003	469	.	.	.	.	469	.	.	.	.	.	.
2004	400	.	.	.	.	400	.	.	.	.	.	.
2005 Mar	302	.	.	.	.	302	.	.	.	.	.	.
June	302	.	.	.	.	302	.	.	.	.	.	.
Sep	301	.	.	.	.	301	.	.	.	.	.	.
Dec	300	.	.	.	.	300	.	.	.	.	.	.
2006 Mar	200	.	.	.	.	200	.	.	.	.	.	.
German Unity Fund 8,10												
2000	40,425	-	275	2,634	.	29,593	7,790	-	133	.	.	.
2001	39,638	-	3,748	10,134	.	21,292	4,315	-	149	.	.	.
2002	39,441	-	3,820	10,134	.	22,315	3,146	-	26	.	.	.
2003	39,099	-	4,610	10,134	.	23,563	793	-	-	.	.	.
2004	38,650	-	4,538	9,634	.	23,787	690	-	-	.	.	.

Source: Bundesbank calculations based on data from the Federal Statistical Office. — * Excluding direct intergovernment debt. — 1 Predominantly Treasury discount paper (Bubills). — 2 Excluding issuers' holdings of their own securities. — 3 Treasury notes issued by state government include long-term paper. — 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 housing construction and liabilities arising from housing construction by the former GDR's armed forces and from housing construction in connection with the return of the troops of the former USSR stationed in eastern Germany to their home country. — 6 Excluding offsets against outstanding claims. — 7 Old debt mainly denominated in foreign currency, in accordance with the

London Debts Agreement; excluding debt securities in own portfolios. — 8 In contrast to the capital market statistics, the debt incurred through the joint issuance of Federal securities is recorded here under central government and its special funds in accordance with the agreed distribution ratios. — 9 On 1 July 1999 central government assumed joint responsibility for the debts of the Redemption Fund for Inherited Liabilities, the Federal Railways Fund and the Equalisation Fund for Safeguarding the Use of Coal. As from July, the aforementioned special funds are recorded under central government. — 10 On 1 January 2005 central government assumed joint responsibility for the debts of the German Unity Fund. As from January, the aforementioned special fund is recorded under central government. — 11 Data other than year-end figures have been estimated. Including debt of municipal special purpose associations.

VIII Public finances in Germany

8 Change in general government debt *

€ million

Item	End of		Net borrowing 1							
			2004				2005			
	2004	2005 p	Total	1st hf	Q3	Q4	Total p	1st hf	Q3	Q4 p
Borrowers										
Central government 2	812,123	886,254	+ 44,410	+ 36,042	+ 10,273	- 1,906	+ 35,479	+ 23,277	+ 11,140	+ 1,062
German Unity Fund 2	38,650	-	- 450	+ 4	+ 107	- 561	-	-	-	-
ERP Special Fund	18,200	15,066	- 1,061	- 736	-	- 325	- 3,134	- 931	- 1,406	- 798
Indemnification Fund	400	300	- 69	- 73	+ 1	+ 2	- 99	- 98	- 1	- 1
State government (western)	376,697	395,846	+ 21,036	+ 12,579	+ 6,175	+ 2,282	+ 19,149	+ 7,676	+ 5,019	+ 6,454
State government (eastern)	71,975	75,249	+ 3,899	+ 3,176	+ 260	+ 462	+ 3,274	+ 2,923	- 207	+ 558
Local government (western) 3	95,057	98,260	+ 4,805	+ 3,075	+ 491	+ 1,239	+ 4,403	+ 3,431	+ 220	+ 752
Local government (eastern) 3	17,353	17,300	+ 373	- 26	+ 110	+ 289	+ 35	- 25	+ 30	+ 90
Total	1,430,453	1,488,275	+ 72,941	+ 54,041	+ 17,417	+ 1,483	+ 59,110	+ 36,258	+ 14,735	+ 8,117
Debt by category										
Treasury discount paper (Bubills) 4	35,722	36,945	- 299	+ 1,286	+ 187	- 1,772	+ 1,223	+ 1,491	- 31	- 238
Treasury notes 5	279,796	310,118	+ 33,382	+ 23,516	+ 6,947	+ 2,919	+ 30,322	+ 15,812	+ 4,222	+ 10,288
Five-year Federal notes (Bobs) 5	168,958	174,423	+ 15,347	+ 8,863	+ 4,152	+ 2,332	+ 5,465	+ 1,431	- 7,053	+ 11,087
Federal savings notes	10,817	11,055	- 1,993	- 2,220	- 22	+ 249	+ 238	+ 362	- 119	- 6
Bonds 5	495,418	521,801	+ 24,302	+ 17,481	+ 5,785	+ 1,037	+ 26,383	+ 11,653	+ 18,294	- 3,564
Direct lending by credit institutions 6	379,984	368,382	- 16,223	- 4,780	- 910	- 10,534	- 10,314	+ 2,482	- 1,329	- 11,467
Loans from social security funds	430	498	+ 89	+ 31	+ 42	+ 17	+ 68	+ 71	- 3	-
Other loans 6	53,632	60,483	+ 19,509	+ 9,894	+ 2,377	+ 7,238	+ 6,851	+ 2,951	+ 1,884	+ 2,016
Old debt 7	84	88	- 35	- 29	- 1	- 5	+ 4	+ 5	+ 0	- 1
Equalisation claims	5,572	4,443	- 1,138	+ 0	- 1,139	+ 1	- 1,130	-	- 1,130	-
Investment assistance levy	41	41	-	-	-	-	-	-	-	-
Total	1,430,453	1,488,275	+ 72,941	+ 54,041	+ 17,417	+ 1,483	+ 59,110	+ 36,258	+ 14,735	+ 8,117
Creditors										
Banking system										
Bundesbank	4,440	4,440	-	-	-	-	-	-	-	-
Credit institutions	541,700	514,000	+ 17,525	+ 29,756	+ 3,451	- 15,682	- 26,412	- 11,884	+ 2,290	- 16,818
Domestic non-banks										
Social security funds	430	498	+ 89	+ 31	+ 42	+ 17	+ 68	+ 71	- 3	-
Other 8	263,983	263,937	- 11,673	- 3,946	- 10,476	+ 2,748	- 46	- 4,729	- 1,252	+ 5,935
Foreign creditors pe	619,900	705,400	+ 67,000	+ 28,200	+ 24,400	+ 14,400	+ 85,500	+ 52,800	+ 13,700	+ 19,000
Total	1,430,453	1,488,275	+ 72,941	+ 54,041	+ 17,417	+ 1,483	+ 59,110	+ 36,258	+ 14,735	+ 8,117

Source: Bundesbank calculations based on data from the Federal Statistical Office. — * Excluding direct intergovernment debt. — 1 Net borrowing differs from the change in debt, which includes the assumption and transfer of debts. — 2 See Table VIII.7, footnote 8. — 3 Data other than year-end figures have been estimated. Including debt of municipal special purpose associations. — 4 Excluding mobilisation and liquidity paper. Predominantly Treasury discount paper (Bubills). — 5 Excluding issuers' holdings of their

own securities. — 6 Including loans raised abroad. — 7 Old liabilities arising from housing construction and liabilities arising from the housing construction of the former GDR's armed forces and from housing construction in connection with the return of the troops of the former USSR stationed in eastern Germany to their home country, and old debt in accordance with the London Debts Agreement. — 8 Ascertained as a residual.

9 Loans raised by general government against borrowers' notes

Up to end-1998, DM million; from 1999, € million

End of year or month	Total 1	Central government 2,3	German Unity Fund 3	ERP Special Fund	State government	Local government 4,5	Federal Railways Fund 3	Redemption Fund for Inherited Liabilities 3	Equalisation Fund for Safeguarding the Use of Coal 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	416,067	44,791	4,464	9,699	267,988	89,126	-	-	-
2002	398,910	34,636	3,172	9,205	262,840	89,057	-	-	-
2003	399,304	38,410	793	9,042	260,046	91,013	-	-	-
2004 Dec	399,250	36,791	690	7,981	262,070	91,719	-	-	-
2005 Mar	399,064	36,069	-	7,878	264,478	90,639	-	-	-
June	394,063	31,898	-	7,050	264,757	90,358	-	-	-
Sep	392,498	30,680	-	5,644	265,990	90,184	-	-	-
Dec p	388,942	26,796	-	4,846	266,222	91,078	-	-	-

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 year-end figures have been estimated. Including municipal special purpose associations. — 5 Including contractually agreed loans.

VIII Public finances in Germany

10 Central government debt

Up to end-1998, DM million; from 1999, € million

End of year or month	Treasury discount paper (Bubills) ¹			Federal Treasury notes (Schätze) ²	Five-year Federal notes (Bobs) ²	Federal savings notes	Federal bonds (Bunds) ²	Direct lending by credit institutions ^{3,4}	Indebtedness to non-banks		Old debt		
	Total	of which Federal Treasury financing paper	Total						Social security funds	Other ^{3,5,6}	arising from German unification ^{7,8}	Equalisation claims ⁸	Other ⁹
1998	958,004	24,666	4,558	84,760	199,274	92,698	519,718	24,125	-	2,603	1,290	8,684	186
1999 ¹⁰	714,080	11,553	1,584	44,335	120,498	41,621	379,808	67,872	60	2,568	488	45,175	104
2000	715,835	11,516	1,805	44,678	123,642	35,991	400,490	52,836	29	2,099	301	44,146	107
2001	701,115	21,136	1,658	59,643	119,911	26,395	416,195	47,111	26	1,481	123	8,986	107
2002	725,443	30,227	1,618	78,584	127,484	17,898	422,558	39,517	0	1,167	66	7,845	97
2003	767,713	35,235	1,240	87,538	143,425	12,810	436,181	38,146	223	7,326	33	6,711	85
2004	812,123	34,440	1,074	95,638	159,272	10,817	460,380	34,835	333	10,751	2	5,572	81
2005 ¹¹	886,254	36,098	1,155	108,899	174,371	11,055	510,866	29,318	408	10,710	2	4,443	85
2005 May	875,581	36,089	1,121	110,280	166,045	11,119	492,031	43,152	408	10,798	2	5,572	85
June	874,053	36,021	1,111	105,227	170,338	11,180	495,879	38,778	408	10,562	2	5,572	86
July	889,851	36,128	1,091	110,360	171,179	11,186	506,393	39,106	408	10,562	2	4,443	86
Aug	878,817	35,886	1,095	110,935	156,950	11,125	514,177	34,243	408	10,562	2	4,443	86
Sep	885,192	35,989	1,076	106,836	163,284	11,061	514,173	38,303	408	10,608	2	4,443	86
Oct	888,191	35,734	1,073	113,486	168,448	11,088	503,350	40,541	408	10,608	2	4,443	85
Nov	890,379	35,275	1,118	115,057	169,537	10,981	509,857	34,125	408	10,608	2	4,443	86
Dec	886,254	36,098	1,155	108,899	174,371	11,055	510,866	29,318	408	10,710	2	4,443	85
2006 Jan	903,024	36,761	1,278	115,718	175,014	10,628	514,676	34,581	408	10,710	2	4,443	85
Feb	891,427	36,957	1,370	117,185	161,161	10,735	514,768	34,974	408	10,710	2	4,443	85
Mar	898,780	36,130	1,487	111,773	167,352	10,883	519,889	36,917	408	10,899	2	4,443	84
Apr	905,742	37,200	1,657	117,828	172,470	10,643	512,431	39,336	408	10,899	2	4,443	83
May	909,441	37,387	1,840	118,528	173,593	10,771	519,098	34,232	408	10,899	2	4,443	82

¹ Excluding mobilisation and liquidity paper. In November 1999, including cash bills. — ² Excluding issuers' holdings of their own securities. — ³ Including loans raised abroad. — ⁴ Including money market loans. — 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 housing construction for the former GDR's armed forces and from housing construction in connection with the return of the troops of the former USSR stationed in eastern

Germany to their home country. — ⁸ Excluding offsets against outstanding claims. — ⁹ Commutation and compensation debt and old debt mainly denominated in foreign currency. — ¹⁰ On 1 July 1999 central government assumed joint responsibility for the debts of the Redemption Fund for Inherited Liabilities, the Federal Railways Fund and the Equalisation Fund for Safeguarding the Use of Coal. — ¹¹ On 1 January 2005 central government assumed joint responsibility for the debts of the German Unity Fund.

11 Central government borrowing in the market

Up to end-1998, DM million; from 1999, € million

Period	Total new borrowing		of which		Five-year Federal notes (Bobs)		Other securities ²		Loans against borrowers' notes		Money market loans	Change in money market deposits
	Gross ¹	Net	Gross ¹	Net	Gross ¹	Net	Gross ¹	Net	Gross	Net		
				Federal bonds (Bunds)								
1998	+ 228,050	+ 52,301	+ 78,304	+ 38,099	+ 55,078	+ 21,553	+ 85,706	- 1,327	+ 12,023	- 2,927	- 3,065	- 5,440
1999	+ 139,865	+ 31,632	+ 53,931	+ 114,080	+ 22,229	+ 18,610	+ 44,904	- 5,836	+ 14,861	+ 52,897	+ 3,937	+ 1,832
2000	+ 122,725	+ 1,755	+ 49,395	+ 20,682	+ 26,342	+ 3,144	+ 45,278	- 5,323	+ 7,273	- 9,973	- 5,563	- 940
2001	+ 135,018	- 14,719	+ 36,511	+ 15,705	+ 19,603	- 3,730	+ 69,971	+ 14,989	+ 5,337	- 9,941	+ 3,595	- 1,495
2002	+ 178,203	+ 24,327	+ 41,378	+ 6,364	+ 36,037	+ 7,572	+ 93,853	+ 19,535	+ 4,716	- 10,155	+ 2,221	+ 22
2003	+ 227,483	+ 42,270	+ 62,513	+ 13,623	+ 42,422	+ 15,942	+ 109,834	+ 8,874	+ 11,480	+ 3,775	+ 1,236	+ 7,218
2004	+ 227,441	+ 44,410	+ 52,713	+ 24,199	+ 35,594	+ 15,847	+ 130,916	+ 5,313	+ 7,186	- 1,620	+ 1,844	+ 802
2005	+ 224,922	+ 35,479	+ 53,197	+ 26,700	+ 33,278	+ 5,465	+ 131,620	+ 10,618	+ 2,317	- 10,689	+ 4,511	+ 6,041
2005 Jan-May	+ 102,045	+ 24,806	+ 24,193	+ 7,864	+ 10,103	- 2,861	+ 54,416	+ 12,053	+ 1,032	- 4,556	+ 12,301	- 4,168
2006 Jan-May	+ 106,494	+ 23,187	+ 29,833	+ 8,232	+ 13,235	- 778	+ 57,181	+ 10,633	+ 631	- 511	+ 5,615	+ 2,232
2005 May	+ 20,118	- 2,928	+ 5,478	- 4,579	+ 3,205	- 2,780	+ 6,442	+ 406	+ 250	- 718	+ 4,742	- 4,800
June	+ 17,505	- 1,528	+ 3,848	+ 3,848	+ 4,292	+ 4,292	+ 12,895	- 5,059	+ 50	- 1,031	- 3,579	+ 694
July	+ 23,703	+ 15,799	+ 10,514	+ 10,514	+ 841	+ 841	+ 11,298	+ 5,246	+ 236	- 487	+ 814	+ 14,482
Aug	+ 10,517	- 11,035	+ 7,785	+ 7,785	+ 620	- 14,229	+ 6,622	+ 273	+ 70	- 283	- 4,581	- 13,116
Sep	+ 25,105	+ 6,376	- 4	- 4	+ 6,335	+ 6,335	+ 14,044	- 4,060	+ 176	- 449	+ 4,554	+ 6,078
Oct	+ 20,837	+ 2,999	- 654	- 10,823	+ 5,164	+ 5,164	+ 12,434	+ 6,421	+ 362	- 1,293	+ 3,532	- 1,720
Nov	+ 10,845	+ 2,188	+ 6,507	+ 6,507	+ 1,089	+ 1,089	+ 7,279	+ 1,006	+ 159	- 2,226	- 4,189	- 3,840
Dec	+ 14,366	- 4,124	+ 1,009	+ 1,009	+ 4,834	+ 4,834	+ 12,632	- 5,261	+ 233	- 365	- 4,341	+ 7,631
2006 Jan	+ 31,775	+ 16,770	+ 11,949	+ 3,810	+ 643	+ 643	+ 13,760	+ 7,055	+ 196	+ 36	+ 5,227	+ 915
Feb	+ 14,936	- 11,597	+ 6,326	+ 92	+ 160	- 13,853	+ 7,800	+ 1,770	+ 66	- 192	+ 585	- 14,595
Mar	+ 29,077	+ 7,353	+ 5,121	+ 5,121	+ 6,191	+ 6,191	+ 15,218	- 6,091	+ 184	- 229	+ 2,362	+ 6,384
Apr	+ 20,723	+ 6,962	- 231	- 7,459	+ 5,118	+ 5,118	+ 13,382	+ 6,885	+ 48	+ 14	+ 2,406	+ 5,080
May	+ 9,983	+ 3,699	+ 6,667	+ 6,667	+ 1,123	+ 1,123	+ 7,022	+ 1,015	+ 137	- 140	- 4,965	+ 4,448

¹ After deduction of repurchases. — ² Federal Treasury notes (Schätze), Federal savings notes, Treasury discount paper (Bubills), Federal Treasury financing paper.

VIII Public finances in Germany

12 Revenue, expenditure and assets of the German pension insurance fund *

Up to end-1998, DM million; from 1999, € million

Period	Revenue 1			Expenditure 1			Balance of revenue and expenditure	Assets 5				Memo item Administrative assets	
	Total	of which		Total	of which			Total	Deposits 6	Securities	Mortgage and other loans 7		Real estate
		Contributions 2	Payments from central government		Pension payments 3	Pensioners' health insurance 4							
1993	290,393	232,408	52,671	298,065	252,920	15,898	- 7,672	39,786	29,957	8,499	1,100	229	6,297
1994	322,335	256,662	61,891	324,323	273,880	17,751	- 1,988	33,578	24,194	8,170	909	305	6,890
1995	338,185	270,294	64,387	348,115	294,034	20,285	- 9,930	21,756	16,801	3,948	746	262	7,800
1996 8	353,672	282,616	68,388	362,667	305,780	21,660	- 8,995	14,456	9,608	2,119	2,500	229	8,863
1997	374,853	297,402	74,961	372,955	316,511	23,280	+ 1,898	14,659	10,179	1,878	2,372	230	9,261
1998	389,101	297,827	88,755	385,707	327,823	24,393	+ 3,394	18,194	14,201	1,493	2,274	226	9,573
1999	208,173	152,206	54,628	203,295	172,919	12,950	+ 4,878	13,623	11,559	824	1,127	114	4,904
2000	211,137	150,712	58,862	210,558	178,599	13,365	+ 579	14,350	11,459	1,676	1,105	110	4,889
2001 8	216,927	152,048	63,093	217,497	184,730	13,762	- 570	13,973	10,646	1,517	1,699	111	4,917
2002	221,563	152,810	66,958	225,689	191,133	14,498	- 4,126	9,826	6,943	1,072	1,685	126	4,878
2003	229,371	156,510	71,447	231,362	196,038	15,178	- 1,991	7,641	5,017	816	1,682	126	4,862
2004 9	231,684	156,535	71,680	233,011	198,587	14,258	- 1,327	5,158	4,980	19	41	118	4,834
2005 P	229,027	156,259	71,548	233,153	200,161	13,440	- 4,126	1,974	1,794	16	43	122	4,912
2004 Q1	55,431	37,289	17,846	58,350	49,858	3,873	- 2,919	5,879	3,375	696	1,681	127	4,862
Q2	56,665	38,446	17,873	57,794	49,437	3,416	- 1,129	3,751	1,914	28	1,681	128	4,877
Q3	56,766	38,664	17,779	58,107	49,719	3,456	- 1,341	2,560	731	22	1,681	127	4,889
Q4 9	62,336	42,126	17,807	58,350	49,824	3,484	+ 3,986	5,158	4,980	19	41	118	4,834
2005 Q1	55,160	36,897	17,996	58,001	50,031	3,390	- 2,841	2,607	2,432	16	41	118	4,828
Q2	56,913	38,647	17,911	58,286	49,929	3,413	- 1,373	1,195	1,020	16	42	118	4,874
Q3	57,546	38,492	18,807	58,455	50,150	3,337	- 909	362	187	16	43	117	4,885
Q4	59,408	42,224	16,834	58,412	50,050	3,300	+ 996	1,974	1,794	16	43	122	4,912
2006 Q1	60,801	42,622	17,908	57,965	50,110	3,247	+ 2,836	4,452	4,293	16	43	101	4,924

Source: Federal Ministry of Labour and Social Affairs and German pension insurance scheme. — * Excluding German pension insurance for the mining, railroad and maritime industries. — 1 The annual figures do not tally with 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 government cash 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 Including long-term care insurance scheme for pensioners from 1995 to 2004 Q1. — 5 Largely corresponds to the sustainability reserves. End of year or quarter. — 6 Including cash. — 7 Excluding loans to other social security funds; including participating interests. — 8 Excluding income arising from the revaluation of participating interests. — 9 Revenue includes proceeds from the disposal of equity interests.

