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## Abbreviations and symbols

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	Data unknown, not to be published or not meaningful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

Discrepancies in the totals are due to rounding.

# The current economic situation in Germany

## Overview

### The German economy under the impact of the escalating crisis on the financial markets and a worsening outlook for the real economy

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The prospects for the global economy have deteriorated considerably, particularly as the crisis on the financial markets has intensified significantly since the third quarter; as 2008 draws to a close, the outlook is worse than it has been in a long time. Though some relief has been afforded by the notable easing of price pressure on the commodities markets and of consumer price inflation in recent months, this will not be sufficient to noticeably brighten the dull real economic outlook for the next few quarters. The full negative impact on the goods and income cycle is not expected to show up until next year. Up until recently, the signs of trouble were mainly confined to the industrialised countries, some of which are now on the brink of a recession. In recent months, however, emerging market economies, too, have increasingly been feeling the effects of the events unfolding on the financial markets. In addition, they are facing growing strains from an initial marked slow-down in their exports to industrialised countries and from capital outflows.

*Global  
economy*

The escalating crisis in the financial sector since the summer was fuelled by the ongoing weakness of the US real estate market, the poor economic outlook and, notably, by spiralling risk aversion following the insolvency of a large US investment bank. Despite declining yields on government bonds, financing conditions for enterprises on the capital markets have worsened dramatically since

*Financial  
market setting*

the middle of 2008. Plummeting share prices in industrialised countries and emerging market economies, a further decline in the prices of risky assets and pronounced tensions on the money markets have increased pressure on financial institutions. The foreign exchange markets, in turn, were sucked into the maelstrom and experienced considerable volatility in the third quarter. As a consequence, the single European currency depreciated against the other major global currencies into November and, as this report went to press, the trade-weighted value of the euro was 8½% below the high it marked in the second quarter. The difficulties in the financial system prompted numerous countries to launch government rescue packages for individual institutions as well as broad-based aid measures for the financial sector as a whole. These measures, combined with cuts in short-term key interest rates in numerous countries, brought a degree of stability to the markets. However, the international financial system is now having to contend more with the repercussions of the weakened macroeconomic environment.

*Monetary  
policy*

Against this backdrop and given waning price pressure, euro-area monetary policy was eased considerably in the fourth quarter. In a concerted action with six other central banks, the Governing Council of the ECB lowered its main refinancing rate by ½ percentage point to 3.75% on 8 October 2008. On 6 November, it cut key interest rates further to 3.25%. In addition, temporary changes to the monetary policy framework were agreed. These changes reflect the fact that the Eurosystem has responded to the ongoing serious disrup-

tion to the interbank market by *de facto* taking the distribution of liquidity, which normally takes place among credit institutions without the involvement of the central bank, into its own hands. This does not *per se* represent a change in the Eurosystem's basic monetary policy stance, but rather reflects the operational reaction to the evident dysfunctionality of the unsecured money market.

In view of the current market turmoil, euro-area banks have further tightened their credit standards, according to the Bank Lending Survey. However, there is no evidence yet of broad-based supply-side credit restrictions in the euro area.

The rapid cooling of the global economy and the fact that the underlying sentiment in Germany is increasingly characterised by caution and restraint have progressively been weighing on the German economy, too, since the middle of 2008. According to the Federal Statistical Office's flash estimate, seasonally and calendar-adjusted real GDP in the third quarter was 0.5% down on the preceding three months. While aggregate economic output grew almost at the same pace as potential output in the first half of 2008 on balance – excluding weather-related special factors – overall capacity utilisation subsequently declined significantly. Manufacturing, which had previously benefited strongly from the positive overall economic development, was particularly hard hit by the dwindling momentum. This caused enterprises to begin revising their investment and staffing plans downwards. Averaged over all sectors, however, the level of activity is likely to have

*Tough cyclical  
phase ahead  
for German  
economy*

remained within normal bounds. Nevertheless, another marked slackening of the dynamics appears likely in the fourth quarter.

There are no signs to date, however, of the financial market crisis having a major dampening effect on the German economy in the form of restrictive lending by domestic banks, even if the fairly strong credit growth seen in the last few quarters has eased somewhat. This was chiefly caused by slower growth in loans to non-financial corporations and further reduced lending to households. However, in Germany, as in the euro area as a whole, the more moderate expansion of loans to the private sector compared to previous quarters can probably be attributed mainly to lower credit demand. While the German banks participating in the Bank Lending Survey did report tighter lending conditions, the tightening was less pronounced in Germany than in the euro area overall. All in all, the more muted credit growth in Germany can be attributed almost entirely to traditional factors. To date the financial market crisis is impacting Germany's real economy less as a result of restrained bank lending than as a consequence of the weaker external environment and a considerable deterioration in confidence.

The contribution of foreign trade noticeably dampened GDP in the third quarter, as marginally declining export volumes coincided with an above-average increase in imports. One reason why the external sector has ceased to be a driver of output since the second quarter is the temporarily high inter-

national co-movement of the cyclical conjuncture.

The profound and persistent dislocations on the international financial markets have, in the meantime, cast a dark shadow over the real economy in many countries. The German economy, with its broad regional export spread, will inevitably be clearly affected by the resulting drop in demand in major sales markets in the coming months, particularly as domestic demand is not expected to yield any noticeable positive impulses in the short term.

Given the more muted sales prospects in the international environment, exporting enterprises saw no immediate necessity to step up their fixed capital formation. Besides this, industrial investment is likely to have reached an advanced stage of the business cycle anyway. This is evident *inter alia* from the fact that the contribution which new machinery and equipment as well as new factories and office buildings made to value added in the corporate sector in the first half of 2008 reached a level not exceeded at the peak of the two previous investment cycles, ie shortly after German reunification and in the year 2000.

Private consumption probably held up well in the third quarter thanks to the abrupt turnaround in the price of crude oil, the ongoing positive evolution of the labour market and higher wage growth. However, the poor underlying trend in terms of real consumption expenditure and the muted propensity to pur-



chase would appear to indicate that the consumer climate in Germany is still fragile.

Over time, however, the fact that in a number of the countries worst affected by the financial market crisis government support measures for financial institutions have been launched to prevent the turmoil from spreading and to rebuild confidence could have a positive effect. In addition, energy and commodity prices have fallen steeply recently. For example, the seasonally adjusted price of energy imports dropped by more than 8% from June to September. The year-on-year rise in inflation as measured by the consumer price index declined from 3.3% in June to 2.4% in October. Partly as a result of the ongoing corrections on the international commodities markets and positive baseline effects, the rate of price increases is expected to decline significantly further over the next few months, notwithstanding the euro's marked depreciation against other major currencies. The lower exchange rate of the euro is likely to have boosted German goods' sales prospects.

Looking ahead to next year, the still very robust labour market situation gives reason to hope that the current slowdown of the German economy will not result in a self-reinforcing and entrenched downturn. Unemployment declined fairly steadily up until the end of October, and employment is expected to have increased further up to September. The fact that a lot of enterprises have demonstrated their readiness to keep core staffing levels unchanged in view of well-stocked working time accounts and the per-

sistently acute shortage of skilled labour not only supports households' income situation, it also reduces the risk of job losses. It should be remembered, however, that although firms have a vested interest in maintaining a stable core labour force, they can currently make any necessary adjustments fairly rapidly given increased levels of temporary hiring from employment agencies and fixed-term contracts. Nonetheless, firms' strategy of initially not making – generally expensive – adjustments to core staffing levels is particularly likely to undergo a long-term change if the cost of safeguarding jobs increases. Continued wage policy moderation will consequently not only protect the substantial achievements made on the labour market in recent years, it will also limit the risk of primarily domestic downward pressure on the economy.

The public finance situation could undergo a further slight improvement this year, despite the overall economic downturn since the second quarter, and the general government budget could post a surplus for the first time since German reunification. One reason for this is the positive cyclical momentum on an annual average following the economy's strong performance in the first quarter. However, the public finance situation will probably deteriorate noticeably in the coming year. In a baseline scenario, which includes recently agreed fiscal measures and a marked decline in profit-related taxes but excludes additional spending in connection with government support measures for financial institutions, the deficit could reach sizeable proportions.

*Public finance  
situation*

Fiscal policymakers are currently making a major contribution to steadying the level of economic activity through the measures aimed at stabilising the financial markets, thus helping to avert the danger of a systemic financial crisis in Germany, although this intervention has not yet showed up in the usual indicators measuring the expansiveness of fiscal policy. In addition, the German government has responded to the economic slowdown using a number of different instruments assembled in a fiscal stabilisation programme. While the planned measures could provide a certain additional impetus, their overall influence should not be overestimated. The crucial importance of the past achievements in the field of fiscal consolidation for coping with hard times is currently being vividly demonstrated. The fundamental objective of achieving a structurally balanced general government budget in the medium term should therefore certainly not be abandoned despite the recent developments. A solid foundation will allow the automatic fiscal stabilisers to take full effect in the coming period. If the economic situation proves very unfavourable, further unexpected tax shortfalls could initially also be absorbed. Such an orientation of fiscal policy would ex-

plot the considerable potential for automatic stabilisation. The fiscal consolidation achieved in recent years means that Germany has a certain radius of action without risking a breach of the 3% deficit limit. Substantial additional fiscal stabilisation programmes might be warranted if an extraordinary recession were thought likely. In any case, any further unfunded measures to boost the economy should be of very limited duration and should avoid causing unnecessary distortions of economic activity. In particular, substantial growth losses could ensue in the longer term in the event of a stampede to grant (sector-) specific subsidies at national and international levels, thereby distorting competition.

Given the tense current situation on the financial markets and the dented underlying sentiment in respect of the real economy, it is particularly important that economic and fiscal policymakers do not jeopardise the foundations for sustainable growth and employment gains as well as sound public finances by providing wrong incentives with longer-term implications in implementing the measures aimed at overcoming the crisis in the short term.

## Global and European setting

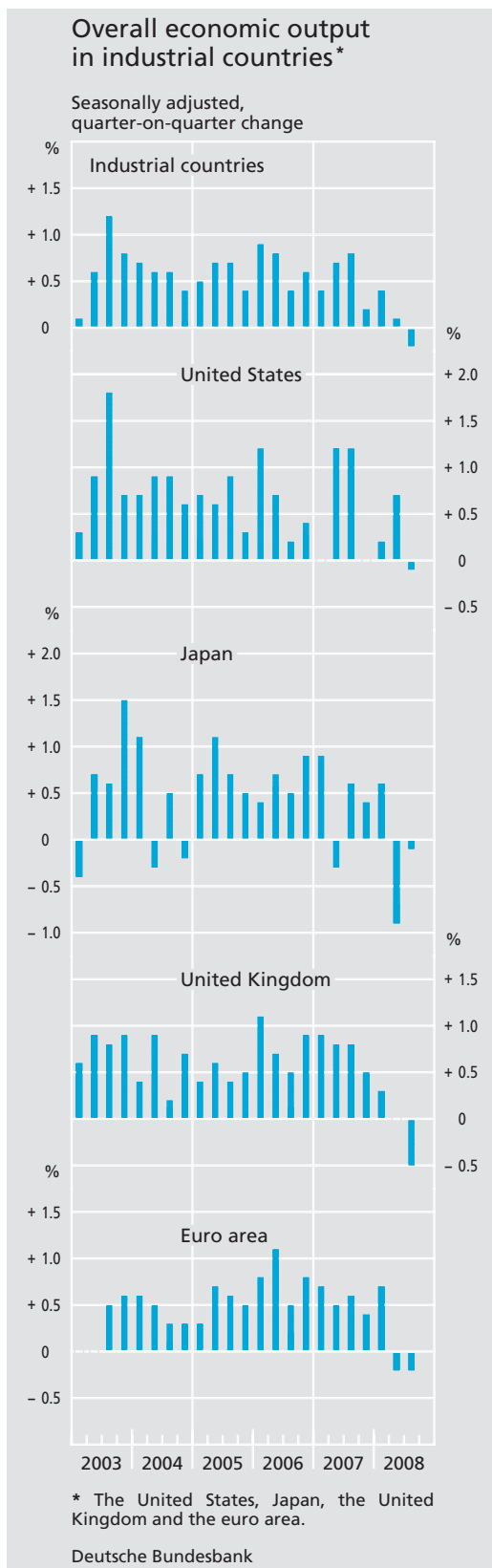
### World economic activity

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The crisis of confidence in the financial markets has intensified even further since mid-September. The heart of the crisis was again in the United States, where the upheaval had begun last year following the collapse of the sub-prime mortgage market. Consequently, the outlook for the world economy has continued to deteriorate significantly; as 2008 draws to a close, it is worse than it has been in a long time. Of the various transmission channels via which the disruptions to the financial system are passed on to the real economy, the tightening of financing conditions for enterprises and households and negative wealth effects seem to be the most significant. Expectations in the private sector have now also deteriorated sharply.

*World economy in the throes of the financial crisis*

The negative effects on the goods and income cycle, which are not expected to become fully apparent until next year, are still mainly being felt in the industrial countries, some of which are now on the brink of a recession. The fact that price pressure on the commodity markets – and consequently also at the consumer level – has eased considerably in the past few months provided some relief. This has made it easier for central banks, above all in the industrial countries, to cut interest rates significantly and further broaden their use of liquidity policy instruments. Extensive government measures for recapitalising the ailing banking system have now been taken and coordinating agreements have been made at the euro-area and international levels.



In recent months, emerging market economies, including some central and eastern European countries, have been more severely affected by the events unfolding on the financial markets. Stock market prices have fallen dramatically, interest rate premiums – even for government bonds – have risen significantly and the currencies of many emerging market economies faced downward pressure owing to capital outflows. In addition, the looming marked deceleration of exports from the emerging market economies to industrial countries and, in many cases, the substantial cyclically induced adjustment in the prices of crude oil and other commodities are increasingly having a negative impact.

As early as the summer – before the most recent intensification of the financial crisis – the slackening effects on the global economy had gained the upper hand. These were caused, first, by earlier financial sector malfunctions and the severe pressure to adjust in real estate markets in the USA and some European countries. Second, global inflation, which had initially continued to accelerate from mid-year onwards, dampened global growth in two ways: through the loss of consumers' purchasing power and concerns about a sustained fall in future real income. Against this backdrop, some central banks, particularly in the emerging market economies, raised interest rates in order to counteract the considerable increase in price pressures and unfavourable inflation expectations. However, real interest rates remained relatively low – in some cases, they were even negative.

*Significant slackening effects in Q3 ...*

*... with significant dampening effects in the industrial countries ...*

In the industrial countries, economic activity slowed quite substantially in the third quarter. Real gross domestic product (GDP) declined somewhat in the United States following a sharp rise – driven by the extensive stimulus package and foreign trade – in the spring. In Japan, economic activity remained on a downward course. The British economy contracted for the first time since the early 1990s. Growth in the euro area was likewise down on the depressed level of the preceding quarter. In the third quarter, real GDP in the industrial countries overall fell to ¼% below its level in the second quarter, in which it had grown somewhat. However, it was up by only ½% on the level of the third quarter of 2007.

*... and a more subdued momentum in the EMEs*

Together with the – in some cases – considerable inflation-related real income losses, the negative trend in the developed economies also further dampened the pace of growth in the emerging market economies (EMEs). However, year-on-year growth in overall output is still likely to have been rather high. In most emerging market economies in south and east Asia, industrial activity in particular became noticeably more subdued from mid-year onwards. This is especially true of India, Taiwan, Hong Kong and Singapore. In the case of China, the scaling back or suspension of production by many industrial firms near sporting venues – above all, in and around Beijing – during the Olympic Games in order to improve the air quality was also significant. Year-on-year GDP growth fell by 1 percentage point to 9% compared with the second quarter. Private consumption was a major mainstay of economic growth and was boosted by the decline in inflation (4.0% in Octo-

ber, compared with 7.1% in June). For the current quarter, there are indications of a further slowdown owing primarily to the weaker trend in export demand.

In Latin America, the economic picture became less uniform in the summer months. Seasonally adjusted industrial output in Brazil grew again perceptibly (+2¾%) from its level of the second quarter and was up by 6¾% on the year. By contrast, the economic situation in Mexico deteriorated further from mid-year onwards. This can be explained largely by reduced exports of goods to the United States and the downward trend in workers' remittances, which has been evident for some time. In addition, unlike in other emerging market economies, consumer price inflation has not fallen in recent months; at 5.8%, the rate in October was even higher than in the June-July period. In many Latin American countries, the retarding effects are likely to continue to gain strength in the fourth quarter owing mainly to a significant reduction in receipts from commodity exports and the further tightening of lending conditions.

Around mid-year, the economies of the Commonwealth of Independent States (CIS) were still growing at a rapid pace. Subsequently, however, the negative effects of the financial crisis on the real economy became increasingly apparent, primarily in Russia and Ukraine, the two countries that were hit hardest. In Russia, the year-on-year rise in car sales has now slowed considerably owing to more difficult loan financing and a loss of consumer confidence. Furthermore, persistently high in-

flation (14.2% in October) continued to place a strain on households' real income. Economic activity in the Caucasus was additionally impaired by the Georgian conflict and the resulting blockade of ports on the Black Sea. For the current quarter, there are increasing signs that economic growth in the CIS will weaken again perceptibly in the wake of the financial crisis and falling revenue from exports of energy sources and other commodities.

*Revised IMF  
autumn  
forecast*

In November, the International Monetary Fund (IMF) again significantly lowered its global growth projection; compared with the beginning of October, the projection for 2008 was down 0.2 percentage point to 3.7% and that for 2009 was down 0.8 percentage point to 2.2%. The forecast for the advanced economies was down by around the same amount to 1.4% for 2008 and -0.3% for 2009. In its updated autumn forecast, the IMF expects GDP to fall by 0.7% in the USA and by 0.5% in the euro area. For the United Kingdom, a decline of as much as 1.3% is predicted. In the case of Japan, the IMF now estimates that overall economic output will decrease by 0.2%. Of the G7 states, only Canada is expected to experience marginal growth (+0.3%).

The forecast for the emerging market economies and the developing countries was lowered by 0.3 percentage point to 6.6% for 2008 and by 1 percentage point to 5.1% for 2009. This reflects below-average corrections for the south and east Asian emerging market economies and Latin America, while the projections for the African countries and the

Commonwealth of Independent States were reduced comparatively sharply. The IMF predicts that, at 3.5%, growth in Russia in 2009 will be 2 percentage points lower than previously forecast. In the central and east European countries – most of which are members of the European Union – the pace of growth is expected to slow from 5.7% in 2007 to 4.2% this year and 2.5% in the next. The forecast for world trade growth in 2009 was lowered dramatically by 2 percentage points to 2.1%. Consumer price inflation in the advanced economies as well as in the bloc of emerging market economies and developing countries is expected to weaken by well over 2 percentage points in 2009 to 1.4% and 7.1%, respectively. The IMF forecasts a preponderance of downside risks, the most significant of which will originate in the financial markets.

The global improvement in the outlook for prices is intrinsically linked to the decline in commodity prices, which began around mid-year and has continued throughout the reporting period. Following the peak in July (US\$146½), the price of Brent crude oil fell by almost two-thirds to US\$53¾ in mid-November. In euro terms, the decrease was somewhat smaller (-54%) owing to depreciation. The decline in crude oil prices was not steady and was interrupted in mid-September, mainly because considerable hurricane damage temporarily impaired oil production in the Gulf of Mexico. From the beginning of October, when fears of a recession increased significantly, oil prices again began to decline more dramatically; OPEC's decision at the end of October to cut production quotas failed to

*Falling  
commodity  
prices ...*

bring the decline to a halt. The fall in prices for industrial raw materials also gained pace from the beginning of October; they were just over one-third lower in mid-November than in July. Prices for food, drinks and tobacco traded on the world markets went down by a similar amount during this period.

*... impacting favourably on consumer prices*

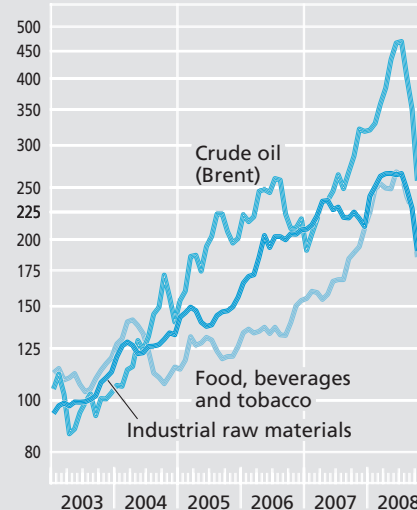
Owing to the decline in prices for crude oil and other commodities, price pressures have eased perceptibly over the past few months; seasonally adjusted consumer prices have fallen again moderately following a sharp rise in the May-July period. The annual rate of inflation in the industrial countries decreased from 4.6% in July to 4.3% in September. A further decline seems likely for October and November. However, core inflation (excluding energy and food), at 2.3% in September compared with 2.4% in August, barely budged.

*United States*

Shortly after mid-year, it became apparent that the stimulus package launched by the US government in the spring had not succeeded in bringing lasting stability to the US economy. According to the initial estimate, real GDP in the third quarter fell marginally after seasonal adjustment compared with the second quarter, in which it had grown robustly. It rose by just  $\frac{3}{4}\%$  on the year. The weak outcome was mainly attributable to the fact that real private consumption contracted for the first time since 1991. This was due, first, to the fact that the available nominal income was 1% below the second-quarter level, which had been boosted considerably by tax refunds. The sustained fall in employment also played a role in this respect. From June to

World market prices for crude oil and industrial raw materials as well as food, beverages and tobacco

US dollar basis, 2000 = 100, log scale



Sources: Thomson Financial Datastream and HWWI. — As at ● = 14 November 2008; 17 November 2008 (crude oil).

Deutsche Bundesbank

October, the number of (non-farm) jobs declined by around 720,000 ( $\frac{1}{2}\%$ ) after seasonal adjustment. The unemployment rate increased by 1 percentage point to 6.5%. Furthermore, households faced further losses in purchasing power from mid-year onwards as a result of the sharp rise in energy and food prices. Although the household saving ratio, which had increased considerably to 2.7% in the second quarter owing to tax refunds granted as part of the US government's stimulus package, decreased again significantly as expected, it remained, at 1.3%, considerably higher than in the final quarter of 2007 and the first quarter of 2008.

In addition, residential construction investment, which declined by a seasonally adjusted  $5\frac{1}{4}\%$ , had a detrimental effect on overall

economic output. It was more than 40% lower than the peak at the end of 2005. Commercial spending on new plant and equipment and buildings was cut by ¼%. By contrast, a sharp increase in real government expenditure and a deceleration in the depletion of inventories helped to boost domestic demand. The decline in domestic demand coincided with a further reduction of imports. However, exports remained on an upward curve in the third quarter; foreign trade thus contributed ¼ percentage point to growth overall.

In the third quarter, the annual rate of inflation increased by just under 1 percentage point to 5.3%. It reached a cyclical peak of 5.6% in July and declined over the following months to 4.9% in September owing to falling crude oil prices. Excluding energy and food, inflation stood at 2.5% as this report went to press. The core Personal Consumption Expenditure deflator, the US Federal Reserve's preferred measure of inflation in its price analyses, decreased to 2.4%.

*Japan*

The Japanese economy contracted again – albeit marginally – in the third quarter after seasonal adjustment following a considerable decline in the second quarter (-1%). Real GDP was likewise down somewhat on the year. The weak outcome was primarily attributable to a sustained reduction in corporate investment of a seasonally adjusted 1¾% compared with the second quarter. Somewhat more buoyant private consumption, a significant increase in housing construction and higher government investment expenditure sustained domestic demand at the level of

the previous quarter. In price-adjusted terms, foreign trade had a marked negative impact of ¼% of GDP. Although exports still grew by ¾% in price-adjusted terms, this was offset by a sharp increase of 2% in real imports, which is hardly consistent with the picture of stagnating domestic activity. Seasonally adjusted consumer prices declined slightly in August and September in the wake of falling crude oil prices. The former were up 2.1% on the year at the end of the reporting period, compared with 2.3% in July. Excluding energy and food, the prices were only 0.2% higher than in September 2007.

In the summer, overall output in the United Kingdom fell quarter-on-quarter (by ½%) for the first time since spring 1992. In year-on-year terms, there was an increase of only ¼%. The decline in GDP was caused by negative developments in all major sectors of the economy. Manufacturing output (excluding construction) decreased by 1%, construction contracted by ¾% and real value added in the services sector fell by ½%, although an even larger decline in private services segments was offset by a slight increase in the public sector. The most noteworthy development is that, on the demand side, private consumption – which has been the main driving force behind growth in recent years – no longer had a positive effect. On a third-quarter average, real retail sales stagnated at the level of the second quarter. The low propensity to purchase is probably connected, among other things, with the sharp increase in unemployment over the past few months. In addition, consumer price pressure continued unabated until September; at 5.2%,

*United  
Kingdom*



the annual rate of inflation even marked a new high this year. This can be explained largely by sharp rises in gas and electricity prices. In October, however, the rate of inflation fell back down to 4.5% owing to the significant decline in crude oil prices. Since mid-year, seasonally adjusted house prices have decreased by no less than 6¾% and were 15% lower than a year earlier as this report went to press.

#### *New EU member states*

The new EU member states continued to lose economic momentum in the third quarter. Industry was affected particularly severely, with a reduction of 2¾% in output. Year-on-year growth was only 1¼%. Latvia (-7½%) and Estonia (-4%) are at the bottom end of the ranking, while Poland and Slovakia still experienced relatively strong growth (2½% and 2¾%, respectively). Industrial activity in the new EU member states was dampened by a decline in export growth. In addition, the inflation-related losses in purchasing power increased from mid-year onwards. Inflation peaked at 7.1% in July and subsequently fell to 5.9% in October. Despite the cyclical downturn, however, the unemployment rate decreased again marginally to 6.3% on average over the July-September three-month period. In recent weeks, some new EU countries have increasingly been sucked into the undertow created by the international financial crisis. Those countries with very high structural current account deficits, low foreign reserves and a requirement for large inflows of funds from abroad in the short term have proven particularly vulnerable in this respect.

## Macroeconomic trends in the euro area

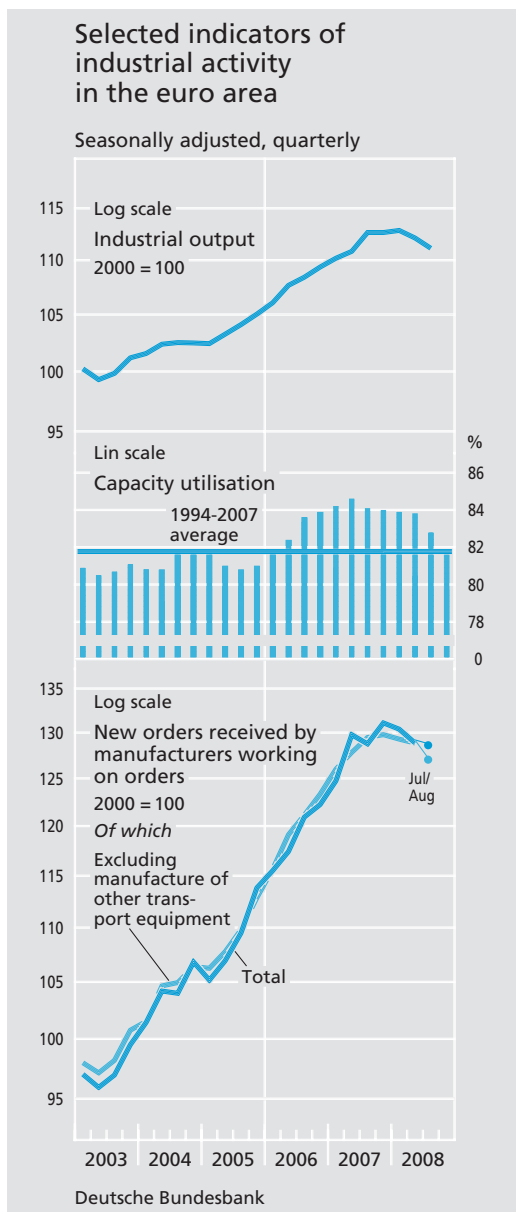
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In the third quarter, real GDP in the euro area was a seasonally adjusted ¼% lower than in the second quarter, in which it had already declined owing, in part, to special factors. In the summer months, year-on-year growth was only ¾%. The negative developments in the euro area were caused by considerable reductions in output in Germany, Italy and, to a lesser extent, Spain, while France and most of the smaller countries that have already published initial GDP estimates still managed to record minimal growth. The frontrunners were Cyprus and Greece with a rise in overall output of a seasonally adjusted ½%.

*Further output  
reductions  
in Q3*

The decline in GDP in the euro area is – as with the reduction in the second quarter, which is partly due to technical issues – largely attributable to the downward trend in manufacturing. Industrial output in the third quarter was down 1% on the quarter and 1½% on the year after seasonal adjustment. Only energy production continued to grow, while the output of intermediate goods and the manufacture of capital goods and consumer goods contracted significantly. The decline in industrial output coincided with a reduction of 1¼ percentage points in capacity utilisation from July to October, meaning that the latter fell below its long-term average for the first time since the beginning of 2006. In October, the Purchasing Managers' Index for industry in the euro area even dropped to its lowest level since the start of the series in 1997. The negative development in new orders is also consistent with the gloomier economic picture. Their value in the July-

*Marked decline  
in industrial  
activity*



August period was ¼% lower than in the second quarter. Excluding the manufacture of other transport equipment, where orders received are strongly influenced by large orders, they decreased by as much as 1½%. Industrial confidence also deteriorated sharply. The indicator is now as low as it was at the end of 2001, but is still clearly above the historic low of 1993.

The decline in construction output by a seasonally adjusted ¼% in the July-August period from its second-quarter levels indicates that construction investment in the third quarter – no data are yet available for the expenditure aggregates – contracted. Investment in new plant and equipment may have fared somewhat better. On the demand side, households' low propensity to purchase also contributed to the decline in real GDP. Seasonally adjusted real retail sales (excluding motor vehicles) barely exceeded the depressed level of the preceding period and were down 1½% on the year. Expenditure on new cars likewise decreased further; in the July-October period, new registrations in the euro area were down 10½% on the year. The year-on-year decline was particularly strong in Spain (-35%) and Italy (-15%). Consumer confidence in the euro area deteriorated again noticeably in October. By contrast, exports to non-euro-area countries, which were 1½% in nominal terms above the second-quarter average in the July-August period, made a positive contribution. However, this was accompanied by significantly stronger growth (+4¾%) in import values. Although import price rises may still have been a significant factor in mid-2008, the volume is also likely to have grown markedly.

*Demand indicators mainly pointing downwards*

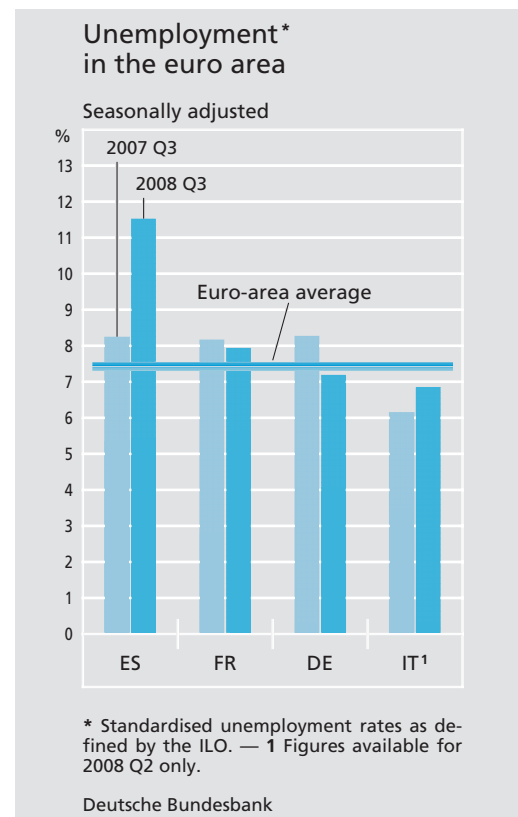
The slowdown in employment growth which began in mid-2007 continued in the first half of 2008 (further information is not yet available). In the second quarter, the number of employed persons was up by only 0.2% on the quarter, with year-on-year growth contracting to 1.2%. The seasonally adjusted unemployment rate increased to 7.5% in the

*Labour market showing signs of weakness*

third quarter owing to the weakened economic performance; at the beginning of the year, it still stood at 7.2%. This was mainly attributable to the sharp rise in underemployment in Spain, where the corresponding rate rose by more than 2 percentage points to 11.5%. In Ireland, too, the labour market situation deteriorated significantly. By contrast, other countries, including Germany, the Netherlands and Austria, saw marginal declines. According to initial estimates, which are often revised upwards, seasonally adjusted hourly labour costs increased by 0.6% in the second quarter and were up by 2.7% on the year. At 3.1%, the rise in the first half of 2008 was considerably sharper than it was previously.

*Price pressure easing*

Consumer price inflation in the euro area eased again in the third quarter of 2008. On a quarterly average, prices were up by a seasonally adjusted 0.7% on the second quarter, when they had risen by 1.1%. The increase in year-on-year inflation from 3.6% in the second quarter to 3.8% in the third is also connected with base effects resulting from moderate price developments in the same period last year. The improvement in the overall picture was overwhelmingly driven by the stabilisation of the international oil markets, which led energy prices to go down by more



than 2% over the summer months. Among the other categories of goods, by contrast, there was no relief on average. Excluding energy, consumer prices in the third quarter rose by a seasonally adjusted 0.6% and thus somewhat more robustly than in the second quarter. Since the beginning of 2008, year-on-year growth has remained unchanged at 2.6%. In October, consumer prices fell by a seasonally adjusted 0.1%, with the annual rate of inflation declining to 3.2%.

## Monetary policy and banking business

### Interest rate policy and the money market

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The monetary policy reins were loosened noticeably in the third quarter. Following the significant intensification of the financial market turmoil and the drop in commodity prices, the Governing Council of the ECB, in a concerted effort with six other central banks, lowered the main refinancing rate by ½ percentage point to 3.75% on 8 October 2008. On 6 November, it was lowered by another ½ percentage point to 3.25%.

*Coordinated interest rate reduction ...*

At the beginning of October, the Governing Council also announced changes to the operational framework of monetary policy which will initially remain in place until 20 January 2009. Until then, weekly main refinancing operations will be carried out as fixed-rate tenders with full allotment at the prevailing main refinancing interest rate. At the same time, the width of the interest rate corridor around the main refinancing rate, which consists of the rates for the marginal lending and deposit facilities, was reduced from 2 percentage points to 1. This was done by halving the spread between each of the two corresponding interest rates and the rate for the main refinancing operations to 50 basis points. With its longer-term refinancing operation of 30 October, the Governing Council also began carrying out these operations as fixed-rate tenders with full allotment.

*... and temporary changes to the operational framework of monetary policy*

The Governing Council also decided in October to expand the range of collateral which credit institutions could submit in order to prevent potential liquidity shortages because

*Changes to the collateral framework ...*

## Money market management and liquidity needs

During the three reserve maintenance periods between 9 July and 7 October 2008, euro-area credit institutions' need for central bank liquidity determined by autonomous liquidity factors fell by €7.8 billion in net terms. The continuing strong growth in the volume of banknotes in circulation, which recorded a new high within the period under review when it reached approximately €700 billion on 7 October 2008, absorbed liquidity to the value of €7.1 billion. However, general government deposits with the Eurosystem still decreased by €9.7 billion. If the net foreign reserves and the other factors are taken together, a move which eliminates liquidity-neutral valuation effects, there was likewise a decline of €5.2 billion in the liquidity needs of banks over the three periods. This was caused mainly by Eurosystem purchases of financial assets which are unrelated to monetary policy. The liquidity needs resulting from the minimum reserve requirement expanded by €2.9 billion over the three maintenance periods and could be met by credit institutions without any problems (see the table on page 23).

About a year after tensions had first taken hold on the money market, Eurosystem liquidity management continued to be focused primarily on supporting the functioning of the money markets. To this end, the Eurosystem carried out additional refinancing operations in the period under review, shifted the mix of maturities of these operations further towards longer-term refinancing operations (from 64% to 66%) and provided a generous supply of liquidity (frontloading). Maintaining the overnight rate at a level close to the minimum bid rate continued to be the aim of liquidity management.

During the July-August reserve period, the generous supply of liquidity ensured that the EONIA remained generally stable with an average EONIA turnover of over €43 billion. The fact that the above-benchmark amounts of €18 billion, €14 billion, €10 billion, €8 billion and €3.0 billion were slightly lower than those in the preceding period showed that the situation had eased to some extent. On 12 July, the last day of the reserve maintenance period, the ECB carried out a liquidity-absorbing fine-tuning operation with a volume of €21.0 billion and the EONIA stood at 4.32%.

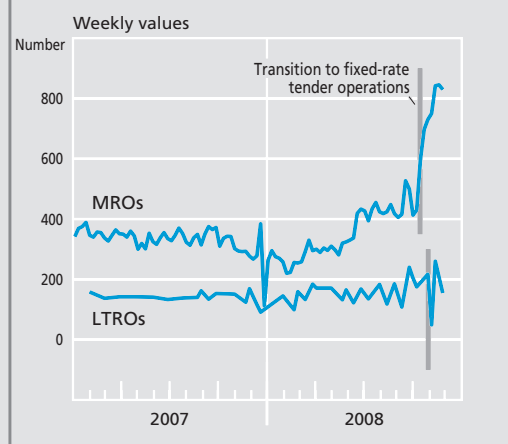
In the August-September reserve period there was a continuation of this comparatively stable development in the EONIA, which remained generally slightly above the minimum bid rate. Exceptions were the "usual" increase at the end of the month and the often increased volatility on the last day of the reserve period.

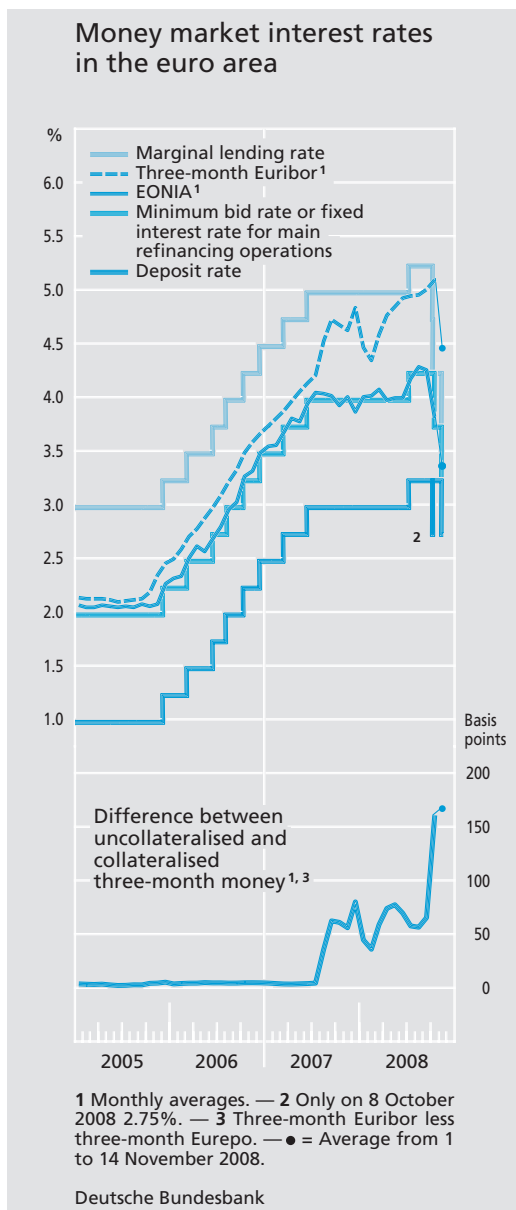
In the September-October reserve period, the insolvency of US investment bank Lehmann Brothers resulted in a significant tightening of the conditions on the money market. Alongside banks' hoarding behaviour, cancelled

credit lines and the problem posed by the drying-up of the longer-term money market sectors, mistrust between banks also became increasingly noticeable in overnight loans; towards the end of the period, EONIA turnover fell to record lows of around €30 billion. In order to curb the strong increase in the overnight money rate, the Eurosystem carried out liquidity-providing fine-tuning operations, significantly increased the above-benchmark amounts in main refinancing operations to up to €230.0 billion and announced an additional longer-term 38-day refinancing operation which ran up to and included the last day of the quarter. The abundant supply of liquidity was likewise absorbed through fine-tuning operations. While these measures gave the banks more security for their own liquidity management, they also led to increased fluctuations in the EONIA of between 3.92% and 4.60%. In addition, average daily recourse to the marginal lending facility and to the deposit facility increased to around €7½ billion and around €20 billion respectively. The fact that redistribution on the money market was heavily restricted was also reflected in the increased number of bidders in the main and longer-term refinancing operations as well as in increased allotment rates. Furthermore, larger turnover on EurexRepo's GC Pooling in the last week of the reserve period indicated a strong preference for secured O/N transactions in times of crisis.

On the first day of the subsequent October-November 2008 reserve period, the ECB announced massive steps to further stimulate the money market as part of coordinated action with other leading central banks.

Bidders in main refinancing operations (MROs) and longer-term refinancing operations (LTROs) in the Eurosystem





of a lack of eligible assets. This measure was flanked by the continuous topping-up of liquidity in US dollars supplied through the Eurosystem to European banks. In consultation with the Swiss central bank, the Eurosystem is now also carrying out temporary foreign currency swap transactions in Swiss francs. The measures agreed with the US Federal Reserve and the Swiss central bank safeguard the refinancing of credit institu-

tions in the euro area in US dollars and Swiss francs.

The adjustments to the monetary policy framework relate directly to the significant intensification of the financial market turmoil since mid-September, which was set in motion by the collapse of Lehman Brothers in the USA. On the money market, this development initially took the form of a considerable increase in the volatility of EONIA, another sharp rise in uncollateralised money market rates and a significant decline in the volumes traded between banks, even in the area of overnight money, which had been relatively unaffected by the tension on the money market until then. Since the interest rate cut at the start of October, the interbank money market rates – including the EONIA – have fallen perceptibly. However, the gap between the (uncollateralised) three-month Euribor and the (collateralised) three-month Eurepo has remained substantial. At the end of the period under review, it was 1.6 percentage points. At the same time, greater use was made of the marginal lending facility and there was a sharp increase in liquid funds invested in the deposit facility. Given this operational shortcoming of the interbank money market, the Eurosystem essentially assumed responsibility for distributing liquidity between credit institutions by offering a generous tender allotment at a fixed interest rate on the refinancing side and providing an open deposit facility with a ½ percentage point discount on the interest payment on the deposit side.

*... in response to recent intensification of financial market turmoil*

## Monetary developments in the euro area

*Monetary  
growth remains  
strong*

Third-quarter growth in M3 in the euro area was roughly on a par with that of the second quarter of 2008. In seasonally adjusted and annualised terms, it rose by 8% from July to September. The extremely liquid monetary components cash and overnight deposits which make up the money aggregate M1 increased again at the end of the period under review after a slight decrease in the second quarter of 2008. By contrast, growth in components remunerated close to market rates slowed somewhat in the third quarter. In particular, banks entered into fewer repurchase transactions with German non-banks than previously in the period under review. The circulation of short-term bank debt securities also slowed somewhat on the quarter. By contrast, seasonally adjusted money market fund shares/units were again in greater demand overall in the third quarter after they were returned in large quantities in the second quarter. However, short-term time deposits again made by far the biggest contribution to monetary growth in the third quarter. They were remunerated at a slightly higher rate in the period under review than in the past.

*Slightly slower  
growth in loans  
to private  
sector*

The granting of bank loans to the private sector in the euro area was again the main source of money creation in the third quarter. However, the pace of loan expansion to German enterprises and households continued to fall; from July to September, loans grew by a seasonally adjusted and annualised rate of just 6½% compared with more than 7% in the second quarter. In particular, loans to fi-

## Factors determining bank liquidity \*

€ billion; changes in the daily averages of the reserve maintenance periods vis-à-vis the previous period

Item	2008		
	9 Jul to 12 Aug	13 Aug to 9 Sep	10 Sep to 7 Oct
<b>I Provision (+) or absorption (-) of central bank balances due to changes in autonomous factors</b>			
1 Banknotes in circulation (increase: -)	- 8.9	+ 1.1	+ 0.7
2 General government deposits with the Eurosystem (increase: -)	+ 3.6	+ 0.2	+ 5.9
3 Net foreign reserves <sup>1</sup>	- 1.9	+ 2.1	+ 40.7
4 Other factors <sup>1</sup>	+ 4.7	- 1.8	- 38.6
<b>Total</b>	<b>- 2.5</b>	<b>+ 1.6</b>	<b>+ 8.7</b>
<b>II Monetary policy operations of the Eurosystem</b>			
1 Open market operations			
(a) Main refinancing operations	- 19.1	- 2.8	+ 10.6
(b) Longer-term refinancing operations	+ 23.9	+ 0.7	+ 34.3
(c) Other operations	- 0.1	- 0.1	- 38.9
2 Standing facilities			
(a) Marginal lending facility	- 0.0	+ 0.0	+ 7.4
(b) Deposit facility (increase: -)	+ 0.1	- 0.3	- 19.3
<b>Total</b>	<b>+ 4.8</b>	<b>- 2.5</b>	<b>- 5.9</b>
<b>III Change in credit institutions' current accounts (I + II)</b>	<b>+ 2.1</b>	<b>+ 0.8</b>	<b>+ 2.8</b>
<b>IV Change in the minimum reserve requirement (increase: -)</b>	<b>- 2.2</b>	<b>+ 0.7</b>	<b>- 1.4</b>

\* For longer-term trends and the Deutsche Bundesbank's contribution, see pages 14\* and 15\* of the Statistical Section of this Monthly Report. — <sup>1</sup> Including end-of-quarter valuation adjustments with no impact on liquidity.

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## Open market operations of the Eurosystem \*

Value date	Type of transaction 1	Maturity in days	Actual allotment in € billion	Deviation from the benchmark in € billion	Marginal rate/fixed rate %	Allotment ratio %	Weighted rate %	Cover ratio 2	Number of bidders
09.07.08	MRO	7	175.0	18.0	4.32	52.24	4.37	1.51	400
10.07.08	S-LTRO	182	25.0	–	4.93	11.06	5.03	2.98	141
16.07.08	MRO	7	155.0	14.0	4.34	64.00	4.36	1.72	440
23.07.08	MRO	7	175.5	10.0	4.35	73.78	4.38	1.53	461
30.07.08	MRO	7	166.0	8.0	4.38	3.94	4.42	1.49	430
31.07.08	LTRO	91	50.0	–	4.70	86.67	4.76	2.15	189
06.08.08	MRO	7	160.0	3.0	4.38	93.83	4.41	1.51	424
12.08.08	FTO (–)	1	– 21.0	–	4.25	92.80	–	1.08	10
13.08.08	MRO	7	176.0	20.0	4.37	92.37	4.40	1.33	430
14.08.08	S-LTRO	91	50.0	–	4.61	91.48	4.74	1.58	124
20.08.08	MRO	7	151.0	14.5	4.38	66.59	4.40	1.51	454
27.08.08	MRO	7	167.0	9.0	4.39	17.78	4.42	1.36	424
28.08.08	LTRO	91	50.0	–	4.60	72.14	4.74	1.54	191
03.09.08	MRO	7	160.0	3.0	4.39	52.37	4.41	1.41	411
09.09.08	FTO (–)	1	– 20.1	–	4.25	100.00	–	1.00	17
10.09.08	MRO	7	176.5	20.0	4.39	96.37	4.41	1.27	422
11.09.08	S-LTRO	91	50.0	–	4.45	51.10	4.66	1.39	114
15.09.08	FTO (+)	1	30.0	–	4.30	77.62	4.39	3.01	51
16.09.08	FTO (+)	1	70.0	–	4.32	20.88	4.40	1.46	56
17.09.08	MRO	7	150.0	39.0	4.53	28.41	4.58	2.19	533
18.09.08	FTO (+)	1	25.0	–	4.30	29.73	4.39	1.97	43
24.09.08	MRO	7	180.0	59.0	4.73	98.23	4.78	1.86	506
24.09.08	FTO (+)	1	40.0	–	4.25	34.17	4.35	1.26	36
25.09.08	LTRO	84	50.0	–	4.98	58.84	5.11	3.09	246
30.09.08	S-LTRO	38	120.0	–	4.36	21.03	4.88	1.18	210
01.10.08	MRO	7	190.0	230.0	4.65	15.11	4.96	1.20	419
01.10.08	FTO (–)	1	– 173.0	–	4.25	100.00	–	1.00	52
02.10.08	FTO (–)	1	– 200.0	–	4.25	92.57	–	1.08	65
03.10.08	FTO (–)	3	– 193.8	–	4.25	100.00	–	1.00	54
06.10.08	FTO (–)	1	– 171.9	–	4.25	100.00	–	1.00	111
07.10.08	FTO (–)	1	– 147.5	–	4.25	100.00	–	1.00	97

\* For more information on the Eurosystem's operations from 16 April 2008 to 8 July 2008, see Deutsche Bundesbank, Monthly Report, August 2008, p 25. — 1 MRO: main refinancing operation, LTRO: longer-term refinancing operation, S-LTRO: supplementary longer-term refinancing operation, FTO: fine-tuning operation (+: liquidity providing operation, –: liquidity absorbing operation). — 2 Ratio of total bids to the allotment amount.

cing operation, S-LTRO: supplementary longer-term refinancing operation, FTO: fine-tuning operation (+: liquidity providing operation, –: liquidity absorbing operation). — 2 Ratio of total bids to the allotment amount.

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financial enterprises outside the banking sector grew at a much slower rate than in previous quarters. Unsecuritised bank lending to non-financial enterprises also grew at a perceptibly slower rate from July to September than in the corresponding period a year earlier. This may have been due partly to stricter bank lending standards. Credit institutions at any rate reported a continued massive tightening of their credit standards in the Bank

Lending Survey. At 12.1% in the previous year, however, the increase in loans to German non-financial enterprises was very high in the 12 months up to the end of the period under review. By contrast, lending to households has been extremely restrained for some time, partly as a result of the moderate increase in lending for house purchase. Over these same 12 months, it grew by just 4%.



*Strong growth in bank holdings of corporate securities in the euro area*

Bank holdings of securities from private issuers in the euro area continued to grow strongly at a seasonally adjusted and annualised rate of more than 16½% from July to September. Conversely, banks sold securities from public issuers in the euro area in net terms. Since loans to general government in the euro area increased, however, new public sector debt vis-à-vis banks decreased only slightly in the third quarter.

*Little rise in longer-term investment at banks*

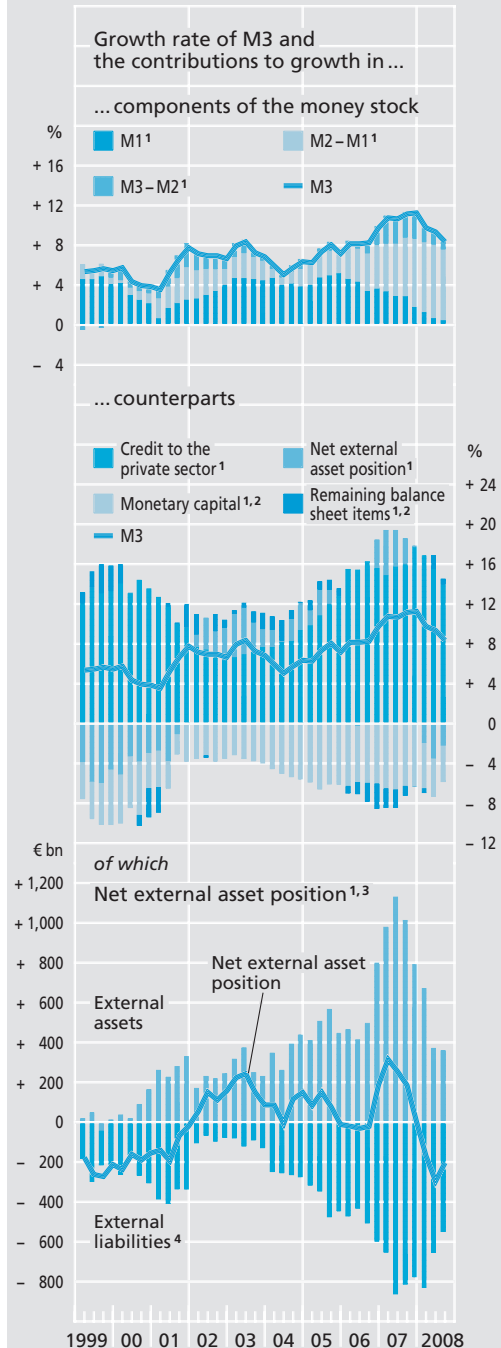
Monetary capital formation in the euro area was fairly strong in the third quarter. This was, however, attributable largely to the sharp rise in banks' equity and reserves, which mainly reflects greater risk provision and, to some extent, state recapitalisation measures. If equity and reserves are excluded, longer-term investment at banks in the euro area increased by no more than a seasonally adjusted and annualised rate of just under 1½% in the period under review compared with 4% in the previous quarter. This was attributable to both the low level of investor interest in longer-term savings and time deposits and limited sales of longer-term bank debt securities to buyers outside the German banking sector. Evidently, the liquidity preference of both banks and non-banks has heightened during the financial market turmoil. Moreover, the pronounced inverse term structure in the third quarter reduced the attractiveness of longer-term investment.

*Inflows of funds from abroad*

For the first time since the second quarter of 2007, the seasonally adjusted net external assets of euro-area banks rose again in the period under review. This also boosted monetary expansion. Given the sharp rise in finan-

## Components and counterparts of the money stock in the euro area

Seasonally adjusted, quarterly



1 Calculated from the changes cumulated over 12 months. — 2 Taken in isolation, an increase curbs M3 growth. — 3 Not seasonally adjusted. — 4 Increase: -.

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

€ billion

Item	2008	2007
	Jul to Sep	Jul to sep
Deposits of domestic non-MFIs <sup>1</sup>		
Overnight	- 11.5	+ 9.0
With agreed maturities		
of up to 2 years	+ 48.0	+ 45.7
of over 2 years	- 1.3	+ 4.5
Redeemable at agreed notice		
of up to 3 months	- 11.5	- 13.2
of over 3 months	- 2.7	+ 1.4
Lending		
to domestic enterprises and households		
Loans	+ 19.5	+ 19.0
Securities	+ 31.5	- 0.9
to domestic government		
Loans	- 4.5	- 6.2
Securities	- 12.2	- 6.2

\* As well as banks (including building and loan associations, but excluding the Bundesbank), monetary financial institutions (MFIs) here also include money market funds; see also Table IV.1 in the Statistical Section of the Monthly Report. — <sup>1</sup> Enterprises, households and government excluding central government.

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cial market risks in recent times, German residents may have reduced their investment abroad and transferred the money to bank accounts in the euro area.

When assessing the continued strength of monetary expansion in terms of monetary policy, it should be noted that the pace of monetary expansion was boosted by the inverse term structure in the third quarter and the liquidity preference of investors was influenced by the financial market turmoil. Thus, the current strength of monetary expansion probably overstates the monetary growth trend needed for stability policy. But even taking this into account, the continued strength of monetary growth still points to persistent price risks in the longer term. At all events, the longer-term inflation projections based

*Monetary inflation projections signal upside price risks despite reduction*

on monetary indicators are still well above the level which the Governing Council associates with price stability.

### German banks' deposit and lending business with domestic customers

According to the balance sheet data available up to the end of September, German banks' business with customers in Germany has not suffered any serious setbacks as many feared following the developments on the financial markets in the past year. However, German investors favoured more liquid forms of investment, with other financial institutions and insurance companies, in particular, investing in short-term bank deposits in the third quarter. Following the continuous slowing of growth in German customers' deposits at German banks in the first half of 2008, bank balances in Germany grew at a slightly stronger rate in the third quarter of 2008. Deposits of domestic non-banks at German credit institutions increased at a seasonally adjusted and annualised rate of 5½% in the period under review compared with just over 3½% in the second quarter.

*Bank deposits record robust growth in third quarter*

Of the short-term bank deposits, time deposits remunerated close to market rates with an agreed maturity of up to two years were again almost the only component to increase. They probably benefited above all from the rise in interest rates in the euro area at the beginning of the quarter. In addition to households, "other financial institutions", in particular, invested in short-term time deposits to a large extent and, by contrast, re-

*Short-term time deposits again in particular demand*

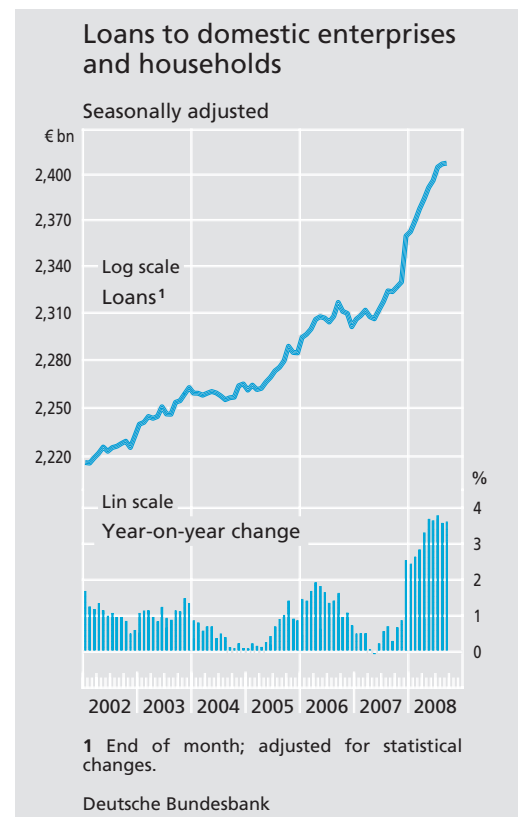
duced their overnight deposits. In addition, German non-financial enterprises and insurance companies built up their very liquid money holdings substantially. Short-term savings deposits (redeemable at notice of up to three months), on the other hand, again experienced an accelerated decrease in the period under review.