13 Revenue and expenditure of the Federal Employment Agency

Up to end-1998, DM million; from 1999, € million

Period	Revenue			Expenditure							Balance	Grant or working capital loans from central government	
	Total 1	of which		Total 3	of which			Total	Job promotion 5,6				Measures financed by levies 7
		Contributions	Levies 2		Total	Western Germany	Eastern Germany		Western Germany	Eastern Germany			
1993	85,109	79,895	1,829	109,536	48,005	34,149	13,856	36,891	15,895	20,996	2,840	- 24,426	24,419
1994	89,658	81,536	3,822	99,863	48,342	35,163	13,179	31,273	14,382	16,891	2,753	- 10,205	10,142
1995	90,211	84,354	2,957	97,103	49,254	36,161	13,094	34,441	16,745	17,696	2,627	- 6,892	6,887
1996	91,825	85,073	3,346	105,588	57,123	40,186	16,938	36,478	18,368	18,111	2,318	- 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	1,756	- 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	2,540	- 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	1,349	- 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	1,330	- 868	867
2001	50,682	47,337	1,640	52,613	25,036	16,743	8,294	20,713	11,094	9,619	1,660	- 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	2,215	- 5,623	5,623
2003	50,635	47,337	2,081	56,850	29,735	21,528	8,207	19,155	10,564	8,591	1,948	- 6,215	6,215
2004	50,314	47,211	1,674	54,490	29,746	21,821	7,925	16,843	9,831	7,011	1,641	- 4,176	4,175
2005	52,692	46,989	1,436	53,089	27,654	20,332	7,322	11,590	7,421	4,169	1,450	- 397	397
2004 Q1	11,524	11,261	47	14,448	8,200	6,001	2,199	4,389	2,491	1,898	480	- 2,924	5,244
Q2	12,042	11,419	394	13,949	7,782	5,673	2,109	4,268	2,510	1,758	465	- 1,907	1,946
Q3	12,516	11,709	481	12,818	7,044	5,189	1,855	3,919	2,309	1,610	346	- 303	166
Q4	14,233	12,821	753	13,275	6,721	4,958	1,762	4,267	2,522	1,745	350	+ 958	- 3,181
2005 Q1	11,934	11,072	40	14,775	7,983	5,805	2,178	3,332	2,083	1,249	410	- 2,842	5,532
Q2	13,283	11,449	324	13,697	7,394	5,376	2,018	3,062	1,956	1,105	440	- 414	223
Q3	12,924	11,618	420	12,662	6,357	4,720	1,637	2,576	1,670	906	372	+ 262	- 458
Q4	14,551	12,850	652	11,954	5,920	4,431	1,489	2,620	1,712	908	228	+ 2,597	- 4,900
2006 Q1	14,041	13,057	42	12,320	7,155	5,260	1,894	2,306	1,526	780	388	+ 1,721	538
Q2	13,827	12,848	275	11,742	6,362	4,691	1,670	2,266	1,505	761	300	+ 2,084	- 538

Source: Federal Employment Agency. — 1 Excluding central government liquidity assistance. — 2 Levies to promote winter construction and to pay insolvency compensation to employees. — 3 From 2005, including a compensatory amount to central government. — 4 Unemployment benefit, short-time working benefit. — 5 Including contributions to the statutory health insurance, pension insurance and long-term care insurance schemes. From 2003, the January contributions to the statutory pension insurance

scheme for recipients of wage substitutes are paid in January instead of in December. — 6 Vocational training, measures to encourage job take-up, rehabilitation, job creation measures, subsidies granted to Personnel Service Agencies (PSAs), compensation top-up payments and business start-up grants. — 7 Promotion of winter construction and insolvency compensation to employees.

IX Economic conditions

1 Origin and use of domestic product, distribution of national income Germany

Item	2004			2005			2006						
	2003	2004	2005	2003	2004	2005	2004	2005	2006				
	Index 2000=100			Annual percentage change			Q3	Q4	Q1	Q2	Q3	Q4	Q1
At constant prices, chained													
I Origin of domestic product													
Production sector (excluding construction)	100.5	105.0	107.8	1.0	4.4	2.7	4.2	3.4	0.3	4.1	2.9	3.4	7.1
Construction	86.4	85.1	81.9	- 4.5	- 1.6	- 3.8	- 4.2	- 3.1	- 12.0	- 1.5	- 1.2	- 1.2	5.0
Wholesale/retail trade, hotel and restaurant services, transport and storage ¹	102.3	104.2	106.0	- 1.3	1.9	1.7	1.0	2.2	0.9	2.6	2.2	1.0	2.2
Financing, renting and business services ²	105.2	107.1	108.9	0.6	1.8	1.7	1.4	1.7	1.8	1.9	1.8	1.3	1.8
Public and private services ³	102.1	102.4	101.8	- 0.3	0.4	- 0.6	0.1	0.1	- 1.0	- 0.3	- 0.4	- 0.7	0.3
Gross value added	101.7	103.9	105.1	- 0.1	2.1	1.1	1.5	1.7	0.0	1.9	1.4	1.2	3.0
Gross domestic product ⁴	101.1	102.8	103.8	- 0.2	1.6	1.0	1.2	1.3	- 0.5	1.8	1.5	1.1	2.9
II Use of domestic product													
Private consumption ⁵	101.5	102.0	102.2	0.1	0.6	0.2	- 0.1	1.5	- 0.5	1.1	0.9	- 0.9	1.1
Government consumption	102.1	100.5	100.6	0.1	- 1.6	0.1	- 1.0	- 3.0	- 1.5	0.5	0.6	0.7	0.8
Machinery and equipment	88.9	91.3	94.9	- 0.2	2.6	4.0	5.1	5.1	3.7	7.5	2.2	2.8	8.3
Premises	88.4	86.3	83.4	- 1.6	- 2.3	- 3.4	- 4.4	- 3.3	- 10.8	- 1.5	- 1.2	- 1.4	4.3
Other investment ⁶	111.1	113.1	115.2	3.3	1.8	1.8	1.6	1.7	2.2	2.2	1.9	1.1	3.0
Changes in inventories ^{7 8}	.	.	.	0.5	0.5	0.2	1.7	0.5	0.1	0.5	- 0.3	0.6	1.0
Domestic use	98.1	98.7	99.0	0.6	0.6	0.4	1.4	1.0	- 1.2	1.8	0.5	0.4	2.8
Net exports ⁸	.	.	.	- 0.7	1.1	0.6	- 0.1	0.3	0.7	0.1	1.0	0.7	0.2
Exports	113.6	124.2	132.0	2.4	9.3	6.3	7.3	8.4	3.7	4.9	8.6	7.8	14.2
Imports	104.9	112.3	118.2	5.1	7.0	5.3	8.7	8.5	2.2	5.5	6.6	6.7	16.2
Gross domestic product ⁴	101.1	102.8	103.8	- 0.2	1.6	1.0	1.2	1.3	- 0.5	1.8	1.5	1.1	2.9
At current prices (€ billion)													
III Use of domestic product													
Private consumption ⁵	1,287.6	1,312.5	1,332.2	1.7	1.9	1.5	1.4	2.9	0.7	2.1	2.3	0.9	2.9
Government consumption	415.5	412.8	417.2	0.8	- 0.6	1.1	- 1.1	- 2.1	- 0.2	1.6	1.5	1.4	2.0
Machinery and equipment	146.9	149.4	153.9	- 3.2	1.7	3.0	4.3	4.0	2.8	6.3	1.2	2.1	7.0
Premises	213.0	210.7	205.6	- 1.6	- 1.1	- 2.4	- 2.7	- 1.5	- 8.9	- 0.6	- 0.6	- 0.8	5.1
Other investment ⁶	24.5	24.9	25.2	- 0.2	1.6	1.4	2.0	2.2	1.7	1.2	1.1	1.7	1.3
Changes in inventories ⁷	- 11.6	- 4.0	1.3	.	.	.	.	.	.	.	.	.	.
Domestic use	2,075.8	2,106.2	2,135.3	1.4	1.5	1.4	2.2	2.1	- 0.0	2.6	1.5	1.5	4.2
Net exports	87.6	109.5	112.1	.	.	.	.	.	.	.	.	.	.
Exports	772.7	842.8	901.7	0.9	9.1	7.0	7.7	9.6	4.7	5.7	8.8	8.5	15.7
Imports	685.1	733.4	789.6	2.5	7.0	7.7	10.0	11.1	4.3	7.5	9.1	9.3	20.8
Gross domestic product ⁴	2,163.4	2,215.7	2,247.4	0.9	2.4	1.4	1.7	1.9	0.4	2.1	1.7	1.5	3.2
IV Prices (2000 = 100)													
Private consumption	104.5	106.0	107.4	1.5	1.4	1.3	1.5	1.4	1.2	1.0	1.3	1.8	1.7
Gross domestic product	103.7	104.5	105.0	1.0	0.8	0.5	0.5	0.6	0.8	0.4	0.2	0.5	0.3
Terms of trade	103.0	102.8	101.2	1.0	- 0.2	- 1.5	- 0.8	- 1.3	- 1.1	- 1.2	- 2.0	- 1.7	- 2.5
V Distribution of national income													
Compensation of employees	1,131.1	1,134.5	1,128.8	0.2	0.3	- 0.5	- 0.1	- 0.1	- 0.3	- 0.4	- 0.6	- 0.7	0.0
Entrepreneurial and property income	468.9	523.8	557.0	3.6	11.7	6.3	8.0	9.8	3.6	7.8	5.4	8.7	9.2
National income	1,600.0	1,658.3	1,685.8	1.2	3.6	1.7	2.4	2.4	1.0	2.3	1.4	1.9	3.2
Memo item: Gross national income	2,147.3	2,216.0	2,251.2	1.2	3.2	1.6	2.5	2.5	0.8	2.3	1.7	1.6	3.0

Source: Federal Statistical Office; figures computed in May 2006. — 1 Including communication services. — 2 Financial intermediation, real estate activities, renting and business services. — 3 Including care-at-home services. — 4 Gross value added plus taxes on products (netted with subsidies on prod-

ucts). — 5 Including non-profit institutions serving households. — 6 Intangible fixed asset formation (inter alia, computer software and entertainment, literary or artistic originals) and cultivated assets. — 7 Including net increase in valuables. — 8 Contribution of growth to GDP.

IX Economic conditions

2 Output in the production sector
Germany

Adjusted for working-day variations ◦

Period	of which											
	Production sector, total	Construction 2	Energy 3	Industry 1								
				Total	of which: by main industrial grouping				of which: by economic sector			
				Inter-mediate goods 4	Capital goods 5	Durable goods	Non-durable goods 6	Chemicals and chemical products	Basic metals	Machinery and equipment	Motor vehicles, trailers and semi-trailers	
2000 = 100												
2001	99.5	92.7	97.3	100.4	99.4	102.3	100.4	98.8	98.0	101.1	102.1	104.0
2002	98.3	88.7	97.4	99.3	98.9	101.1	92.0	98.2	101.7	101.8	99.5	105.4
2003	98.4	84.9	99.8	99.5	99.5	102.0	87.2	97.4	102.0	99.9	97.8	107.6
2004	100.9	80.6	102.7	102.5	103.3	105.7	87.4	98.0	104.6	103.7	101.2	111.9
2005 r	103.7	76.1	102.8	106.3	106.5	111.0	87.8	101.0	110.0	104.6	106.1	116.8
2004 Sep	106.8	95.0	95.3	109.1	109.0	114.7	96.8	101.4	106.0	107.3	112.8	120.7
Oct	108.2	93.3	104.8	109.9	109.9	113.8	96.6	105.4	108.0	106.8	104.0	126.9
Nov	106.8	86.8	110.1	108.3	107.7	112.3	94.4	104.9	107.7	105.2	104.2	120.4
Dec	95.9	62.4	115.6	96.9	89.5	107.9	78.8	95.5	99.1	84.3	118.3	93.0
2005 Jan r	94.5	47.9	112.6	96.9	101.0	95.4	81.8	94.6	109.9	104.9	86.3	106.8
Feb r	94.7	43.3	107.8	98.1	99.2	100.5	85.8	94.1	107.0	101.8	93.1	112.2
Mar r	106.6	60.3	112.3	110.3	108.7	117.8	95.9	102.5	116.5	109.2	113.8	126.4
Apr r	102.7	80.5	101.3	104.9	106.1	109.4	87.1	97.4	108.6	106.2	101.2	122.5
May r	100.6	83.2	97.8	102.5	105.2	104.6	79.6	97.8	108.6	102.8	99.0	112.1
June r	106.3	88.5	92.5	109.5	109.3	117.3	90.5	99.1	108.0	107.7	115.6	122.3
July r	106.8	93.0	96.5	109.1	110.2	114.0	83.9	102.8	112.7	108.3	107.7	122.3
Aug r	95.7	84.2	92.4	97.2	101.5	94.9	70.0	98.7	108.2	96.1	92.0	90.4
Sep r	110.8	92.3	93.6	114.3	113.4	121.4	97.8	106.3	111.4	109.6	114.5	129.7
Oct r	113.0	93.2	104.0	115.8	115.6	119.5	100.4	112.8	118.0	112.8	108.0	131.5
Nov r	112.2	85.7	107.8	115.1	113.6	122.1	99.2	108.2	110.7	111.0	113.3	130.0
Dec r	100.3	61.3	115.5	102.3	94.4	115.5	81.6	97.9	100.9	84.5	128.6	95.7
2006 Jan r	98.0	41.6	119.5	100.9	104.5	101.0	86.0	96.4	113.5	104.4	92.5	107.3
Feb r	100.3	45.6	109.1	104.3	105.2	109.3	89.5	95.8	109.6	106.7	99.4	121.6
Mar r	7 111.5	7 62.8	112.5	115.9	116.3	124.0	98.4	103.0	118.4	116.8	117.3	131.5
Apr + r	7 107.0	7 85.5	102.2	109.5	112.1	113.0	92.0	101.2	113.6	108.3	107.6	119.7
May + p	7 106.5	7 89.4	98.1	109.0	112.2	112.8	89.1	99.4	111.5	110.0	108.7	120.8
Annual percentage change												
2001	- 0.5	- 7.7	- 2.6	+ 0.5	- 0.5	+ 2.4	+ 0.6	- 1.1	- 1.9	+ 1.1	+ 2.2	+ 4.1
2002	- 1.2	- 4.3	+ 0.1	- 1.1	- 0.5	- 1.2	- 8.4	- 0.6	+ 3.8	+ 0.7	- 2.5	+ 1.3
2003	+ 0.1	- 4.3	+ 2.5	+ 0.2	+ 0.6	+ 0.9	- 5.2	- 0.8	+ 0.3	- 1.9	- 1.7	+ 2.1
2004	+ 2.5	- 5.1	+ 2.9	+ 3.0	+ 3.8	+ 3.6	+ 0.2	+ 0.6	+ 2.5	+ 3.8	+ 3.5	+ 4.0
2005 r	+ 2.8	- 5.6	+ 0.1	+ 3.7	+ 3.1	+ 5.0	+ 0.5	+ 3.1	+ 5.2	+ 0.9	+ 4.8	+ 4.4
2004 Sep	+ 4.4	- 5.8	+ 3.4	+ 5.4	+ 5.5	+ 7.5	- 0.4	+ 2.2	+ 8.6	+ 5.7	+ 7.9	+ 8.8
Oct	+ 2.9	- 5.4	+ 2.5	+ 3.7	+ 2.8	+ 7.1	- 1.3	+ 0.2	+ 3.8	- 0.4	+ 5.9	+ 12.9
Nov	+ 0.5	- 5.1	+ 5.3	+ 0.5	+ 2.3	- 1.3	- 5.7	+ 1.7	+ 6.2	+ 1.8	- 1.5	- 3.6
Dec	+ 0.9	- 7.1	+ 8.0	+ 0.7	+ 2.8	- 0.8	- 4.9	+ 1.4	+ 7.0	+ 1.6	+ 0.4	- 4.6
2005 Jan r	+ 2.8	- 1.4	- 3.1	+ 3.9	+ 4.6	+ 5.3	- 1.9	+ 1.1	+ 7.9	+ 0.3	+ 4.6	+ 9.8
Feb r	+ 0.6	- 23.2	+ 1.2	+ 2.0	+ 0.5	+ 3.7	- 0.8	+ 2.3	+ 5.3	- 1.3	+ 6.2	+ 1.9
Mar r	+ 1.1	- 23.1	+ 1.8	+ 2.8	+ 0.7	+ 5.4	- 0.2	+ 2.9	+ 8.4	- 2.2	+ 7.1	+ 3.9
Apr r	+ 2.1	- 6.4	+ 0.3	+ 2.9	+ 1.6	+ 5.4	- 1.1	+ 1.1	+ 0.9	+ 2.0	+ 2.7	+ 7.2
May r	+ 0.8	- 4.4	+ 0.2	+ 1.2	+ 1.6	+ 0.6	- 7.7	+ 3.3	+ 6.0	- 2.5	+ 0.5	- 2.7
June r	+ 2.6	- 4.3	+ 1.5	+ 3.4	+ 2.0	+ 5.6	+ 4.0	+ 2.0	+ 4.3	- 3.1	+ 8.6	+ 1.3
July r	+ 3.4	- 2.7	+ 4.2	+ 3.8	+ 2.9	+ 5.4	- 3.6	+ 3.7	+ 6.7	+ 1.6	+ 2.2	+ 9.1
Aug r	+ 2.0	- 1.5	+ 1.9	+ 2.4	+ 2.9	+ 1.5	+ 2.8	+ 3.0	+ 4.3	+ 2.2	+ 2.8	- 0.2
Sep r	+ 3.7	- 2.8	- 1.8	+ 4.8	+ 4.0	+ 5.8	+ 1.0	+ 4.8	+ 5.1	+ 2.1	+ 1.5	+ 7.5
Oct r	+ 4.4	- 0.1	- 0.8	+ 5.4	+ 5.2	+ 5.0	+ 3.9	+ 7.0	+ 9.3	+ 5.6	+ 3.8	+ 3.6
Nov r	+ 5.1	- 1.3	- 2.1	+ 6.3	+ 5.5	+ 8.7	+ 5.1	+ 3.1	+ 2.8	+ 5.5	+ 8.7	+ 8.0
Dec r	+ 4.6	- 1.8	- 0.1	+ 5.6	+ 5.5	+ 7.0	+ 3.6	+ 2.5	+ 1.8	+ 0.2	+ 8.7	+ 2.9
2006 Jan r	+ 3.7	- 13.2	+ 6.1	+ 4.1	+ 3.5	+ 5.9	+ 5.1	+ 1.9	+ 3.3	- 0.5	+ 7.2	+ 0.5
Feb r	+ 5.9	+ 5.3	+ 1.2	+ 6.3	+ 6.0	+ 8.8	+ 4.3	+ 1.8	+ 2.4	+ 4.8	+ 6.8	+ 8.4
Mar r	+ 4.6	+ 4.1	+ 0.2	+ 5.1	+ 7.0	+ 5.3	+ 2.6	+ 0.5	+ 1.6	+ 7.0	+ 3.1	+ 4.0
Apr + r	7 + 4.2	7 + 6.2	+ 0.9	+ 4.4	+ 5.7	+ 3.3	+ 5.6	+ 3.9	+ 4.6	+ 2.0	+ 6.3	- 2.3
May + p	7 + 5.9	7 + 7.5	+ 0.3	+ 6.3	+ 6.7	+ 7.8	+ 11.9	+ 1.6	+ 2.7	+ 7.0	+ 9.8	+ 7.8

Source of the unadjusted figures: Federal Statistical Office. — ◦ Using the Census X-12-ARIMA method, version 0.2.8. — 1 Manufacturing sector, unless assigned to the main grouping energy, plus mining and quarrying. — 2 The figures refer to the economic classifications "Site preparation" and "Building of complete constructions or parts thereof; civil engineering". — 3 Electricity, gas, steam and hot water supply, and, in particular, mining of coal and lignite, extraction of crude petroleum and natural gas and manufacture of refined petroleum products. — 4 Including mining and

quarrying. — 5 Including manufacture of motor vehicles, trailers and semi-trailers. — 6 Including printing and service activities related to printing. — 7 Adjusted in advance by the Federal Statistical Office, by way of estimates, to the results of the annual overall survey in the construction sector (average +3%). — + Provisional; 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: on average -3.7%).