*Renewed  
reduction in  
longer-term  
bank deposits*

As in the previous two quarters, German investors again reduced their longer-term bank deposits on a seasonally adjusted basis in the third quarter of 2008. Whereas in the past only savings deposits redeemable at notice of over three months had decreased, there was now also a considerable drop in time deposits with an agreed maturity of more than two years in the third quarter. The impetus for this development came not only from households. Longer-term time deposits held by German insurance companies did not experience the usual seasonal rise in the period under review either.

*Weaker  
growth in  
private-sector  
loans*

In recent months, bank loans have risen sharply, particularly those to the private sector in Germany. This is attributable mainly to German banks having considerably expanded their holdings of securities issued by domestic enterprises in connection with a large securitisation operation in August. If loans to domestic enterprises and households – but not their holdings of securities – are considered, there was a seasonally adjusted and annualised growth rate of 2% from July to September. This means that the fairly strong credit growth of earlier quarters had again slowed somewhat. This was caused, among other things, by slower growth in loans to non-

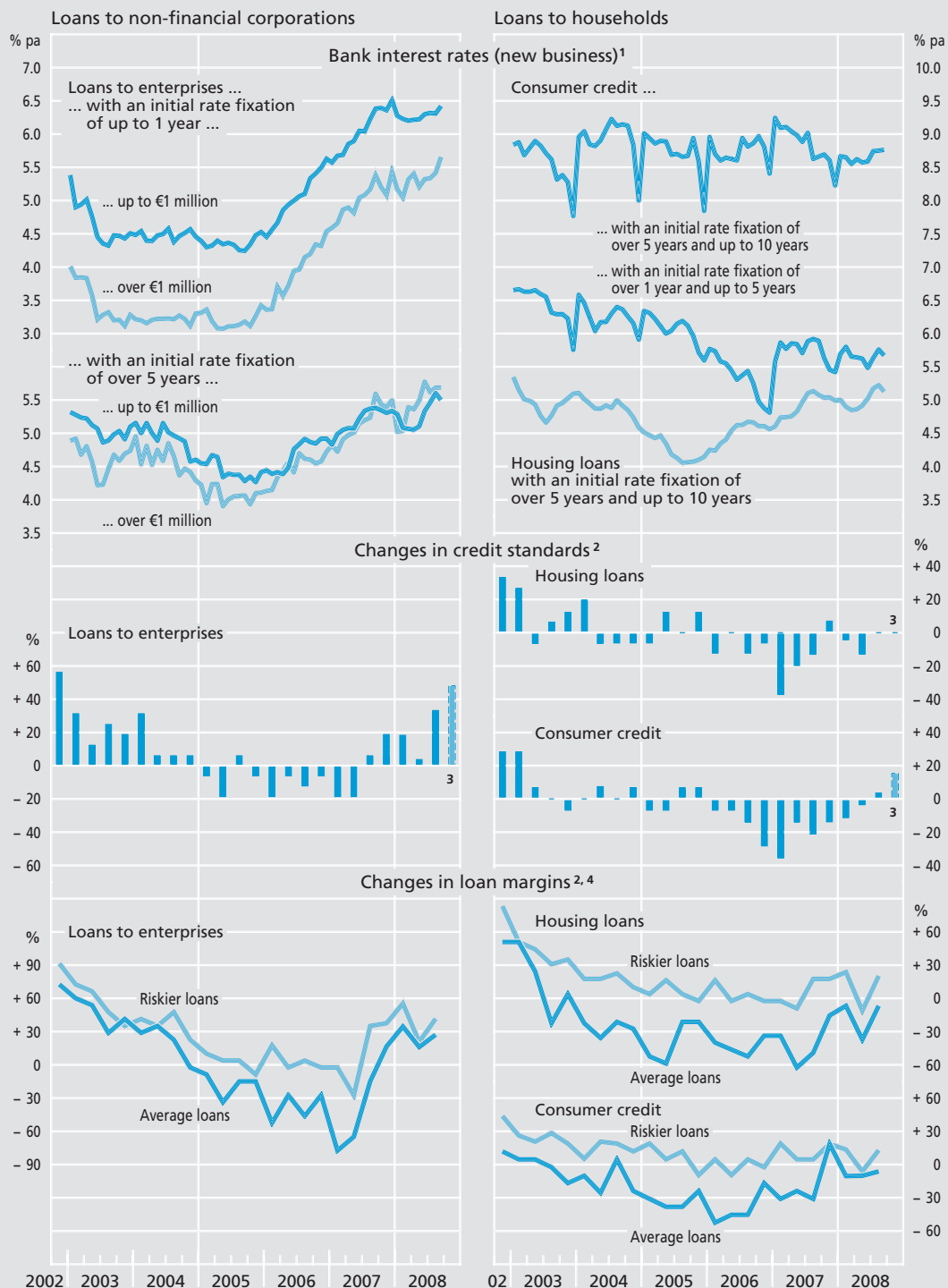


financial corporations and further reduced lending to households. Non-monetary financial enterprises, by contrast, increased their borrowing from German banks significantly in the period under review, with reverse repurchase transactions between banks and foreign financial institutions outside the banking sector again playing a role. Credit institutions also sold large holdings of securities issued by domestic public-sector entities in the third quarter. At the same time, central, state and local government also significantly reduced their loans from German banks.

The comparatively slow quarterly growth in loans to the private sector may have been partly the result of lower demand for funds from borrowers; the German results of the Bank Lending Survey (BLS) would suggest this

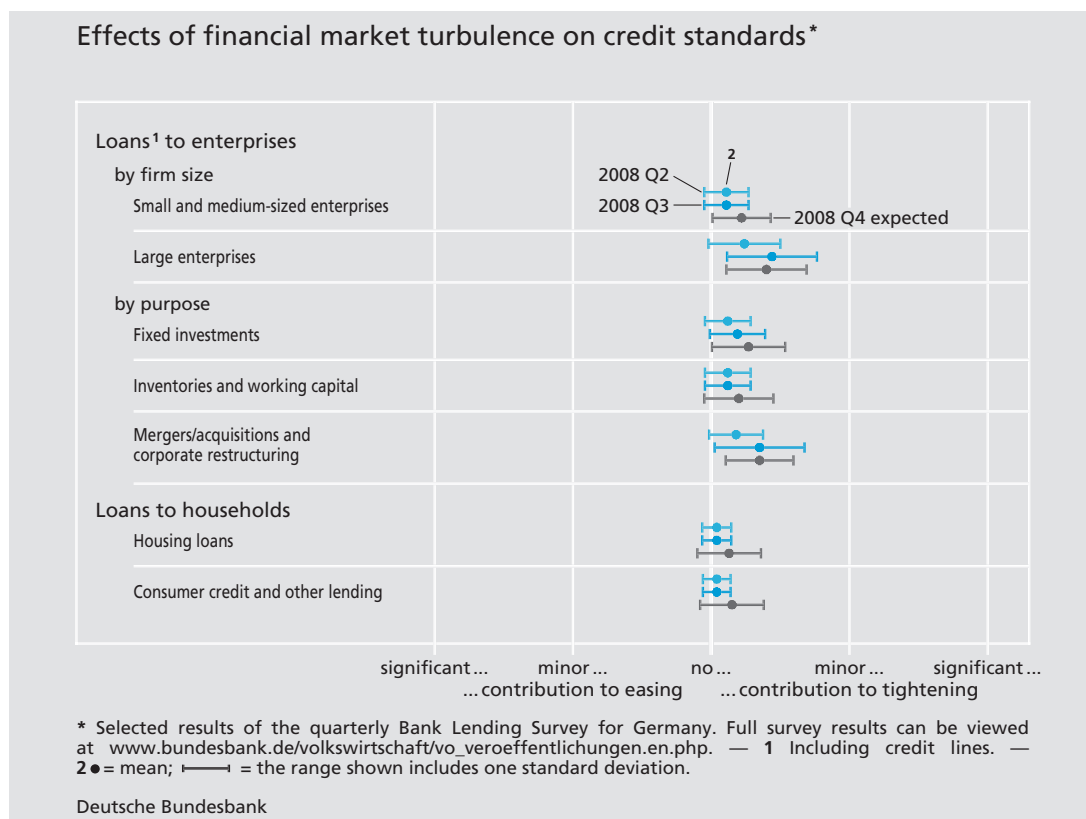
*German BLS  
shows slight  
drop in demand  
for loans ...*

## Banking conditions in Germany



<sup>1</sup> According to harmonised MFI interest rate statistics. — <sup>2</sup> According to the Bank Lending Survey; difference between the numbers of respondents reporting “tightened considerably” and “tightened somewhat” and the numbers of respondents reporting “eased somewhat” and “eased considerably” as a percentage of the responses given. — <sup>3</sup> Expectations for 2008 Q4. — <sup>4</sup> Reduced scale.

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in any case. For the first time in three years, the banks surveyed not only reported a drop in demand for loans for house purchase in the third quarter of 2008 – as had been the case for some time – but also a slight decrease in the financing needs of enterprises. Only demand for consumer credits, which are less significant in terms of magnitude, rose at BLS institutions in the period under review.

... and more  
restrictive  
lending policy

Lending conditions were also tightened, and although the degree to which this was done was less severe than in the euro area as a whole, it was in some cases substantial by German standards. According to the respondents, this was particularly true of lending business with enterprises which was subject to both considerably tighter lending standards and wider margins. In this case, the re-

spondents reported that both refinancing problems on the money and bond markets and the general assessment of the economic situation had played a role. After being relaxed in earlier quarters, the conditions for lending to households for house purchase and consumption purposes barely changed; according to German BLS banks, only margins for riskier loans increased significantly. As has already been the case for some time, the survey for the third quarter of 2008 contained additional questions on the isolated impact of the financial market turmoil on the participating banks' lending policies. The answers to these questions show, in particular, that banks are experiencing greater refinancing difficulties on certain markets and that these difficulties had a larger impact on insti-

## Cornerstones of the Financial Market Stabilisation Act (*Finanzmarktstabilisierungsgesetz*)

The aim of the Financial Market Stabilisation Act, which entered into force on 18 October 2008, is to support financial sector enterprises domiciled in Germany when they run into liquidity difficulties and/or have insufficient capital at their disposal, thus strengthening the stability of the financial system and safeguarding the supply of credit to the German economy. The Financial Market Stabilisation Act consists (1) of the Financial Market Stabilisation Fund Act, which, in conjunction with the Financial Market Stabilisation Fund Ordinance, defines the individual stabilisation instruments, the requirements attached to having recourse to the Fund as well as the financing and administration of the package of measures, and (2) of other legal norms which are designed to simplify and accelerate the implementation of these stabilisation measures.

### Financial Market Stabilisation Fund Act

In order to implement and finance the stabilisation measures a designated Financial Market Stabilisation Fund (Fund) was established in the form of a special Federal fund with no legal personality. The newly founded Financial Market Stabilisation Agency (FMSA), which is subject to the legal and technical supervision of the Federal Ministry of Finance, is responsible for administering the Fund.<sup>1</sup>

Decisions to apply stabilisation measures depend on the application made by the individual company, giving special consideration to its importance for the stability of the German financial system, the urgency of the situation and the principle of the most effective and economical deployment of the means available. All financial sector enterprises domiciled in Germany and listed in section 2 (2) of the Financial Market Stabilisation Fund Act are eligible to lodge an application. These include *inter alia* private banks, banks organised under public law, insurance companies, pension funds and capital investment companies as well as operators of stock and futures exchanges. There is no legal entitlement to receive support from the Fund, nor is it permitted to force (German) financial sector enterprises into making use of the stabilisation measures.

The Financial Market Stabilisation Fund Act specifies three types of stabilisation instrument: assumption of guarantees, recapitalisation and assumption of risk. These instruments may be applied either separately or as a combined package, depending on the nature of the problem, and can be applied until 31 December 2009 only, after which date the Fund will be wound up and dissolved.

Under the ruling on assuming guarantees, the Fund is able to grant a default guarantee for any newly issued debt instru-

ments and liabilities accrued which were incurred by financial sector enterprises between 18 October 2008 and 31 December 2009.<sup>2</sup> None of the liabilities covered by a guarantee may exceed a term of 36 months. Hence, no guarantee term will exceed beyond 31 December 2012. A precondition for the assumption of a guarantee is capital adequacy, which simultaneously serves as the reference variable for the upper limit of the guarantee assumed for a given enterprise (including any of its affiliates). The Fund is expected to levy a guarantee commission fee in line with market conditions.<sup>3</sup> Such guarantees are designed to alleviate liquidity problems arising at corporate level and to support refinancing in the capital market. At a macroeconomic level, the aim of guarantee measures is to bolster confidence in the commercial viability of enterprises by hedging any refinancing difficulties and in turn enhance the smooth functioning of the unsecured interbank market.<sup>4</sup> Overall, the cost of short-term interbank lending is also likely to be cut back to an appropriate level.

The recapitalisation tool enables the Fund to acquire shares, silent participations or other capital components of enterprises in exchange for an infusion of capital. However, such recapitalisation should be undertaken only in cases where there is a substantial interest on the part of the Federal Government and where the purpose sought by the Federal Government cannot be better and more economically achieved by other means. If the Fund makes use of the recapitalisation tool, then the beneficiary enterprises are required to make an appropriate payment to the Fund in line with market conditions; furthermore, the Fund should aim at obtaining remuneration which is preferential to that received by the original general partners (for example, in the form of preferred dividends). As a general principle, the size of any share in a single enterprise (including its affiliates) must not exceed the amount of €10 billion. In certain cases, however, it is possible to make an exception to this rule. In the longer term, any participations acquired by the Fund should not be allowed to remain in its possession. Instead, they should be dissolved or sold in a manner which is not detrimental to the market.<sup>5</sup> The purpose of the recapitalisation tool is to provide the enterprise in question with adequate capital for the foreseeable future in order, for instance, to prevent a major curtailment in lending to the non-financial private sectors (ie a credit crunch). Securing capital adequacy has the additional effect of boosting confidence in the soundness of the enterprise concerned and is therefore a vital prerequisite for resolving the functional disruptions currently affecting the interbank market.

Under the assumption of risk provision, the Fund may acquire any risk exposures, – particularly receivables, securities, finan-

<sup>1</sup> The FMSA also describes the Fund as the Special Fund for the Stabilisation of the Financial Market (SoFFin). Further information such as the relevant legislative texts, the ordinance and the Fund's organisational structure is posted on the following websites: [www.soffin.de](http://www.soffin.de) and [www.bundesfinanzministerium.de](http://www.bundesfinanzministerium.de). — <sup>2</sup> The Fund may also grant guarantees to special purpose vehicles (SPVs) (which, pursuant to the Financial-Market Stabilisation Fund Act, were not originally deemed eligible to apply), provided these SPVs have assumed risk positions from financial sector enterprises and the associated default and liquidity risks are borne primarily by the enterprise making the transfer (for example, by granting credit lines). — <sup>3</sup> With regard to debt instruments with a maturity of three to twelve months, the level of

the guarantee commission fee should generally stand at 0.5%. By contrast, in the case of liabilities with a maturity of 12 to 36 months, institution-specific fees are to be levied which are based on market interest rates for credit default swaps and therefore also reflect the default risk involved. — <sup>4</sup> Generally, a market is described as liquid when transactions can be executed speedily and without any significant impact on the market price. For example, low bid ask spreads are one indicator of a liquid market. — <sup>5</sup> The Fund is allowed to hold and dispose of stakes in enterprises beyond 2012. — <sup>6</sup> The terms and conditions attached to assuming risks from SPVs correspond to the conditions for assuming a guarantee (see footnote 2). — <sup>7</sup> It is, for example, possible for the selling enterprise to commit itself to paying a



cial derivative instruments, rights and obligations arising from loan commitments or warranties and participations in enterprises (together with the corresponding collateral in each case) – which were purchased prior to 13 October 2008 in exchange for a transfer of debt instruments issued by the Federal Republic of Germany. The same applies to special purpose vehicles (SPVs)<sup>6</sup> which acquired risk exposures from financial sector enterprises. Risk assets are purchased either at the balance sheet value last used by the seller or at a value lower than this and may be combined with a risk participation belonging to the selling enterprise.<sup>7</sup> The level of the purchasing fee charged by the Fund should reflect the assumed risk and at least be sufficient to cover the Fund's refinancing costs. Use of the tool depends on the availability of adequate capital and is generally limited to €5 billion per enterprise (including its affiliates). Nevertheless, in certain cases, it is possible to deviate from this rule, too. The objective of risk assumption is, first, to make liquidity and eligible assets available and, second, to support the capital position of the enterprise concerned.

In order to make use of any of the three tools the beneficiary enterprise must be able to demonstrate that it is pursuing a sound and prudent business policy. With regard to recapitalisation and risk assumption by the Fund, general provisions apply to the effect that financial sector enterprises must satisfy additional requirements with respect to the structure of their remuneration schemes<sup>8</sup> and forego any profit distributions, non-consolidation-related capital reductions and buy-backs of shares or other components of the liable capital. Moreover, in the event of a recapitalisation, the beneficiary enterprises are called upon to take particular account of small and medium sized enterprises' borrowing needs by offering a suitable range of services in line with market conditions.

As a means of financing the stabilisation package, the Federal Ministry of Finance may utilise financial resources up to a maximum amount of €100 billion. This funding is provided through government borrowing, dependent on requirements. For the purpose of financing recapitalisations and risk assumption, the Fund is initially able to draw upon resources amounting to no more than €70 billion. Where necessary, however, this sum may be topped up by a further €10 billion, contingent on the approval of the Budget Committee of the Deutscher Bundestag. Under the provisions for assuming a guarantee, the Fund is able to assume guarantees up to the amount of €400 billion. On the basis of an assumed default rate of 5%, the Fund has been equipped with funds of €20 billion to finance any defaults which might occur.

compensation sum if the Fund suffers a loss upon the maturity or the realisation of the respective assets. — 8 This involves *inter alia* examining the incentive effects and appropriateness of existing remuneration schemes, gearing these schemes to long-term and sustainable targets, avoiding the creation of incentives which encourage the taking of disproportionately high risks, restricting the salaries of senior management and members of governing bodies to reasonable levels and a ban on the awarding of bonuses and optional pay components for the entire duration of the stabilisation programme. — 9 Any costs arising from possible use of the Fund by Landesbanken are borne by the federal states in proportion to their respective stakes in the Landesbanken. Accordingly, central government bears the proportionate

It is not yet possible to quantify the financial burden to be borne by the Fund precisely as this will depend on the extent of future recourse to the assistance available. What is more, some of the expenses are of limited duration, not least since acquired shares, in particular, are to be resold at a later date. Moreover, revenues from granting guarantees or assuming risks and potential loss participation on the part of beneficiary enterprises owing to the purchase of risk assets all have a cost-reducing effect. Once the Fund has been wound up, the actual costs incurred will be split between central and state government in the ratio of 65:35 with the limit for each federal state set at €7.7 billion.<sup>9</sup>

#### Further legal norms laid down in the Financial Market Stabilisation Act

In addition to the Financial Market Stabilisation Fund Act, the Financial Market Stabilisation Act also contains a number of regulations designed to facilitate and accelerate the implementation of the three stabilisation tools. For example, the instrument of statutorily authorised capital was created for the purpose of implementing accelerated recapitalisation measures. This instrument empowers the management board of a public limited company to increase the enterprise's share capital by up to 50% by 31 December 2009 through the issuance of new shares to the Fund while excluding shareholder subscription rights and solely with the approval of the supervisory board. The standard legal requirement set out in the Companies Act (*Aktiengesetz*) that any capital increases require prior consent from a company's general meeting therefore does not apply.<sup>10</sup> To limit the dilution of shareholders' ownership rights the statutorily authorised capital is offset against the existing authorised capital.<sup>11</sup>

In order to take due account of the exceptionally large losses in value currently affecting a swathe of assets and the accompanying heightened insolvency risks in the entire corporate sector, the Financial Market Stabilisation Act specifies a new definition of the concept of over-indebtedness as contained in the German Insolvency Code (*Insolvenzordnung*), which applies to all enterprises. The reasoning behind this new ruling is that the previous definition would have allowed losses in value – especially those relating to shares and real estate – to result in insolvencies, even in cases with a positive future forecast. Hence, the new version stipulates that enterprises which are over-indebted in purely numerical terms but whose viability as a going concern is deemed highly probable will not be considered over-indebted and are therefore exempt from having to file an insolvency petition.

costs arising from beneficiary financial sector enterprises in which it holds stakes. — 10 Management boards are further entitled to determine the form of the shares – particularly with respect to the granting of preferred dividend rights and the prioritised distribution of the company's assets – subject to the approval of the supervisory board. In addition, boards are able to equip the Fund with profit participation rights without prior consent from the general meeting and excluding shareholder subscription rights. — 11 The instrument establishing statutorily authorised capital applies exclusively to financial sector enterprises operating as a public limited company, as a partnership limited by shares or as a European company (SE).

tutions' lending policies than in the previous quarter.

*Overall rise in bank lending rates in third quarter of 2008*

Bank lending rates rose across the board, above all, at the beginning of the third quarter of 2008. Most then fell marginally at the end of the period under review. Overall, however, interest rates remained slightly higher owing to the considerable increase in refinancing costs in the capital markets, chiefly at the end of the previous quarter, and the re-

ported margin increases in lending business. The only exceptions were short-term consumer credits and longer-term large-volume loans to enterprises. Ultimately, banks charged 5.7% or 6.5% for short-term loans to enterprises and 5.5% or 5.7% for long-term loans to enterprises depending on volume. At the same time, they demanded 6.2% for housing loans with short-term interest fixation and 5.2% for loans with interest rate fixation of more than ten years.



# Financial markets

## Financial market trends

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The financial market crisis has worsened considerably since the second quarter of 2008. The problems besetting the financial sector include not only the continued weakness of the US real estate market but, above all, the gloomier economic outlook in the industrial nations and the emerging and developing world alike. The insolvency of a large US investment bank additionally heightened market participants' risk aversion. Plummeting share prices, a further decline in prices for risky assets and pronounced tensions on the money markets put financial institutions under increased pressure. The difficulties in the financial system resulted in numerous countries launching government rescue packages for individual institutions as well as broad-based aid measures for the financial sector as a whole. These generally include guarantees for non-banks' bank deposits as well as conditional support measures for financial institutions (see explanatory notes on pages 34-36). In addition, in early October, major central banks lowered their lending rates in a concerted effort, which was followed by further rate cuts. These actions restored a measure of stability to the markets. However, the international financial system is now having to contend increasingly with the repercussions of the weakened macroeconomic environment.

*Financial  
market setting*

## Exchange rates

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In the past few months, the foreign exchange markets have been characterised by pro-

## International financial market stabilisation measures

After the major economies had initially granted government assistance to distressed banks and financial institutions only as a case-by-case measure and in a discretionary manner, there were growing signs following the crash of the US investment bank Lehman Brothers that only broad-based packages of measures would be able to avert systemic crises in particularly hard-hit countries. In view of the feared burden for taxpayers and the possibility of distorting competition, such recommendations immediately met with considerable misgivings in terms of regulatory and distribution policy. However, these reservations were addressed by attaching specific conditions to government assistance and by a more concerted international approach.

On 3 October, the US House of Representatives adopted the "Emergency Economic Stabilization Act 2008" following defeat of a previous version. The centrepiece of this legislation is the "Troubled Asset Relief Program" (TARP). Originally designed as a vehicle for purchasing and guaranteeing financial assets, the programme provides US\$700 billion which all US savings associations and banks are eligible to tap. This was followed by an additional infusion of government capital – in emulation of the UK model. Criticism of such comprehensive government assistance was addressed by the attachment of stringent conditions concerning, for example, participating banks' dividend policies, expanded regulation or the ban on "golden handshakes". In the light of recent experience, plans have been made to broadly replace the asset purchase programme with further recapitalisation programmes.

These rescue measures heralded the start of a series of additional economic relief programmes. The conclusions of the Council of EU economic and finance ministers (ECOFIN) of 7 October contain a commitment to pursue a coordinated approach designed to restore confidence in the financial sector. At the same time, they specified guidelines for national rescue measures which are mainly aimed at containing the risk of distortion in the level playing field and of abuse. Just one day later, Italy and the United Kingdom were the first EU countries to adopt rescue packages to protect their financial sectors. Since then, the

comprehensive UK package of measures has played an instrumental role as a model for all subsequently adopted stabilisation programmes. It encompasses not only the provision of short-term liquidity but also government guarantees and a strategy to recapitalise the banking system through the purchase of preference shares by the government.

At the international level, the joint action plan announced by the G7 countries on 10 October represents a coordinated basis for future action by the leading industrial nations. The support measures contained in this plan are to be designed to protect taxpayer interests and avoid any harmful effects for other countries. With this objective in mind, the G7 countries have committed to strengthen their cooperation.

On the basis of the EU guidelines and the G7 action plan, the heads of state or government of the euro area issued a declaration on 12 October in Paris calling for coordinated action by the European Union, euro-area governments, central banks and supervisors. The final document puts forward concrete measures to be implemented by the individual nations. These stabilisation packages should be designed in such a way that they do not distort competition. For this reason, the provision of government assistance must be priced at least in line with market conditions and accompanied by restructuring measures while also protecting the interests of taxpayers. These principles were endorsed by the Brussels European Council on 16 October and apply to all European Union countries.

Just one month later, on 15 November, the heads of state or government of the G20 countries, along with representatives of international organisations, met in Washington for a global financial summit. This culminated in the adoption of a five-part declaration outlining the root causes of the current crisis and listing actions to be taken immediately, reforms to avoid future crisis and a reaffirmation of the group's commitment to an open global economy. An appended action plan defines concrete actions for implementing these agreements, some of which are scheduled for completion by 31 March 2009.

## International action plans and declarations

Institution	Date	Principles
ECOFIN	7 October	<ul style="list-style-type: none"> <li>– Interventions should be timely and the support should in principle be temporary</li> <li>– Taxpayers' interests must be safeguarded</li> <li>– Existing shareholders should bear the due consequences of the interventions</li> <li>– Governments should be in a position to bring about a change of management</li> <li>– Management should not retain undue benefits</li> <li>– Legitimate interests of competitors must be protected</li> <li>– Negative spillover effects should be avoided</li> </ul>
G7	10 October	<ul style="list-style-type: none"> <li>– Support systemically important financial institutions</li> <li>– Unfreeze credit and money markets, and ensure that financial institutions have broad access to liquidity</li> <li>– Promote recapitalisation from public and private sources</li> <li>– Ensure that guarantee programmes are robust and consistent in order to maintain confidence in the banking system</li> <li>– Restart the secondary markets for mortgages and other securitised assets</li> <li>– Implement high quality accounting standards</li> </ul>
Summit of the euro-area countries	12 October	<ul style="list-style-type: none"> <li>– Ensure appropriate liquidity conditions for financial institutions</li> <li>– Facilitate the funding of banks</li> <li>– Allow for an efficient recapitalisation of distressed banks</li> <li>– Ensure sufficient flexibility in the implementation of accounting rules</li> <li>– Enhance the cooperation procedures among European countries</li> </ul>
G8	15 October	<ul style="list-style-type: none"> <li>– Reaffirmation of the G7 plan of action</li> <li>– Mitigation of the adverse impacts of the crisis on emerging market economies and developing countries</li> <li>– Strong support of the IMF's critical role in assisting affected countries</li> <li>– Commitment to open economies and well-regulated markets</li> <li>– Commitment to necessary reforms of the global financial markets</li> </ul>
European Council	16 October	<ul style="list-style-type: none"> <li>– Reaffirmation of the need to implement ECOFIN's EU roadmap</li> <li>– Establishment of an informal warning, information-exchange and evaluation mechanism for financial crisis situations ("financial crisis cell")</li> <li>– Increase in the transparency of existing commitments and risks</li> <li>– Strengthening of the supervision of the European financial sector, particularly cross-border groups</li> </ul>
G20 (Summit on financial markets and the world economy)	15 November	<ul style="list-style-type: none"> <li>– Unsound risk management practices, opaque financial products and macroeconomic imbalances are root causes of the current crisis</li> <li>– Stabilisation of financial markets and economic growth through national measures as well as IMF and World Bank emergency loans</li> <li>– Enhanced transparency and accountability; expansion of international bodies – including the Financial Stability Forum (FSF) – to a broader membership of emerging market economies</li> <li>– Request that Finance Ministers initiate processes to implement the action plan and formulate additional recommendations by 31 March 2009</li> <li>– Commitment to an open global economy with a regulatory policy framework</li> </ul>

## Government measures aimed at restoring financial market stability in the USA and the European Union (excluding central bank instruments)

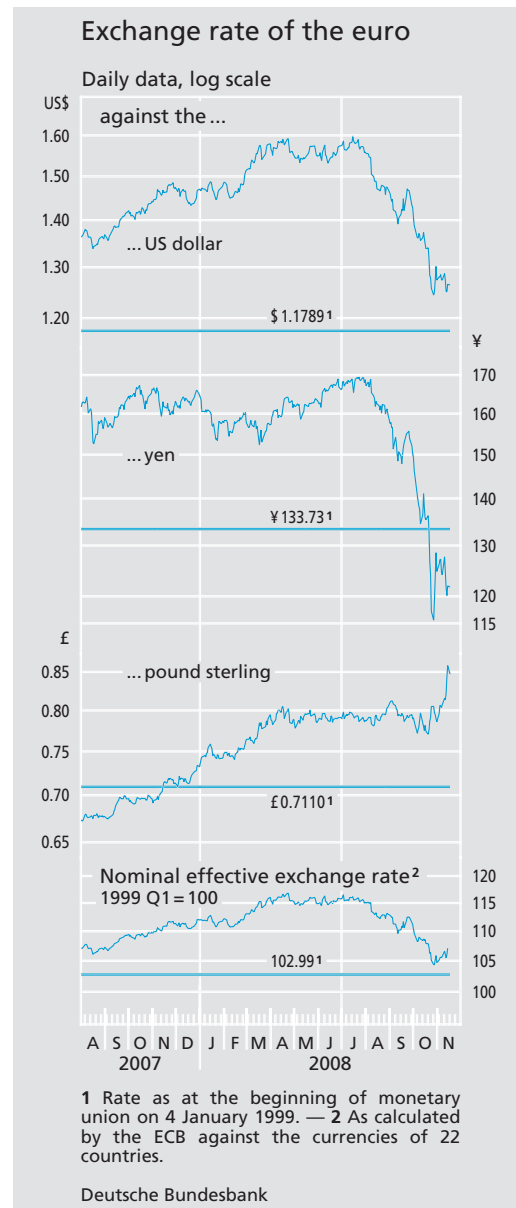
Country or group of countries	Measures adopted on	Measures
USA	3 October	<p><b>Recapitalisation</b> Directed at: – US savings associations and banks Implementation: – US\$125 billion in exchange for preference shares for eight big banks – US\$125 billion for smaller banks – Possible buyback of preference shares after three years</p> <p><b>Guarantees</b> Directed at: – Deposits: members of the US Federal Deposit Insurance Corporation (FDIC) – Others: see recapitalisation – Standard participation – Entities may explicitly opt out after 30 days Implementation: – Non-bank deposits up to US\$250,000 – Senior unsecured debt instruments</p> <p><b>Asset purchases</b> Directed at: – See recapitalisation Implementation: – Purchase of troubled assets – US\$450 billion (US\$700 billion from the Troubled Asset Relief Program (TARP) less US\$250 billion for recapitalisation measures) – Cutbacks in favour of additional recapitalisation measures are under consideration</p>
United Kingdom	8 October	<p><b>Recapitalisation</b> Directed at: – Systemically important banks subject to UK company law – Only one bank per banking group Implementation: – Tier 1 capital ratio of at least 9% – Decision to draw on government funds is voluntary – Individual arrangements – Eight major banks have committed to increase their tier 1 capital by an aggregate of £25 billion – Government injection totalling £37 billion in the form of ordinary shares and preference shares in three of these banks – Further £25 billion earmarked for smaller banks</p> <p><b>Guarantees</b> Directed at: – Participants in the recapitalisation programme Implementation: – Non-bank deposits – Senior unsecured debt instruments denominated in pound sterling, US dollars or euro – Case-by-case decisions on the approval of individual products – Up to £250 billion</p>
European Union (general guidelines)	National packages of measures since 8 October	<p><b>Recapitalisation</b> Directed at: – Entities determined by the individual member states – No discrimination against other member states' financial institutions Implementation: – Determined by the individual member states – Restricted to fundamentally healthy financial institutions</p> <p><b>Guarantees</b> Directed at: – See recapitalisation Implementation: – Retail deposits – Newly issued, short to medium-term senior debt instruments – No guarantees for interbank deposits</p> <p><b>Asset purchases</b> Directed at: – See recapitalisation Implementation: – Purchase or swap of high quality assets in exchange for government paper</p>

Deutsche Bundesbank

*Euro exchange rate development against the US dollar...*

nounced exchange rate volatility and a broad-based recovery of the US dollar. In this environment, the euro slipped visibly against the US dollar, after peaking at just under US\$1.60 in mid-July. A number of negative news reports about the economy increasingly darkened the euro-area growth outlook. This was reflected most notably in the contrast between the negative euro-area growth rates in the second quarter and the surprisingly robust growth in the USA. This led the markets to expect a narrowing of the interest rate differential between the two currency zones, thereby putting the euro under pressure. The visible fall in crude oil prices also contributed to the depreciation of the euro against the US dollar, since this tends to reduce the US need for capital imports to finance the stubbornly large US current account deficit, which is caused *inter alia* by considerable imports of oil. All in all, the euro briefly dipped below the US\$1.40 mark up until mid-September.

Subsequently, however, the financial market turmoil in the United States worsened when the US government had to pass a rescue package for its two major mortgage finance companies, a major investment bank became insolvent and a systemically relevant insurance firm needed to be rescued. These measures, and the attendant fears regarding the burdens these government measures would place on the budget, caused the euro to recover 6% in less than two weeks. At the turn of the month, however, tensions in the financial markets spilled over to this side of the Atlantic as several European banks ran into difficulties. Government aid measures were necessary in various euro-area and EU countries.



Against this backdrop, the euro came under renewed pressure against the US dollar in October. Despite having appreciated in the first half of the year, the euro was, at US\$1.27, trading 14% below its level at the beginning of the year as this report went to press.

In similar fashion, the euro fell almost continuously against the Japanese yen during the reporting period, after peaking at ¥170 in

*... against the yen ...*



July. The economic outlook was growing visibly gloomier in Japan, too. However, as interest rates there were already low, this initially did not lead to rate cut expectations as it had in the other key currency areas. This assessment was confirmed in early October when the major central banks – with the exception of Japan – cut their interest rates by ½ percentage point in a concerted move. Market expectations that interest rate differentials would continue to narrow, as well as investors' heightened risk aversion, put pressure on the euro's rate against the yen. The exceptionally high exchange rate volatility and the change in exchange rate trends caused foreign currency investments financed in yen (such as carry trades) to appear increasingly risky. Moreover, the yen benefited from the fact that Japanese banks are less affected by

the US mortgage crisis than other institutions. After a comment on the yen by the G7 finance ministers and central bank governors and the subsequent unexpected interest rate cut by the Bank of Japan, the euro temporarily recovered some ground against the Japanese currency at the end of October. At last report, it was trading at ¥122, ie 26% lower than at the beginning of the year.

In the past few months, despite fluctuations, the euro posted net gains against the pound sterling. In the UK, too, there have been mounting signs of an economic downturn since August. In addition, the United Kingdom has been particularly hard hit by the crisis in the financial sector owing to the problems in the real estate markets and the relatively large size of its financial sector. This en-

*... and against the pound sterling*

abled the euro to rise against the pound sterling up until early September. However, high UK inflation subsequently prevented expectations of interest rate cuts from emerging. This development, along with the onset of problems afflicting financial institutions in the euro area, then put pressure on the euro. It was only when, in October, the market came to believe that the Bank of England and the UK government were giving the problem of combating slumping growth top priority, that expectations of interest rate cuts became entrenched in the UK, which resulted in the euro posting renewed gains. Following the sharp reduction in interest rates and the publication of the inflation report by the Bank of England in early November, the euro hit a new peak of £0.86 and ended the reporting period at £0.84, 15% higher than at the beginning of the year.

*The effective exchange rate of the euro and the German economy's price competitiveness*

The euro's average rate against the currencies of 22 key trading partners has thus fallen 4½% since the beginning of the year and 8½% from its second-quarter peak. The weaker euro is helping improve the German economy's price competitiveness, as is the comparatively moderate cost development in Germany, and is thus *per se* having a stabilising effect on German economic activity.

### Securities markets and portfolio transactions

*International bond markets*

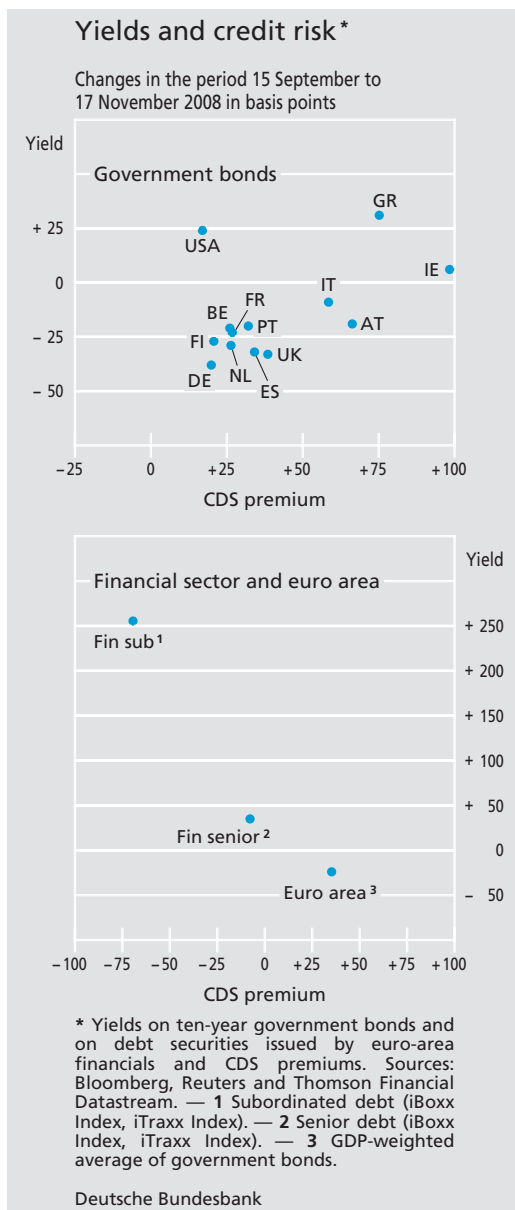
Since the middle of the year, bond markets have likewise been feeling the effects of the worsening financial market crisis and the perceptibly gloomier economic outlook. In a

highly jittery environment, uncertainty about subsequent yield trends on either side of the Atlantic temporarily reached new highs.<sup>1</sup> Yields on ten-year European government bonds have fallen by a total of ¾ percentage point to just over 4% since the end of June, while similar US instruments were, on balance, trading slightly lower, at around 3¾%, as this report went to press. The effects on government bond yields of financial market turbulence and the various government rescue packages are apparently going in opposite directions. On the one hand, investors in search of a safe haven bought heavily into government bonds, especially in the light of considerable share price losses; this tended to reduce bond yields. On the other hand, the potential budgetary pressure imposed by the rescue measures and the attendant fears concerning future recourse to the capital market may well have pushed up yields. In the short-term segment, in particular, slightly more favourable inflation expectations, not least because of the considerable drop in oil prices, and the latest interest rate cuts by the major central banks caused a drop in yields.

Federal bonds (Bunds), which have seen their yields in the ten-year segment fall by just under 1 percentage point since the second quarter, were the main beneficiaries of portfolio shifts to liquid and safe assets. The brisk demand for German government instruments was also reflected in the yield development relative to bonds issued by other euro-area countries. The GDP-weighted yield advantage

*Uneven yield movements in the euro area*

<sup>1</sup> As measured by the implied volatility of options on the Bund future and T-note future with a constant maturity of three months.



of German bonds over other euro-area bonds temporarily reached around  $\frac{3}{4}$  percentage point, a new all-time high since the launch of monetary union. Since the second quarter, Greece and Ireland in particular have seen spreads widen more than other euro-area nations. For one, this reflects differences in the liquidity of various euro-area countries' bonds, as is also mirrored in the bid-ask spreads on bonds. At least for the most recent-

ly issued government bonds, these are usually very narrow. During the reporting period, Bunds had the highest liquidity throughout the euro area. For another, the heterogeneous development of risk premiums – measured in terms of credit default swaps (CDSs) – also plays a role.<sup>2</sup> Whereas the premiums on five-year contracts for German government bonds have risen by 20 basis points since mid-September, other euro-area countries have seen theirs rise much more sharply, by up to 84 basis points (see adjacent chart). Unlike the rise in CDS premiums on government bonds, the premiums on bank debt securities – especially subordinated debt – have fallen owing to the guarantees given by the government. This demonstrates that the government rescue packages have transferred a considerable volume of risk from the financial sector to the government sector.

The term structure of Federal bonds reflects the various influences in the bond market more broadly than the yields on long-term bonds. Growing concerns about the economy over the course of the third quarter led to a temporary inversion in the medium-term maturity segment. At last report, investors' flight to safe government-issued instruments as well as falling short-term inflation expectations, the Eurosystem's latest interest-rate cuts and changes in market participants' expectations regarding the future monetary policy stance have put downward pressure on yields, especially those at the short end of the interest rate spectrum. All things considered, two-year yields have fallen by just over  $2\frac{1}{4}$

*Yield curve*

<sup>2</sup> In general terms, CDS premiums can be understood as the cost of insuring a bond.



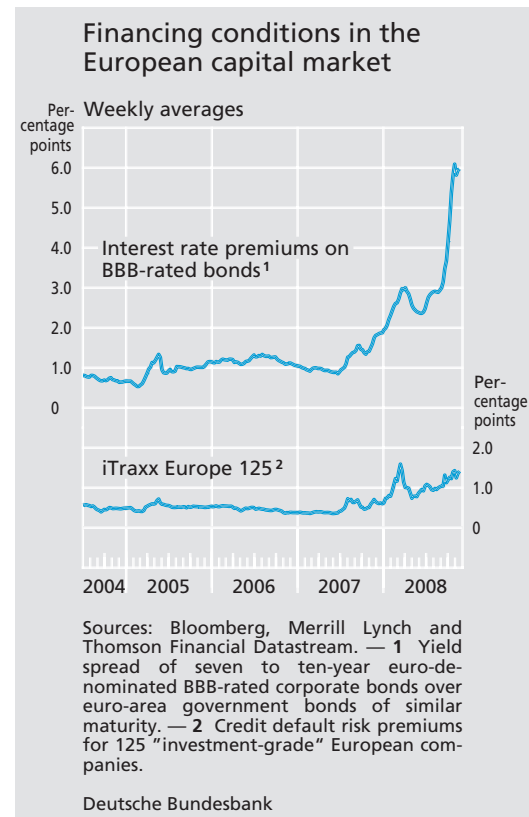
percentage points to 2½% since the end of June. This means that the slope of the yield curve, expressed as the difference between two-year and ten-year yields, has risen to just under 1¾ percentage points.

*Financing conditions worsened*

Despite falling government bond yields, firms' financing conditions in the capital market have worsened dramatically since mid-2008, not least owing to the collapse in share prices. In the euro-area bond markets, moreover, the yield gap between bonds still rated investment grade (BBB) and government bonds reached a new high of over 600 basis points, in line with trends in the United States. This rise probably reflects the gloomier economic outlook and fears that banks will implement tighter lending standards. In addition, financial market players are currently fairly risk averse, which must also be seen against the backdrop of the failure of a major investment bank and the problems encountered by a notable insurance company. In addition, the liquidity of corporate bonds has apparently diminished, which is likewise causing yields to rise. This is indicated by the comparatively small rise in the iTraxx indices, which reflect default risk. Still, the index for CDS premiums of various European investment-grade issuers (iTraxx Europe) almost hit its historic high, whereas the index for lower-grade issuers (iTraxx Europe Cross-over) significantly surpassed its previous all-time high.

*Issuing activity in bond market remains lively*

Only in some areas of the German bond market was issuing activity marked by the increased uncertainty in the financial markets. Gross sales of debt securities issued by resi-



dents rose to a record high of €417½ billion in the third quarter of 2008 after having already peaked in each of the two preceding quarters. After taking into account the slight period-on-period decline in redemptions and changes in holdings of issuers' own bonds and notes, domestic issuers tapped the capital market for €37 billion net. By contrast, German investors reduced their holdings of debt securities issued by non-residents by the record amount of €18 billion. In the first half of 2008, non-residents were still able to sell €57 billion worth of bonds. The total amount of funds raised from sales of domestic and foreign debt securities in the third quarter was €19 billion, compared with €25½ billion in the preceding quarter.

*Low issuance  
by the public  
sector ...*

The public sector increased its borrowing in the bond market by €4½ billion from July to September and thus by about the same magnitude as in the first two quarters of 2008. Whereas the state governments' recourse to the capital market, at €5½ billion, was up on the preceding three-month period, the Federal Government reduced its market debt slightly by €1 billion net after having issued a net €½ billion worth of debt securities in the preceding period. The Federal Government redeemed, in particular, ten-year Bunds (€14 billion) but also, to a lesser extent, two-year Federal Treasury notes (Schätze) and Federal savings notes for a combined total of €1 billion. By contrast, it issued €3½ billion worth of 30-year bonds, €7 billion worth of medium-term Bobls and €3 billion worth of short-term Bubills. Also, it generated €½ billion from the first-time sale of "day-bonds" for private investors.

*... and by credit  
institutions*

German credit institutions sold €1 billion net of their own bonds and money market paper in the July to September period. Since July 2007, however, they have reduced their outstanding capital market debt by a total of €16 billion. During the quarter under review, they redeemed public Pfandbriefe amounting to €13½ billion net and thus confirmed a trend that has been in evidence for years and is attributable largely to a drop in financing requirements and the public sector's growing propensity to go straight to the bond market for funds. In the current year alone, the volume of public Pfandbriefe outstanding thus fell by €38½ billion. Net funds from the issuance of mortgage Pfandbriefe, by contrast, were positive in the third quarter (€3 billion).

Other bank debt securities,<sup>3</sup> which can be structured flexibly, were issued to a total amount of €11 billion, the highest quarterly figure since the outbreak of the crisis. Sales of specialised credit institutions' debt securities, by contrast, were down distinctly on the quarter (€½ billion following €14 billion).

Domestic enterprises tapped the bond market for a net €31½ billion during the quarter under review, almost all of which involved the issuance of longer-term instruments. The main reason why this figure is exceptionally high lies in a substantial securitisation transaction effected with the help of a domestic special-purpose vehicle. By contrast, the amount of short-term instruments outstanding did not rise noticeably.

In the third quarter of 2008, non-resident investors were the main buyers of debt securities, as they have been virtually without interruption since July 2007, adding a total of €35½ billion worth of debt instruments to their portfolios. Debt securities issued by the private sector accounted for around one-fifth of this figure. However, some of these cross-border transactions represent certificates and warrants created in Germany which were sold *en bloc* to affiliated companies abroad and held there, in most cases, until maturity. Ultimately, only a fraction of documented purchases by private investors are transacted outside the banking sector, the real target

*Net issuance  
of corporate  
bonds*

*Purchase of  
debt securities*

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<sup>3</sup> These "other bank debt securities" include, for instance, the "uncovered" debt securities issued by mortgage banks, bearer debt securities and commercial paper issued by credit institutions, and certificates.

group for these products.<sup>4</sup> German investors, by contrast, were net sellers of interest-bearing securities. As in the preceding quarters, sales were attributable exclusively to domestic non-banks, who sold €21 billion worth net of debt securities.<sup>5</sup> Domestic credit institutions, by contrast, increased their bond market exposure by €4½ billion. They sold €12 billion worth of public-sector debt securities and purchased €25½ billion worth of corporate bonds, attributable mostly to the aforementioned substantial securitisation transaction.

*Plummeting  
stock prices in  
September and  
October*

In July and August, stock price movements on both sides of the Atlantic started out relatively moderate. Despite worries about the stability of the financial sector and growing scepticism about the state of the economy, market participants greeted the announcement by the US government of aid measures for the two largest US real estate finance companies with a certain feeling of confidence, especially given falling oil prices and the positive quarterly figures presented by some US banks. However, in September, in the light of the insolvency of a major US investment bank and the danger of a collapse of other financial institutions, this confidence gave way to growing global concerns about the overall state of the financial sector. European financial stock prices have subsequently dropped by more than 30% again after having already lost more than a quarter of their value between May and mid-July of this year. At the same time, stock price uncertainty – as measured by the implied volatility of stock options – peaked anew in major markets, surpassing the previous all-time high it reached in 2002.

### Investment activity in the German securities markets

€ billion			
Item	2007	2008	
	Q3	Q2	Q3
<b>Debt securities</b>			
Residents	- 85.4	- 32.8	- 16.8
Credit institutions	- 0.2	33.3	4.4
of which			
Foreign debt securities	13.8	20.5	- 8.4
Non-banks	- 85.2	- 66.2	- 21.1
of which			
Domestic debt securities	- 75.8	- 69.9	- 11.5
Non-residents	52.1	58.1	35.6
<b>Shares</b>			
Residents	- 18.3	39.8	18.4
Credit institutions	- 4.0	- 14.3	2.6
of which			
Domestic shares	- 2.8	- 3.3	1.9
Non-banks	- 14.3	54.1	15.8
of which			
Domestic shares	0.8	51.4	15.6
Non-residents	3.0	- 46.7	- 12.0
<b>Mutual fund shares</b>			
Investment in specialised funds	- 1.2	2.8	7.3
Investment in funds open to the general public	- 6.9	1.2	- 2.9
of which: Share-based funds	- 2.5	1.1	- 1.2

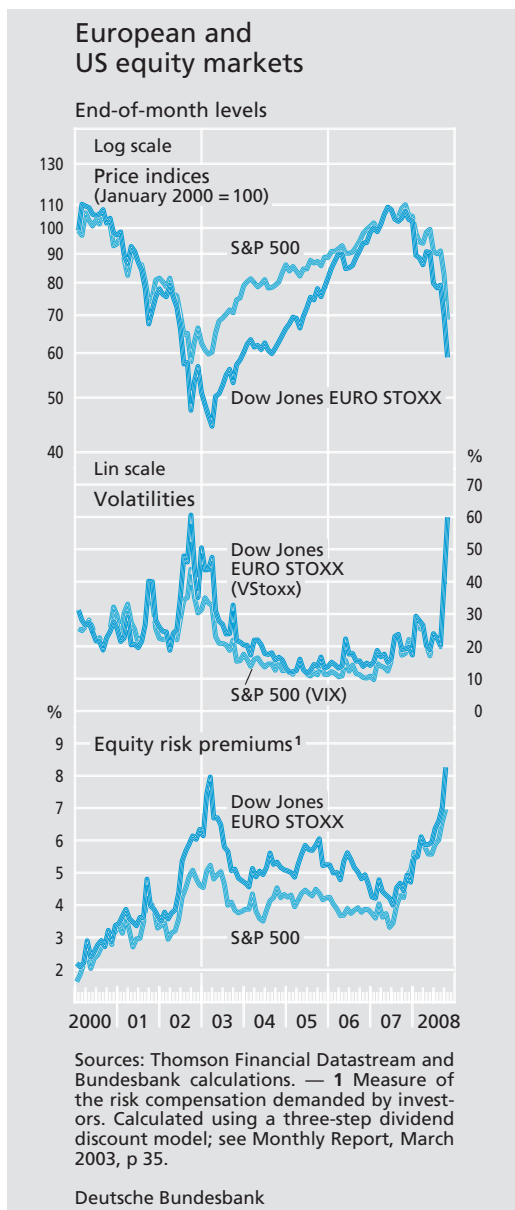
The growing jitteriness was accompanied by a further decline in risk appetite, which ultimately spread to the entire stock market.

The adopted government rescue packages for the financial sector were very slow to take hold in the stock markets, as their implementation is a time-consuming process and the overall outlook continued to cloud over. According to Consensus Economics surveys, growth expectations for the key economies have been revised downwards by 1½ to 2 percentage points between July and November. Since the beginning of the year, prices – as

*Rescue  
measures  
created  
tentative calm  
in stock  
markets*

<sup>4</sup> For more details, see Deutsche Bundesbank, German balance of payments in 2007, Monthly Report, March 2008, pp 26-27.

<sup>5</sup> The purchase of securities by German non-banks is a statistical residual and therefore subject to a high degree of uncertainty.



Stock market valuations down worldwide

measured by the broad stock price indices – have fallen by 42% and 47% respectively in the USA and the euro area, with Japanese shares trading, at last report, around 44% lower than at the beginning of the year. However, twelve-months-ahead earnings expectations were scaled back much less drastically than stock prices collapsed.<sup>6</sup> As a result, the price-earnings ratio based on expected earnings for European and US shares fell sharply

to 7.4 and 9.8 respectively in October. These lows reflect the fact that the equity risk premium has now reached a record high.

Issuing activity in the domestic stock market picked up somewhat in the third quarter compared with the two preceding quarters. Domestic enterprises issued €5½ billion worth of new shares, the vast majority of which were listed equities (€4 billion). Sales of foreign stocks on the German market were somewhat lower (€1 billion). Net purchasers of stocks in the third quarter included resident non-banks (€16 billion) as well as, to a lesser extent, domestic credit institutions (€2½ billion). Both groups purchased domestic instruments to the virtual exclusion of foreign stocks. By contrast, non-resident investors reduced their holdings of German stocks by a total of €12 billion.<sup>7</sup>

Stock market funding and stock purchases

In the third quarter, domestic investment companies recorded inflows of funds amounting to €4½ billion, following €4 billion in the preceding three-month period. The inflows were channelled solely into specialised funds reserved for institutional investors (€7½ billion); by contrast, funds open to the general public were confronted with outflows amounting to €3 billion. In the case of mutual funds, fund units were redeemed in particular by bond-based funds (€3½ billion), followed by money market funds (€1½ billion) and equity-based funds (€1 billion). By contrast,

Sales and purchases of mutual fund shares

<sup>6</sup> Even in previous downturn periods – most recently after the bursting of the New Economy bubble – analysts were slow to revise their estimates for corporate earnings downwards. However, earnings expectations for financial sector companies, in particular, have fallen disproportionately since the beginning of the year.

<sup>7</sup> For more details on foreign direct investment, see p 45.

open-ended real estate funds (€1½ billion), funds of funds, mixed funds and mixed securities-based funds (each €½ billion) recorded inflows. Foreign investment funds also registered inflows from German investors, albeit modest in volume (€1½ billion). In the third quarter, mutual fund shares were purchased exclusively by domestic non-banks (€9½ billion), which chiefly added mutual fund shares issued by domestic investment companies to their portfolios (€8 billion). Domestic credit institutions and foreign investors, by contrast, disposed of, on balance, €1½ billion and €2 billion worth of mutual fund shares respectively.

### Foreign direct investment

In the third quarter, foreign direct investment resulted in net capital exports amounting to just under €10½ billion. Capital outflows thus stood well below their second-quarter level (€30½ billion).

*Germany's  
outward  
foreign direct  
investment*

German proprietors provided €11½ billion worth of additional funds to their affiliated enterprises abroad during the period under review, as against €36½ billion in the preceding three-month period. They thereby increased their direct capital stakes in their foreign branches by just under €8 billion. This also included a significant boost to a stake in a Swedish motor vehicle manufacturer. In addition, foreign affiliates' reinvested earnings (€11 billion) played a significant role. By contrast, intragroup loans led to net capital imports (€7 billion).

### Major items of the balance of payments

€ billion			
Item	2007	2008	
	Q3	Q2	Q3
I Current account 1,2	+ 41.8	+ 42.0	+ 34.5
Foreign trade 1,3	+ 50.2	+ 53.0	+ 39.3
Services 1	- 9.7	- 3.7	- 7.8
Income 1	+ 13.0	- 0.3	+ 13.0
Current transfers 1	- 9.0	- 4.3	- 7.9
II Capital transfers 1,4	+ 0.3	+ 0.3	- 0.3
III Financial account 1 (Net capital exports: -)	- 22.2	- 81.4	- 16.4
1 Foreign direct investment	- 16.9	- 30.4	- 10.3
German investment abroad	- 35.6	- 36.3	- 11.7
Foreign investment in Germany	+ 18.7	+ 5.9	+ 1.4
2 Portfolio investment	+ 47.8	- 4.5	+ 39.0
German investment abroad	- 2.0	- 17.0	+ 17.8
Shares	+ 5.1	+ 12.4	+ 1.2
Mutual fund shares	- 2.6	- 5.2	- 1.5
Debt securities	- 4.5	- 24.2	+ 18.1
Bonds and notes 5	+ 1.6	- 21.9	+ 12.3
of which Euro-denominated bonds and notes	+ 8.6	- 23.1	+ 11.5
Money market instruments	- 6.1	- 2.4	+ 5.8
Foreign investment in Germany	+ 49.8	+ 12.5	+ 21.2
Shares	- 3.1	- 46.1	- 12.4
Mutual fund shares	+ 0.8	+ 0.5	- 2.0
Debt securities	+ 52.1	+ 58.1	+ 35.6
Bonds and notes 5	+ 32.7	+ 47.5	+ 22.7
of which Public bonds and notes	+ 3.6	+ 25.2	+ 24.4
Money market instruments	+ 19.3	+ 10.6	+ 12.9
3 Financial derivatives 6	- 27.0	- 15.1	+ 3.0
4 Other investment 7	- 25.8	- 30.5	- 49.7
Monetary financial institutions 8	- 24.7	- 27.8	- 36.3
of which: short-term	+ 10.3	+ 20.0	+ 7.0
Enterprises and households	- 1.7	+ 8.7	- 25.1
of which: short-term	+ 1.0	+ 12.9	- 17.2
General government	+ 28.5	- 1.5	+ 13.2
of which: short-term	+ 29.1	- 1.1	+ 13.4
Bundesbank	- 27.9	- 9.9	- 1.4
5 Change in reserve assets at transaction values (increase: -) 9	- 0.3	- 0.9	+ 1.6
IV Errors and omissions	- 19.9	+ 39.1	- 17.8

1 Balance. — 2 Including supplementary trade items. — 3 Special trade according to the official foreign trade statistics (source: Federal Statistical Office). From January 2007, excluding supplies of goods for/after repair/maintenance, which, up to December 2006, were deducted via the supplementary foreign trade items. — 4 Including the acquisition/disposal of non-produced non-financial assets. — 5 Original maturity of more than one year. — 6 Securitised and non-securitised options as well as financial futures contracts. — 7 Includes financial and trade credits, bank deposits and other assets. — 8 Excluding the Bundesbank. — 9 Excluding allocation of SDRs and excluding changes due to value adjustments.