IX Economic conditions

3 Orders received by industry * Germany

Adjusted for working-day variations ◦

Period	Industry		of which									
			Intermediate goods		Capital goods ¹		Consumer goods ²		of which			
	2000=100	Annual percentage change	2000=100	Annual percentage change	2000=100	Annual percentage change	2000=100	Annual percentage change	2000=100	Annual percentage change	2000=100	Annual percentage change
total												
2001	98.3	- 1.6	95.9	- 4.0	99.4	- 0.6	101.4	+ 1.5	99.8	- 0.1	102.4	+ 2.5
2002	98.2	- 0.1	96.4	+ 0.5	99.6	+ 0.2	99.0	- 2.4	95.7	- 4.1	101.0	- 1.4
2003	99.0	+ 0.8	97.8	+ 1.5	100.7	+ 1.1	95.6	- 3.4	90.3	- 5.6	98.8	- 2.2
2004	105.1	+ 6.2	104.9	+ 7.3	107.6	+ 6.9	95.1	- 0.5	89.3	- 1.1	98.7	- 0.1
2005	111.7	+ 6.3	109.9	+ 4.8	116.1	+ 7.9	99.7	+ 4.8	91.4	+ 2.4	104.9	+ 6.3
2005 May	105.4	+ 1.8	106.4	+ 1.8	108.4	+ 1.7	90.5	+ 2.6	85.0	- 3.2	93.9	+ 6.1
June	113.6	+ 7.1	111.1	+ 3.2	120.1	+ 10.3	95.4	+ 6.6	92.0	+ 3.5	97.5	+ 8.5
July	114.4	+ 8.0	113.6	+ 6.5	118.2	+ 9.6	101.3	+ 5.6	88.7	+ 0.6	109.0	+ 8.2
Aug	101.7	+ 6.5	102.0	+ 3.4	102.2	+ 8.7	98.4	+ 7.0	79.0	+ 7.9	110.4	+ 6.6
Sep	117.9	+ 8.3	114.6	+ 5.5	123.6	+ 11.5	105.7	+ 4.3	99.5	+ 4.6	109.5	+ 4.2
Oct	118.6	+ 9.9	117.3	+ 7.7	122.6	+ 12.2	106.5	+ 7.6	102.7	+ 6.4	108.8	+ 8.2
Nov	119.9	+ 13.6	116.8	+ 9.3	126.4	+ 18.7	104.0	+ 7.1	102.5	+ 7.6	104.8	+ 6.7
Dec	114.2	+ 5.4	103.6	+ 9.1	128.3	+ 3.2	91.4	+ 5.8	83.2	+ 6.8	96.4	+ 5.1
2006 Jan	117.5	+ 9.8	115.5	+ 5.7	123.2	+ 14.5	100.5	+ 3.4	91.9	+ 4.0	105.9	+ 3.2
Feb	121.3	+ 15.4	116.2	+ 11.3	129.1	+ 21.4	105.8	+ 3.1	92.3	+ 5.4	114.1	+ 2.0
Mar	127.3	+ 8.5	125.9	+ 10.3	131.9	+ 8.0	112.8	+ 4.2	103.2	+ 6.2	118.8	+ 3.1
Apr	121.3	+ 15.0	123.7	+ 16.9	124.4	+ 15.3	100.8	+ 5.8	95.8	+ 5.7	103.9	+ 5.8
May P	118.9	+ 12.8	123.5	+ 16.1	120.6	+ 11.3	97.2	+ 7.4	93.3	+ 9.8	99.6	+ 6.1
from the domestic market												
2001	97.6	- 2.3	96.4	- 3.5	98.0	- 2.0	99.9	± 0.0	99.5	- 0.4	100.2	+ 0.3
2002	94.6	- 3.1	94.6	- 1.9	94.6	- 3.5	94.6	- 5.3	92.0	- 7.5	96.3	- 3.9
2003	94.6	± 0.0	95.0	+ 0.4	96.0	+ 1.5	89.9	- 5.0	86.3	- 6.2	92.1	- 4.4
2004	98.3	+ 3.9	100.3	+ 5.6	100.2	+ 4.4	87.2	- 3.0	83.0	- 3.8	89.8	- 2.5
2005	101.4	+ 3.2	103.5	+ 3.2	102.8	+ 2.6	91.0	+ 4.4	85.2	+ 2.7	94.6	+ 5.3
2005 May	95.9	+ 1.4	100.0	+ 0.3	96.5	+ 2.0	82.6	+ 2.7	78.3	- 1.9	85.2	+ 5.4
June	104.1	+ 5.7	104.2	+ 2.4	110.3	+ 9.1	86.6	+ 6.3	85.0	+ 6.0	87.6	+ 6.4
July	103.6	+ 4.1	107.6	+ 3.5	103.7	+ 3.8	91.8	+ 7.0	83.5	+ 5.2	96.9	+ 8.0
Aug	96.1	+ 4.5	98.7	+ 2.5	95.8	+ 6.4	89.8	+ 5.0	74.5	+ 6.4	99.2	+ 4.4
Sep	105.9	+ 5.8	107.2	+ 4.3	107.8	+ 7.9	96.7	+ 4.0	92.7	+ 5.5	99.2	+ 3.2
Oct	107.2	+ 4.7	111.0	+ 5.4	106.3	+ 3.0	98.6	+ 7.1	95.6	+ 6.3	100.4	+ 7.5
Nov	107.4	+ 7.6	110.9	+ 6.8	107.9	+ 8.6	95.9	+ 7.0	96.0	+ 7.3	95.8	+ 6.9
Dec	98.1	- 0.6	95.5	+ 7.2	106.1	- 7.9	82.6	+ 4.3	75.5	+ 4.1	87.0	+ 4.3
2006 Jan	102.3	+ 5.1	106.9	+ 3.9	102.3	+ 7.9	89.2	+ 1.0	86.4	+ 4.1	91.0	- 0.5
Feb	103.4	+ 7.9	106.9	+ 9.4	102.8	+ 8.1	95.1	+ 2.8	86.4	+ 4.9	100.4	+ 1.7
Mar	113.0	+ 5.8	115.6	+ 8.4	114.7	+ 4.8	100.5	+ 0.7	95.5	+ 3.9	103.6	- 1.1
Apr	107.3	+ 9.3	114.8	+ 14.7	105.8	+ 5.7	89.9	+ 3.1	86.1	+ 2.5	92.3	+ 3.5
May P	107.5	+ 12.1	115.5	+ 15.5	106.4	+ 10.3	87.7	+ 6.2	85.5	+ 9.2	89.0	+ 4.5
from abroad												
2001	99.1	- 0.9	95.1	- 4.9	100.6	+ 0.6	104.8	+ 4.9	100.4	+ 0.4	107.4	+ 7.5
2002	102.8	+ 3.7	99.1	+ 4.2	104.1	+ 3.5	108.6	+ 3.6	103.9	+ 3.5	111.4	+ 3.7
2003	104.4	+ 1.6	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2
2004	113.5	+ 8.7	112.2	+ 9.7	114.5	+ 8.9	112.5	+ 4.0	103.1	+ 3.8	118.4	+ 4.0
2005	124.7	+ 9.9	119.9	+ 6.9	128.4	+ 12.1	118.9	+ 5.7	104.9	+ 1.7	127.6	+ 7.8
2005 May	117.3	+ 2.4	116.3	+ 3.9	119.3	+ 1.4	108.1	+ 2.6	99.7	- 5.2	113.4	+ 7.4
June	125.5	+ 8.5	122.0	+ 4.3	129.2	+ 11.3	114.9	+ 7.2	107.5	- 0.5	119.5	+ 12.0
July	127.9	+ 12.2	123.0	+ 10.8	131.6	+ 14.3	122.2	+ 3.2	100.2	- 6.8	136.0	+ 8.6
Aug	108.6	+ 8.7	107.2	+ 5.0	108.1	+ 10.6	117.4	+ 10.4	88.8	+ 10.9	135.2	+ 10.2
Sep	133.0	+ 11.0	126.2	+ 7.2	138.1	+ 14.1	125.5	+ 4.9	114.3	+ 3.2	132.5	+ 5.9
Oct	132.9	+ 15.9	127.1	+ 11.0	137.7	+ 19.8	124.0	+ 8.4	118.3	+ 6.7	127.6	+ 9.4
Nov	135.6	+ 20.3	125.9	+ 12.7	143.4	+ 26.8	121.8	+ 7.0	116.8	+ 8.0	124.9	+ 6.4
Dec	134.4	+ 11.6	116.2	+ 11.4	148.7	+ 12.1	110.8	+ 8.3	100.1	+ 11.5	117.4	+ 6.6
2006 Jan	136.4	+ 14.4	128.9	+ 8.0	142.5	+ 19.3	125.5	+ 7.4	103.9	+ 3.7	138.9	+ 9.1
Feb	143.6	+ 23.1	130.7	+ 13.9	153.4	+ 31.6	129.4	+ 3.5	105.1	+ 6.1	144.5	+ 2.3
Mar	145.2	+ 11.3	142.0	+ 12.8	147.8	+ 10.5	140.1	+ 10.2	120.0	+ 10.2	152.6	+ 10.2
Apr	138.7	+ 20.9	137.5	+ 19.9	141.5	+ 23.0	124.9	+ 10.3	117.2	+ 11.4	129.7	+ 9.7
May P	133.2	+ 13.6	136.1	+ 17.0	133.7	+ 12.1	118.3	+ 9.4	110.4	+ 10.7	123.3	+ 8.7

Source of the unadjusted figures: Federal Statistical Office. — * Economic activities of the manufacturing sector, in particular excluding manufacture of food products, beverages, tobacco and refined petroleum products; results for specific operational segments; figures excluding value-added

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

IX Economic conditions

4 Orders received by construction *

Adjusted for working-day variations ◦

Period	Germany					Western Germany 1					Eastern Germany 2				
	Total	Annual percentage change	Housing construction	Industrial construction 3	Public sector construction	Total	Annual percentage change	Housing construction	Industrial construction 3	Public sector construction	Total	Annual percentage change	Housing construction	Industrial construction 3	Public sector construction
2002	88.8	- 6.0	72.8	91.5	95.7	92.1	- 6.9	80.5	94.8	96.4	79.6	- 3.6	51.6	81.9	94.0
2003	79.3	- 10.7	67.5	78.6	87.5	82.0	- 11.0	75.6	79.6	88.7	72.0	- 9.5	45.1	75.4	84.4
2004	74.3	- 6.3	61.3	72.8	84.2	77.0	- 6.1	70.5	74.6	83.8	67.1	- 6.8	35.8	67.7	85.2
2005	73.8	- 0.7	56.9	74.5	83.5	77.8	+ 1.0	66.5	78.0	84.8	62.6	- 6.7	30.5	64.2	80.1
2005 Apr	70.9	- 8.0	56.4	70.2	80.8	74.3	- 7.0	65.8	74.1	80.0	61.5	- 11.4	30.4	58.8	82.9
May	77.8	+ 2.5	62.3	70.7	95.6	81.9	+ 3.8	71.0	73.9	98.1	66.8	- 1.2	38.4	61.7	89.0
June	88.6	- 1.4	66.7	86.2	105.1	93.7	- 0.7	79.0	91.2	105.9	74.7	- 3.7	33.0	71.5	102.8
July	81.4	+ 3.2	59.1	74.2	103.5	84.2	+ 2.6	68.6	74.4	105.4	74.0	+ 5.4	32.9	73.8	98.5
Aug	82.5	+ 6.5	57.5	81.9	98.8	87.0	+ 11.4	67.3	86.9	99.5	70.2	- 7.4	30.5	67.3	96.8
Sep	89.2	+ 3.8	63.8	89.0	105.2	93.9	+ 5.3	74.4	92.6	107.7	76.2	- 0.9	34.6	78.5	98.7
Oct	74.5	± 0.0	57.1	74.5	85.3	79.2	+ 0.4	67.7	78.0	87.8	61.6	- 1.4	28.0	64.2	78.9
Nov	67.6	+ 9.4	51.2	75.2	69.2	72.5	+ 12.8	59.5	81.6	70.1	54.2	- 1.5	28.4	56.7	67.1
Dec	74.9	+ 7.8	59.3	84.6	73.6	78.6	+ 9.5	68.9	87.8	74.2	64.6	+ 2.5	32.9	75.5	72.1
2006 Jan	50.3	+ 7.7	43.8	53.3	50.9	54.2	+ 8.2	53.1	56.5	52.2	39.6	+ 6.5	18.0	44.3	47.7
Feb	59.1	+ 13.4	46.9	64.7	60.4	64.9	+ 17.6	54.5	70.9	64.4	43.3	± 0.0	26.0	46.8	50.0
Mar	82.3	+ 4.3	63.0	85.1	91.1	86.4	+ 3.7	74.1	87.4	93.0	70.8	+ 5.7	32.4	78.3	86.0
Apr	80.4	+ 13.4	63.5	80.7	90.7	84.7	+ 14.0	73.5	83.4	93.3	68.8	+ 11.9	36.1	73.0	83.9

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

of; civil engineering". — ◦ Using the Census X-12-ARIMA method, version 0.2.8. — 1 Excluding West Berlin. — 2 Including West Berlin. — 3 Including the railways and post office.

5 Retail trade turnover *
Germany

Adjusted for working-day variations ◦

Period	Retail trade 1										Memo item					
	Total	of which: By enterprises' main product range 2									Retail trade plus retail sales of motor vehicles and motorcycles and sales of automotive fuel	of which				
		Food, beverages, tobacco			Cosmetic, pharmaceutical and medical products		Textiles, clothing, footwear and leather goods		Furniture and lighting equipments, domestic appliances, building materials			Retail sales of motor vehicles 3				
2003 = 100	Annual percentage change	Not adjusted	Price-adjusted 4	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	Not adjusted	Price-adjusted 4	2003 = 100	Annual percentage change	
1998	97.3	+ 1.0	+ 1.1	89.1	+ 1.5	77.2	+ 5.5	112.1	- 1.2	111.7	+ 3.2	96.3	+ 1.7	+ 1.5	91.6	+ 4.8
1999	97.8	+ 0.5	+ 0.3	89.7	+ 0.7	82.9	+ 7.4	111.8	- 0.3	110.6	- 1.0	97.1	+ 0.8	+ 0.4	94.6	+ 3.3
2000	100.2	+ 2.5	+ 1.2	91.5	+ 2.0	87.8	+ 5.9	111.7	- 0.1	113.4	+ 2.5	98.7	+ 1.6	+ 0.3	92.6	- 2.1
2001	102.1	+ 1.9		95.7	+ 4.6	94.3	+ 7.4	111.4	- 0.3	109.6	- 3.4	100.7	+ 2.0		95.3	+ 2.9
2002	100.5	- 1.6	- 1.3	98.3	+ 2.7	97.6	+ 3.5	105.8	- 5.0	101.0	- 7.8	99.9	- 0.8	- 0.8	98.1	+ 2.9
2003 5	100.1	- 0.4	- 0.3	100.2	+ 1.9	100.1	+ 2.6	100.2	- 5.3	100.2	- 0.8	100.2	+ 0.3	± 0.0	100.4	+ 2.3
2004	101.6	+ 1.5	+ 1.5	103.2	+ 3.0	99.6	- 0.5	103.1	+ 2.9	103.5	+ 3.3	101.9	+ 1.7	+ 1.3	102.5	+ 2.1
2005 6	103.6	+ 2.0	+ 1.5	106.4	+ 3.1	104.8	+ 5.2	104.7	+ 1.6	101.7	- 1.7	104.0	+ 2.1	+ 1.5	105.4	+ 2.8
2005 May 6	103.9	+ 5.5	+ 5.2	109.9	+ 7.5	103.6	+ 9.3	104.9	+ 6.2	100.6	- 1.0	105.8	+ 4.8	+ 4.5	112.2	+ 3.8
June	99.1	+ 1.5	+ 0.9	105.7	+ 4.7	102.1	+ 3.0	97.1	+ 0.7	96.1	- 3.3	102.2	+ 1.9	+ 1.1	112.6	+ 3.2
July	101.8	+ 1.7	+ 1.3	106.1	+ 1.7	107.9	+ 4.8	101.8	+ 0.1	98.5	- 1.0	104.5	+ 2.4	+ 1.8	113.2	+ 5.2
Aug	100.0	+ 2.8	+ 2.4	103.5	+ 1.8	100.1	+ 3.3	98.5	+ 4.8	97.1	+ 0.4	99.4	+ 2.9	+ 2.3	95.9	+ 4.2
Sep	101.0	+ 1.7	+ 0.6	100.7	+ 2.7	104.6	+ 6.4	103.6	- 2.8	98.7	- 1.2	101.8	+ 2.7	+ 1.4	104.1	+ 6.6
Oct	107.7	+ 1.0	+ 0.5	106.7	+ 2.3	108.6	+ 2.8	121.5	+ 0.6	108.2	- 2.1	108.0	+ 1.4	+ 0.5	109.1	+ 3.0
Nov	109.1	+ 1.0	+ 0.3	107.4	+ 0.8	108.5	+ 4.4	113.1	+ 2.0	108.8	- 2.4	109.9	+ 1.5	+ 0.4	114.3	+ 3.6
Dec	125.5	+ 0.7	+ 0.4	124.5	+ 1.0	123.7	+ 2.7	130.9	+ 0.7	121.2	- 1.1	119.1	+ 0.7	± 0.0	99.0	+ 1.4
2006 Jan	98.4	+ 2.7	+ 2.1	100.1	+ 1.9	104.3	+ 9.1	92.8	+ 4.0	95.8	+ 1.6	95.6	+ 2.4	+ 1.3	86.1	+ 0.7
Feb	92.1	+ 1.5	+ 0.8	98.3	+ 0.8	98.9	+ 3.1	76.9	+ 2.0	89.3	+ 1.6	92.0	+ 2.2	+ 0.9	91.8	+ 3.8
Mar	105.9	+ 0.2	- 0.2	109.0	- 0.4	109.6	+ 4.1	103.0	- 1.1	106.6	+ 0.1	107.9	+ 0.3	- 0.5	116.3	+ 1.1
Apr	105.6	+ 2.1	+ 1.6	108.2	+ 1.3	107.2	+ 5.8	114.3	- 2.1	107.9	+ 5.4	108.5	+ 2.4	+ 1.4	118.7	+ 3.2
May	103.9	± 0.0	- 0.9	107.0	- 2.6	105.3	+ 1.6	109.5	+ 4.4	104.2	+ 3.6	106.6	+ 0.8	- 0.6	115.0	+ 2.5

Source of the unadjusted figures: Federal Statistical Office. — * Excluding value-added tax. — ◦ Using the Census X-12-ARIMA method, version 0.2.8. — 1 Excluding sales of motor vehicles and motorcycles and excluding the sale of automotive fuel. — 2 Retail sales in stores. — 3 Including motor vehicle parts and accessories. — 4 Up to (and including) 2000, at 1995 prices;

from 2001, at 2000 prices. — 5 Figures for 2003 do not include Lower Saxony. — 6 Figures from January 2005 are provisional, some of them have been revised. Figures for recent months are particularly uncertain owing to estimates for missing returns.