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*Inward foreign  
direct invest-  
ment in  
Germany*

The funding of foreign enterprises' German affiliates was up by €1½ billion in the third quarter. This was mostly accomplished via re-invested earnings, whereas equity capital was

increased only marginally. Parent companies had expanded their activity in Germany by as much as €6 billion during the previous period.

## Economic conditions in Germany

### Macroeconomic situation

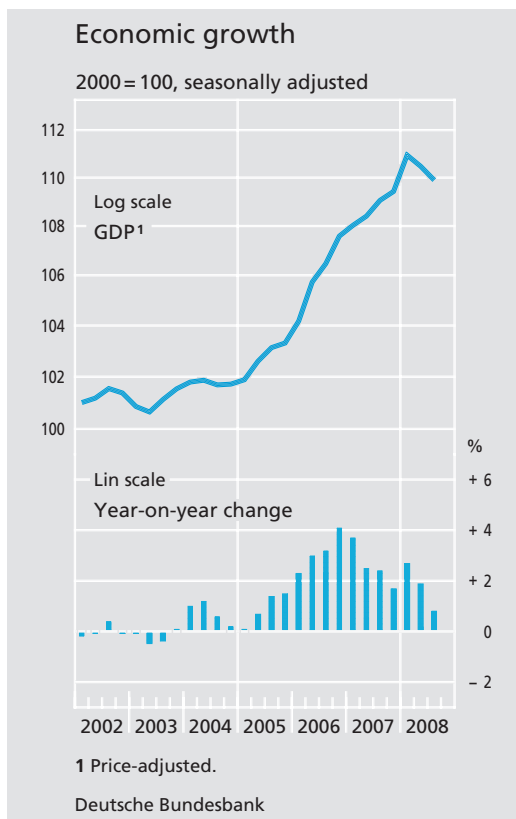
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The rapid cooling of the world economy and the fact that underlying sentiment domestically is increasingly being characterised by caution and restraint have been placing a growing strain on the German economy since the middle of this year. According to the Federal Statistical Office's flash estimate, seasonally and calendar-adjusted real gross domestic product (GDP) in the third quarter was 0.5% down on the quarter. Year-on-year growth was 0.8% in calendar-adjusted terms, compared with 1.9% in the preceding three-month period. This already takes into account the fact that the figure for the first half of the year was revised upwards slightly. While overall economic output in the first half of 2008 – with the exception of some weather-related special factors – had almost kept pace with production potential, overall capacity utilisation has now shown a marked decline. Across all sectors, however, activity is likely to have remained in the area of normal capacity utilisation. Nevertheless, a further perceptible slowdown appears likely in the fourth quarter.

*Marked cooling  
of economic  
activity*

The German economy has been subject to considerable external pressure since the third quarter. Manufacturing was especially hard hit by this; the quite sharp cyclical downturn in some major sales markets meant that this sector failed to gain any new stimuli. With this in mind, enterprises made initial revisions to their investment plans and employment arrangements, which had been reasonably clear-cut hitherto. During the reporting period, there were no major signs of the

*Considerable  
external  
pressure,  
continuing  
disruptive  
factors on the  
domestic side*



financial market crisis having a major dampening effect on the German economy in the shape of more restrictive lending by domestic banks. Consumer confidence was still considerably impaired, not least because there was little sign of any price-related easing of pressure on purchasing power since July despite the massive price adjustment in the international oil markets. Nevertheless, consumers are likely to have used the comparatively favourable purchase prices to restock their oil inventories before the start of the winter heating period. Enterprises, too, probably took advantage of the easing in the energy and commodity markets to stock up with inputs and intermediary products.

Since most industrial raw materials as well as energy come from abroad, there was a very

sharp increase in imports in the third quarter. In real terms, there is likely to have been a seasonally adjusted 3½% growth in imports of goods compared with the second quarter. In purely nominal terms, foreign trade is also likely to have clearly dampened the GDP result for the third quarter owing to a seasonally adjusted fall of approximately ¾% in the total volume of German exports of goods during the same period following a moderate decline in the second quarter. The fact that export activity has been providing no stimulus since the second quarter is also due to the high degree of co-movement in the globalised economy. This meant that it was increasingly difficult to offset the trend decline in business activity with US and UK customers that had prevailed for some time.

*Strong import growth, declining exports*

Export-oriented industry, having expanded very strongly in the past few years as a result of the global upswing, has recently been behaving somewhat more cautiously owing to the marked decline in demand for exports. Given the first noticeable cuts in capacity utilisation, there was no longer any immediate necessity to step up fixed capital formation, especially as there will – as usual – have been a time lag before many newly acquired machines and equipment achieved their full capacity effect in the current production process. From a cyclical point of view, industrial investment is, in any case, likely to have entered a mature stage. This is also revealed by the fact that the corporate sector investment ratio (ie the share of new machinery and equipment as well as of newly constructed production facilities and office buildings in value added) in the first half of 2008 reached a level

*Corporate investment at a cyclically mature stage*

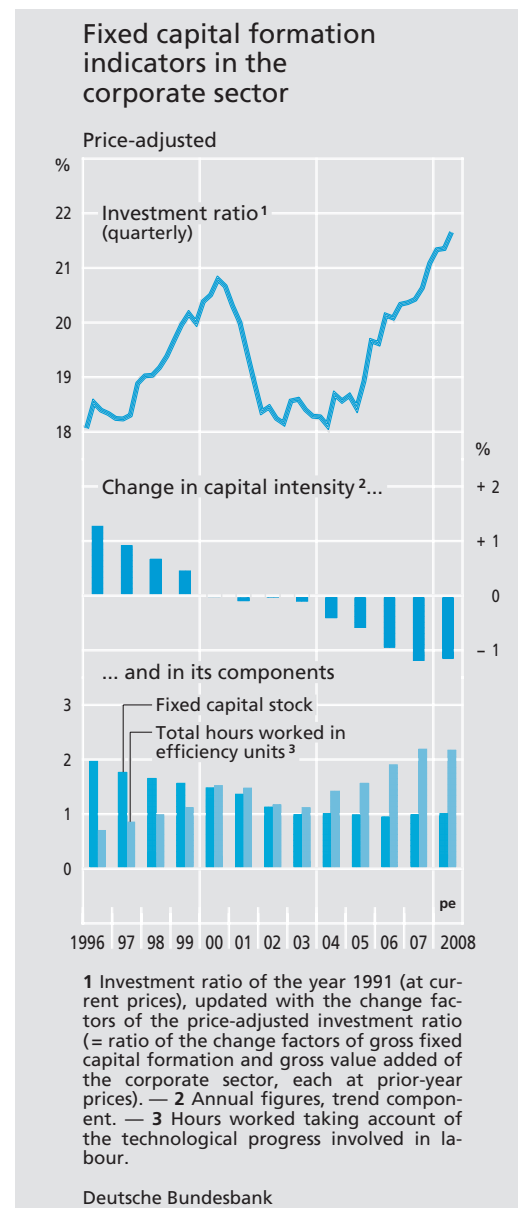


matched only by the peaks of the last two investment cycles shortly after German reunification and in the year 2000. From a structural point of view, there is nevertheless indeed a continuing need to expand the capital stock in the corporate sector. This is because there has been a gradual decline in capital intensity in the past few years, not least as a result of the expansionary practice in recruitment. This, in itself, has dampened the trend in labour productivity, which means there is a need to focus more on projects that boost productivity.

This scenario is largely consistent with the autumn survey of the German Chamber of Industry and Commerce (DIHK). The results of this show that the surveyed enterprises have made a comparatively moderate adjustment to their plans for investment and employment despite a quite strong downturn in business and export expectations. In the third quarter, deliveries of machinery and equipment were still at quite a high level, not least owing to investment decisions taken earlier. By contrast, industrial construction investment in the reporting period is likely to have roughly matched the average volume achieved in the first half of 2008.

*Households' activity characterised by restraint*

Households were faced with diverging factors after mid-year. Above all, the abrupt reversal in crude oil prices is likely to have relieved consumers of the concern that their disposable income would be increasingly limited by disproportionately large rises in heating costs and spending on fuel. Against this backdrop, private consumption was probably able to stabilise in the summer months following



severe price-related setbacks in the first half of the year. Given the continuing positive trend in the labour market and higher wage growth, the weak underlying trend in real consumer spending together with the depressed propensity to purchase is nevertheless an indication of the fact that consumer confidence in Germany is still fragile. This uncertainty, which became more widespread as a result of the escalation of the crisis in the

**Foreign trade by region and category of goods**
**Percentage change**

Item	Average of July-Aug 2008 compared with			
	2008 Q2 seasonally adjusted		July-Aug 2007 unadjusted figures	
	Ex-ports	Im-ports	Ex-ports	Im-ports
<b>Total</b>	-0.2	5.0	2.6	9.3
<b>Countries or group of countries</b>				
Euro-area countries	0.1	5.4	2.1	9.9
Other EU countries	1.1	-2.2	3.6	6.2
<i>of which</i>				
New member states <sup>1</sup>	2.3	2.1	9.2	7.6
United States of America	-3.4	5.5	-9.8	3.9
Russian Federation	0.0	24.2	12.4	42.4
Japan	-6.5	3.2	-5.4	-6.2
South-East Asian emerging economies <sup>2</sup>	1.0	3.5	5.3	-11.3
China	-7.1	13.3	9.5	5.1
OPEC countries	-2.4	3.4	9.6	32.4
<b>Categories of goods</b>				
<b>Main categories</b>				
Intermediate goods	-1.4	2.0	-0.1	-0.5
Capital goods	-2.2	4.9	-4.4	-3.3
Consumer goods	5.0	3.9	4.9	-1.6
Energy	.	18.4	.	59.6
<b>Selected categories</b>				
Chemicals	7.6	5.7	9.1	1.5
Machinery	-1.9	0.8	0.3	-1.1
Motor vehicles and motor vehicle parts	-5.2	-3.7	-10.6	-9.3
IT products	-0.8	8.6	-10.4	-6.3
Metals and metal products	-1.9	0.9	0.5	0.0

<sup>1</sup> Excluding Slovenia, Cyprus and Malta, which now belong to the euro area. — <sup>2</sup> Hong Kong, Singapore, South Korea, Taiwan, Brunei Daressalam, Indonesia, Malaysia, Philippines, Thailand.

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international financial markets, is evidently reducing the willingness to purchase goods which considerably restrict consumers' financial scope or which entail payment obligations in the future. This mainly affects sales of motor vehicles, with the reluctance to purchase being reinforced by the political debate on a reform of motor vehicle tax in Germany and by European Commission plans to tighten climate protection provisions. Moreover, uncertain income prospects and rising construction costs are weighing down demand for new housing. In line with this, owing to the weak underlying trend in new housing construction, residential investment in the third quarter is hardly likely to have been any higher in seasonally adjusted terms than in the preceding quarter.

**Sectoral trends**

Despite a marked fall in demand since the beginning of the year, industry reduced its volume of production comparatively moderately in the third quarter – as it had done in the second quarter. Output in the third quarter was 1¼% down on the quarter in seasonally adjusted terms, with output in the second quarter being 1% down on its peak in the first quarter. This means that the cyclical decline has been rather moderate in industry so far. This is also shown by the fact that output between April and September 2008 as a whole was slightly higher than in the second half of 2007. The calendar-adjusted figure was ¼% up on the year in the third quarter. The main reason why industry has been able to keep its output at quite a high level up to

*Sluggish industrial activity*

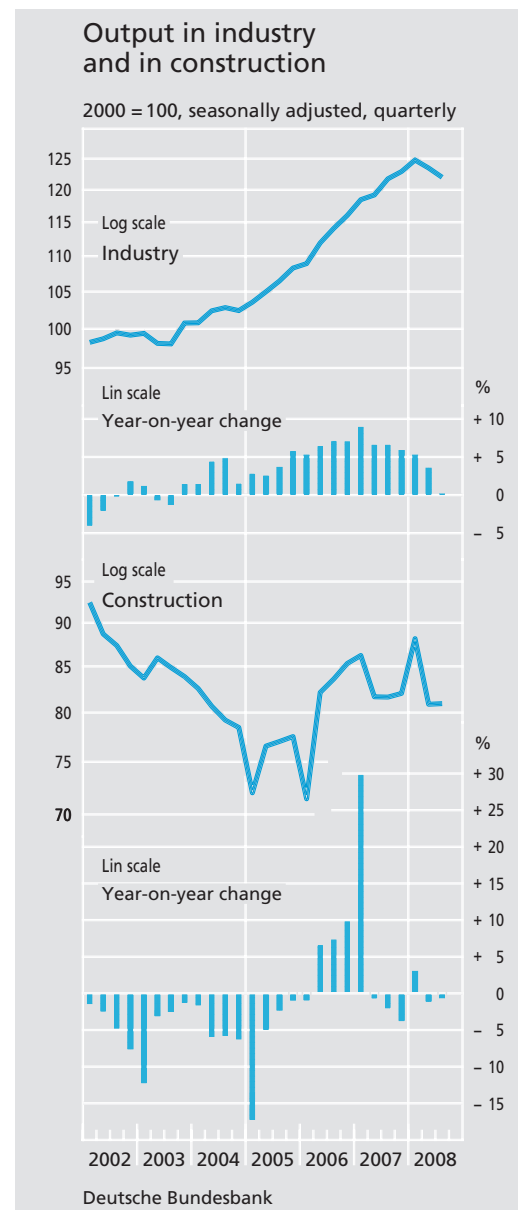
now is that the expansion of production capacity between 2005 and 2007 failed to keep pace with the very sharp growth in orders. This led to the formation of a stock of orders which is now being completed. Furthermore, a large number of major projects were commissioned at the turn of 2007-08 and, naturally enough, the time taken to process them stretches over a number of months.

*Declining capacity utilisation*

Accordingly, industrial capacity utilisation up to the end of the period under review was higher than average, even though utilisation, according to the Ifo Institute, showed a noticeable decline in October for the first time in two years. This decline was due mainly to a cutback in production by manufacturers of capital goods. Nevertheless, utilisation in this sector is still far above the longer-term average. Despite moderate losses, the intermediate goods industry was reporting above-average capacity utilisation up to the end of the period under review, while free capacity was becoming apparent in the consumer goods sector in some cases.

*Sideways movement in construction activity at a low level*

Construction output stabilised at a low level in the third quarter in seasonally adjusted terms. This followed a sharp decline in the second quarter, which was a technical reaction to the weather-related buoyant construction activity in the winter months. In 2008, construction's performance was better with regard to existing stock than in new construction activity – a trend that has been observable for a number of years now. Seasonally adjusted hours worked in the finishing trades in the first half of 2008 showed an increase of almost 6% on the second half of 2007. By



contrast, total hours worked in construction, which includes structural work on housing, virtually stagnated in the same period.

In the third quarter, commercial enterprises' activity is likely to have picked up noticeably from the setback in the preceding three-month period. Seasonally adjusted retail sales between June and September were largely unchanged in real terms, but the wholesale

*Services affected by production sector*

trade was able to expand its business perceptibly during the reporting period. The trend slowdown in the production sector is likely to have affected at least some areas of business-related services. According to the Ifo data, the business confidence of the surveyed services firms showed a further deterioration in the third quarter. Temporary work agencies, which have benefited considerably from the upturn in the labour market over the past few years, were not the only subsector to revise their expectations downwards. According to the survey conducted by Creditreform and the Centre for European Economic Research (ZEW), providers of IT and communications services also reported lower turnover in the third quarter.

## Employment and unemployment

*Further fall in unemployment*

The labour market has held up quite well overall against the backdrop of the economic downturn. By the end of October, unemployment had declined fairly steadily to a seasonally adjusted figure of 3.15 million. The unemployment rate fell from 7.8% in mid-2008 to 7.5%. This figure reflects the fact that alleviating demographic factors and statistical revisions more or less offset each other. (According to the estimates of the Institute for Employment Research (IAB) in Nuremberg, the labour force is declining slightly in 2008, while, since the beginning of the year, unemployed persons aged 58 and over have been included in the official figure again and are no longer counted as part of the "hidden reserve".) Roughly 70% of the decline in unemployment was accounted for by job seek-

ers receiving the basic welfare allowance. This means that the (net) exit rate from unemployment among this group of persons – who more often lack certain training and skills, have been unemployed for a lengthy period of time, and typically have major gaps in their work history – was just as high as for those persons receiving unemployment benefits under the statutory insurance scheme.

According to initial estimates by the Federal Statistical Office, employment, too, showed a further increase up to September, being 0.3% up on the June level. There was a similarly sharp growth on a quarterly average, and the figure for the second quarter was 1.5% up on the year. Although employment growth in industry came to a halt, and the decline continued in the construction sector, there was a further increase in staffing levels in the services sector. Employment creation measures accounted for a growing part of the increase. One factor in the still positive overall trend in employment is that the economic outlook did not start to become significantly gloomier until October. However, the continuing high level of vacancies (a seasonally adjusted 572,000 vacancies were registered with the labour exchanges in mid-October) and the long vacancy periods (in October, positions reported as having been filled had been vacant for an average of 64 days) indicate a considerable unsatisfied demand for labour as well as difficulties in recruitment. (See the explanatory notes on pages 54-55 concerning the labour market

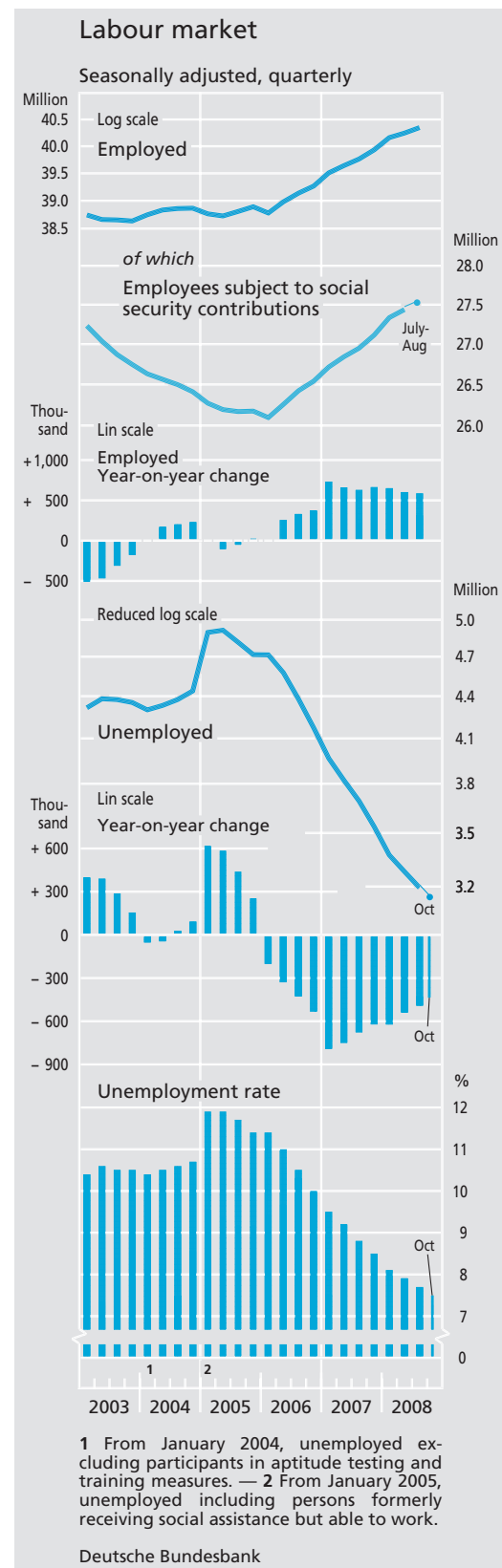
*Employment, too, still positive*

matching process.)<sup>1</sup> A cyclically induced moderate increase in the number of jobseekers is therefore not necessarily reflected fully in higher unemployment figures provided the jobseekers match the vacancies' job profile and are sufficiently mobile.

*Adjustment to the changed economic situation*

Between the start of the year and August (more recent data are unavailable at present), the increase in employment in the cases of business services (which includes labour leasing) slowed down and finally came to a standstill. Furthermore, reports that firms want to reduce the scale of temporary employment are becoming more frequent. This means that setbacks might be experienced in this sector, which has contributed around two-fifths to the expansion in employment subject to social security contributions since the beginning of 2006. On the other hand, given the problems in filling vacancies, firms will attempt to keep their core staff even in a difficult economic setting. Such behaviour is likely to be made easier by the working hours accounts that were filled up in the period of cyclical capacity overutilisation and the fact that short-time working benefits have recently been extended from 12 to 18 months. This is also suggested by the survey of the German Chamber of Industry and Commerce (DIHK). Its findings were that the number of firms planning additional recruitment was lower than in the second quarter and that more firms were intending to adjust staffing levels.

<sup>1</sup> For the third quarter, the more comprehensive survey-based estimate of vacancies in the economy as a whole by the IAB shows a total number of 998,000 jobs, which is 255,000 fewer, or one-fifth less, than one year earlier. At over 50%, the decline in the number of vacancies to be filled at a later date was especially marked.



## Improved matching on the labour market? – Evidence from the Beveridge curve

Despite the sharp decline in unemployment over the past few years, almost 3 million people were still looking for paid work in Germany in the third quarter of 2008. According to a survey by the Institute for Employment Research (IAB), there were approximately 800,000 immediate job vacancies during the same period. If enterprises have to spend considerable time looking for suitably qualified workers despite the high level of unemployment and if unemployed persons are having difficulty finding a job despite a large number of vacancies, it is a sign that there are serious matching problems on the labour market.

The Beveridge curve, which shows the relationship between the job vacancy rate and the unemployment rate, provides an indication of the quality of the placement function of the labour market.<sup>1</sup> As a rule, a reduction in unemployment is accompanied by an increase in job vacancies because, as the employment rate rises, the balance between supply and demand becomes more difficult. In a cyclical recovery phase, moreover, new jobs are created faster than they can be filled. At the same time, the number of unemployed can actually continue to rise for a time while the number of vacancies is already increasing. At a later phase of the upturn precisely the opposite is true: vacancies are filled much more quickly than new jobs can be created, with the result that there is a tendency for the number of vacancies to start showing a decline while unemployment is still falling. Ideally, these loops in the Beveridge curve return to their starting point at the end of the cycle. However, this did not happen in the first cycle illustrated in the accompanying chart.<sup>2</sup> Instead, there was an untypically sharp increase in the number of vacancies towards the end of the upswing in the year 2000 but no significant further reduction in unemployment, with the result that there was no return towards the starting point either. Instead, the loops of the Beveridge curve shifted further away from the origin, as it had done in the 1970s and 1980s. This is a sign that structural unemployment is increasing.

The present cycle is more in line with the ideal type. Both the number of vacancies and the level of unemployment have been falling since the end of 2006. Furthermore, this move-

<sup>1</sup> Measured in terms of the labour force in each case. Since 1992 the IAB has been collecting data on job vacancies in the German economy as a whole in the fourth quarter of each year. Since 2006 this has been extended to include additional quarterly surveys using reduced sample sizes. The surveys distinguish between vacancies that are to be filled immediately or at a later date. The figures on vacancies to be filled immediately are well above the vacancies reported to the Federal Employment Agency (see, for example, A Kettner and E Spitznagel (2007), *Stellenangebot geht zurück, bleibt aber auf hohem Niveau*,

ment is so pronounced that the last shift in the Beveridge curve to the right seems to have been largely reversed. The reasons for this can be seen both in the structure of the present cycle and in the change in the underlying labour market policy framework.

The last two expansionary phases differ substantially with respect to their sectoral configurations. The New Economy boom was heavily service-oriented. In the nine quarters up to the third quarter of 2000 employment in the tertiary sector increased by 6.6% while it declined by 2.2% in the production sector. The upswing in the past few years, by contrast, was driven to a greater extent by industry. Despite the fact that the rapidly rising number of temporary workers are fully captured statistically in the services sector, many of them are placed in industry. Employment in the production sector increased by 2.5% between the first quarter of 2006 and the second quarter of 2008. In the services sector the increase amounted to 4.1%. This means that the speed of structural change towards the tertiary sector was much slower than in the recovery period earlier. This might have been important with respect to the balance between supply and demand on the labour market in that differences in qualifications and other impediments to the mobility of labour, especially in the event of an accelerated sectoral structural change, could have played a less significant role in the present upturn. The rapid change in the sectoral structure and the stronger move towards new services at the end of the 1990s, however, could have had a greater limitation on the application of specific knowledge and skills. Developments on the supply side, which remained largely unchanged in their extent, likewise had an alleviating effect whereas in the preceding period there had still been discernible growth.

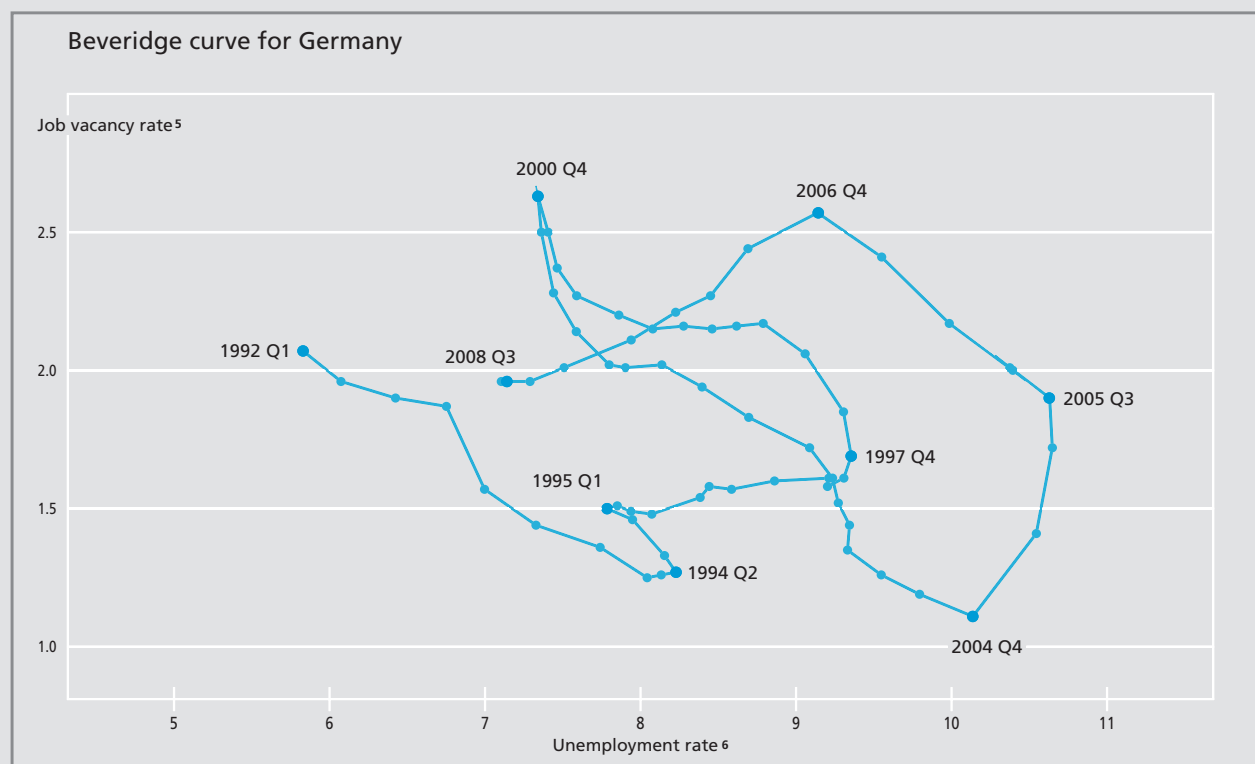
The balance between supply and demand on the labour market has also been assisted by the labour market policy reforms of the past few years. This is particularly true of the large-scale deregulation of temporary employment. Hiring temporary workers enables enterprises to meet their staffing needs in a flexible manner and to reduce the recruitment risks associated with employment protection legislation. In the last upswing the business services sector, which includes

IAB-Kurzbericht No 7). Here the figures for the first, second and third quarters are interpolated consistently on the basis of (seasonally adjusted) reported vacancies. The standardised unemployment rate as defined by the International Labour Organization and likewise survey-based is used to quantify the rate of unemployment. The standardised rate is influenced to a lesser extent by changes in active labour market policy measures or registration regulations, such as the recent inclusion of persons receiving social assistance and able to work under the Hartz IV reform, than the registered unemployment data. — <sup>2</sup> Two cycles

agencies hiring out temporary labour, accounted for more than two-fifths of the growth in employment subject to social security contributions. Restricting unemployment benefit by reducing the period of entitlement and replacing unemployment assistance with the basic allowance will probably also have increased the willingness to accept job offers.<sup>3</sup> By contrast, other measures such as supplementing the state employment agency with private personnel service agencies and issuing job placement vouchers seem to have done little to improve the matching process.<sup>4</sup>

The shifts in the Beveridge curve indicate that the structural problems on the labour market have eased during the past few years. This is also illustrated by the appreciable decline in the number of unemployed persons receiving the basic

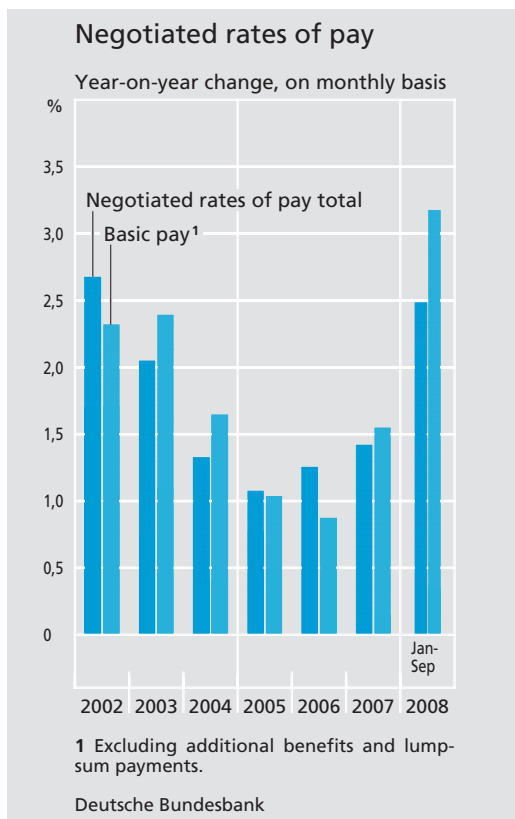
welfare allowance. However, this eliminates only part of the basic problem of high hard-core unemployment. Even if, in the coming quarters, the cyclical forces again become more prominent, the structural problems might rapidly become more pressing again if financial and real economic conditions return to normal. The need for qualified labour, which is already in discernibly short supply, will remain considerable. In view of the remaining high level of unemployment, this shows that further efforts to generate skills that are really needed and remuneration schemes that reflect scarcities are essential if the rewards of investment in education are to be appreciated by the individual citizen.



– delineated by cyclical peaks – are differentiated below: the earlier one ran from the first quarter of 1992 to the fourth quarter of 2000 and the present one from the beginning of 2001 to the current end. — <sup>3</sup> See A Kettner and M Rebien (2007): Hartz-IV-Reform: Impulse für den Arbeitsmarkt, IAB-Kurzbericht No 19. — <sup>4</sup> See Wissenschaftszentrum Berlin, ifas (2006): Evaluation der Maßnahmen zur Umsetzung der Vorschläge der Hartz-Kommission, Modul 1a: Neuausrichtung der Vermittlungsprozesse, a report for the Federal Ministry of Labour and

Social Affairs, Berlin, Bonn. — <sup>5</sup> As a percentage of the labour force on the basis of IAB surveys on jobs on offer in the economy as a whole (vacancies to be filled immediately) between the fourth quarter of 1992 and 2007, missing data: interpolation and seasonal adjustment on the basis of vacancies reported to the Federal Labour Agency. — <sup>6</sup> As a percentage of the labour force, standardised unemployed, seasonally adjusted.





Nevertheless, neutral plans for employment predominated on the whole. Furthermore, the Ifo employment barometer, which showed a clear fall in recent months, is still just within the neutral range.

## Wages and prices

*Faster rise in negotiated pay*

In the third quarter, no new pay agreements of significance for the economy as a whole were concluded; negotiated wages rose 3.0% on the year owing to pay increases that had been agreed earlier. Despite obviously higher rates of increase in regular monthly pay, the figure was only 1.7% in the second quarter, which was due to a smaller number of collectively agreed one-off payments being scheduled than in the same period of 2007.

Owing to new one-off payments in the metal-working industry, this effect was no longer operative in the third quarter. At 3.2%, negotiated basic rates of pay were, in fact, somewhat lower than one year earlier. This was due to the fact that older agreements which ran for more than one year and were still in force often provided for smaller increases at the end of the agreement's duration than at the beginning.

In November, wage bargainers in the metal-working and electrical engineering industries of Baden-Württemberg concluded a new pay agreement with a duration of 18 months. In addition to one-off payments (initially €510 followed by a further €122 later), permanent pay increases amounting each time to 2.1% are scheduled for both February and May 2009. The second stage of the pay increase as well as the second one-off payment can be deferred or shortened by up to seven months by in-house agreement. With the high one-off payment, the negotiating parties, first, took due account of the fact that business conditions were still positive in this sector. Second, the long duration of the agreement increased firms' planning certainty, and the scope for adjustment at firm level made advance provision for more difficult times. This agreement has since been adopted by other wage-bargaining areas.

*Pay deal in the metal-working and electrical engineering industries*

The third quarter saw a turnaround in the price trend on the import side. Although the cost of imports was still 1.3% up on the preceding period on a quarterly average, prices went down by 1.6% over the course of the quarter. This was due mainly to the sharp

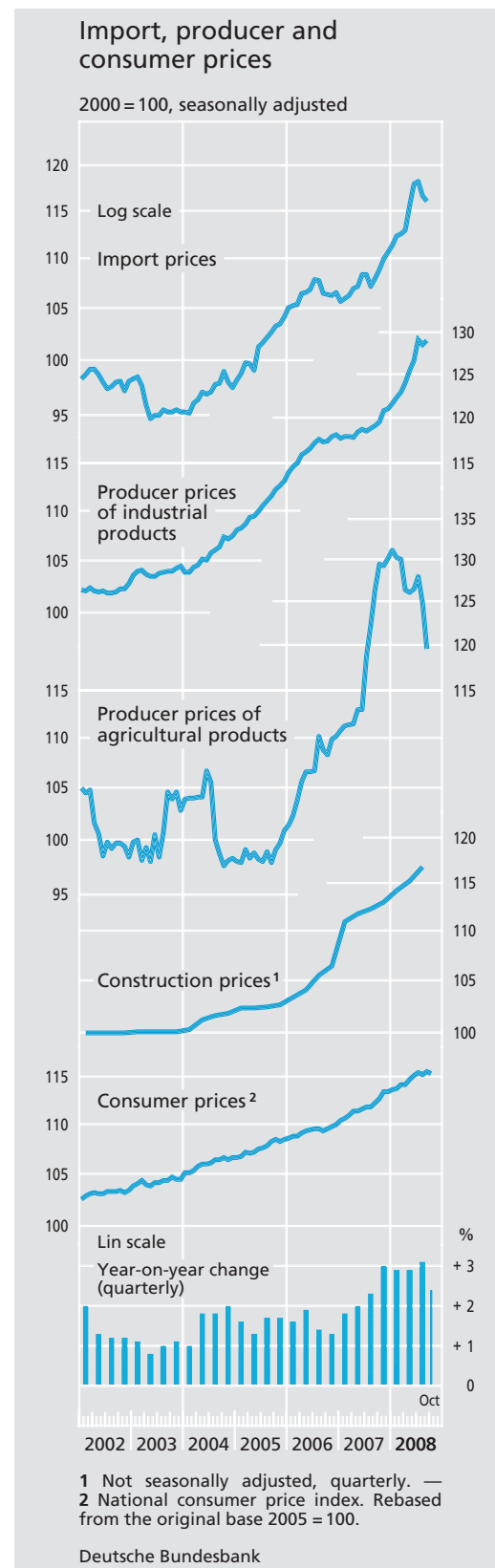
*Import prices falling owing to crude oil...*



price adjustment in the international oil markets. As a result, the cost of energy imports fell by 8.6% in the period from June to September. The price trend for other imported goods was noticeably less favourable, the depreciation of the euro being a contributory factor. There was a quarter-on-quarter increase in the upward pressure on prices of intermediate goods and consumer goods. The decline in the cost of capital goods came to a standstill. The year-on-year increase in import prices, excluding energy, went up from 0.6% to 1.7%. If energy is included, the year-on-year figure went up from +7.5% to +8.7%. As the overall rise in import prices was somewhat larger than the increase in export prices, there was a seasonally adjusted deterioration in the terms of trade of 0.4% on the quarter. In year-on-year terms, the figure was -5.2%.

... but even  
bigger increase  
in domestic  
producer prices

At the domestic industrial producer level, however, there was a further, albeit comparatively moderate price increase over the quarter. On an average of the three months, the rise in seasonally adjusted domestic selling prices, at 2.9%, was even somewhat larger than in the preceding quarter, and the annual rate of increase went up from 6.0% to 8.5%. The difference between the trend in domestic factory gate prices and the price trend for imports are due partly to the reduced weight of crude oil and of refined petroleum products (50.3% compared with 73.2%). If energy is excluded, domestic selling prices went up by a seasonally adjusted 1.3% on the quarter, which was the sharpest increase for a long time. The year-on-year rate of price increase was 3.5%, compared with 2.9% in the



second quarter. Upward pressure increased especially on the prices of intermediate goods and capital goods. Consumer goods inflation flattened out somewhat, mainly because of falling food prices. Farm gate prices showed a further fall in the third quarter in seasonally adjusted terms after easing markedly in the second quarter. Baseline effects also meant that the year-on-year increase went down from just over 12% to 1.5%. Rising input prices were one reason for construction prices being raised by 1.3% on the quarter; the year-on-year increase was thus 4.0%.

*Only marginal slowdown in consumer price inflation in the third quarter...*

There was initially still no major relief at the consumer level. Although the seasonally adjusted rise in prices was no more than relatively subdued during the third quarter, at 0.4%, there was still a sharp increase of 0.7% on average, which was hardly any less sharp than in the second quarter. That price developments were not more favourable was also due to the alleviating effects of adjustments to crude oil prices coinciding with lagged effects of earlier increases in the cost of crude oil. Although the prices of refined petroleum products fell by 6.0% over the quarter, gas prices were simultaneously raised by 7.3%. Moreover, there were sharper seasonal price increases for clothing than in previous years, not least on account of the euro's depreciation in the international foreign exchange markets. Finally, the expected corrections to food prices in view of the downward price trend in the world markets largely failed to materialise. Nevertheless, the year-on-year increase in the national consumer price index (CPI) went down from 3.3% in mid-2008 to 2.9% in September. On a quarterly average,

prices went up by 3.1% on the year, compared with an increase of 2.9% in the second quarter. The annual rate of the Harmonised Index of Consumer Prices (HICP), which is calculated in accordance with European standards, went up from 3.0% to 3.3%.<sup>2</sup>

In seasonally adjusted terms, the purchasing power of the euro increased somewhat in October, mainly as a result of lower prices for fuel and heating oil. By contrast, further providers raised gas prices sharply. Moreover, there were increases in the prices of food again. As in previous months, the depreciation of the euro had a noticeably adverse impact in the case of industrial goods. The moderate price trend in services and housing rents continued, supported by the abolition/lowering of tuition fees in two federal states. Overall, the year-on-year rise in consumer prices according to the CPI was 2.4%. The HICP figure was +2.5%. Not least owing to the ongoing corrections in the international commodity markets and to positive baseline effects, a further marked decline in the rate of inflation is to be expected in November.

*... but with a marked fall in October*

## Orders received and outlook

The profound and persistent dislocations in the international financial markets have now cast a dark shadow over the real economy worldwide. Among the industrial countries, this applies, in particular, to the United States and the United Kingdom, but other countries,

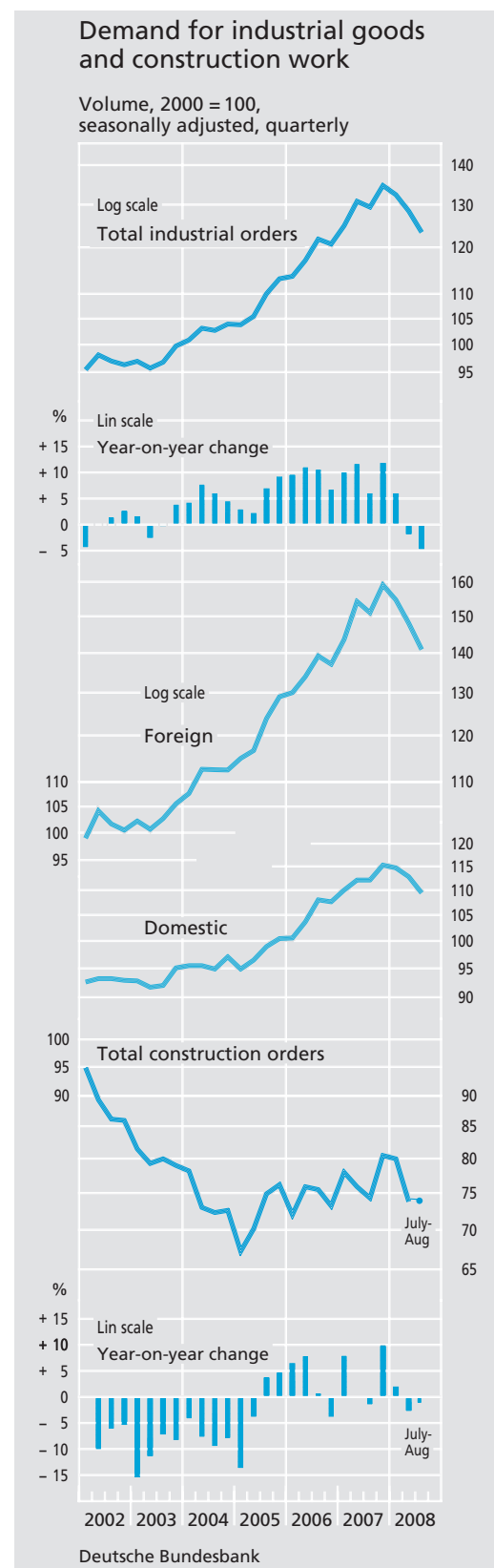
*Hard cyclical setback in the coming winter half-year*

<sup>2</sup> Using a basis methodologically comparable to the CPI, but calculated using the HICP basket of goods, the inflation rate in the third quarter would have been 3.4%.

too, which are major sales markets for the regionally broadly based German economy, have now been affected. The repercussions are now also overshadowing the economic catching-up process in the emerging market economies and in the transition countries of central and eastern Europe, from which German exporters have been benefiting strongly up to now. The resulting weakness in demand will discernibly dampen economic activity in Germany, especially as significant domestic impulses are not to be expected in the short term. As time goes on, the fact that there has recently been a massive reduction in the cost of energy and raw materials might have a noticeably positive effect, however. In addition, the sales outlook for German goods in overseas markets has, in itself, improved somewhat owing to the fact that the euro has depreciated very sharply since mid-July against both the US dollar and the Japanese yen. Finally, the governments of a number of countries most affected by the economic setbacks have also taken measures with the aim of preventing a slide into severe recession.

*Business expectations adversely affected in the short term by unfavourable export business and major uncertainty*

Export business must be expected to be quite unfavourable in the winter months. According to the surveys of the Ifo Institute, export expectations for the next three months in manufacturing have been deteriorating sharply since the middle of the year and were clearly contractionary in October. Given the major role which export customers play for most of German industry, it is understandable that such a massive worsening of the short-term outlook for exports has also had an impact on business expectations overall. What should not be overlooked when interpreting



the survey results, however, is the notable discrepancy between assessments of the business situation and expectations – a discrepancy which became even wider after the escalation of the international financial market crisis in September. This might also reflect the much higher uncertainty with regard to the real economic implications of this unpredictable risk factor. The Federal government's package of measures to stabilise the German financial system, which has the objective of restoring orderly business activity in the financial markets, has a key role in preventing home-grown financial problems from aggravating the current external strains on the German economy.

*Decline in industrial orders*

The substantial deterioration in short-term sales expectations, as revealed by the sentiment indicators, is consistent with the trend decline in the volume of industrial orders since the beginning of 2008. Seasonally adjusted orders, at 3¾%, were quite clearly down on the quarter in the summer months. This followed considerable falls in the first two quarters of the year. While the fall was comparatively moderate in the case of intermediate goods and consumer goods, the second and third quarters saw a sharp overall drop in demand for capital goods. It should be remembered, however, that the flow of orders in the final quarter of 2007 and the first quarter of 2008 was characterised to an exceptional extent by large-volume investment projects, especially from export customers. In purely nominal terms, one-half of the decline in orders of capital goods between April and September 2008 – a fall of almost 8½% on the preceding six-month period in

seasonally adjusted terms – was due to the volume of large orders returning to a normal pattern.

The weak flow of orders placed with order-based industry over the past few months has led to a marked decline in the reserves of orders. In terms of production, however, there is still the option of compensating for the lack of new orders by processing orders that are already on the books. This is also shown by the fact that the reach of the order books has declined only slightly so far according to the Ifo business survey, while the assessment of order backlogs – which is perhaps characterised more by the current flow of orders – has become noticeably less positive. Sectors of industry in which there is usually a short lead time before production are likely to cut back their output quite clearly in the near future, however. Given the marked slowdown in sales, much the same applies to the motor vehicle industry and suppliers of motor vehicle parts.

*Shrinking number of orders on hand*

On 5 November, against the backdrop of the increasing deterioration of the overall economic situation, the Federal government adopted a package of measures designed to counter the economic slowdown and safeguard jobs. These measures comprise fiscal policy instruments and increased funding for lending programmes for the years 2009 and 2010. Their main aim is to strengthen and/or stimulate private and public investment. Sales of new cars are also being promoted by a temporary lifting of motor vehicle tax. A widely differing assessment of the direct stimuli to domestic demand and of the indirect ef-

*Economic stimulus package by the Federal government*

fects on the macroeconomic process is called for depending on the type and scale of the particular measure taken. Experience of earlier stimulus packages and simulations using econometric models would lead to the expectation, if anything, of a limited effect in terms of the economy as a whole. There is the potential for a stabilising effect on the construction sector, however.

*Robust labour market as a cyclical stabilising factor*

The fairly robust labour market situation up to the end of the period under review gives hope that the current slowdown in the German economy will not lead into a self-reinforcing and persistent downswing. The fact that many enterprises are prepared to maintain their core staffing levels, given well-stocked working hours accounts and the continuing acute shortage of skilled labour, not only, in itself, supports households' income situation, it also reduces the risk of job losses that usually dampens the propensity to consume.

This stabilising element will be countered by the fact that the necessary adjustment in the firms' workforce can be implemented quite rapidly at present owing to the higher level of labour leasing and temporary employment. Firms' strategy of initially not making – generally expensive – adjustments to their core staffing levels is likely to change if the cost of maintaining jobs increases. Continued wage policy moderation will therefore not only safeguard the substantial success of recent years on the labour market, it will also lower the risk of downward cyclical pressure that is primarily domestic in origin. The markedly brighter price climate also offers the prospect of households' real incomes no longer being as strongly affected by inflation-related losses for the foreseeable future. For enterprises, too, cost pressure is likely to have eased perceptibly recently, the rise in the cost of materials having severely reduced enterprises' earnings earlier in 2008.

## Public finances\*

### General government budget

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The public finance situation could undergo a further slight improvement this year, despite the overall economic downturn since the second quarter, and the general government budget could post a surplus for the first time since German reunification.<sup>1</sup> One reason for this is the positive cyclical momentum on an annual average following the economy's strong performance in the first quarter. However, there is particular uncertainty with regard to the support measures for financial institutions (see the box on pages 64-65). In this context, it also cannot be ruled out that, rather than recording a further marked decline, which would otherwise be expected, the debt ratio will increase.

*Slight improvement in public finance situation in 2008*

Government revenue is expected to, at most, decline slightly in relation to GDP during the course of 2008. On the one hand, legislative changes have led to significant revenue shortfalls. The business tax reform and a further cut in the contribution rate of the Federal Employment Agency from 4.2% to 3.3% have resulted in substantial revenue shortfalls, only a fraction of which will be offset by the rising contribution rates to the statutory health and public long-term care insurance schemes. On the other hand, the exceptionally robust

*At most small decline in revenue ratio despite tax and social contribution rate cuts*

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\* The "General government budget" section contains an analysis based on figures from the national accounts and the Maastricht reference values. The subsequent reporting on budgets of the various levels of government and the social security schemes is based on the budgetary figures as defined in the government's budgetary financial statistics.

<sup>1</sup> The surplus in 2000 was solely attributable to the one-off UMTS receipts. The Federal Statistical Office recently revised the 2007 fiscal balance to -0.2% of GDP, whereas previously a small surplus had been recorded.

growth trend in revenue from profit-related taxes (after adjustment for legislative changes and cyclical influences), which has been evident for several years now, has thus far continued. In addition, the revenue ratio is likely to be bolstered by the fact that the high revenue-yielding source of gross wages and salaries is increasing at a more rapid pace than nominal GDP for the first time since the year 2000. Wage tax receipts will be boosted in addition by tax progression effects, particularly following the relatively high wage settlements.

*Expenditure ratio likely to fall markedly again*

The government expenditure ratio is likely to fall markedly again in 2008, albeit more moderately than in previous years. Alongside the relatively high average nominal GDP growth, which reduces the ratio via the denominator, in particular the declining number of unemployed persons is leading to lower expenditure. Furthermore, the moderate wage growth of the past few years is continuing to have a dampening effect because there is a time-lag before many government expenses (for example, pensions) are adjusted to the wage trend. By contrast, strong expenditure growth is expected for government investment and in the healthcare sector.

*Deterioration in public finances in 2009*

The public finance situation will probably deteriorate noticeably in the coming year, resulting in a renewed deficit. In a baseline scenario, which includes recently agreed fiscal measures and a marked decline in revenue from profit-related taxes but excludes additional spending in connection with government support measures for financial institutions, the deficit could reach sizeable propor-

tions. It should be noted that, although the overall course of macroeconomic development next year is currently expected to be weak, a particularly beneficial economic growth profile can be assumed from the point of view of the general government budgets. However, there are also considerable aggregate risks. Firstly, the macroeconomic outlook and the impact of the government support measures for the financial markets are very uncertain. Secondly, the currently high level of revenue from profit-related taxes harbours greater setback potential.

The revenue ratio may stay roughly at its 2008 level, even assuming that revenue from profit-related taxes returns to a normal level. For one thing, progression-related additional tax receipts are also expected in 2009, while gross wages and salaries could once again rise more rapidly than nominal gross domestic product. Lastly, an amendment to the financing of the EU budget, that was agreed in 2007 and is provisionally planned to be implemented in 2009, means that Germany has to transfer less turnover tax revenue (but more resources based on gross national income, which are recorded on the expenditure side) to the EU, thus leaving central government with higher tax receipts. This effect will be particularly pronounced in 2009, as backpayments from 2007 and 2008 are also expected. By contrast, increases and decreases in tax and social contribution rates are likely to largely cancel each other out. A further cut in the contribution rate of the Federal Employment Agency by ½ percentage point and other tax breaks will be more or less offset by rising contribution rates to the statutory

*On balance, little change in revenue ratio*



## The impact of the financial market crisis on public finances

The current crisis on the financial markets is also impacting on the development of public finances. At present, however, these effects cannot be quantified reliably. This box first outlines the various impact channels and then describes how the corresponding amounts are recorded statistically. Direct assistance is recorded differently in the budgetary accounts (government's financial statistics) and in the national accounts, which are used as a basis for assessing the Maastricht criteria for the deficit and debt levels agreed in the EU.

### The channels through which the financial market crisis is influencing public finances

#### Indirect effects on the real economy

To the extent that the financial market crisis impairs real economic growth and, therefore, also the macroeconomic reference variables for taxes and social contributions (especially corporate earnings, wages and salaries, and consumption), government revenue will be lower. Moreover, government expenditure will increase if unemployment rises. In addition, government interest expenditure and property income may be affected.

#### Particular impact on revenue from profit-related taxes

Another possible consequence are substantial revenue shortfalls that may be independent of the macroeconomic reference variables which are usually used for taxes. Thus the annual development of the national accounts variable "entrepreneurial and property income" deviates in part significantly from that of the actual assessment base for profit-related taxes. For example, write-downs on impaired assets are not recognised in the national accounts variable but they may still be relevant for tax revenue. However, the massive write-downs in the financial sector that are currently being talked about would have no (direct) effect on tax revenue if the profits were not first taxed in Germany or if high tax-loss carryforwards already existed. The development of profit-related taxes, which has, on the whole, been favourable so far this year, indicates that the financial market crisis has resulted at most in small tax shortfalls, at least up to October. In the coming year – according to the official tax estimate – profit-related taxes are expected to decline in a counter-movement to the sharp growth in revenue in the past few years. Even in retrospect, however, it is still likely to be hard to quantify the direct impact of the financial market crisis on revenue.

<sup>1</sup> The proportional allocation to the individual states will be based equally on each state's total inhabitants and GDP. Central and state government will also bear the burden of those institutions in which

#### Direct government support measures for financial institutions

Public sector support measures for financial institutions ultimately mean that public finances could be affected directly. This is true for recapitalisations or purchases of impaired assets, for example. However, it is also possible for public entities to issue guarantees, which do not lead directly to payments. Such measures may be carried out via central, state and local government's core budgets but also via special funds, public (financial) enterprises or special-purpose vehicles.

### Recording of support measures for financial institutions in general government budgets and government accounts

#### Recording in general government budgetary accounts

The government stabilisation measures are in part recorded differently in central, state and local government's individual budgets and in the government's financial statistics than they are in the government accounts within the national accounts. Thus, in 2007 support measures did not give rise to any payments from the Federal budget, and in the current year only one capital transfer of €1.2 billion has been recorded so far to the KfW Group in connection with support measures for IKB Bank. Future burdens could arise from central government guarantees in connection with the sale of IKB Bank and support measures for HypoRealEstate if these result in payment obligations. Support measures undertaken to date by state government for financial institutions which they own have placed little strain on state government finances. Total guarantees of €7 billion for the Landesbanken in Saxony and in North Rhine-Westphalia have evidently been drawn only to a limited extent so far, and the capital injection of €½ billion to HSH Nordbank was financed outside the core budgets of Schleswig-Holstein and Hamburg.

Further support measures are likely to come mainly from the Financial Market Stabilisation Fund, which was set up in October as a Federal (ie central government) special fund. The Fund's entire expenditure on recapitalisations, asset purchases and interest is classified as budgetary expenditure and therefore included in the special fund's deficit. Guarantees are not recorded as increasing the deficits until they actually result in cash flows. Any interest income, fees from issuing guarantees and subsequent proceeds from the sale of participating interests and asset disposals will improve the Fund's fiscal balance. If the Fund (and therefore general government) incurs debt, this will be recorded in the government's financial statistics if the Fund finances this debt by borrowing. The Fund's activities will be recorded in the core budgets only after it has been liquidated, that is if there are additional debt servicing costs owing to accumulated debt. The legis-

they hold participating interests in the amount of their share. — <sup>2</sup> At European level, the outstanding recording issues concerning govern-



lation stipulates that the Fund's final result is to be split between central and state government in the ratio of 65:35, although state government's participation is limited to a maximum amount of €7.7 billion.<sup>1</sup>

Recording in the national accounts (Maastricht criteria for general government)

The Maastricht criteria are based on the national accounts and the supplementary information contained in the "ESA 95 manual on government deficit and debt" issued by the EU statistics authority, Eurostat. They record general government in its entirety, including special funds (ie including the Financial Market Stabilisation Fund) and any associated entities. Figures are shown in line with reporting rules harmonised at European level, and it is on this basis that the budgetary accounts data are transferred to the national accounts.

In contrast to the budgetary accounts, transactions involving government financial assets, as a rule, do not have an impact on the deficit in the national accounts. Purchasing or selling a participating interest or another type of financial asset, therefore, normally does not affect the national accounts balance. One exception to this is if the purchase price or the expected return on the investment is not in line with market prices. However, the EU's rules on competition set strict limits for such capital injections at preferential rates that are to be classified (at least partially) as deficit-increasing capital transfers. By contrast, the effect of the above-mentioned financial transactions on the debt level is usually consistent with that stated in the government's financial statistics.