IX Economic conditions

6 Labour market *

Period	Employed 1			Employees 1		Persons in employment 2		Short-time workers 5	Persons employed under employment promotion schemes 6,7	Persons undergoing vocational further training 7	Unemployed 7		Unemployment rate 7,8 in %	Vacancies, 7 thousands			
	Thousands	Annual change		Thousands	Annual percentage change	Mining and manufacturing sector 3	Construction 4				Thousands	Thousands			Thousands	Thousands	Annual change, thousands
		in %	Thousands															Thousands
Germany																	
2003	38,723	- 0.9	- 369	34,650	- 1.3	6,136	817	195	143	260	4,377	+ 315	10.5	355			
2004	38,868	+ 0.4	+ 145	34,652	+ 0.0	6,019	769	151	117	184	4,381	+ 93	10.5	286			
2005	38,779	- 0.2	- 89	34,425	- 0.7	5,931	719	126	62	115	4,861	+ 479	11.7	413			
2005 June	38,805	- 0.3	- 120			5,911	734	137	50	109	4,781	+ 547	11.5	439			
July	38,772	- 0.3	- 111			5,918	734	109	50	99	4,837	+ 476	11.7	447			
Aug	38,814	- 0.3	- 104	34,520	- 0.7	5,948	740	89	51	95	4,798	+ 451	11.6	464			
Sep	39,093	- 0.3	- 118			5,959	740	96	55	103	4,647	+ 390	11.2	467			
Oct	39,217	- 0.4	- 142			5,937	732	102	58	111	4,555	+ 348	11.0	453			
Nov	39,213	- 0.3	- 125	34,775	- 0.6	5,930	729	98	59	128	4,531	+ 274	10.9	422			
Dec	38,988	- 0.3	- 112			5,900	708	84	55	129	4,605	+ 141	11.1	394			
2006 Jan	38,281	- 0.2	- 75			5,863	655	96	49	120	5,010	- 76	12.1	415			
Feb	38,326	- 0.1	- 49	33,970	- 0.3	5,853	636	101	46	113	5,048	- 241	12.2	464			
Mar	38,396	- 0.1	- 38			5,857	651	105	45	110	4,977	- 289	12.0	506			
Apr	38,564	+ 0.0	+ 6			5,858	686	83	45	109	- 262	11.5	546				
May	38,770	+ 0.1	+ 49			...	...	72	48	113	- 349	14	10.8	565	
June	...	...	...	...	...	...	...	...	49	115	- 383	10.5	581	
Western Germany °																	
2003	.	.	.	.	.	5,503	594	160	31	161	2,753	+ 255	8.4	292
2004	.	.	.	.	.	5,380	562	122	24	121	2,783	+ 89	10	8.5
2005	.	.	.	.	.	5,214	529	101	13	77	3,247	+ 464	11	9.9
2005 June	.	.	.	.	.	5,194	541	110	12	73	3,188	+ 518	9.7	344
July	.	.	.	.	.	5,198	539	87	10	67	3,240	+ 479	9.9	346
Aug	.	.	.	.	.	5,224	543	69	10	63	3,238	+ 472	9.8	359
Sep	.	.	.	.	.	5,232	543	77	9	68	3,141	+ 439	9.5	357
Oct	.	.	.	.	.	5,209	535	86	9	74	3,099	+ 404	9.4	345
Nov	.	.	.	.	.	5,203	535	81	9	85	3,081	+ 353	9.4	321
Dec	.	.	.	.	.	5,176	522	70	9	85	3,120	+ 258	9.5	310
2006 Jan	.	.	.	.	.	5,147	488	79	9	79	3,362	+ 52	10.2	327
Feb	.	.	.	.	.	5,137	477	81	9	75	3,370	- 116	10.2	367
Mar	.	.	.	.	.	5,139	488	83	9	74	3,317	- 160	10.1	397
Apr	.	.	.	.	.	5,139	509	67	9	74	- 139	9.7	419	
May	.	.	.	.	.	...	...	58	9	77	- 196	14	9.2	435
June	.	.	.	.	.	...	...	...	9	78	- 224	8.9	445	
Eastern Germany +																	
2003	.	.	.	.	.	632	223	35	112	99	1,624	+ 61	18.5	63
2004	639	207	29	93	63	1,599	+ 4	10	18.4			
2005	717	189	25	49	38	1,614	+ 16	11	18.7			
2005 June	.	.	.	.	.	718	193	27	38	36	1,592	+ 29	18.5	96
July	.	.	.	.	.	720	195	21	39	32	1,597	- 2	18.6	101
Aug	.	.	.	.	.	725	197	20	42	32	1,560	- 21	18.1	106
Sep	.	.	.	.	.	727	197	19	46	34	1,506	- 49	17.5	110
Oct	.	.	.	.	.	727	196	17	49	37	1,456	- 56	16.9	108
Nov	.	.	.	.	.	727	194	17	50	43	1,450	- 79	16.9	100
Dec	.	.	.	.	.	723	186	14	46	44	1,485	- 117	17.3	84
2006 Jan	.	.	.	.	.	716	167	17	41	41	1,649	- 129	19.2	87
Feb	.	.	.	.	.	716	160	19	37	38	1,678	- 124	19.5	97
Mar	.	.	.	.	.	717	164	22	36	36	1,660	- 129	19.3	110
Apr	.	.	.	.	.	719	177	17	36	36	- 124	14	18.5	127
May	.	.	.	.	.	...	...	14	36	36	- 153	14	17.4	131
June	.	.	.	.	.	...	...	...	40	37	- 160	16.8	135	

Sources: Federal Statistical Office; Federal Employment Agency. — * Annual and quarterly figures: averages; annual figures: calculated by the Bundesbank; deviations from the official figures are due to rounding. — ° Excluding West Berlin. — + Including West Berlin. — 1 Work-place concept; averages. — 2 Including active proprietors; monthly figures: end of month. — 3 Up to December 2004, western Germany including West Berlin and eastern Germany excluding West Berlin. — 4 The figures refer to the economic classifications "Site preparation" and "Building of complete constructions or parts thereof; civil engineering". — 5 Mid-month level. — 6 Employees involved in job creation schemes and structural adjustment measures (SAM); provisional and partly revised data. — 7 Mid-month level; end of month figures up to December 2004. — 8 Relative to the total civilian labour force. —

9 The figures from 2003 onwards are positively affected by the first-time inclusion of firms which are required to report and which have been identified in the course of drawing up the corporate register. — 10 From January 2004, unemployed persons excluding all those participating in occupational aptitude testing and training schemes. — 11 From January 2005, unemployed persons including recipients of social assistance who are able to work. — 12 From January 2005, including offers of job opportunities. — 13 Provisional up to adjustment to the figures of the annual overall survey. — 14 From May 2006, calculated on the basis of new labour force figures. — 15 Annualised data from the Federal Employment Agency based on information received so far. — 16 Initial preliminary estimate by the Federal Statistical Office.

IX Economic conditions

7 Prices
Germany

Period	Consumer price index						Construction price index 2,3	Index of producer prices of industrial products sold on the domestic market 4	Index of producer prices of agricultural products 4	Indices of foreign trade prices		HWWA Index of World Market Prices of Raw Materials 5	
	Total	of which				Exports				Imports	Energy 6	Other raw materials 7	
		Food	Other durable and non-durable consumer goods excluding energy 1,2	Energy 1	Services excluding house rents 2								House rents
2000 = 100													
2001	102.0	105.1	100.3	105.7	102.4	101.2	100.3	103.0	107.1	101.0	100.6	91.4	91.9
2002	103.4	106.1	101.1	106.0	104.9	102.6	100.2	102.4	100.0	100.8	98.4	86.1	91.1
2003	104.5	106.0	101.4	110.2	106.4	103.8	100.3	104.1	101.3	100.6	96.2	82.9	86.9
2004	106.2	105.7	102.9	114.8	108.9	104.8	101.4	105.8	99.7	101.1	97.2	101.4	96.3
2005	108.3	105.8	103.8	126.6	111.1	105.9	102.7	110.7	98.8	102.4	101.4	139.5	105.4
2004 Sep	106.4	104.3	102.9	116.6	109.2	105.0		106.6	99.1	101.5	98.3	112.7	93.5
Oct	106.6	104.2	102.9	120.4	108.9	105.1		107.6	97.4	101.7	99.4	123.0	92.0
Nov	106.2	104.1	103.0	117.2	108.4	105.2	102.0	107.1	98.6	101.6	98.1	108.1	91.4
Dec	107.3	105.3	103.7	114.5	111.7	105.2		107.2	98.7	101.2	97.2	96.8	89.2
2005 Jan	106.9	105.7	103.5	116.4	109.8	105.4		108.1	97.6	101.5	98.0	107.5	95.7
Feb	107.3	106.3	103.6	117.5	110.5	105.6	102.5	108.5	98.8	101.8	98.8	111.4	99.2
Mar	107.6	106.6	103.7	120.7	110.3	105.6		109.1	100.0	102.1	100.1	125.3	103.1
Apr	107.7	106.4	103.7	123.3	109.7	105.7		109.9	98.4	102.1	100.1	128.2	103.1
May	108.0	107.1	103.6	123.0	110.9	105.8	102.5	109.9	98.4	102.0	99.7	124.3	102.3
June	108.1	107.0	103.5	125.8	110.6	105.9		110.4	98.5	102.2	101.3	144.6	106.6
July	108.6	105.9	103.2	129.0	112.1	106.0		111.0	97.5	102.4	101.9	151.8	107.0
Aug	108.7	104.9	103.1	130.9	112.5	106.0	102.7	111.3	98.7	102.4	102.8	160.9	105.9
Sep	109.1	104.8	104.2	135.1	111.3	106.0		111.8	98.4	102.8	103.3	160.5	105.8
Oct	109.1	104.4	104.3	135.6	111.2	106.1		112.6	98.7	103.0	103.7	154.0	108.0
Nov	108.6	104.6	104.4	130.9	110.4	106.2	103.0	112.5	100.4	103.0	103.5	148.5	112.0
Dec	109.6	105.5	104.2	131.0	113.7	106.3		112.8	101.4	103.1	103.8	152.0	115.8
2006 Jan	109.1	106.6	103.7	134.4	110.7	106.5		114.1	101.1	103.3	104.7	163.7	120.1
Feb	109.5	107.1	104.0	134.7	111.6	106.7	103.7	114.9	103.3	103.7	105.1	160.9	124.5
Mar	109.5	107.0	104.4	135.0	111.3	106.7		115.5	104.9	104.0	105.6	163.6	123.7
Apr	109.9	107.4	104.4	139.2	111.2	106.8		116.6	^p 105.9	104.5	107.0	177.8	129.3
May	110.1	108.4	104.3	139.8	111.3	106.9	104.4	116.7	...	104.8	107.2	171.6	134.5
June	110.3	108.5	104.2	140.7	111.7	107.0		...	...	...	...	172.7	130.0
Annual percentage change													
2001	+ 2.0	+ 5.1	+ 0.3	+ 5.7	+ 2.4	+ 1.2	+ 0.3	+ 3.0	+ 7.1	+ 1.0	+ 0.6	- 8.6	- 8.1
2002	+ 1.4	+ 1.0	+ 0.8	+ 0.3	+ 2.4	+ 1.4	- 0.1	- 0.6	- 6.6	- 0.2	- 2.2	- 5.8	- 0.9
2003	+ 1.1	- 0.1	+ 0.3	+ 4.0	+ 1.4	+ 1.2	+ 0.1	+ 1.7	+ 1.3	- 0.2	- 2.2	- 3.7	- 4.6
2004	+ 1.6	- 0.3	+ 1.5	+ 4.2	+ 2.3	+ 1.0	+ 1.1	+ 1.6	- 1.6	+ 0.5	+ 1.0	+ 22.3	+ 10.8
2005	+ 2.0	+ 0.1	+ 0.9	+ 10.3	+ 2.0	+ 1.0	+ 1.3	+ 4.6	- 0.9	+ 1.3	+ 4.3	+ 37.6	+ 9.4
2004 Sep	+ 1.8	- 1.2	+ 1.5	+ 6.3	+ 2.3	+ 1.1		+ 2.3	- 5.3	+ 1.0	+ 2.7	+ 43.2	+ 6.9
Oct	+ 2.0	- 1.4	+ 1.5	+ 9.5	+ 2.3	+ 1.2		+ 3.3	- 5.5	+ 1.3	+ 4.1	+ 51.9	+ 3.7
Nov	+ 1.8	- 1.3	+ 1.6	+ 7.0	+ 2.5	+ 1.1	+ 1.7	+ 2.8	- 5.9	+ 1.2	+ 2.7	+ 32.3	+ 0.4
Dec	+ 2.1	- 0.4	+ 2.3	+ 4.7	+ 2.5	+ 1.1		+ 2.9	- 4.3	+ 1.0	+ 2.2	+ 20.0	- 0.2
2005 Jan	+ 1.6	- 1.1	+ 1.4	+ 5.3	+ 2.4	+ 1.0		+ 3.9	- 5.8	+ 1.3	+ 2.9	+ 30.1	+ 3.1
Feb	+ 1.8	- 0.1	+ 1.7	+ 6.6	+ 2.0	+ 1.1	+ 2.0	+ 4.2	- 6.1	+ 1.5	+ 3.7	+ 35.5	+ 3.1
Mar	+ 1.8	+ 0.5	+ 0.6	+ 8.3	+ 2.1	+ 1.0		+ 4.2	- 4.9	+ 1.3	+ 3.8	+ 37.4	- 0.4
Apr	+ 1.6	+ 0.1	+ 0.4	+ 9.0	+ 1.5	+ 1.0		+ 4.6	- 5.8	+ 1.0	+ 3.3	+ 35.1	- 1.9
May	+ 1.7	+ 0.5	+ 0.5	+ 5.9	+ 2.6	+ 1.1	+ 1.1	+ 4.1	- 5.6	+ 0.7	+ 2.2	+ 18.9	+ 1.2
June	+ 1.8	+ 0.3	+ 0.4	+ 10.2	+ 1.8	+ 1.0		+ 4.6	- 8.1	+ 1.1	+ 4.4	+ 43.5	+ 7.6
July	+ 2.0	- 0.1	+ 0.4	+ 11.7	+ 2.0	+ 1.1		+ 4.6	- 7.1	+ 1.2	+ 4.7	+ 45.0	+ 9.6
Aug	+ 1.9	+ 0.0	+ 0.3	+ 11.6	+ 2.0	+ 1.0	+ 0.9	+ 4.6	- 1.1	+ 0.9	+ 4.7	+ 40.8	+ 11.9
Sep	+ 2.5	+ 0.5	+ 1.3	+ 15.9	+ 1.9	+ 1.0		+ 4.9	- 0.7	+ 1.3	+ 5.1	+ 42.4	+ 13.2
Oct	+ 2.3	+ 0.2	+ 1.4	+ 12.6	+ 2.1	+ 1.0		+ 4.6	+ 1.3	+ 1.3	+ 4.3	+ 25.2	+ 17.4
Nov	+ 2.3	+ 0.5	+ 1.4	+ 11.7	+ 1.8	+ 1.0	+ 1.0	+ 5.0	+ 1.8	+ 1.4	+ 5.5	+ 37.4	+ 22.5
Dec	+ 2.1	+ 0.2	+ 0.5	+ 14.4	+ 1.8	+ 1.0		+ 5.2	+ 2.7	+ 1.9	+ 6.8	+ 57.0	+ 29.8
2006 Jan	+ 2.1	+ 0.9	+ 0.2	+ 15.5	+ 0.8	+ 1.0		+ 5.6	+ 3.6	+ 1.8	+ 6.8	+ 52.3	+ 25.5
Feb	+ 2.1	+ 0.8	+ 0.4	+ 14.6	+ 1.0	+ 1.0	+ 1.2	+ 5.9	+ 4.6	+ 1.9	+ 6.4	+ 44.4	+ 25.5
Mar	+ 1.8	+ 0.4	+ 0.7	+ 11.8	+ 0.9	+ 1.0		+ 5.9	+ 4.9	+ 1.9	+ 5.5	+ 30.6	+ 20.0
Apr	+ 2.0	+ 0.9	+ 0.7	+ 12.9	+ 1.4	+ 1.0		+ 6.1	^p 7.6	+ 2.4	+ 6.9	+ 38.7	+ 25.4
May	+ 1.9	+ 1.2	+ 0.7	+ 13.7	+ 0.4	+ 1.0	+ 1.9	+ 6.2	...	+ 2.7	+ 7.5	+ 38.1	+ 31.5
June	+ 2.0	+ 1.4	+ 0.7	+ 11.8	+ 1.0	+ 1.0		...	...	...	...	+ 19.4	+ 22.0

Source: Federal Statistical Office; HWWA Index of World Market Prices. — 1 Electricity, gas and other fuels. — 2 Bundesbank calculation based on data provided by the Federal Statistical Office. — 3 Previously: Overall construc-

tion price level. — 4 Excluding value-added tax. — 5 For the euro area, in euro. — 6 Coal and crude oil. — 7 Food, beverages and tobacco as well as industrial raw materials.