Guarantees are treated as contingent liabilities in the national accounts, too, and so are generally not recorded as expenditure until they are actually drawn on. However, according to Eurostat, government guarantees to financially distressed enterprises that would not have access to capital markets without such support and that are highly likely to make (partial) use of such guarantees are to be recorded – unlike in the financial statistics – as increasing the debt level as soon as they are issued. The amount of the guarantee that is expected to be drawn is then to be recorded as a deficit-increasing capital transfer. Public bodies that take on impaired assets from financial institutions and which are protected from losses by government guarantees are ascribed to the government sector along with their debts. The effect that taking on impaired assets has on the deficit corresponds to the difference between the assets' purchase price and their market price.

In the national accounts, transactions and entities are assigned to the government to a greater extent than in the budgetary accounts. If they are assigned to the government sector, then the rules outlined above apply to the way in

which deficit and debt are recorded. This means, for instance, that the national accounts deficit rises if a public enterprise incurs an expenditure which is identified as a transfer carried out on behalf of general government. In this case, the debt level likewise generally increases if it is not possible to offset this amount against a withdrawal of equity capital by the government.

However, in specific cases, recording is subject to uncertainty. On the one hand, this is due to the fact that individual cases are sometimes extremely complex and the statisticians do not always have all of the relevant information available. On the other hand, the accounting rules themselves are not always detailed enough to be able to classify each individual case unambiguously.<sup>2</sup> Against this backdrop, Eurostat, in particular, is charged with the important task – at the European level and independent of any political considerations – of documenting strains on government budgets in the statistics and combating "creative accounting" by means of suitable basic principles. A solid statistical basis is a key requirement for the proper application of budgetary rules at European level and is also essential for assessing the development of public finances at national level.

Since the first rescue package for IKB Bank at the end of July 2007, a number of banks in Germany have received support from central government, individual state governments or public sector financial institutions commissioned by general government. The Federal Statistical Office, in consultation with Eurostat, has recorded central government support measures of €7.3 billion as increasing the deficit in the national accounts for 2007. Ultimately, this had little impact on the debt level. As KfW's support measures for IKB Bank in 2007 mainly reflected a decrease in KfW's capital position by the end of the accounting year, government debt rose only marginally. Instead, the stock of government financial assets – the participating interest in the KfW – decreased. For the first six months of 2008 the effect on the deficit amounts so far to €3½ billion. As regards the debt level, there has not yet been a final decision as to whether borrowing in the order of €40 billion that was taken up in connection with the special-purpose vehicles established to support SachsenLB and WestLB should be allocated to the Maastricht debt level. It is currently uncertain which individual burdens will arise in the second half of 2008 owing to the rescue package for HypoRealEstate, additional assistance for the Landesbanken and to the Financial Market Stabilisation Fund, which is allocated to the government sector.

ment support measures for financial institutions are currently being discussed in a statistical task force.

health insurance scheme and – as a baseline effect of the increase in mid-2008 – the public long-term care insurance scheme.

*Cyclical rise in expenditure ratio*

Owing to unfavourable cyclical influences, the expenditure ratio will increase again in 2009 for the first time since 2003. However, growth in expenditure is likely to accelerate markedly for non-cyclical reasons, too. For example, exceptionally strong growth in health-care spending is expected, not least owing to new arrangements for the remuneration of outpatient treatment and hospital financing. Furthermore, government investment will probably once again be stepped up noticeably. Finally, the above-mentioned change in EU financing arrangements means that Germany will have to make higher own resource payments, which are based on gross national income and are recorded on the expenditure side.<sup>2</sup>

*Fiscal stimuli appropriate only in exceptional circumstances*

The German government has responded to the economic slowdown using a number of different instruments assembled in a fiscal stabilisation programme. It is important to bear in mind that, irrespective of this, extensive contributions to steadying the level of economic activity are already being made. By means of the financial market stabilisation measures, fiscal policymakers have helped to avert the danger of a systemic financial crisis in Germany. Monetary policymakers are making a contribution through a wide range of interest rate and liquidity policy operations. While the supplementary fiscal measures, which are currently going through the parliamentary process, could provide a certain additional economic impetus, their influence

should not be overestimated. Attempts by general government to actively fine-tune economic policy inevitably entail substantial problems and are at most appropriate in uniquely identifiable exceptional circumstances.

The fundamental objective of achieving a structurally balanced general government budget in the medium term, as well as sound public finances, should not be abandoned despite the recent developments. This will generally not limit the effect of the automatic stabilisers. Moreover, if the economic situation proves very unfavourable, further unexpected tax shortfalls could initially also be absorbed at present in Germany – in line with the European fiscal framework (see box on page 67). This would exploit the considerable potential for automatic stabilisation. The fiscal consolidation achieved in recent years means that Germany has a certain radius of action without risking a breach of the 3% deficit limit. Substantial fiscal stabilisation programmes might be warranted if an extraordinary recession were thought likely. Possible unfunded measures to boost the economy should be of limited duration and should avoid causing unnecessary distortions of economic activity. In particular, substantial growth losses could ensue in the longer term in the event of a stampede to grant (sector-) specific subsidies at national and international levels, thereby distorting competition. In any case, once the downturn has been overcome, measures should rapidly be introduced to

*Goal of sound public finances should not be forgotten*

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<sup>2</sup> Germany's contribution to financing the EU budget is likely to go down slightly overall as a result of the change in the own resources regulation.

## Budgetary rules and the financial market crisis

The Treaty establishing the European Community, and the Stability and Growth Pact agreed common rules for EU countries' fiscal policy. The essential aim of these provisions is to ensure sound public finances in the EU. The financial market crisis and its subsequent effects on the real economy could place strains on public finances. However, this does not invalidate the European fiscal rules. These provide enough flexibility to deal even with the current very unusual circumstances. Thus, fiscal support to financial institutions to fend off a systemic financial market crisis is, in principle, compatible with the provisions. Even in a serious economic downturn, observing the rules generally does not require a fiscal policy stance that amplifies recessionary economic developments.

In particular those countries that have achieved a sound fiscal position, ie a close-to-balance budget or a surplus and a low debt ratio, are well equipped to withstand the current fiscal challenges. The automatic stabilisers can freely take effect and, in most cases, additional amounts can be spent as part of support measures for financial institutions without this exceeding the 3% ceiling for the deficit ratio. Moreover, support measures in the form of guarantees and recapitalisations are often likely to be only partly deficit-increasing (see box on pages 64 and 65). However, countries that – in breach of the agreements – have failed to achieve their structural budgetary objective in good times and, for example, have neglected to use unexpected revenue growth in the past few years for consolidation have a much smaller budgetary room for manoeuvre than countries with a sustainable starting position. If the deficit ceiling were to be exceeded during the current crisis, the following three factors, in particular, would have to be examined before an excessive deficit procedure is launched: whether the overshooting is clearly attributable to direct support for financial institutions or to a major economic downturn, whether it is temporary and whether the deficit ratio remains close to the reference value.

It is precisely in times of crisis that one sees just how quickly and radically confidence is lost and the market players' assessment of a country's risk profile and fiscal situation can change. This underlines the importance of the requirement that all countries rapidly achieve a sound fiscal position once they

1 This expenditure, even if it is not clearly shown in the core budgetary accounts at first, represents a financial burden on general government. However, once the Fund has been liquidated, any accumulated debt will be transferred to the core budgets, out of which the resulting interest payments would have to be financed. To keep this debt to

have overcome the financial market crisis so as to safeguard long-term fiscal sustainability. The need for credible fiscal rules in the EU and in the monetary union has recently been emphatically underscored.

This experience is also of relevance for the current fiscal policy debate in Germany. The stronger anchoring of the aim of achieving a structurally balanced budget, which was high up on the agenda of the Federalism Reform Commission II, has recently been eclipsed by current issues. What is more, there are now some calls for central government to abandon its medium-term budgetary objectives altogether. However, this does not appear warranted. It should be noted that exceptional circumstances, such as the danger of a systemic banking crisis, can be overcome within the fiscal framework that is currently being discussed. The extraordinary expenditure on support measures is likely to be predominantly temporary and to be initially reflected primarily in the Financial Market Stabilisation Fund that was established to manage the financial market crisis outside of the core budgets.<sup>1</sup> In addition, it must also be borne in mind that the anchoring of a structurally balanced budget in budgetary legislation would also take due account of the respective cyclical situation. For example, deficits in a given year would be in line with this objective if they result from the effect of the automatic stabilisers and are therefore temporary. Furthermore, consideration could also be given to temporarily tolerating unexpected developments in tax revenue that exceed the presumed effect of the automatic stabilisers subject to a rule-based provision ensuring that they will be offset in the following years.<sup>2</sup>

Plans to reform national budgetary rules should therefore not be abandoned. Ultimately, the crucial factor is that the rules take fiscal policy requirements into account even in exceptional circumstances and, at the same time, that they safeguard a sustainable budgetary policy. This includes ensuring that any structural aberrations are promptly corrected as soon as the situation returns to normal. A symmetric approach, designed to prevent further debt accumulation, requires not only that deficits are permitted in bad times but also that surpluses are achieved in good times.

a minimum, it is essential that resources are used efficiently, on the one hand to ensure the stability of the financial market but, on the other hand, to take adequate consideration of the fiscal burden resulting from these measures. — 2 See the reference in footnote 8 on page 72.

ensure that the structural budgetary objectives are quickly achieved.

## Budgetary development of central, state and local government

### Tax revenue

*Marked rise in tax revenue in Q3*

Tax revenue<sup>3</sup> rose markedly by 4% in the third quarter compared with the same period last year (see the chart on page 69 and the table on page 70). As in the preceding quarters, revenue from income-related taxes increased sharply (+7%). Wage tax receipts grew considerably, owing to the increase in gross wages and salaries – including tax progression effects – but also the reduction in child benefit payments, which are deducted from cash receipts. Once again, assessed income tax recorded a particularly strong increase. In addition to buoyant underlying dynamics, lower refunds to employees made a crucial contribution to this development. Investment income tax payments (particularly on interest and dividend income) also rose substantially. By contrast, corporation tax revenue fell sharply, which was connected with the disbursement of corporation tax credits which accrued prior to 2001,<sup>4</sup> as well as with the relief afforded by the business tax reform, which entered into force in 2008. Although there is considerable uncertainty about the level of shortfalls caused by the reform of business taxes, the underlying development of corporation tax receipts likewise still appears to be positive and, at least until September, no serious effects on revenue were evident as a result of the financial market

crisis. Revenue from consumption-related taxes – which sometimes swings erratically from one quarter to the next – increased by a total of 2½%. Marked growth in turnover tax revenue contrasted with a decline in the two most important excise duties, energy tax and tobacco tax.

The latest official tax estimate predicts a rise in tax revenue for the year as a whole, including growth in local government taxes, of 4½% and an increase in the tax ratio (as defined in the government's financial statistics) of 0.3 percentage point to 22.5%.<sup>5</sup> The tax ratio will increase, firstly due to the relatively high growth in wages, including the effects of tax progression on income tax, and, secondly, owing to the continued marked growth in profit-related taxes, despite shortfalls as a result of the business tax reform. By contrast, revenue from consumption-related taxes will grow at a somewhat slower pace than nominal GDP, although the increase in VAT at the start of 2007 still had a positive effect on cash receipts at the beginning of 2008. The macroeconomic slowdown of recent months will only have a limited impact on the revenue outcome for 2008 as, on an

*Marked rise in revenue also expected for 2008 as a whole*

<sup>3</sup> Including EU shares in German tax revenue but excluding receipts from local government taxes, which are not yet known for the last quarter recorded.

<sup>4</sup> The method of refunding corporation tax credits stemming from the time before the system changeover in 2001 has been altered several times and temporarily suspended. Since 2008, the remaining credits are generally paid out in ten equal amounts on 30 September each year.

<sup>5</sup> The estimate is based on the Federal Government's latest macroeconomic forecast. This estimates real GDP growth of 1.7% in 2008 (unchanged compared with May 2008) and nominal GDP growth of 3% (May 2008: 3.4%). Real GDP growth of 0.2% (May 2008: 1.2%) and nominal growth of 2.0% (May 2008: 2.7%) are estimated for 2009.

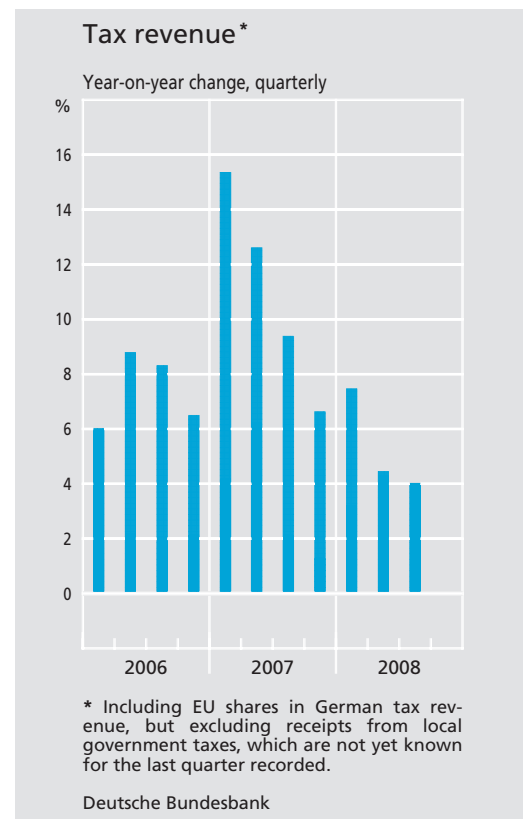
annual average, important tax reference variables have been relatively stable. However, profit-related taxes are subject to considerable forecast uncertainties with regard to the actual impact of the business tax reform, as well as with respect to the short-term effects of the financial market crisis and the deteriorating earnings outlook.

*Revenue up on previous estimates*

Overall, compared with the last official tax estimate in May 2008, revenue expectations have now been raised by €7½ billion, particularly since revenue from profit-related taxes has so far been surprisingly positive in 2008. Compared with the November 2007 estimate on which the 2008 Federal budget is based, an extra €6 billion will be received by general government. However, the revision results in an increase of merely €½ billion for central government, as the corrections largely affect local business tax, which mainly goes to local government and, moreover, have a negative effect on taxes which accrue exclusively to central government.

*Poorer expectations for 2009...*

Revenue growth of 2% and a virtually unchanged tax ratio are forecast for 2009. Further marked growth in wage tax receipts is expected, also owing to the effects of tax progression. However, revenue from profit-related taxes will decrease. This is connected with subdued earnings expectations in the wake of the economic slowdown. Furthermore, a certain natural counterswing to the sharp rise in previous years is anticipated. Compared with the May estimate, the figures have been revised downwards by a total of €2 billion after adjustment for differences in taking account of legislative changes. How-



ever, the estimates are supported in the short term by the fact that the Federal Government now expects shortfalls following the ruling of the European Court of Justice in the Meilicke case to mainly fall in 2010, rather than in 2009.<sup>6</sup> The overall revenue figure has therefore been raised by €1 billion. However, it is important to remember that the measures already approved by the Federal Government but which have not yet been formally adopted by parliament (particularly the increase in child benefit and the children's tax allowance, the reintroduction of the declining-balance depreciation method, tax breaks for motor

<sup>6</sup> This case relates to a claim to include foreign corporation tax payments when taxing dividends under the corporation tax imputation system, which was abolished in 2001. Originally, the majority of the shortfalls had been expected in 2008. However, the conditions for retroactive reimbursements have still not yet been clarified. Legal proceedings are still pending on this matter, too.

## Tax revenue

Type of tax	Q1–Q3				Q3				Estimate for 2008 1, 2
	2007		2008		2007		2008		
	€ billion		Year-on-year change € billion	as %	€ billion		Year-on-year change € billion	as %	Year-on-year change as %
Tax revenue, total 2	356.5	375.2	+ 18.7	+ 5.3	120.6	125.5	+ 4.9	+ 4.0	+ 4.2
<i>of which</i>									
Wage tax	94.1	101.6	+ 7.4	+ 7.9	31.4	34.1	+ 2.6	+ 8.4	+ 7.6
Profit-related taxes 3	53.7	60.2	+ 6.6	+ 12.2	17.3	18.1	+ 0.7	+ 4.3	+ 7.3
Assessed income tax	16.3	22.9	+ 6.6	+ 40.6	7.3	8.9	+ 1.6	+ 21.6	+ 29.7
Investment income taxes 4	20.1	23.7	+ 3.5	+ 17.6	4.5	5.1	+ 0.7	+ 14.6	+ 14.3
Corporation tax	17.2	13.6	- 3.6	- 20.9	5.6	4.1	- 1.5	- 26.7	- 24.8
Turnover taxes 5	125.7	130.5	+ 4.9	+ 3.9	42.6	44.3	+ 1.7	+ 4.1	+ 3.7
Energy tax	23.7	24.0	+ 0.4	+ 1.6	9.9	9.8	- 0.1	- 1.0	+ 1.4
Tobacco tax	10.2	9.5	- 0.7	- 6.8	3.8	3.6	- 0.1	- 3.3	- 6.0

1 According to official tax estimate of November 2008. —

2 Including EU shares in German tax revenue, but excluding receipts from local government taxes, which are not yet known for the last quarter recorded. — 3 Employee

refunds, grants paid to home owners and investors deducted from revenue. — 4 Non-assessed taxes on earnings and withholding tax on interest income. —

5 Turnover tax and import turnover tax.

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vehicle tax and special household services) are not included in the official tax estimate. These measures could burden government budgets in 2009 by around €5 billion, with rising shortfalls initially expected until 2011.

The official tax estimate contains considerable risks. For one thing, the likely course of macroeconomic development is currently fraught with a particularly high degree of uncertainty – and since October, when the government made its forecast, the risks have, if anything, increased. For another thing, estimation problems are associated with forecasting the (at present very high) level of revenue from profit-related taxes. It is difficult to estimate how quickly and radically the ballooning growth rates of recent years will reverse and what impact the business tax re-

form and the financial market crisis will have.<sup>7</sup>

## Central government budget

At €11½ billion, central government's budget deficit in the third quarter was €3 billion higher than in the corresponding quarter of last year. Revenue continued to increase significantly by almost 4½% (or €3 billion). At 6% (or €4 billion), tax revenue grew strongly – supported by lower transfers to the EU budget (€1½ billion). Furthermore, the new reintegration payment from the Federal

*Higher deficit in Q3*

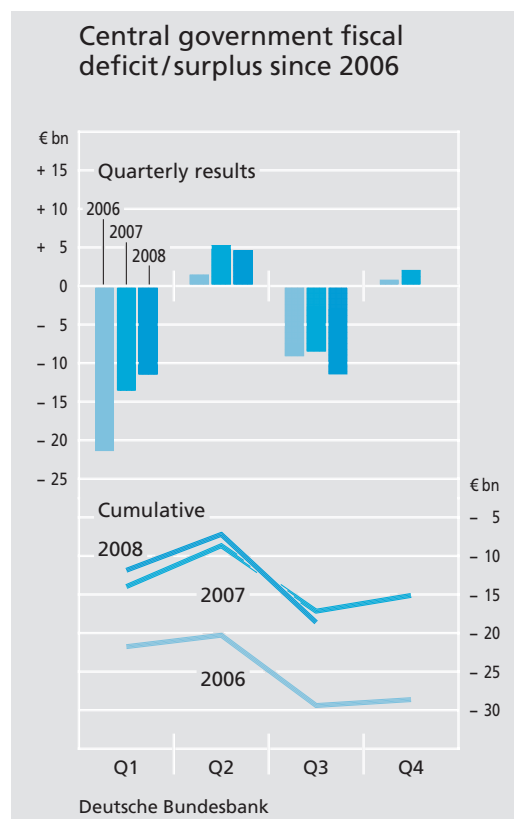
<sup>7</sup> For more information on the fundamental forecasting problems regarding the tax estimate, see Deutsche Bundesbank, Development of tax revenue in Germany and current tax policy issues, Monthly Report, October 2008, p 33 ff.

... alongside considerable uncertainty

Employment Agency once again significantly exceeded the old compensatory amount received in the same quarter of last year (by almost €1 billion). By contrast, central government received €2 billion less from asset realisations. Growth in expenditure amounted to a total of €7½% (or €6 billion). Additional outlays of €1½ billion resulted from payments due to the post office pension fund following the exhaustion of the proceeds from securitisation. Moreover, one-off extraordinary capital transfers of almost €2½ billion were made – to support IKB Bank and as a result of the European Court of Justice’s ruling repealing an old subsidy repayment obligation of the post office. Furthermore, additional transfers of €½ billion were made to both the Federal Employment Agency and the Federal Railways Fund. Growth in personnel expenditure of 9½% (or €½ billion) is no doubt due to the extension of the relatively high (retroactive) pay settlement concluded in spring to public sector employees with civil servants status and to retired civil servants, while the increase in other operating expenditure by 10½% (or €½ billion) is chiefly attributable to military expenditure.

*Basic budget position in 2008 somewhat better than planned*

The Federal budget recorded a cumulative deficit of just over €18 billion at the end of the third quarter, compared with just over €16½ billion one year previously. The desired aim of reducing the full-year deficit by €2½ billion to just over €12 billion thus requires a considerable surplus in the fourth quarter. One question that is of particular significance for the annual outturn is whether the privatisation proceeds of just over €10½ billion envisaged in the budget will actually be received



in full. Only just over €1½ billion have been realised to date. In addition, in response to the slump in share prices in the stock markets, the planned initial public offering of the national rail company Deutsche Bahn has been postponed. Following sizeable asset realisations over the past few years, it is becoming more difficult to find an alternative offset in the short term. However, excluding privatisation proceeds and the additional one-off payments mentioned, central government’s end-of-year budgetary position is likely to be better than planned.

It is envisaged that the Budget Committee’s adjustment meeting will amend the previous deficit target of almost €11 billion for the 2009 Federal budget. In addition to the changes in the latest official tax estimate,

*Additional burdens for 2009 Federal budget*



which predict revenue shortfalls of just over €2 billion for 2009, in particular the package of fiscal measures adopted by the Federal Government at the beginning of November with the aim of stabilising macroeconomic momentum still has to be factored into the equation. The resulting extra burdens for the Federal budget amount to €2½ billion. This alone would increase the deficit to a total of €15½ billion. Furthermore, one-off proceeds from asset disposals totalling almost €4½ billion to date could be lowered – also owing to the presently low company valuations on the stock markets. Additional burdens are looming, too, in connection with unemployment benefit II and the Federal Employment Agency's reintegration payment.

*Medium-term budgetary objectives must not be abandoned*

As the budgetary burdens ensuing from measures to boost the economy should be very temporary, there is no reason to call into question central government's medium-term structural budgetary objectives (ie adjusted for cyclical influences and proceeds from asset realisations – see the box on page 67). Expenditure to support financial institutions will initially be borne by the Financial Market Stabilisation Fund, and the Federal budget will only be burdened if there are outstanding debts on the fund's liquidation, which will probably not occur until after the end of the medium-term financial planning period (see the box on pages 64-65). However, the generally expected slowdown in macroeconomic growth rates is likely to delay reducing the remaining overall deficit. As in the case of general government, cyclically induced borrowing will have no impact on central government's structural position. Moreover,

further unexpected tax shortfalls could, if need be, also be absorbed.<sup>8</sup> However, once the economic slowdown has been overcome, the Federal budget should be rigorously and rapidly consolidated to achieve a solid basic fiscal position. To underpin this aim, it remains important to agree on a reform of the debt rule within the framework of the second phase of the reform of Germany's federal structure ("Federalism Reform II").

### State government budgets<sup>9</sup>

In the third quarter of 2008, state government's budgetary position deteriorated moderately on the year. The surplus fell by just over €½ billion to just under €1½ billion. With slower growth in tax revenue (+3%) and a decline in other receipts, overall revenue increased by only 1½%. At the same time, expenditure increased further (+2½%), probably not least as a result of renewed perceptible growth in transfers to local government.

*Declining state government surplus in 2008 Q3*

Around half of the 16 states look likely to record a budget surplus for the year as a whole and – contrary to the budget plans – the same applies to the state government sector as a whole. Despite burdens from higher personnel expenditure, the business tax reform

*Renewed surplus for 2008 as a whole, ...*

<sup>8</sup> For more information on taking account of unexpected tax shortfalls in budgetary rules, see Deutsche Bundesbank, Reform of German budgetary rules, Monthly Report, October 2007, pp 47-68 and J Kremer und D Stegarescu (2008), Eine strenge und mittelfristig stabilisierende Haushaltsregel, in Wirtschaftsdienst, Vol 3, pp 181 ff.

<sup>9</sup> The development of local government finances in the second quarter is analysed in greater detail in the short articles in the Bundesbank Monthly Report of October 2008.



and the economic slowdown, the surplus could well match the level achieved last year (€3 billion).<sup>10</sup> Expenditure resulting from the financial market crisis has so far barely been reflected in the cash balances. Further support in the wake of the crisis is likely to be provided primarily by the Financial Market Stabilisation Fund. However, state governments must also make a contribution to the support measures (in addition to paying a share of a potential cumulative debt of the Fund) which is commensurate with their shareholdings in institutions that request financial assistance (see the box on pages 64-65).

*...but deterioration expected in 2009*

The budget plans available so far, which would hardly have needed any additional revision in terms of tax revenue in the light of the largely unchanged tax estimate, envisage almost no new net borrowing for around half of the states in 2009. The east German states and Berlin are still planning at least close-to-balance budgets and are thus preparing for the accelerated reduction in Solidarity Pact funding from 2009 (by just over €700 billion annually). By contrast, no significant progress towards consolidation is planned in those states that still have considerable deficits. This particularly applies to the heavily indebted states of Bremen and Saarland as well as Schleswig-Holstein, but it also applies to Hesse, Lower Saxony, North Rhine-Westphalia and Rhineland-Palatinate. State government will be particularly burdened by marked growth in personnel expenditure, but also by scheduled further increases in transfers to local government. Furthermore, it will now also be burdened by tax shortfalls in

connection with the fiscal stabilisation programme.

## Social security funds<sup>11</sup>

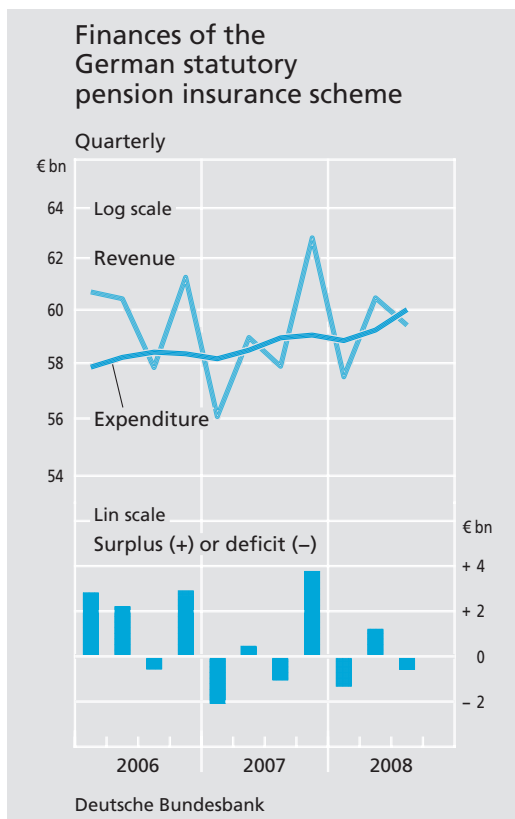
### Statutory pension insurance scheme

In the third quarter, the statutory pension insurance scheme's deficit almost halved on the year to €½ billion. Revenue growth of 2½% in total was mainly due to income from employees' compulsory contributions, which increased by just over 3½%. Since the contribution amounts for recipients of unemployment benefits are relatively low, their renewed sharp decline (-12%) only slightly dampened the overall rise in income from contributions. Growth in revenue was curbed by transfers from the Federal budget, which, overall, were only ½% up on the year. At almost 2%, expenditure increased perceptibly faster than in the preceding quarters. The main reason for this was the higher pension increase in the amount of 1.1% on 1 July 2008 owing to the suspension of the "Riester factor", which is designed to dampen the level of pension adjustments by making a deduction allowance for employees' presumed supplementary private pension provision. The pension adjustment in mid-2007 was only half as high (+0.54%). All in all, pension ex-

*Favourable financial situation owing to continued robust contribution receipts*

<sup>10</sup> The definition used in the monthly statistics of the government cash offices, on which these figures are based, notably excludes Berlin's proceeds of €4½ billion from the sale of its Landesbank investment in 2007.

<sup>11</sup> The financial development of the statutory health and public long-term care insurance schemes in the second quarter of 2008 was analysed in the short articles of the Monthly Report of September 2008. These are the most recent data available.



penditure rose by just over 1½%. By contrast, the rise in rehabilitation spending was well above average (+10%).