IX Economic conditions

8 Households' income * Germany

Up to end-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 / €	Annual percentage change	DM / €	Annual percentage change	DM / €	Annual percentage change	DM / €	Annual percentage change	DM / €	Annual percentage change	DM / €	Annual percentage change	
1995	1,575.1	3.2	1,034.9	0.8	553.5	4.6	1,588.4	2.1	2,344.9	3.0	257.6	- 0.6	11.0
1996	1,592.5	1.1	1,029.9	- 0.5	599.0	8.2	1,629.0	2.6	2,386.5	1.8	251.7	- 2.3	10.5
1997	1,589.7	- 0.2	1,012.9	- 1.7	613.2	2.4	1,626.1	- 0.2	2,427.6	1.7	245.4	- 2.5	10.1
1998	1,623.0	2.1	1,036.3	2.3	625.0	1.9	1,661.3	2.2	2,474.2	1.9	249.4	1.7	10.1
1999	854.6	3.0	547.5	3.3	330.5	3.4	878.0	3.4	1,297.7	2.6	122.7	- 3.8	9.5
2000	883.4	3.4	569.6	4.0	339.9	2.8	909.5	3.6	1,337.4	3.1	123.2	0.4	9.2
2001	902.0	2.1	590.0	3.6	353.8	4.1	943.9	3.8	1,389.5	3.9	130.9	6.2	9.4
2002	908.4	0.7	591.5	0.2	368.7	4.2	960.1	1.7	1,406.1	1.2	139.4	6.5	9.9
2003	907.7	- 0.1	587.5	- 0.7	379.0	2.8	966.5	0.7	1,435.5	2.1	147.9	6.1	10.3
2004	912.0	0.5	600.3	2.2	379.3	0.1	979.6	1.4	1,466.4	2.1	153.8	4.0	10.5
2005	908.9	- 0.3	599.5	- 0.1	377.8	- 0.4	977.3	- 0.2	1,491.7	1.7	159.5	3.7	10.7
2004 Q2	219.9	1.0	142.4	3.4	94.0	0.2	236.4	2.1	360.6	1.7	35.6	4.2	9.9
Q3	226.5	0.1	153.0	1.7	93.7	- 0.7	246.6	0.8	360.5	1.7	32.4	4.7	9.0
Q4	252.1	- 0.0	164.7	1.5	95.0	- 0.8	259.7	0.7	378.2	3.4	35.1	9.2	9.3
2005 Q1	213.3	- 0.1	141.2	0.7	95.0	- 1.8	236.2	- 0.3	371.4	1.2	52.9	4.3	14.3
Q2	219.2	- 0.3	142.5	0.0	94.5	0.6	237.0	0.3	369.1	2.3	37.1	4.2	10.1
Q3	225.8	- 0.3	152.5	- 0.3	93.5	- 0.2	245.9	- 0.3	369.3	2.5	33.7	4.2	9.1
Q4	250.7	- 0.6	163.4	- 0.8	94.9	- 0.1	258.3	- 0.5	381.9	1.0	35.7	1.7	9.3
2006 Q1	213.8	0.2	139.9	- 0.9	94.9	- 0.1	234.8	- 0.6	381.5	2.7	53.9	1.8	14.1

Source: Federal Statistical Office; figures computed in May 2006. — * Households including non-profit institutions serving 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 Social security benefits in cash from the social security funds, central, state and local government and foreign countries, pension payments (net), private funded social benefits, less social 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, mixed income, property income (net), other current transfers received, income of non-profit institutions serving 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						Production sector (including construction)									
	Negotiated wage and salary level 1				Wages and salaries per employee (workplace concept) 2		Negotiated wage and salary level 1				Wages and salaries per employee (workplace concept) 3					
	on an hourly basis		on a monthly basis		2000 = 100		Annual percentage change		on an hourly basis		on a monthly basis		2000 = 100		Annual percentage change	
	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change	2000 = 100	Annual percentage change		
1995	89.7	4.9	90.1	4.6	94.8	3.1	88.3	6.1	89.5	5.5	89.9	4.1				
1996	92.0	2.6	92.2	2.4	96.2	1.4	91.7	3.8	92.1	2.9	92.5	2.9				
1997	93.4	1.5	93.6	1.5	96.3	0.2	93.4	1.9	93.6	1.7	94.2	1.7				
1998	95.2	1.9	95.3	1.8	97.2	0.9	95.1	1.8	95.1	1.7	95.7	1.6				
1999	97.9	2.9	98.0	2.8	98.6	1.4	98.0	3.1	98.0	3.0	97.4	1.8				
2000	100.0	2.1	100.0	2.1	100.0	1.5	100.0	2.0	100.0	2.0	100.0	2.7				
2001	102.0	2.0	101.9	1.9	101.8	1.8	101.8	1.8	101.7	1.7	102.2	2.2				
2002	104.7	2.7	104.6	2.6	103.2	1.4	105.0	3.2	104.9	3.1	104.3	2.0				
2003	106.8	2.0	106.8	2.1	104.4	1.2	107.7	2.5	107.4	2.4	.	.				
2004	108.0	1.2	108.2	1.3	104.9	0.5	109.6	1.8	109.4	1.8	.	.				
2005	109.1	1.0	109.4	1.1	105.2	0.4	111.3	1.5	111.0	1.5	.	.				
2004 Q2	100.2	1.4	100.3	1.5	101.4	0.9	100.1	1.4	99.9	1.4	.	.				
Q3	111.3	1.0	111.4	1.1	104.0	- 0.0	116.7	0.8	116.4	0.8	.	.				
Q4	120.9	0.7	121.1	0.9	114.7	- 0.2	121.8	2.0	121.6	2.0	.	.				
2005 Q1	101.0	1.2	101.3	1.4	99.6	0.4	101.5	1.6	101.2	1.5	.	.				
Q2	101.2	1.0	101.5	1.2	101.9	0.5	101.4	1.3	101.2	1.3	.	.				
Q3	112.3	0.9	112.6	1.1	104.5	0.5	118.6	1.6	118.3	1.6	.	.				
Q4	121.7	0.7	122.1	0.8	114.9	0.1	123.7	1.6	123.4	1.5	.	.				
2006 Q1	101.9	0.9	102.4	1.0	100.2	0.6	103.2	1.7	103.3	2.0	.	.				
2005 Nov	161.0	0.4	161.5	0.4	.	.	165.4	1.6	165.0	1.6	.	.				
Dec	101.7	0.9	102.0	1.0	.	.	102.0	1.9	101.8	1.9	.	.				
2006 Jan	101.5	0.9	101.9	1.0	.	.	101.7	1.4	101.7	1.7	.	.				
Feb	102.2	1.5	102.6	1.6	.	.	104.1	3.7	104.1	4.0	.	.				
Mar	102.1	0.3	102.6	0.5	.	.	104.0	0.2	104.1	0.5	.	.				
Apr	103.6	2.2	104.1	2.3	.	.	103.9	2.6	104.0	2.9	.	.				
May	102.2	1.1	102.7	1.3	.	.	103.9	2.3	103.9	2.6	.	.				

1 Current data are normally revised upwards on account of additional reports. — 2 Source: Federal Statistical Office; figures computed in May 2006. — 3 Production 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 External sector

1 Major items of the balance of payments of the euro area *

€ million

Item	2003	2004	2005	2005		2006			
				Q3	Q4	Q1	Feb	Mar	Apr
A Current account	+ 32,443	+ 49,868	- 22,610	- 1,365	- 12,291	- 10,005	- 426	+ 115	- 7,991
1 Goods									
Exports (fob)	1,036,038	1,128,189	1,218,596	309,008	325,938	326,652	104,813	121,112	107,279
Imports (fob)	929,915	1,022,899	1,165,642	293,030	322,126	330,183	104,542	118,507	107,415
Balance	+ 106,120	+ 105,291	+ 52,952	+ 15,978	+ 3,812	- 3,531	+ 271	+ 2,605	- 136
2 Services									
Receipts	331,810	362,051	395,458	108,910	103,942	92,310	30,062	32,219	32,629
Expenditure	312,293	333,074	361,145	99,314	93,599	88,860	28,234	30,671	29,669
Balance	+ 19,516	+ 28,977	+ 34,313	+ 9,596	+ 10,343	+ 3,450	+ 1,828	+ 1,548	+ 2,959
3 Income	- 37,159	- 27,999	- 41,533	- 7,096	- 10,128	+ 742	+ 982	+ 786	- 4,783
4 Current transfers									
Transfers from non-residents	82,103	81,898	83,382	15,294	21,945	32,831	16,311	6,927	4,758
Transfers to non-residents	138,139	138,299	151,723	35,135	38,264	43,496	19,818	11,751	10,790
Balance	- 56,034	- 56,404	- 68,341	- 19,842	- 16,318	- 10,665	- 3,507	- 4,824	- 6,032
B Capital account	+ 12,942	+ 17,457	+ 12,486	+ 2,821	+ 4,661	+ 2,669	+ 1,008	+ 649	+ 522
C Financial account (net capital exports: -)	- 1,263	- 10,913	+ 89,979	+ 34,580	- 12,907	+ 36,886	+ 13,207	+ 34,684	+ 3,146
1 Direct investment	- 12,264	- 41,192	- 145,463	- 97,613	- 9,387	- 11,872	- 25,426	+ 8,638	- 2,452
By resident units abroad	- 147,166	- 141,722	- 216,129	- 115,933	- 30,667	- 37,040	- 33,580	- 4,274	- 12,379
By non-resident units in the euro area	+ 134,906	+ 100,525	+ 70,669	+ 18,321	+ 21,282	+ 25,168	+ 8,154	+ 12,912	+ 9,928
2 Portfolio investment	+ 74,877	+ 60,291	+ 162,537	+ 89,784	- 42,011	+ 31,772	+ 20,486	+ 48,429	- 5,655
By resident units abroad	- 276,413	- 338,069	- 443,107	- 108,771	- 118,647	- 156,211	- 44,841	- 44,432	- 31,559
Equity	- 78,687	- 103,432	- 140,449	- 31,946	- 58,584	- 62,235	- 21,376	- 11,999	- 3,633
Bonds and notes	- 175,711	- 177,693	- 283,401	- 71,449	- 60,610	- 88,719	- 23,492	- 31,309	- 19,792
Money market instruments	- 22,016	- 56,942	- 19,256	- 5,377	+ 547	- 5,258	+ 27	- 1,125	- 8,135
By non-resident units in the euro area	+ 351,289	+ 398,360	+ 605,645	+ 198,556	+ 76,637	+ 187,983	+ 65,327	+ 92,861	+ 25,905
Equity	+ 110,250	+ 128,058	+ 280,153	+ 150,700	+ 63,228	+ 103,812	+ 31,595	+ 51,772	- 9,945
Bonds and notes	+ 198,855	+ 254,948	+ 260,309	+ 24,499	+ 30,958	+ 58,578	+ 17,961	+ 42,277	+ 24,896
Money market instruments	+ 42,183	+ 15,351	+ 65,181	+ 23,355	- 17,549	+ 25,593	+ 15,771	- 1,188	+ 10,954
3 Financial derivatives	- 13,009	- 4,986	- 13,597	- 439	- 7,165	- 7,368	- 2,980	- 2,079	- 5,806
4 Other investment	- 79,085	- 37,545	+ 67,750	+ 40,807	+ 36,901	+ 18,823	+ 19,232	- 26,258	+ 18,287
Eurosystem	+ 9,147	+ 6,771	+ 4,388	+ 4,773	- 4,755	+ 5,144	- 4,258	+ 1,564	- 2,129
General government	- 3,808	- 5,902	+ 2,624	+ 8,951	- 4,378	+ 857	+ 37	+ 2,031	- 910
MFIs (excluding the Eurosystem)	- 17,810	- 12,570	+ 91,295	+ 35,120	+ 39,134	+ 76,032	+ 34,154	- 4,872	+ 17,382
Long-term	+ 1,553	- 23,755	- 55,833	- 7,375	- 41,282	- 2,180	+ 3,527	- 10,713	+ 3,981
Short-term	- 19,363	+ 11,189	+ 147,128	+ 42,494	+ 80,416	+ 78,213	+ 30,627	+ 5,841	+ 13,401
Other sectors	- 66,613	- 25,848	- 30,553	- 8,035	+ 6,900	- 63,210	- 10,701	- 24,981	+ 3,944
5 Reserve assets (Increase: -)	+ 28,217	+ 12,522	+ 18,748	+ 2,040	+ 8,754	+ 5,530	+ 1,895	+ 5,954	- 1,229
D Errors and omissions	- 44,124	- 56,414	- 79,855	- 36,037	+ 20,538	- 29,550	- 13,789	- 35,448	+ 4,324

* Source: European Central Bank.

X External sector

2 Major items of the balance of payments of the Federal Republic of Germany
(balances)

Period	Current account						Capital transfers and acquisition/disposal of non-produced non-financial assets	Financial account			Errors and Omissions
	Balance on current account	Foreign trade 1,2	Supplementary trade items 3,4	Services 5	Income	Current transfers		Total 6	of which Change in reserve assets at transaction value 7		
DM million											
1992	- 35,438	+ 33,656	- 1,426	- 44,983	+ 28,481	- 51,167	- 1,963	+ 16,574	- 52,888	+ 20,827	
1993	- 31,450	+ 60,304	- 3,217	- 52,549	+ 19,095	- 55,083	- 1,915	+ 43,448	+ 22,795	- 10,082	
1994	- 49,418	+ 71,762	- 1,318	- 62,803	+ 2,393	- 59,451	- 2,637	+ 60,708	+ 2,846	- 8,653	
1995	- 42,363	+ 85,303	- 4,294	- 63,985	- 3,975	- 55,413	- 3,845	+ 50,117	- 10,355	- 3,909	
1996	- 21,086	+ 98,538	- 4,941	- 64,743	+ 1,052	- 50,991	- 3,283	+ 24,290	+ 1,882	+ 79	
1997	- 17,336	+ 116,467	- 7,875	- 68,692	- 4,740	- 52,496	+ 52	+ 6,671	+ 6,640	+ 10,613	
1998	- 28,695	+ 126,970	- 8,917	- 75,053	- 18,635	- 53,061	+ 1,289	+ 25,683	- 7,128	+ 1,724	
1999	- 49,241	+ 127,542	- 15,947	- 90,036	- 22,325	- 48,475	- 301	- 20,332	+ 24,517	+ 69,874	
2000	- 68,913	+ 115,645	- 17,742	- 95,848	- 16,302	- 54,666	+ 13,345	+ 66,863	+ 11,429	- 11,294	
2001	+ 830	+ 186,771	- 14,512	- 97,521	- 21,382	- 52,526	- 756	+ 23,068	+ 11,797	+ 22,994	
€ million											
1999	- 25,177	+ 65,211	- 8,153	- 46,035	- 11,415	- 24,785	- 154	- 10,396	+ 12,535	+ 35,726	
2000	- 35,235	+ 59,128	- 9,071	- 49,006	- 8,335	- 27,950	+ 6,823	+ 34,187	+ 5,844	- 5,775	
2001	+ 425	+ 95,495	- 7,420	- 49,862	- 10,932	- 26,856	- 387	- 11,794	+ 6,032	+ 11,757	
2002	+ 43,375	+ 132,788	- 8,552	- 35,328	- 18,022	- 27,511	- 212	- 38,448	+ 2,065	- 4,716	
2003	+ 40,291	+ 129,921	- 11,149	- 34,274	- 15,925	- 28,282	+ 312	- 48,054	+ 445	+ 7,451	
2004	+ 81,925	+ 156,096	- 15,243	- 31,254	+ 635	- 28,309	+ 430	- 114,695	+ 1,470	+ 32,340	
2005 r	+ 92,623	+ 160,554	- 20,170	- 27,484	+ 8,643	- 28,921	- 1,268	- 100,078	+ 2,182	+ 8,723	
2003 Q2	+ 4,732	+ 29,841	- 2,571	- 7,989	- 6,934	- 7,616	+ 149	- 23,849	+ 1,505	+ 18,969	
Q3	+ 10,334	+ 38,430	- 2,672	- 13,384	- 3,384	- 8,656	+ 208	+ 9,792	- 751	- 20,335	
Q4	+ 15,078	+ 31,815	- 2,994	- 4,886	- 2,571	- 6,285	- 16	- 27,506	+ 1,186	+ 12,444	
2004 Q1	+ 24,233	+ 41,359	- 3,325	- 6,993	- 1,151	- 5,656	+ 280	+ 482	+ 205	- 24,996	
Q2	+ 24,091	+ 43,303	- 3,510	- 5,945	- 2,401	- 7,357	+ 177	- 61,906	- 339	+ 37,638	
Q3	+ 13,814	+ 36,436	- 4,269	- 11,476	+ 1,555	- 8,432	+ 191	- 23,665	+ 1,568	+ 9,660	
Q4	+ 19,787	+ 34,998	- 4,139	- 6,841	+ 2,632	- 6,863	- 218	- 29,606	+ 37	+ 10,037	
2005 Q1 r	+ 29,191	+ 43,229	- 4,421	- 5,405	+ 3,135	- 7,348	- 1,491	- 22,591	- 181	- 5,109	
Q2 r	+ 23,419	+ 41,543	- 4,677	- 5,755	- 1,307	- 6,386	+ 107	- 24,592	+ 1,230	+ 1,066	
Q3 r	+ 19,505	+ 41,059	- 5,182	- 12,038	+ 3,294	- 7,628	+ 60	- 15,579	- 783	+ 3,985	
Q4 r	+ 20,508	+ 34,723	- 5,890	- 4,287	+ 3,520	- 7,558	+ 57	- 37,316	+ 1,916	+ 16,751	
2006 Q1	+ 26,486	+ 39,887	- 4,657	- 5,983	+ 3,276	- 6,037	+ 153	- 43,369	+ 1,082	+ 16,730	
2003 Dec	+ 6,839	+ 10,584	- 1,369	- 247	- 561	- 1,568	- 38	- 16,346	+ 921	+ 9,546	
2004 Jan	+ 5,984	+ 12,498	- 1,362	- 3,797	- 809	- 546	+ 13	+ 4,947	- 206	- 10,944	
Feb	+ 6,341	+ 12,273	- 1,043	- 1,879	- 343	- 2,667	- 179	+ 6,043	- 26	- 12,205	
Mar	+ 11,908	+ 16,588	- 920	- 1,317	+ 0	- 2,443	+ 447	- 10,508	+ 437	- 1,846	
Apr	+ 7,716	+ 14,371	- 1,068	- 2,189	- 1,610	- 1,788	+ 84	- 40,093	- 628	+ 32,293	
May	+ 7,634	+ 14,140	- 1,223	- 1,409	- 1,232	- 2,642	- 30	- 7,317	+ 607	- 287	
June	+ 8,741	+ 14,791	- 1,219	- 2,347	+ 442	- 2,926	+ 123	- 14,496	- 318	+ 5,633	
July	+ 6,300	+ 13,572	- 1,722	- 2,426	+ 178	- 3,301	+ 164	+ 2,957	+ 847	- 9,421	
Aug	+ 2,543	+ 10,917	- 1,411	- 4,865	+ 300	- 2,398	+ 80	+ 7,626	+ 517	+ 5,003	
Sep	+ 4,972	+ 11,947	- 1,135	- 4,184	+ 1,078	- 2,733	- 52	- 18,996	+ 204	+ 14,077	
Oct	+ 6,360	+ 12,387	- 1,438	- 2,820	+ 709	- 2,478	- 22	- 1,620	+ 839	- 4,718	
Nov	+ 7,293	+ 11,763	- 1,336	- 1,592	+ 906	- 2,448	- 186	- 19,467	- 182	+ 12,360	
Dec	+ 6,134	+ 10,848	- 1,365	- 2,429	+ 1,017	- 1,938	- 10	- 8,520	- 621	+ 2,396	
2005 Jan r	+ 7,800	+ 13,333	- 1,621	- 1,857	+ 581	- 2,637	- 1,221	+ 12,505	- 353	- 19,084	
Feb r	+ 9,406	+ 13,571	- 1,372	- 1,385	+ 963	- 2,372	- 107	+ 8,662	+ 494	- 637	
Mar r	+ 11,985	+ 16,325	- 1,428	- 2,163	+ 1,591	- 2,340	- 164	- 26,434	- 322	+ 14,613	
Apr r	+ 6,307	+ 12,719	- 1,474	- 1,737	- 1,809	- 1,392	- 199	- 17,615	+ 404	+ 11,507	
May r	+ 5,475	+ 12,079	- 1,376	- 2,271	- 809	- 2,146	+ 272	+ 8,126	- 141	- 13,873	
June r	+ 11,637	+ 16,746	- 1,826	- 1,746	+ 1,312	- 2,848	+ 34	- 15,103	+ 967	+ 3,432	
July r	+ 8,341	+ 14,466	- 1,662	- 2,913	+ 876	- 2,426	+ 104	- 5,752	+ 324	- 2,693	
Aug r	+ 3,044	+ 11,576	- 1,707	- 5,364	+ 883	- 2,345	- 86	+ 571	+ 932	- 3,528	
Sep r	+ 8,120	+ 15,017	- 1,813	- 3,761	+ 1,535	- 2,858	+ 42	- 10,398	- 2,039	+ 2,236	
Oct r	+ 6,163	+ 12,181	- 2,350	- 2,757	+ 1,425	- 2,337	+ 329	- 6,148	+ 207	- 344	
Nov r	+ 8,388	+ 13,306	- 1,851	- 1,027	+ 1,059	- 3,100	- 108	- 14,159	+ 1,059	+ 5,879	
Dec r	+ 5,958	+ 9,236	- 1,690	- 503	+ 1,036	- 2,121	- 165	- 17,008	+ 650	+ 11,215	
2006 Jan	+ 6,254	+ 12,583	- 1,714	- 3,043	+ 815	- 2,386	+ 7	- 11,489	- 26	+ 5,227	
Feb	+ 10,986	+ 12,951	- 1,217	- 924	+ 1,552	- 1,376	+ 283	- 18,367	+ 1,534	+ 7,099	
Mar	+ 9,246	+ 14,354	- 1,726	- 2,016	+ 910	- 2,274	- 137	- 13,514	- 426	+ 4,404	
Apr	+ 6,982	+ 11,235	- 1,489	- 1,067	+ 539	- 2,237	- 144	- 9,868	+ 1,475	+ 3,030	
May p	+ 4,304	+ 12,940	- 1,572	- 1,574	- 4,396	- 1,093	- 280	- 14,776	- 1,067	+ 10,753	

1 Special trade according to the official foreign trade statistics: imports cif, exports fob. — 2 From January 1993, including additional estimates for external transactions which do not have to be reported and which are included up to December 1992 in the supplementary trade items. — 3 Mainly warehouse transactions for account of residents and deduction of

goods returned and value of goods for repair. — 4 See footnote 2. — 5 Excluding the expenditure on freight and insurance included in the cif import figure. — 6 Financial account balance including change in reserve assets. Capital exports: - . — 7 Increase: - .

X External sector

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

€ million

Country / group of countries		2003	2004	2005	2005		2006			
					Dec	Jan	Feb	Mar	Apr	May P
All countries 1	Exports	664,455	731,544	786,186	66,593	68,541	70,130	76,959	69,861	72,642
	Imports	534,534	575,448	625,632	57,357	55,957	57,180	62,605	58,627	59,702
	Balance	+ 129,921	+ 156,096	+ 160,554	+ 9,236	+ 12,583	+ 12,951	+ 14,354	+ 11,235	+ 12,940
I European countries	Exports	490,672	541,395	581,549	48,769	50,828	51,568	57,215	52,358	...
	Imports	384,939	408,698	445,391	39,797	38,853	40,130	44,659	41,834	...
	Balance	+ 105,733	+ 132,697	+ 136,157	+ 8,972	+ 11,976	+ 11,439	+ 12,556	+ 10,524	...
1 EU member states (25)	Exports	426,342	466,326	498,556	41,186	43,882	44,171	49,502	44,832	...
	Imports	324,043	342,636	368,831	32,390	31,562	32,586	36,171	33,975	...
	Balance	+ 102,299	+ 123,691	+ 129,725	+ 8,796	+ 12,320	+ 11,586	+ 13,331	+ 10,857	...
<i>Memo item</i>										
EU member states (15)	Exports	369,776	404,770	430,995	35,161	37,990	37,938	42,540	38,156	...
	Imports	266,404	285,049	309,453	27,166	26,482	27,081	30,310	28,343	...
	Balance	+ 103,372	+ 119,720	+ 121,542	+ 7,995	+ 11,508	+ 10,858	+ 12,230	+ 9,813	...
Euro-area countries	Exports	288,668	317,696	339,752	27,999	30,068	30,244	33,630	30,338	...
	Imports	215,705	230,717	249,162	21,954	21,163	21,948	24,680	23,006	...
	Balance	+ 72,963	+ 86,979	+ 90,590	+ 6,045	+ 8,905	+ 8,295	+ 8,950	+ 7,331	...
<i>of which</i>										
Austria	Exports	35,857	40,244	42,533	3,752	3,769	3,710	4,132	3,866	...
	Imports	21,453	24,020	25,292	2,147	2,145	2,204	2,521	2,401	...
	Balance	+ 14,404	+ 16,224	+ 17,241	+ 1,605	+ 1,624	+ 1,506	+ 1,612	+ 1,465	...
Belgium and Luxembourg	Exports	38,413	43,992	47,749	3,995	4,032	4,483	4,932	4,228	...
	Imports	26,132	28,818	33,687	2,674	2,858	2,881	3,250	3,081	...
	Balance	+ 12,282	+ 15,173	+ 14,062	+ 1,320	+ 1,174	+ 1,602	+ 1,682	+ 1,148	...
France	Exports	69,025	74,360	79,871	6,353	7,154	6,943	7,790	6,921	...
	Imports	48,545	51,535	54,627	4,842	4,623	4,608	5,780	5,330	...
	Balance	+ 20,480	+ 22,825	+ 25,244	+ 1,511	+ 2,532	+ 2,335	+ 2,009	+ 1,591	...
Italy	Exports	48,414	51,479	54,374	4,420	4,898	4,947	5,346	4,878	...
	Imports	34,259	35,676	35,589	2,898	3,014	3,071	3,342	3,184	...
	Balance	+ 14,156	+ 15,803	+ 18,785	+ 1,523	+ 1,884	+ 1,876	+ 2,004	+ 1,694	...
Netherlands	Exports	42,219	46,730	47,799	4,053	4,433	4,413	4,900	4,605	...
	Imports	42,301	46,204	53,371	5,174	4,566	5,030	5,381	4,840	...
	Balance	- 83	+ 526	- 5,573	- 1,122	- 133	- 617	- 481	- 235	...
Spain	Exports	32,364	36,249	40,395	3,039	3,291	3,356	3,720	3,353	...
	Imports	16,518	17,426	17,985	1,555	1,419	1,557	1,803	1,590	...
	Balance	+ 15,846	+ 18,823	+ 22,410	+ 1,483	+ 1,871	+ 1,799	+ 1,917	+ 1,763	...
Other EU member states	Exports	137,674	148,630	158,804	13,187	13,814	13,928	15,871	14,494	...
	Imports	108,337	111,919	119,669	10,436	10,399	10,637	11,491	10,969	...
	Balance	+ 29,336	+ 36,711	+ 39,135	+ 2,751	+ 3,415	+ 3,290	+ 4,381	+ 3,525	...
<i>of which</i>										
Kingdom	Exports	55,597	59,986	61,681	4,606	5,380	5,231	6,015	5,258	...
	Imports	31,712	34,466	39,414	3,417	3,307	3,385	3,723	3,576	...
	Balance	+ 23,885	+ 25,520	+ 22,268	+ 1,190	+ 2,073	+ 1,846	+ 2,292	+ 1,682	...
2 Other European countries	Exports	64,331	75,069	82,993	7,582	6,947	7,397	7,713	7,526	...
	Imports	60,897	66,062	76,561	7,407	7,291	7,544	8,488	7,859	...
	Balance	+ 3,434	+ 9,007	+ 6,432	+ 175	- 344	- 147	- 775	- 333	...
II Non-European countries	Exports	172,329	188,782	203,210	17,738	17,512	18,484	19,661	17,435	...
	Imports	148,895	166,132	179,603	17,502	17,051	16,995	17,889	16,738	...
	Balance	+ 23,434	+ 22,650	+ 23,608	+ 236	+ 461	+ 1,489	+ 1,772	+ 697	...
1 Africa	Exports	12,072	13,785	14,785	1,276	1,173	1,294	1,330	1,267	...
	Imports	10,239	11,092	13,208	1,020	1,092	1,496	1,424	1,192	...
	Balance	+ 1,832	+ 2,694	+ 1,577	+ 256	+ 81	- 201	- 94	+ 74	...
2 America	Exports	79,629	84,694	91,970	7,964	7,779	8,472	9,362	7,640	...
	Imports	51,948	54,679	57,443	5,019	5,298	5,444	5,758	5,649	...
	Balance	+ 27,681	+ 30,016	+ 34,527	+ 2,945	+ 2,481	+ 3,028	+ 3,604	+ 1,991	...
<i>of which</i>										
United States	Exports	61,654	64,860	69,311	6,092	5,809	6,392	7,114	5,696	...
	Imports	39,231	40,709	41,342	3,460	3,775	3,883	3,961	3,834	...
	Balance	+ 22,423	+ 24,151	+ 27,969	+ 2,632	+ 2,034	+ 2,509	+ 3,153	+ 1,863	...
3 Asia	Exports	75,620	84,789	90,608	7,990	8,107	8,227	8,456	8,072	...
	Imports	84,783	98,177	106,882	11,267	10,435	9,926	10,467	9,710	...
	Balance	- 9,162	- 13,388	- 16,275	- 3,277	- 2,328	- 1,699	- 2,011	- 1,638	...
<i>of which</i>										
Middle East	Exports	15,511	17,357	20,478	1,756	1,698	1,729	1,914	1,742	...
	Imports	4,469	4,398	4,967	492	481	457	407	427	...
	Balance	+ 11,043	+ 12,959	+ 15,512	+ 1,264	+ 1,218	+ 1,272	+ 1,507	+ 1,314	...
Japan	Exports	11,889	12,719	13,330	1,087	1,156	1,239	1,176	1,031	...
	Imports	19,684	21,583	21,435	2,283	1,780	1,912	2,211	1,959	...
	Balance	- 7,795	- 8,865	- 8,104	- 1,195	- 625	- 673	- 1,035	- 928	...
People's Republic of China 2	Exports	18,265	20,992	21,280	1,947	1,883	2,023	2,009	2,061	...
	Imports	25,681	32,791	39,891	4,202	4,158	3,808	3,944	3,588	...
	Balance	- 7,417	- 11,800	- 18,611	- 2,255	- 2,275	- 1,785	- 1,934	- 1,527	...
4 Oceania and polar regions	Exports	5,008	5,513	5,847	508	454	490	514	456	...
	Imports	1,925	2,184	2,069	197	226	130	241	187	...
	Balance	+ 3,083	+ 3,329	+ 3,778	+ 311	+ 228	+ 361	+ 273	+ 269	...
<i>Memo item</i>										
Emerging markets in South-East Asia 3	Exports	24,515	26,838	27,542	2,449	2,435	2,417	2,566	2,395	...
	Imports	27,119	30,012	30,596	3,386	3,056	2,685	2,822	2,739	...
	Balance	- 2,603	- 3,174	- 3,054	- 938	- 621	- 268	- 256	- 344	...

* Source: Federal Statistical Office. Exports (fob) by country of destination, imports (cif) by country of origin. Individual countries and groups of countries according to the current position. — 1 Including fuel and other

supplies for ships and aircraft and other data not classifiable by region. — 2 Excluding Hong Kong. — 3 Brunei Darussalam, Hong Kong, Indonesia, Malaysia, Philippines, Republic of Korea, Singapore, Taiwan and Thailand.

X External sector
**4 Services and income of the Federal Republic of Germany
(balances)**

€ million

Period	Services							Other services			Compensation of employees ⁵	Investment income
	Total	Travel ¹	Transportation ²	Financial services	Patents and licences	Government services ³	Total	of which				
								Services of self-employed persons ⁴	Construction and assembly work, repairs			
2001	- 49,862	- 37,821	+ 4,254	+ 1,080	- 2,431	+ 3,488	- 18,433	- 2,544	- 591	- 1,817	- 9,115	
2002	- 35,328	- 35,154	+ 2,789	+ 1,424	- 1,549	+ 5,237	- 8,075	- 2,073	+ 506	- 1,418	- 16,603	
2003	- 34,274	- 36,761	+ 1,791	+ 1,365	- 748	+ 5,088	- 5,009	- 1,836	+ 1,485	- 1,241	- 14,684	
2004	- 31,254	- 34,813	+ 3,885	+ 1,316	- 480	+ 5,349	- 6,511	- 1,364	+ 973	- 940	+ 1,575	
2005	- 27,484	- 34,957	+ 6,358	+ 1,629	+ 114	+ 3,592	- 4,221	- 1,701	+ 832	- 1,618	+ 10,262	
2004 Q3	- 11,476	- 13,585	+ 762	+ 385	+ 17	+ 1,433	- 489	- 307	+ 271	- 550	+ 2,105	
Q4	- 6,841	- 6,013	+ 1,251	+ 347	- 46	+ 1,181	- 3,562	- 343	+ 338	- 117	+ 2,749	
2005 Q1	- 5,405	- 6,222	+ 1,014	+ 411	+ 1,027	+ 1,024	- 2,660	- 334	+ 124	+ 223	+ 2,912	
Q2	- 5,755	- 8,045	+ 1,465	+ 494	- 246	+ 833	- 256	- 398	+ 107	- 487	- 819	
Q3	- 12,038	- 14,207	+ 1,830	+ 283	- 323	+ 853	- 473	- 420	+ 87	- 972	+ 4,266	
Q4	- 4,287	- 6,482	+ 2,049	+ 442	- 344	+ 882	- 833	- 549	+ 514	- 382	+ 3,902	
2006 Q1	- 5,983	- 6,382	+ 1,006	+ 451	- 521	+ 730	- 1,268	- 414	- 34	+ 179	+ 3,097	
2005 July	- 2,913	- 3,377	+ 610	- 19	- 277	+ 196	- 45	- 160	+ 60	- 334	+ 1,210	
Aug	- 5,364	- 5,936	+ 650	+ 110	+ 89	+ 370	- 647	- 128	+ 26	- 305	+ 1,189	
Sep	- 3,761	- 4,895	+ 571	+ 192	- 136	+ 286	+ 220	- 132	+ 0	- 333	+ 1,868	
Oct	- 2,757	- 3,940	+ 674	+ 145	- 309	+ 251	+ 422	- 144	+ 36	- 148	+ 1,573	
Nov	- 1,027	- 1,594	+ 728	+ 127	- 57	+ 229	- 460	- 147	+ 251	- 141	+ 1,201	
Dec	- 503	- 948	+ 647	+ 170	+ 22	+ 402	- 795	- 258	+ 227	- 93	+ 1,128	
2006 Jan	- 3,043	- 2,379	+ 311	+ 176	- 386	+ 185	- 950	- 153	- 103	+ 60	+ 755	
Feb	- 924	- 1,626	+ 413	+ 162	+ 10	+ 246	- 131	- 114	+ 90	+ 60	+ 1,492	
Mar	- 2,016	- 2,377	+ 282	+ 113	- 145	+ 299	- 188	- 146	- 21	+ 60	+ 850	
Apr	- 1,067	- 2,633	+ 542	+ 88	- 225	+ 375	+ 786	- 110	+ 121	- 146	+ 685	
May	- 1,574	- 2,644	+ 557	+ 318	- 31	+ 307	- 81	- 148	+ 117	- 169	- 4,227	

1 From January 2001, figures subject to significant uncertainty. — 2 Excluding the expenditure on freight included in the cif import figure. — 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)**

€ million

Period	Public ¹					Private ¹			Total ⁴	Public ¹	Private ¹
	Total	Total	International organisations ²		Other current transfers ³	Total	Workers' remittances	Other current transfers			
			Total	of which European Communities							
2001	- 26,856	- 16,367	- 14,257	- 12,587	- 2,110	- 10,489	- 3,520	- 6,969	- 387	- 1,361	+ 974
2002	- 27,511	- 15,710	- 13,045	- 11,214	- 2,665	- 11,801	- 3,470	- 8,331	- 212	- 1,416	+ 1,205
2003	- 28,282	- 18,277	- 15,428	- 13,731	- 2,849	- 10,005	- 3,332	- 6,672	+ 312	- 1,238	+ 1,550
2004	- 28,309	- 17,128	- 14,307	- 12,730	- 2,821	- 11,180	- 3,180	- 8,000	+ 430	- 1,094	+ 1,524
2005	- 28,921	- 17,907	- 16,253	- 14,725	- 1,654	- 11,014	- 2,926	- 8,088	- 1,268	- 3,419	+ 2,151
2004 Q3	- 8,432	- 5,543	- 4,415	- 4,123	- 1,128	- 2,889	- 795	- 2,094	+ 191	- 261	+ 452
Q4	- 6,863	- 4,206	- 3,097	- 2,763	- 1,109	- 2,658	- 795	- 1,863	- 218	- 340	+ 122
2005 Q1	- 7,348	- 4,671	- 3,739	- 3,194	- 932	- 2,678	- 732	- 1,946	- 1,491	- 2,038	+ 547
Q2	- 6,386	- 3,253	- 3,762	- 3,322	+ 509	- 3,134	- 732	- 2,402	+ 107	- 315	+ 422
Q3	- 7,628	- 4,927	- 4,457	- 4,138	- 470	- 2,702	- 732	- 1,970	+ 60	- 331	+ 391
Q4	- 7,558	- 5,057	- 4,296	- 4,071	- 762	- 2,501	- 732	- 1,769	+ 57	- 734	+ 791
2006 Q1	- 6,037	- 3,479	- 2,934	- 2,433	- 545	- 2,558	- 732	- 1,826	+ 153	- 310	+ 463
2005 July	- 2,426	- 1,562	- 1,345	- 1,217	- 217	- 864	- 244	- 620	+ 104	- 89	+ 193
Aug	- 2,345	- 1,395	- 1,203	- 1,054	- 192	- 949	- 244	- 706	- 86	- 142	+ 55
Sep	- 2,858	- 1,969	- 1,908	- 1,867	- 61	- 888	- 244	- 644	+ 42	- 101	+ 143
Oct	- 2,337	- 1,440	- 1,057	- 998	- 383	- 898	- 244	- 654	+ 329	- 109	+ 438
Nov	- 3,100	- 2,153	- 1,846	- 1,757	- 307	- 947	- 244	- 703	- 108	- 104	- 4
Dec	- 2,121	- 1,465	- 1,393	- 1,317	- 72	- 656	- 244	- 412	- 165	- 521	+ 356
2006 Jan	- 2,386	- 1,555	- 1,402	- 1,143	- 152	- 832	- 244	- 588	+ 7	- 81	+ 88
Feb	- 1,376	- 538	- 156	+ 22	- 381	- 839	- 244	- 595	+ 283	- 77	+ 359
Mar	- 2,274	- 1,387	- 1,376	- 1,313	- 11	- 887	- 244	- 644	- 137	- 152	+ 16
Apr	- 2,237	- 1,327	- 1,480	- 1,375	+ 152	- 910	- 244	- 666	- 144	- 80	- 64
May	- 1,093	+ 92	- 1,481	- 1,386	+ 1,573	- 1,185	- 244	- 942	- 280	- 136	- 144

1 The classification of "public" and "private" transfers depends on the sector to which the participating domestic body belongs. — 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.

7 Financial account of the Federal Republic of Germany

€ million

Item	2003	2004	2005	2005			2006			
				Q2	Q3	Q4	Q1	Mar	Apr	May
I Net German investment abroad (Increase/capital exports: -)	- 203,369	- 260,875	- 368,652	- 105,234	- 66,268	- 40,184	- 167,991	- 57,951	- 17,139	- 31,081
1 Direct investment 1	- 5,470	- 1,516	- 36,695	- 17,173	- 7,402	+ 4,008	- 16,070	- 3,270	- 9,273	+ 6,378
Equity capital	- 33,417	+ 17,642	- 16,779	- 7,120	- 1,694	- 3,647	- 6,493	- 843	+ 194	- 6,014
Reinvested earnings 2	+ 3,784	- 5,605	- 9,715	- 972	- 2,773	- 2,449	- 3,182	+ 225	- 713	+ 201
Other capital transactions of German direct investors	+ 24,163	- 13,553	- 10,201	- 9,081	- 2,934	+ 10,103	- 6,394	- 2,652	- 8,753	+ 12,191
2 Portfolio investment	- 41,720	- 110,592	- 210,891	- 56,475	- 29,129	- 59,927	- 62,144	- 15,101	- 3,797	- 8,607
Equity 3	+ 4,468	+ 3,520	- 22,884	+ 434	- 3,435	- 20,584	- 1,220	+ 4,437	+ 4,681	+ 4,516
Mutual fund shares 4	- 2,795	- 10,933	- 39,864	- 8,694	- 12,000	- 5,260	- 18,413	- 3,099	- 594	+ 1,717
Bonds and notes 5	- 53,224	- 90,734	- 143,604	- 46,054	- 9,540	- 32,630	- 42,262	- 16,526	- 3,840	- 13,346
Money market instruments	+ 9,831	- 12,445	- 4,540	- 2,162	- 4,154	- 1,454	+ 250	+ 87	- 4,045	- 1,494
3 Financial derivatives 6	- 1,901	- 5,412	- 4,697	- 1,980	+ 4,358	- 3,159	- 5,457	- 111	- 1,393	+ 1,802
4 Other investment	- 154,722	- 144,826	- 118,552	- 30,837	- 33,313	+ 16,979	- 85,401	- 39,044	- 4,151	- 29,588
MFIs 7,8	- 122,352	- 121,833	- 85,781	- 46,969	- 19,195	+ 37,903	- 107,125	- 35,976	- 7,891	- 2,428
Long-term	- 32,602	+ 5,854	- 69,977	- 21,044	- 21,339	- 16,496	- 15,280	- 9,553	- 1,355	- 4,974
Short-term	- 89,750	- 127,687	- 15,804	- 25,926	+ 2,144	+ 54,399	- 91,845	- 26,423	- 6,536	+ 2,546
Enterprises and households	- 33,329	- 22,284	- 13,854	+ 2,475	- 8,264	+ 9,390	- 13,003	- 3,257	+ 726	- 1,053
Long-term	- 4,920	- 7,482	- 8,924	- 3,325	- 1,800	- 2,085	- 3,220	- 1,175	- 1,049	- 1,069
Short-term 7	- 28,409	- 14,802	- 4,930	+ 5,800	- 6,463	+ 11,476	- 9,783	- 2,081	+ 1,775	+ 15
General government	+ 728	+ 2,143	+ 3,156	- 1,791	+ 3,753	- 7,232	+ 7,438	- 4,718	- 2,923	- 5,763
Long-term	+ 156	+ 49	+ 7,695	+ 842	+ 4,734	+ 179	+ 244	+ 205	- 190	- 45
Short-term 7	+ 572	+ 2,094	- 4,539	- 2,633	- 981	- 7,412	+ 7,194	- 4,923	- 2,733	- 5,719
Bundesbank	+ 230	- 2,851	- 22,073	+ 15,449	- 9,607	- 23,082	+ 27,288	+ 4,907	+ 5,937	- 20,343
5 Change in reserve assets at transaction values (Increase:-)	+ 445	+ 1,470	+ 2,182	+ 1,230	- 783	+ 1,916	+ 1,082	- 426	+ 1,475	- 1,067
II Net foreign investment in Germany (Increase/capital imports: +)	+ 155,315	+ 146,180	+ 268,574	+ 80,642	+ 50,688	+ 2,868	+ 124,621	+ 44,438	+ 7,271	+ 16,305
1 Direct investment 1	+ 25,873	- 12,172	+ 26,264	+ 5,970	+ 877	+ 16,472	+ 297	+ 1,644	- 455	+ 2,811
Equity capital	+ 44,233	+ 27,493	+ 12,103	+ 5,834	- 426	+ 4,714	- 487	+ 333	+ 116	+ 313
Reinvested earnings 2	- 3,163	+ 677	+ 6,530	- 264	+ 2,770	+ 2,033	+ 1,789	+ 513	+ 433	+ 555
Other capital transactions of foreign direct investors	- 15,197	- 40,343	+ 7,632	+ 399	- 1,467	+ 9,725	- 1,006	+ 798	- 1,004	+ 1,943
2 Portfolio investment	+ 112,629	+ 120,068	+ 196,987	+ 89,480	+ 35,560	+ 15,039	+ 60,906	+ 30,604	- 18,047	+ 10,019
Equity 3	+ 23,093	- 12,763	+ 40,030	+ 26,132	+ 8,408	+ 140	+ 656	+ 4,296	- 25,047	+ 5,157
Mutual fund shares	- 1,757	+ 4,671	+ 932	+ 819	+ 1,861	- 1,903	+ 4,976	+ 491	+ 1,316	+ 253
Bonds and notes 5	+ 69,628	+ 142,689	+ 158,690	+ 64,613	+ 26,848	+ 24,663	+ 45,965	+ 22,587	- 933	+ 4,245
Money market instruments	+ 21,665	- 14,529	- 2,665	- 2,084	- 1,558	- 7,862	+ 9,308	+ 3,230	+ 6,617	+ 364
3 Other investment	+ 16,813	+ 38,285	+ 45,323	- 14,808	+ 14,252	- 28,642	+ 63,419	+ 12,190	+ 25,774	+ 3,475
MFIs 7,8	+ 10,708	+ 32,337	+ 22,455	- 17,798	+ 3,202	- 27,316	+ 58,864	+ 9,796	+ 22,684	+ 7,768
Long-term	- 5,964	- 10,083	- 9,830	+ 4,526	- 749	- 11,354	- 2,988	+ 2,144	- 1,027	- 2,333
Short-term	+ 16,672	+ 42,421	+ 32,285	- 22,324	+ 3,951	- 15,962	+ 61,852	+ 7,652	+ 23,711	+ 10,101
Enterprises and households	+ 429	+ 11,057	+ 21,232	+ 2,731	+ 12,723	- 984	+ 7,342	+ 2,706	+ 2,553	- 1,205
Long-term	- 297	+ 7,810	+ 7,836	+ 814	+ 4,564	- 3,296	+ 79	- 271	+ 1,981	- 425
Short-term 7	+ 726	+ 3,247	+ 13,397	+ 1,917	+ 8,160	+ 2,312	+ 7,263	+ 2,977	+ 572	- 780
General government	+ 3,693	- 2,658	+ 3,740	+ 950	- 3,419	+ 1,049	- 2,850	- 976	+ 2,144	- 4,567
Long-term	+ 4,872	- 1,425	+ 2,818	- 424	+ 607	- 381	- 1,264	- 275	- 353	- 416
Short-term 7	- 1,179	- 1,233	+ 922	+ 1,374	- 4,026	+ 1,430	- 1,586	- 701	+ 2,497	- 4,152
Bundesbank	+ 1,983	- 2,451	- 2,105	- 690	+ 1,746	- 1,391	+ 63	+ 664	- 1,606	+ 1,480
III Financial account balance 9 (Net capital exports: -)	- 48,054	- 114,695	- 100,078	- 24,592	- 15,579	- 37,316	- 43,369	- 13,514	- 9,868	- 14,776

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

action values shown here are mostly derived from changes in stocks. Purely statistical changes have been eliminated as far as possible. — 8 Excluding the Deutsche Bundesbank. — 9 Financial account balance including change in reserve assets.

X External sector

8 External position of the Bundesbank *

DM million

End of year or month	Reserve assets and other claims on non-residents						Liabilities vis-à-vis non-residents				Net external position (col 1 less col 8)
	Total	Reserve assets			Reserve position in the Inter- national Monetary Fund and special drawing rights	Claims on the ECB 2 (net)	Loans and other claims on non- residents 3	Total	Liabilities arising from external trans- actions 4	Liabilities arising from liquidity Treasury discount paper	
		Gold	Foreign currency balances 1								
1	2	3	4	5	6	7	8	9	10	11	
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 in accordance with 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 preceding year's balance sheet rates. — 1 Mainly US dollar assets. — 2 European Central Bank (up to 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 euro area °

€ million

End of year or month	Reserve assets and other claims on non-residents						Other claims on non-euro- area residents 1,3	Claims within the Eurosysteem (net) 2	Other claims on residents in other euro-area member states	Liabilities vis-à-vis non- residents 3	Net external position (col 1 less col 9)
	Total	Reserve assets			Foreign currency reserves						
		Gold and gold receivables	Reserve position in the Inter- national Monetary Fund and special drawing rights								
1	2	3	4	5	6	7	8	9	10		
1999 Jan 4	95,316	93,940	29,312	8,461	56,167	140	1,225	11	8,169	87,146	
1999	141,958	93,039	32,287	8,332	52,420	9,162	39,746	11	6,179	135,779	
2000	100,762	93,815	32,676	7,762	53,377	313	6,620	14	6,592	94,170	
2001	76,147	93,215	35,005	8,721	49,489	312	17,385	5	8,752	67,396	
2002	103,948	85,002	36,208	8,272	40,522	312	18,466	167	9,005	94,942	
2003	95,394	76,680	36,533	7,609	32,538	312	17,945	456	10,443	84,951	
2004	93,110	71,335	35,495	6,548	29,292	312	20,796	667	7,935	85,175	
2005	130,268	86,181	47,924	4,549	33,708	350	42,830	906	6,285	123,983	
2005 Jan	94,895	73,556	35,888	6,634	31,034	312	20,327	699	6,315	88,580	
Feb	75,603	72,794	36,348	6,538	29,908	312	1,809	687	5,542	70,061	
Mar	100,452	73,813	36,399	6,143	31,271	312	25,627	699	6,322	94,131	
Apr	87,967	74,123	36,905	6,096	31,123	312	12,782	750	6,123	81,845	
May	107,063	76,431	37,282	6,340	32,809	350	29,451	831	6,292	100,771	
June	90,055	78,700	39,816	5,830	33,054	350	10,141	864	5,822	84,232	
July	90,752	77,205	38,927	5,007	33,270	350	12,291	907	6,491	84,261	
Aug	109,966	76,342	39,121	4,990	32,231	350	32,397	878	5,456	104,511	
Sep	103,805	82,825	43,325	4,994	34,506	350	19,747	883	7,580	96,225	
Oct	111,515	82,506	43,325	4,979	34,202	350	27,777	882	7,374	104,141	
Nov	127,813	85,143	46,240	5,012	33,890	350	41,420	901	6,411	121,403	
Dec	130,268	86,181	47,924	4,549	33,708	350	42,830	906	6,285	123,983	
2006 Jan	104,778	89,064	51,820	4,477	32,766	350	14,499	865	6,307	98,471	
Feb	109,677	88,029	51,646	3,829	32,554	350	20,450	847	5,663	104,013	
Mar	105,884	89,157	53,173	3,755	32,229	350	15,543	834	6,286	99,598	
Apr	100,233	89,433	56,106	3,685	29,643	350	9,606	844	4,632	95,601	
May	120,684	89,520	55,979	3,356	30,184	350	29,950	865	6,070	114,614	
June	88,241	85,905	51,983	3,639	30,284	350	1,121	866	5,839	82,402	

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

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 1 January 1999.

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

€ million

End of year or month	Claims on non-residents							Liabilities vis-à-vis non-residents						
	Total	Balances with foreign banks	Claims on foreign non-banks					Total	Loans from foreign banks	Liabilities vis-à-vis foreign non-banks				
			Total	from financial operations	from trade credits					Total	from financial operations	from trade credits		
					Total	Credit terms granted	Advance payments effected					Total	Credit terms used	Advance payments received
All countries														
2002 ³	331,671	63,817	267,854	148,913	118,941	111,406	7,535	533,423	57,696	475,727	387,850	87,877	62,622	25,255
2003	362,099	86,627	275,472	159,653	115,819	108,515	7,304	543,186	54,822	488,364	400,431	87,933	60,464	27,469
2004	377,540	98,632	278,908	159,764	119,144	112,342	6,802	506,434	50,211	456,223	361,111	95,112	63,762	31,350
2005	409,493	97,333	312,160	179,738	132,422	125,497	6,925	548,107	65,557	482,550	375,114	107,436	73,270	34,166
2005 Dec	409,493	97,333	312,160	179,738	132,422	125,497	6,925	548,107	65,557	482,550	375,114	107,436	73,270	34,166
2006 Jan	413,021	102,082	310,939	177,792	133,147	126,013	7,134	546,504	69,528	476,976	373,415	103,561	68,362	35,199
Feb	428,746	105,887	322,859	188,491	134,368	127,142	7,226	559,502	72,353	487,149	381,578	105,571	69,063	36,508
Mar	438,389	109,651	328,738	189,098	139,640	132,265	7,375	566,882	72,219	494,663	384,392	110,271	73,055	37,216
Apr	442,254	107,018	335,236	197,825	137,411	129,853	7,558	565,208	74,097	491,111	382,446	108,665	70,879	37,786
May	441,393	108,835	332,558	194,397	138,161	130,536	7,625	577,291	74,580	502,711	393,902	108,809	70,352	38,457
Industrial countries ¹														
2002 ³	278,074	62,861	215,213	133,509	81,704	75,996	5,708	493,155	55,770	437,385	372,464	64,921	50,731	14,190
2003	310,454	85,390	225,064	144,980	80,084	75,236	4,848	499,436	53,087	446,349	383,919	62,430	48,210	14,220
2004	335,809	97,485	238,324	148,649	89,675	84,903	4,772	468,592	48,304	420,288	349,293	70,995	53,480	17,515
2005	362,704	95,847	266,857	167,314	99,543	94,278	5,265	508,106	63,924	444,182	364,680	79,502	60,907	18,595
2005 Dec	362,704	95,847	266,857	167,314	99,543	94,278	5,265	508,106	63,924	444,182	364,680	79,502	60,907	18,595
2006 Jan	366,534	100,625	265,909	165,418	100,491	95,040	5,451	506,324	67,822	438,502	363,159	75,343	56,105	19,238
Feb	381,166	104,420	276,746	175,197	101,549	95,993	5,556	518,588	70,620	447,968	371,086	76,882	57,094	19,788
Mar	389,976	108,139	281,837	175,902	105,935	100,214	5,721	525,708	70,554	455,154	374,237	80,917	60,662	20,255
Apr	393,119	105,455	287,664	184,169	103,495	97,579	5,916	523,921	72,445	451,476	371,756	79,720	59,261	20,459
May	391,394	107,282	284,112	180,445	103,667	97,669	5,998	535,059	72,638	462,421	383,199	79,222	58,711	20,511
EU member states ¹														
2002 ³	200,930	60,118	140,812	84,643	56,169	51,693	4,476	402,561	52,503	350,058	307,920	42,138	32,650	9,488
2003	230,673	81,430	149,243	94,092	55,151	51,459	3,692	411,811	50,304	361,507	321,010	40,497	30,855	9,642
2004	259,480	92,867	166,613	101,254	65,359	61,563	3,796	376,461	43,838	332,623	284,173	48,450	36,494	11,956
2005	270,808	91,882	178,926	108,523	70,403	66,156	4,247	414,377	60,186	354,191	300,022	54,169	41,305	12,864
2005 Dec	270,808	91,882	178,926	108,523	70,403	66,156	4,247	414,377	60,186	354,191	300,022	54,169	41,305	12,864
2006 Jan	276,186	96,255	179,931	108,445	71,486	67,101	4,385	414,392	63,493	350,899	299,019	51,880	38,636	13,244
Feb	289,276	99,704	189,572	116,727	72,845	68,414	4,431	426,872	66,141	360,731	307,641	53,090	39,539	13,551
Mar	296,750	103,472	193,278	117,502	75,776	71,208	4,568	432,160	65,917	366,243	310,217	56,026	42,087	13,939
Apr	301,359	100,688	200,671	126,093	74,578	69,879	4,699	430,841	67,837	363,004	308,131	54,873	40,634	14,239
May	298,392	102,265	196,127	121,895	74,232	69,495	4,737	440,379	67,998	372,381	317,768	54,613	40,288	14,325
of which: Euro-area member states														
2002 ³	129,490	32,521	96,969	54,542	42,427	39,350	3,077	331,733	37,366	294,367	263,863	30,504	22,996	7,508
2003	147,633	45,887	101,746	59,279	42,467	39,619	2,848	338,794	29,541	309,253	279,101	30,152	22,748	7,404
2004	164,160	55,995	108,165	63,310	44,855	42,231	2,624	305,864	28,295	277,569	244,860	32,709	24,258	8,451
2005	175,532	59,160	116,372	69,048	47,324	44,369	2,955	332,261	29,443	302,818	268,483	34,335	25,225	9,110
2005 Dec	175,532	59,160	116,372	69,048	47,324	44,369	2,955	332,261	29,443	302,818	268,483	34,335	25,225	9,110
2006 Jan	174,379	58,249	116,130	68,261	47,869	44,842	3,027	332,197	30,630	301,567	269,241	32,326	23,020	9,306
Feb	184,337	62,371	121,966	73,039	48,927	45,849	3,078	341,634	32,254	309,380	276,337	33,043	23,559	9,484
Mar	189,597	65,739	123,858	73,274	50,584	47,464	3,120	345,003	32,629	312,374	277,453	34,921	25,378	9,543
Apr	191,487	65,528	125,959	75,949	50,010	46,779	3,231	344,595	35,781	308,814	274,514	34,300	24,475	9,825
May	192,803	65,201	127,602	77,835	49,767	46,440	3,327	354,313	36,220	318,093	284,183	33,910	24,038	9,872
Emerging economies and developing countries ²														
2002 ³	53,597	956	52,641	15,404	37,237	35,410	1,827	40,268	1,926	38,342	15,386	22,956	11,891	11,065
2003	51,645	1,237	50,408	14,673	35,735	33,279	2,456	43,750	1,735	42,015	16,512	25,503	12,254	13,249
2004	41,731	1,147	40,584	11,115	29,469	27,439	2,030	37,842	1,907	35,935	11,818	24,117	10,282	13,835
2005	46,789	1,486	45,303	12,424	32,879	31,219	1,660	40,001	1,633	38,368	10,434	27,934	12,363	15,571
2005 Dec	46,789	1,486	45,303	12,424	32,879	31,219	1,660	40,001	1,633	38,368	10,434	27,934	12,363	15,571
2006 Jan	46,487	1,457	45,030	12,374	32,656	30,973	1,683	40,180	1,706	38,474	10,256	28,218	12,257	15,961
Feb	47,580	1,467	46,113	13,294	32,819	31,149	1,670	40,914	1,733	39,181	10,492	28,689	11,969	16,720
Mar	48,413	1,512	46,901	13,196	33,705	32,051	1,654	41,174	1,665	39,509	10,155	29,354	12,393	16,961
Apr	49,135	1,563	47,572	13,656	33,916	32,274	1,642	41,287	1,652	39,635	10,690	28,945	11,618	17,327
May	49,999	1,553	48,446	13,952	34,494	32,867	1,627	42,232	1,942	40,290	10,703	29,587	11,641	17,946

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

2004, including the new member states: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia. — 2 All countries that are not regarded as industrial countries. — 3 Change in the reporting population owing to an increase in the exemption limit.

X External sector

11 Deutsche Mark and euro exchange rates of selected currencies *

Yearly or monthly average	United States	Japan	Denmark	United Kingdom	Sweden	Switzerland	Norway	Canada	Australia	New Zealand
	USD	JPY	DKK	GBP	SEK	CHF	NOK	CAD	AUD 1	NZD 1
Historic spot middle rates on the Frankfurt exchange (1 or 100 currency units = DEM ...)										
1991	1.6612	1.2346	25.932	2.926	27.421	115.740	25.580	1.4501	1.2942	0.9589
1992	1.5595	1.2313	25.869	2.753	26.912	111.198	25.143	1.2917	1.1476	0.8406
1993	1.6544	1.4945	25.508	2.483	21.248	111.949	23.303	1.2823	1.1235	0.8940
1994	1.6218	1.5870	25.513	2.4816	21.013	118.712	22.982	1.1884	1.1848	0.9605
1995	1.4338	1.5293	25.570	2.2620	20.116	121.240	22.614	1.0443	1.0622	0.9399
1996	1.5037	1.3838	25.945	2.3478	22.434	121.891	23.292	1.1027	1.1782	1.0357
1997	1.7348	1.4378	26.249	2.8410	22.718	119.508	24.508	1.2533	1.2889	1.1453
1998	1.7592	1.3484	26.258	2.9142	22.128	121.414	23.297	1.1884	1.1070	0.9445
Euro reference exchange rates published by the European Central Bank (EUR 1 = currency units ...) ²										
1999	1.0658	121.32	7.4355	0.65874	8.8075	1.6003	8.3104	1.5840	1.6523	2.0145
2000	0.9236	99.47	7.4538	0.60948	8.4452	1.5579	8.1129	1.3706	1.5889	2.0288
2001	0.8956	108.68	7.4521	0.62187	9.2551	1.5105	8.0484	1.3864	1.7319	2.1300
2002	0.9456	118.06	7.4305	0.62883	9.1611	1.4670	7.5086	1.4838	1.7376	2.0366
2003	1.1312	130.97	7.4307	0.69199	9.1242	1.5212	8.0033	1.5817	1.7379	1.9438
2004	1.2439	134.44	7.4399	0.67866	9.1243	1.5438	8.3697	1.6167	1.6905	1.8731
2005	1.2441	136.85	7.4518	0.68380	9.2822	1.5483	8.0092	1.5087	1.6320	1.7660
2004 Dec	1.3408	139.14	7.4338	0.69500	8.9819	1.5364	8.2207	1.6333	1.7462	1.8737
2005 Jan	1.3119	135.63	7.4405	0.69867	9.0476	1.5469	8.2125	1.6060	1.7147	1.8620
Feb	1.3014	136.55	7.4427	0.68968	9.0852	1.5501	8.3199	1.6128	1.6670	1.8192
Mar	1.3201	138.83	7.4466	0.69233	9.0884	1.5494	8.1880	1.6064	1.6806	1.8081
Apr	1.2938	138.84	7.4499	0.68293	9.1670	1.5475	8.1763	1.5991	1.6738	1.7967
May	1.2694	135.37	7.4443	0.68399	9.1931	1.5449	8.0814	1.5942	1.6571	1.7665
June	1.2165	132.22	7.4448	0.66895	9.2628	1.5391	7.8932	1.5111	1.5875	1.7175
July	1.2037	134.75	7.4584	0.68756	9.4276	1.5578	7.9200	1.4730	1.6002	1.7732
Aug	1.2292	135.98	7.4596	0.68527	9.3398	1.5528	7.9165	1.4819	1.6144	1.7675
Sep	1.2256	136.06	7.4584	0.67760	9.3342	1.5496	7.8087	1.4452	1.6009	1.7515
Oct	1.2015	138.05	7.4620	0.68137	9.4223	1.5490	7.8347	1.4149	1.5937	1.7212
Nov	1.1786	139.59	7.4596	0.67933	9.5614	1.5449	7.8295	1.3944	1.6030	1.7088
Dec	1.1856	140.58	7.4541	0.67922	9.4316	1.5479	7.9737	1.3778	1.5979	1.7072
2006 Jan	1.2103	139.82	7.4613	0.68598	9.3111	1.5494	8.0366	1.4025	1.6152	1.7616
Feb	1.1938	140.77	7.4641	0.68297	9.3414	1.5580	8.0593	1.3723	1.6102	1.7741
Mar	1.2020	140.96	7.4612	0.68935	9.4017	1.5691	7.9775	1.3919	1.6540	1.8956
Apr	1.2271	143.59	7.4618	0.69463	9.3346	1.5748	7.8413	1.4052	1.6662	1.9733
May	1.2770	142.70	7.4565	0.68330	9.3310	1.5564	7.7988	1.4173	1.6715	2.0240
June	1.2650	145.11	7.4566	0.68666	9.2349	1.5601	7.8559	1.4089	1.7104	2.0462

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

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

12 Exchange rates for the national currencies of the euro-area member states, the Deutsche Mark value of the ECU * and euro conversion rates

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

* Calculated from daily quotations. — 1 As per data from the European Commission. — 2 Up to 1998, reciprocal values of the exchange rates for the Deutsche Mark, published by the Bank of Greece; from 1999, euro reference

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

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 7,2				Effective nominal exchange rates of selected foreign currencies against the currencies of 19 industrial countries 7,3						
	EER-23 4				EER-42 5				19 industrial countries 3		49 countries 6		US dollar	Pound sterling	Japanese yen
	Nominal	In real terms based on the consumer prices	In real terms based on the GDP deflator 7	In real terms based on the unit labour costs of the national economy 7	Nominal	In real terms based on the consumer prices	In real terms based on the deflators of total sales 7	based on consumer prices	based on consumer prices	based on consumer prices					
1999	95.9	95.9	95.6	96.5	96.5	95.8	97.7	98.2	97.7	100.8	102.3	105.1			
2000	86.1	86.0	85.5	85.3	87.9	85.8	91.4	92.8	91.1	105.4	105.2	117.9			
2001	86.7	86.8	86.5	84.8	90.4	87.0	91.3	93.2	91.4	112.0	103.6	106.7			
2002	89.2	90.3	89.9	88.0	94.8	90.8	92.1	94.2	92.6	110.7	104.2	100.8			
2003	99.9	101.7	101.2	99.3	106.6	101.6	95.7	97.8	97.2	97.7	99.2	99.9			
2004	103.8	105.8	104.9	103.4	111.0	105.4	96.0	99.3	98.8	89.8	103.4	101.7			
2005	102.9	105.1	104.2	101.4	109.5	103.5	p 94.9	99.5	97.6	88.7	102.9	99.8			
2001 Q1	88.3	88.0	87.6	86.2	90.9	87.8	91.9	93.8	92.0	109.3	102.4	108.1			
Q2	85.3	85.4	84.9	83.3	88.8	85.6	90.7	92.7	90.8	113.4	104.1	106.9			
Q3	86.4	86.5	86.4	84.3	90.5	87.0	91.0	93.1	91.5	112.2	103.9	106.8			
Q4	86.8	87.2	87.1	85.6	91.2	87.6	91.6	93.2	91.5	113.1	104.0	104.9			
2002 Q1	86.0	86.9	86.4	84.6	90.4	86.8	91.2	93.3	91.0	116.6	104.9	98.8			
Q2	87.8	88.9	88.3	86.6	93.0	89.2	91.6	93.8	91.7	112.1	103.5	100.8			
Q3	90.9	92.1	91.8	89.8	97.2	93.1	92.5	94.7	93.6	107.0	103.9	103.7			
Q4	91.9	93.3	93.2	90.8	98.6	94.2	93.2	95.0	94.0	107.1	104.4	100.1			
2003 Jan	95.3	96.8	.	.	102.3	97.6	.	96.2	95.5	103.0	102.6	100.4			
Feb	96.6	98.2	97.1	95.2	103.7	98.9	94.6	96.9	96.4	102.2	101.2	99.2			
Mar	97.4	99.0	.	.	104.4	99.5	.	97.0	96.5	101.4	99.3	99.8			
Apr	97.9	99.6	.	.	104.6	99.6	.	97.3	96.6	101.4	98.7	98.6			
May	101.8	103.5	101.9	99.7	108.5	103.3	96.2	98.8	98.1	96.7	96.9	97.7			
June	102.2	104.2	.	.	108.8	103.7	.	99.0	98.3	96.1	98.9	96.3			
July	101.0	102.9	.	.	107.2	102.2	.	98.4	97.5	97.8	98.5	97.3			
Aug	99.8	101.6	101.7	100.1	106.0	101.1	95.8	97.9	96.9	99.1	98.1	98.3			
Sep	99.6	101.6	.	.	105.9	101.0	.	97.5	96.8	97.2	98.2	101.1			
Oct	101.3	103.3	.	.	108.0	102.9	.	98.0	97.5	93.3	98.8	103.7			
Nov	101.2	103.2	104.0	101.9	108.0	102.9	96.1	98.0	97.4	93.0	99.5	103.9			
Dec	104.2	106.3	.	.	111.2	105.9	.	99.1	99.0	90.6	99.5	102.9			
2004 Jan	105.4	107.4	.	.	112.5	106.9	.	99.8	99.6	88.9	101.6	102.9			
Feb	105.3	107.3	105.9	104.8	112.3	106.8	96.7	99.6	99.5	89.3	104.1	102.4			
Mar	103.4	105.4	.	.	110.2	104.7	.	99.0	98.6	90.9	104.2	102.1			
Apr	101.6	103.7	.	.	108.3	103.0	.	98.6	97.8	91.8	104.3	104.0			
May	102.4	104.4	103.4	102.1	109.5	104.1	95.3	98.7	98.3	93.4	103.7	100.0			
June	102.3	104.2	.	.	109.6	104.0	.	98.5	98.1	91.9	104.9	101.6			
July	102.8	104.8	.	.	110.1	104.5	.	99.0	98.4	90.9	105.0	101.2			
Aug	102.7	104.7	103.8	102.4	109.9	104.4	95.7	99.1	98.4	91.3	104.6	100.5			
Sep	103.0	105.0	.	.	110.3	104.6	.	99.2	98.4	90.7	102.8	100.8			
Oct	104.2	106.2	.	.	111.5	105.7	.	99.5	98.8	88.9	101.8	100.8			
Nov	105.6	107.6	106.6	104.5	113.1	107.1	96.4	99.9	99.3	85.4	101.4	102.6			
Dec	107.1	109.3	.	.	114.4	108.4	.	100.8	100.1	84.3	102.8	102.0			
2005 Jan	105.8	108.0	.	.	112.9	106.9	.	100.4	99.2	85.3	101.7	103.6			
Feb	105.1	107.2	107.0	104.2	111.9	105.9	p 96.3	100.1	98.8	86.1	102.9	102.4			
Mar	106.0	108.2	.	.	112.9	106.8	.	100.5	99.0	85.3	103.0	101.4			
Apr	105.1	107.2	.	.	111.9	105.8	.	100.0	98.6	86.8	104.0	100.4			
May	104.0	106.2	104.6	102.1	110.6	104.6	p 95.1	99.7	98.0	87.8	103.2	102.0			
June	101.2	103.5	.	.	107.6	101.9	.	98.7	96.7	89.6	104.4	102.0			
July	101.7	103.8	.	.	108.0	102.0	.	99.0	96.8	90.7	101.6	99.8			
Aug	102.3	104.4	103.0	100.1	108.7	102.7	p 94.2	99.4	97.2	89.2	102.4	99.9			
Sep	101.8	103.9	.	.	108.2	102.2	.	99.4	97.2	88.8	103.4	99.5			
Oct	101.4	103.5	.	.	107.8	101.6	.	99.1	96.7	90.5	102.7	97.1			
Nov	100.7	102.9	102.4	99.3	106.9	100.8	p 93.8	99.0	96.4	92.3	102.7	95.2			
Dec	100.7	103.0	.	.	106.9	100.9	.	99.1	96.4	91.6	102.9	94.7			
2006 Jan	101.4	103.6	.	.	107.5	101.3	.	99.2	96.2	90.0	102.2	96.3			
Feb	100.7	103.0	102.5	99.5	106.6	100.4	p 93.8	99.1	96.0	91.0	102.5	94.9			
Mar	101.5	103.8	.	.	107.4	101.2	.	99.1	96.0	90.8	101.7	95.2			
Apr	102.7	105.1	.	.	108.6	102.4	.	99.7	96.7	89.7	101.5	94.5			
May	103.8	106.0	...	...	110.3	103.7	p 94.4	99.9	97.3	86.1	103.8	96.7	
June	103.9	106.2	.	.	110.9	104.2	.	100.0	97.5	87.2	103.3	94.7			

* The effective exchange rate corresponds to the weighted external value of the currency concerned. — 1 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, pp 51–65). In contrast to footnote 4, the weights used are based on the relevant trade in the period from 1995 to 1997. — 2 Decline in the figures implies an increase in competitiveness. — 3 Euro-area countries as well as Canada, Denmark, Japan, Norway, Sweden, Switzerland, United Kingdom and United States. — 4 ECB calculations based on the weighted averages of the effective exchange rates of the euro against the currencies of the following countries: Australia, Canada, China, Cyprus, Czech Republic, Denmark, Estonia, Hong Kong, Hungary, Japan, Latvia, Lithuania, Malta, Norway, Poland, Singapore, Slovakia, Slovenia, South Korea, Sweden, Switzerland,

United Kingdom and United States. The weights used in these calculations are based on manufactured goods trade between 1999 and 2001 and capture third-market effects. Where consumer prices were not yet available, estimates have been used. For details of the methodology, see ECB, *Monthly Bulletin*, September 2004, pp 69–72 and the ECB's Occasional Paper No 2, which can be downloaded from the ECB's website (www.ecb.int). — 5 ECB calculations. In addition to the countries belonging to the EER-23 group (see footnote 4), this group also includes the following countries: Algeria, Argentina, Brazil, Bulgaria, Croatia, India, Indonesia, Israel, Malaysia, Mexico, Morocco, New Zealand, Philippines, Romania, Russian Federation, South Africa, Taiwan, Thailand and Turkey. — 6 Euro-area countries and countries belonging to the EER-42 group except Bulgaria, Latvia, Lithuania and Malta. — 7 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 Communication 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 CD-ROM 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

Financial Stability Review

Monthly Report

For information on the articles published between 1990 and 2005 see the index attached to the January 2006 *Monthly Report*.

Monthly Report articles

August 2005

- The economic scene in Germany in summer 2005

September 2005

- The performance of German credit institutions in 2004
- Recent trends in individual payments
- The role of volatility patterns in financial markets
- Potential financial risk faced by the International Monetary Fund

October 2005

- Germany's financial linkage to the EU budget
- German enterprises' profitability and financing – an analysis based on a new dataset
- New transparency rules for credit institutions
- Risk appetite in a dynamic financial market environment

November 2005

- The economic scene in Germany in autumn 2005

December 2005

- Price-setting behaviour in Germany
- The road to the Single Euro Payments Area

January 2006

- Determinants of the current accounts in central and east European EU member states and the role of German direct investment
- Securities market regulation: international approaches

February 2006

- The economic scene in Germany around the turn of 2005-06

March 2006

- German balance of payments in 2005
- New legal and regulatory framework for the German securitisation and Pfandbrief market
- A disaggregated framework for analysing public finances: Germany's fiscal track record between 2000 and 2005

April 2006

- Determinants of the term structure of interest rates – approaches to combining arbitrage-free models and monetary macroeconomics
- The creation of a single list of eligible collateral throughout the euro area

May 2006

- The economic scene in Germany in spring 2006

June 2006

- Investment and financing in 2005
- Concentration risk in credit portfolios
- German enterprises' profitability and financing in 2004

July 2006

- Recent developments in German banks' lending to domestic enterprises and households
- State government finances in Germany
- Derivatives and their feedback effects on the spot markets

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

Makro-ökonomisches Mehr-Länder-Modell,
November 1996²

Europäische Organisationen und Gremien im Bereich von Währung und Wirtschaft, May 1997²

Die Zahlungsbilanz der ehemaligen DDR 1975 bis 1989, August 1999²

The market for German Federal securities,
May 2000

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

Bundesbank Act, September 2002

Weltweite Organisationen und Gremien im Bereich von Währung und Wirtschaft, March 2003²

Die Europäische Union: Grundlagen und Politikbereiche außerhalb der Wirtschafts- und Währungsunion, April 2005²

European economic and monetary union,
September 2005

Die Deutsche Bundesbank – Aufgabenfelder, rechtlicher Rahmen, Geschichte, April 2006²

Special Statistical Publications

- 1 Banking statistics guidelines and customer classification, July 2003³

2 Bankenstatistik Kundensystematik Firmenverzeichnisse, June 2006^{2,4}

3 Aufbau der bankstatistischen Tabellen,
January 2000²

4 Financial accounts for Germany 1991 to 2005,
July 2006⁵

5 Extrapolated results from financial statements of German enterprises 1994 to 2003, March 2006

6 Ratios from financial statements of German enterprises 2002 to 2003, December 2005⁵

7 Erläuterungen zum Leistungsverzeichnis für die Zahlungsbilanz, February 2005²

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

9 Securities deposits,
August 2005

10 International capital links,
April 2005^{1,5}

11 Balance of payments by region,
August 2005

12 Technologische Dienstleistungen in der Zahlungsbilanz, June 2006²

^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 Available in German only.

³ Solely available on the internet, updated at half-yearly intervals. 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.

⁴ Current version only available on the internet at quarterly intervals.

⁵ Available on the internet only.

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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 2001²

2a Grundsatz I über die Eigenmittel der Institute, January 2001²

2b Grundsatz II über die Liquidität der Institute, August 1999²

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

* Discussion Papers which appeared from 2000 onwards are available on the internet.

For footnotes, see p 79*.