*Surplus up in 2008 but down in 2009*

Overall, the 2008 surplus could be more than three times higher than last year (just over €1 billion) and the reserves could then be replenished so that they amount to up to one month's expenditure. In view of the poorer macroeconomic outlook, weaker employment dynamics are likely in 2009. Despite the expected continued marked growth in average earnings, income from contributions is therefore likely to increase less strongly. Furthermore, a pension increase of more than 2½% can be expected mid-2009, owing particularly to the significant rise in average earnings in 2008. This is attributable, on the one hand, to the continued suspension of the

“Riester factor” and, on the other, to the fact that the demographic sustainability factor will probably boost pension levels, firstly because of the favourable 2008 employment trend and secondly because the number of pension recipients is currently expanding only moderately. The statutory pension insurance scheme's surplus is therefore likely to decline significantly in 2009.

### Federal Employment Agency

The Federal Employment Agency recorded a surplus of just over €½ billion in the third quarter. Compared with the outturn at the same stage of last year, this amounts to a financial deterioration of almost €1½ billion, which is primarily due to the lowering of the contribution rate from 4.2% to 3.3% on 1 January 2008. Furthermore, the replacement of the compensatory amount with the reintegration payment led to a much bigger transfer to the Federal budget (+€1 billion). This could only be offset to a limited extent by the further reduction in expenditure on unemployment benefit I (-17% or -€½ billion) as a result of the favourable employment trend and the somewhat higher Federal grant. Only a little more was spent on active labour market policy measures.

*Financial situation worse in Q3*

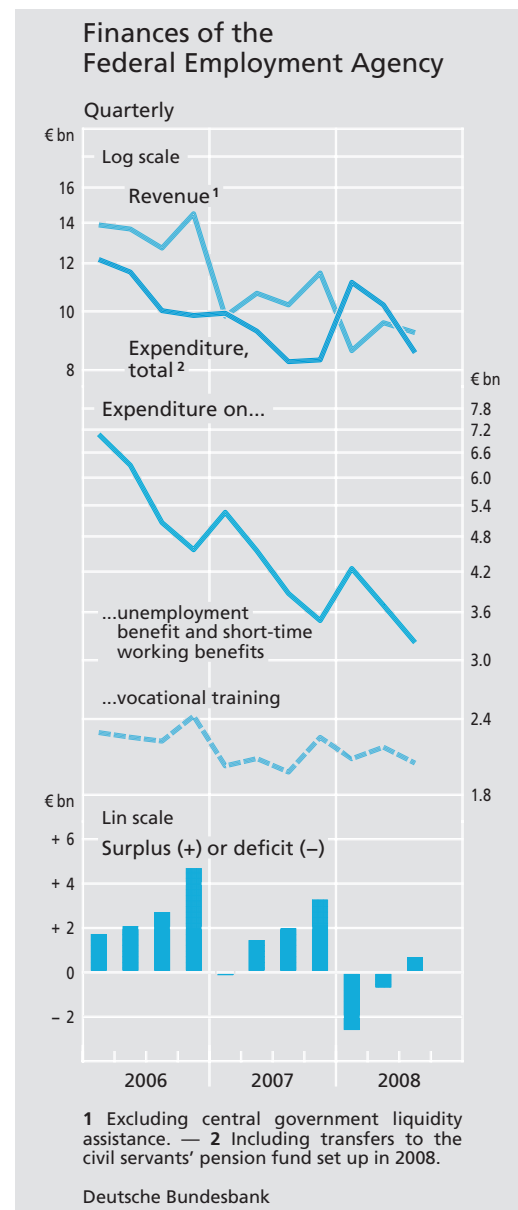
If the Federal Employment Agency's budget is viewed in isolation, the cumulative deficit for the first three quarters amounts to €2½ billion. During the same period of last year, the Agency posted a surplus of €3½ billion. However, it should be borne in mind that in the first half of 2008 expenditure was inflated by

*Consolidated surplus expected in 2008*

the recording of an amount of €2½ billion as a one-off transfer to the newly established civil servant pension reserve. If the Federal Employment Agency and its pension reserve are viewed in consolidated terms, the budget was practically balanced from January to September.<sup>12</sup> A marked surplus is expected in the fourth quarter, which is usually a strong financial quarter. Overall, the reserves are thus likely to be topped up again. The increase in the civil servant pension reserve is partly offset by an (albeit smaller) reduction in the Federal Employment Agency's non-earmarked reserves.

*Cut in contribution rate on 1 January 2009 not sustainable*

On 1 January 2009, the contribution rate will be reduced further to 2.8%. This will produce revenue shortfalls of just over €4 billion in 2009. Furthermore, as a result of the macro-economic slowdown, expenditure on unemployment benefit I and probably also spending on active labour market policy measures are likely to increase on an annual average in 2009. A considerable deficit is therefore expected, which will have to be covered by drawing on the non-earmarked reserves. The Federal Government itself considers a contribution rate of 2.8% to be unsustainable. It is therefore planned to put the rate back up to 3.0% in mid-2010. However, it seems doubtful whether this will suffice to ensure the ongoing independent financing of the Federal Employment Agency. Assuming other expenditure largely remains stable, a 3% contribution rate can hardly finance more than 900,000 recipients of unemployment benefit, which roughly corresponds to the very low figure in 2008.



<sup>12</sup> In the consolidated accounting view, the Federal Employment Agency's expenditure is reduced not only by the amount of the one-off transfer to the pension reserve. Current payments to the reserve should also be deducted from expenditure. Conversely, the pension reserve's spending, chiefly on current pensions and healthcare assistance for retired civil servants, should be added to the unconsolidated total.



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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		
2007 Jan	6.9	9.1	10.1	10.0	8.1	11.3	8.7	3.56	3.75	4.1
Feb	6.8	8.9	10.1	10.4	7.8	10.7	8.5	3.57	3.82	4.1
Mar	7.0	9.5	11.0	10.4	7.8	10.9	9.2	3.69	3.89	4.0
Apr	6.2	8.8	10.3	10.6	7.6	10.7	9.1	3.82	3.98	4.2
May	5.9	9.3	10.6	10.6	8.3	10.9	8.8	3.79	4.07	4.3
June	6.1	9.5	10.9	11.1	8.6	11.5	9.4	3.96	4.15	4.6
July	7.0	10.5	11.7	11.4	8.7	11.5	9.3	4.06	4.22	4.6
Aug	6.7	10.5	11.5	11.5	8.8	11.7	9.3	4.05	4.54	4.4
Sep	6.1	10.2	11.4	11.7	8.7	11.6	8.9	4.03	4.74	4.3
Oct	6.5	11.2	12.3	12.0	9.2	12.3	9.0	3.94	4.69	4.4
Nov	6.2	10.9	12.3	12.0	9.1	12.1	8.4	4.02	4.64	4.2
Dec	3.9	10.1	11.5	11.8	10.1	12.8	9.0	3.88	4.85	4.3
2008 Jan	4.3	10.4	11.5	11.4	10.1	12.8	9.0	4.02	4.48	4.2
Feb	3.6	10.6	11.3	10.9	9.9	12.7	7.8	4.03	4.36	4.1
Mar	2.8	9.8	10.0	10.6	9.8	12.3	6.5	4.09	4.60	4.1
Apr	2.4	10.3	10.4	10.1	9.9	12.1	6.3	3.99	4.78	4.3
May	2.2	10.1	10.0	10.0	9.5	12.0	6.4	4.01	4.86	4.4
June	1.5	9.5	9.6	9.6	9.1	11.2	5.5	4.01	4.94	4.8
July	0.3	9.1	9.2	9.2	9.1	11.0	5.3	4.19	4.96	4.7
Aug	0.2	8.9	8.8	8.9	9.3	10.8	5.2	4.30	4.97	4.5
Sep	1.2	8.9	8.6	...	8.5	10.1	5.2	4.27	5.02	4.4
Oct	...	...	...	...	...	...	...	3.82	5.11	4.3

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	Other investment	Reserve assets		Nominal	Real 4							
	€ million							Euro/US-\$	Q1 1999 = 100								
2007 Jan	-	2,011	-	4,002	+	47,226	-	11,493	+	38,285	+	23,281	-	2,846	1.2999	104.9	105.7
Feb	-	3,672	+	2,455	+	9,056	-	357	+	16,080	-	6,103	-	563	1.3074	105.4	106.2
Mar	+	9,430	+	10,184	-	26,846	-	2,406	+	72,988	-	99,415	+	1,987	1.3242	106.1	106.8
Apr	-	2,508	+	4,887	+	51,755	-	5,085	-	2,975	+	61,400	-	1,585	1.3516	107.2	107.9
May	-	13,176	+	4,000	+	7,030	-	25,856	+	9,387	+	24,317	-	817	1.3511	107.3	107.9
June	+	13,734	+	11,235	-	8,972	-	26,929	+	64,248	-	44,335	-	1,956	1.3419	106.9	107.6
July	+	6,299	+	7,770	+	48,035	-	109	+	7,772	+	43,416	-	3,044	1.3716	107.6	108.1
Aug	+	1,094	+	3,633	+	66,467	+	475	-	1,348	+	66,212	+	1,129	1.3622	107.1	107.6
Sep	+	6,238	+	5,668	-	16,996	-	41,238	+	31,902	-	5,234	-	2,425	1.3896	108.2	108.8
Oct	+	4,183	+	7,157	-	41,008	+	35,379	-	49,481	-	26,965	+	60	1.4227	109.4	110.1
Nov	+	2,868	+	4,769	+	12,606	+	9,590	-	12,784	+	15,547	+	254	1.4684	111.0	111.7
Dec	+	4,089	-	2,195	-	52,107	-	49,249	-	28,792	+	21,379	+	4,555	1.4570	111.2	111.7
2008 Jan	-	14,988	-	8,078	+	5,462	-	64,168	+	31,788	+	44,249	-	6,407	1.4718	112.0	112.3
Feb	+	9,781	+	4,764	-	25,297	-	21,383	+	2,885	-	11,348	+	4,548	1.4748	111.8	111.9
Mar	-	3,345	+	1,774	+	15,428	-	21,591	+	18,177	+	22,058	-	3,215	1.5527	114.6	115.0
Apr	-	4,928	+	5,371	+	29,756	-	22,569	-	19,661	+	75,245	-	3,259	1.5751	116.0	116.1
May	-	21,761	-	1,786	+	43,631	-	6,990	+	387	+	47,511	+	2,723	1.5557	115.5	115.5
June	+	2,241	+	2,593	+	13,781	-	19,615	+	44,513	-	11,647	+	529	1.5553	115.4	115.4
July	+	1,115	+	2,261	-	5,690	-	12,260	-	6,825	+	15,050	-	1,655	1.5770	115.8	115.5
Aug	-	7,908	-	6,480	-	27,131	-	11,610	-	19,685	+	1,768	+	2,396	1.4975	113.5	113.2
Sep	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1.4370	111.6	111.2
Oct	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1.3322	107.6	107.2

\* Source: ECB. — 1 See also Tables XI.12 and 13, pp 75–76. — 2 Including financial derivatives. — 3 Vis-à-vis the currencies of The-EER-22 group. — 4 Based on consumer prices.

## I. Key economic data for the euro area

## 3 General economic indicators

Period	Euro area	Belgium	Germany	Finland	France	Greece	Ireland	Italy
<b>Real gross domestic product <sup>1</sup></b>								
2005	1.7	1.7	0.8	2.8	1.9	3.8	6.4	0.6
2006	2.9	2.8	3.0	4.9	2.2	4.2	5.7	1.8
2007	2.6	2.8	2.5	4.5	2.2	4.0	6.0	1.5
2007 Q2	2.6	2.6	2.5	4.9	1.6	4.1	5.9	1.8
Q3	2.6	2.8	2.4	4.1	2.4	3.9	4.0	1.8
Q4	2.1	2.8	1.6	4.1	2.5	3.6	5.5	0.3
2008 Q1	2.1	1.9	1.9	2.3	1.7	3.6	- 1.3	0.2
Q2	1.4	2.0	3.3	2.8	1.5	3.5	- 0.8	0.0
Q3	0.7	1.7	1.3	...	0.8	...	...	...
<b>Industrial production <sup>1,2</sup></b>								
2005	1.4	- 0.3	3.3	0.3	0.3	- 0.9	3.0	- 0.8
2006	4.0	5.1	5.9	9.8	0.9	0.5	5.1	2.4
2007	3.4	2.6	6.1	4.4	1.4	2.2	7.2	- 0.2
2007 Q2	2.8	2.6	5.9	3.7	0.0	0.7	- 1.0	0.7
Q3	3.9	3.2	6.2	3.8	2.3	2.4	7.5	1.0
Q4	3.0	1.1	5.6	6.0	2.6	2.2	9.9	- 3.4
2008 Q1	2.5	3.1	5.0	3.6	1.8	- 2.9	3.2	- 1.4
Q2	1.1	2.1	3.3	1.7	0.0	- 1.6	4.5	- 1.2
Q3	e - 1.5	...	8p - 0.2	0.6	- 2.4	p - 1.9	p 1.0	- 4.5
<b>Capacity utilisation in industry <sup>3</sup></b>								
2006	83.0	82.7	85.5	86.0	85.0	75.7	75.7	77.6
2007	84.2	83.2	87.5	87.3	86.6	76.9	76.6	78.2
2008	83.0	82.9	86.5	84.4	85.8	76.4	...	75.9
2007 Q3	84.1	82.8	87.1	86.7	86.4	76.7	75.9	78.2
Q4	84.0	83.4	87.0	86.3	87.6	77.1	76.4	77.4
2008 Q1	83.9	83.8	87.2	86.3	86.8	76.7	79.4	76.7
Q2	83.8	83.4	87.6	85.2	86.2	77.3	75.3	76.2
Q3	82.8	82.1	86.2	84.3	85.9	76.2	...	75.6
Q4	81.6	82.4	84.8	81.9	84.1	75.4	...	75.2
<b>Unemployment rate <sup>4</sup></b>								
2005	8.9	8.5	10.7	8.4	9.2	9.9	4.4	7.7
2006	8.3	8.3	9.8	7.7	9.2	8.9	4.5	6.8
2007	7.4	7.5	8.4	6.9	8.3	8.3	4.6	6.1
2008 Apr	7.3	6.8	7.4	6.3	7.7	7.5	5.3	6.8
May	7.4	6.6	7.4	6.3	7.7	7.5	5.5	6.8
June	7.4	6.6	7.3	6.4	7.7	7.5	5.6	6.8
July	7.4	6.6	7.3	6.4	7.8	...	5.9	...
Aug	7.5	6.6	7.2	6.4	8.0	...	6.2	...
Sep	7.5	6.6	7.1	6.5	7.9	...	6.6	...
<b>Harmonised Index of Consumer Prices <sup>1</sup></b>								
2005	2.2	2.5	1.9	0.8	1.9	3.5	2.2	2.2
2006	2.2	2.3	1.8	1.3	1.9	3.3	2.7	2.2
2007	5 2.1	1.8	2.3	1.6	1.6	3.0	2.9	2.0
2008 May	6 3.7	5.1	3.1	4.1	3.7	4.9	3.7	3.7
June	4.0	5.8	3.4	4.3	4.0	4.9	3.9	4.0
July	4.0	5.9	3.5	4.3	4.0	4.9	3.6	4.0
Aug	3.8	5.4	3.3	4.6	3.5	4.8	3.2	4.2
Sep	3.6	5.5	3.0	4.7	3.3	4.7	3.2	3.9
Oct	p 3.2	4.8	2.5	4.4	3.0	4.0	2.7	3.6
<b>General government financial balance <sup>7</sup></b>								
2005	- 2.6	- 2.6	- 3.3	2.9	- 2.9	- 5.1	1.7	- 4.3
2006	- 1.3	0.3	- 1.5	4.1	- 2.4	- 2.8	3.0	- 3.4
2007	- 0.6	- 0.3	- 0.2	5.3	- 2.7	- 3.5	0.2	- 1.6
<b>General government debt <sup>7</sup></b>								
2005	70.2	92.1	67.8	41.3	66.4	98.8	27.3	105.9
2006	68.5	87.8	67.6	39.2	63.6	95.9	24.7	106.9
2007	66.3	83.9	65.1	35.1	63.9	94.8	24.8	104.1

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, Luxembourg 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 Including Slovenia

I. Key economic data for the euro area

3 General economic indicators

Luxembourg	Malta	Netherlands	Austria	Portugal	Slovenia	Spain	Cyprus	Period
<b>Real gross domestic product <sup>1</sup></b>								
5.2	3.5	2.1	2.9	0.9	4.4	3.6	3.9	2005
6.4	3.1	3.4	3.4	1.4	5.9	3.9	4.1	2006
5.2	3.7	3.5	3.1	1.9	6.8	3.7	4.4	2007
5.2	3.2	2.9	3.2	1.9	6.0	3.6	4.2	2007 Q2
4.8	4.0	4.0	2.7	1.8	6.4	3.6	4.6	Q3
3.6	3.7	4.1	2.6	2.0	4.7	3.6	4.4	Q4
1.2	3.4	3.3	2.8	0.8	5.4	2.8	4.1	2008 Q1
2.8	3.2	3.0	2.0	0.7	5.5	1.6	3.9	Q2
...	...	1.9	...	0.7	...	...	...	Q3
<b>Industrial production <sup>1,2</sup></b>								
1.0	-	0.4	4.2	0.3	4.0	0.7	0.9	2005
2.4	-	1.4	7.4	2.8	6.6	3.9	0.7	2006
0.3	-	2.3	5.5	1.8	6.2	1.9	3.1	2007
2.2	-	0.0	6.0	1.5	7.4	2.5	2.2	2007 Q2
- 2.8	-	4.7	5.1	1.3	5.8	1.1	3.9	Q3
- 0.7	-	8.4	3.8	0.0	3.0	- 0.2	4.3	Q4
- 2.0	-	5.6	4.6	- 4.4	- 2.6	- 0.5	4.2	2008 Q1
0.6	-	4.8	3.9	- 2.7	1.9	- 5.1	4.1	Q2
p 0.9	-	0.0	...	- 1.8	- 1.6	- 6.0	...	Q3
<b>Capacity utilisation in industry <sup>3</sup></b>								
85.2	81.6	82.0	83.4	78.4	83.9	80.5	69.9	2006
87.3	80.8	83.6	85.2	81.8	85.9	81.0	70.0	2007
85.1	79.0	83.4	83.0	79.8	84.1	79.2	72.0	2008
86.5	78.7	83.8	85.2	84.3	85.9	81.4	69.2	2007 Q3
86.5	76.3	83.8	84.8	81.3	86.0	80.0	71.3	Q4
86.0	79.5	83.5	83.6	78.1	84.8	81.1	72.5	2008 Q1
84.5	82.4	83.4	84.0	82.3	85.3	80.2	73.2	Q2
85.9	78.2	83.6	82.4	79.7	83.8	79.0	72.3	Q3
83.9	75.9	82.9	81.9	79.0	82.6	76.4	70.1	Q4
<b>Unemployment rate <sup>4</sup></b>								
4.6	7.2	4.7	5.2	7.7	6.5	9.2	5.3	2005
4.6	7.1	3.9	4.8	7.8	6.0	8.5	4.6	2006
4.1	6.4	3.2	4.4	8.1	4.9	8.3	4.0	2007
4.0	5.8	2.9	3.8	7.6	4.4	10.1	3.7	2008 Apr
4.1	5.8	2.8	3.6	7.6	4.4	10.6	3.6	May
4.1	5.8	2.6	3.5	7.6	4.3	10.9	3.7	June
4.1	5.7	2.6	3.4	7.5	4.3	11.2	3.8	July
4.2	5.7	2.5	3.3	7.4	4.2	11.5	3.7	Aug
4.2	5.6	2.5	3.2	7.3	4.1	11.9	3.8	Sep
<b>Harmonised Index of Consumer Prices <sup>1</sup></b>								
3.8	2.5	1.5	2.1	2.1	2.5	3.4	2.0	2005
3.0	2.6	1.7	1.7	3.0	2.5	3.6	2.2	2006
2.7	0.7	1.6	2.2	2.4	3.8	2.8	2.2	2007
4.8	4.1	2.1	3.7	2.8	6.2	4.7	4.6	2008 May
5.3	4.4	2.3	4.0	3.4	6.8	5.1	5.2	June
5.8	5.6	3.0	3.8	3.1	6.9	5.3	5.3	July
4.8	5.4	3.0	3.6	3.1	6.0	4.9	5.1	Aug
4.8	4.9	2.8	3.7	3.2	5.6	4.6	5.0	Sep
3.9	5.8	p 2.5	p 3.0	2.5	4.8	3.6	4.8	Oct
<b>General government financial balance <sup>7</sup></b>								
- 0.1	- 2.8	- 0.3	- 1.5	- 6.1	- 1.4	1.0	- 2.4	2005
1.3	- 2.3	0.6	- 1.5	- 3.9	- 1.2	2.0	- 1.2	2006
3.2	- 1.8	0.3	- 0.4	- 2.6	0.5	2.2	3.5	2007
<b>General government debt <sup>7</sup></b>								
6.1	69.9	51.8	63.7	63.6	27.0	43.0	69.1	2005
6.6	63.8	47.4	62.0	64.7	26.7	39.6	64.6	2006
7.0	62.2	45.7	59.5	63.6	23.4	36.2	59.5	2007

from 2007 onwards. — <sup>6</sup> Including Malta and Cyprus from 2008 onwards. — <sup>7</sup> As a percentage of GDP; euro-area aggregate: European Central Bank (ESA 1995), member states: European Commission (Maastricht

Treaty definition). — <sup>8</sup> Provisional; adjusted in advance by the Federal Statistical Office by way of estimates to the results of the Quarterly Production Survey for the third quarter 2008.

## 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) <sup>2</sup>	Capital and reserves <sup>3</sup>
		Total	of which Securities	Total	of which Securities								
2007 Feb	69.0	67.6	2.4	1.4	4.4	36.5	121.1	84.6	52.3	2.8	1.9	40.0	7.6
Mar	147.5	155.1	48.2	- 7.7	- 6.4	75.9	116.9	41.0	90.4	31.3	0.9	28.1	30.0
Apr	152.7	167.5	75.0	- 14.8	- 15.4	- 42.4	149.5	191.9	24.8	12.6	0.3	17.2	- 5.3
May	129.9	90.1	15.5	39.8	45.4	- 13.5	77.3	90.8	14.4	16.7	- 0.2	21.2	- 23.4
June	97.5	115.4	- 4.7	- 17.9	- 17.5	55.6	3.4	- 52.2	83.6	19.7	0.7	31.7	31.6
July	86.8	107.9	7.6	- 21.2	- 22.5	8.2	66.7	58.5	47.5	14.6	0.8	7.0	25.1
Aug	- 2.5	34.8	- 4.3	- 37.3	- 31.9	- 51.1	- 10.9	40.2	5.3	- 4.4	0.2	9.3	0.2
Sep	124.4	136.3	23.3	- 11.9	- 11.7	- 24.4	31.1	55.5	10.6	- 3.1	1.3	0.4	12.0
Oct	161.1	162.6	81.9	- 1.4	2.2	11.9	150.1	138.2	59.6	16.8	1.1	- 1.0	42.7
Nov	100.0	100.4	13.3	- 0.4	- 1.2	28.6	80.9	52.3	- 2.9	2.8	0.8	- 12.0	5.4
Dec	123.7	126.0	67.9	- 2.2	- 13.1	- 47.5	- 136.4	- 88.9	86.8	51.1	0.4	1.7	33.7
2008 Jan	126.3	108.2	17.7	18.1	14.6	- 18.4	236.2	254.7	19.8	- 3.2	1.8	10.8	10.4
Feb	57.7	64.5	2.5	- 6.7	2.8	- 13.8	85.4	99.3	- 6.9	- 7.8	- 1.1	- 0.4	2.4
Mar	151.0	137.7	26.5	13.3	6.6	- 51.0	- 60.4	- 9.3	20.7	3.9	- 2.3	9.6	9.6
Apr	187.0	163.5	82.6	23.5	11.3	- 73.1	82.7	155.7	18.8	3.7	- 1.6	10.5	6.1
May	85.3	84.3	17.5	1.0	8.6	- 69.9	- 21.0	48.9	19.8	13.6	- 1.7	15.5	- 7.6
June	54.7	46.4	- 21.9	8.3	- 3.9	16.0	- 132.7	- 148.7	35.0	8.4	- 0.9	18.0	9.5
July	97.8	92.6	35.9	5.2	3.7	- 4.5	31.1	35.6	37.8	- 1.3	- 0.7	18.4	21.5
Aug	14.5	22.5	25.0	- 8.0	- 0.6	- 8.3	18.8	27.1	3.5	- 3.9	- 1.2	- 2.2	10.9
Sep	33.9	63.6	- 24.4	- 29.7	- 39.2	38.4	24.7	- 13.6	9.9	- 14.2	- 1.3	- 10.7	36.2

#### (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) <sup>2</sup>	Capital and reserves <sup>3</sup>
		Total	of which Securities	Total	of which Securities								
2007 Feb	- 7.0	0.8	- 7.1	- 7.8	- 3.4	5.7	26.9	21.2	5.7	0.8	2.0	- 0.6	3.5
Mar	10.4	14.4	6.4	- 4.0	2.2	14.9	20.6	5.7	- 5.3	- 0.8	1.5	- 4.5	- 1.4
Apr	32.6	33.4	35.6	- 0.9	- 2.8	- 12.4	25.2	37.5	8.8	2.8	0.2	3.6	2.2
May	- 13.9	- 16.0	- 15.2	2.1	5.0	- 2.5	10.9	13.4	- 2.3	- 0.0	- 0.2	6.6	- 8.6
June	- 27.5	- 11.9	- 24.8	- 15.6	- 10.1	58.7	24.1	- 34.6	9.6	2.1	0.6	- 3.8	10.7
July	7.2	7.3	5.8	- 0.1	- 5.4	17.5	13.2	- 4.3	9.8	1.4	0.6	- 0.7	8.5
Aug	- 3.9	13.9	- 3.8	- 17.8	- 11.9	- 10.1	5.6	15.7	- 10.7	- 0.0	0.2	- 9.0	- 1.8
Sep	10.3	19.7	5.7	- 9.4	- 3.2	24.7	48.7	24.0	- 0.3	3.6	0.6	- 3.0	- 1.4
Oct	5.7	8.9	2.5	- 3.2	- 1.9	12.0	4.1	- 7.9	4.2	- 2.8	1.1	5.9	0.0
Nov	- 1.9	4.5	1.4	- 6.4	- 5.2	17.3	28.1	10.7	- 15.0	- 0.7	1.0	- 12.0	- 3.2
Dec	5.8	11.7	- 0.9	- 5.9	- 4.4	21.0	- 0.9	- 21.9	- 2.1	5.1	1.0	- 10.0	1.8
2008 Jan	35.9	36.4	16.0	- 0.5	3.2	- 41.6	- 12.1	29.6	2.3	1.1	- 0.1	1.0	0.4
Feb	- 7.9	- 13.2	- 18.2	5.3	8.7	7.1	29.0	21.9	- 8.3	- 0.8	- 0.9	- 6.5	- 0.1
Mar	44.0	43.5	26.5	0.5	2.7	- 7.9	21.4	29.3	4.2	- 0.5	- 2.1	- 0.9	7.7
Apr	49.9	40.4	29.4	9.4	4.9	- 3.2	17.7	20.9	0.2	0.3	- 1.4	1.6	- 0.3
May	- 12.8	- 7.1	- 14.3	- 5.8	- 0.6	5.8	- 6.7	- 12.5	- 12.3	0.1	- 1.4	- 4.3	- 6.8
June	- 16.9	- 4.1	- 24.2	- 12.8	- 11.8	- 1.1	- 32.5	- 31.4	3.6	- 0.3	- 0.8	0.7	4.0
July	10.1	13.9	2.7	- 3.8	- 3.8	0.1	- 6.8	- 6.9	5.7	- 0.4	- 0.5	- 0.2	6.9
Aug	25.7	30.3	25.8	- 4.6	- 4.2	- 10.2	- 5.1	5.1	- 1.5	- 1.0	- 1.1	- 1.7	2.3
Sep	1.3	18.4	2.1	- 17.2	- 14.7	35.1	71.5	36.5	- 7.4	- 3.0	- 1.1	- 6.3	2.9

\* 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	
				Total	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							
19.0	- 1.3	-	35.4	7.4	- 6.5	3.1	- 9.5	25.1	- 11.3	6.6	10.8	10.6	2007 Feb	
- 5.4	- 23.5	-	162.0	125.4	- 62.2	9.8	- 52.4	65.4	- 2.2	13.2	14.5	8.8	Mar	
- 9.9	27.9	-	67.6	49.7	21.2	6.2	15.0	36.1	- 7.6	- 0.3	17.6	0.6	Apr	
25.9	- 3.1	-	79.3	48.2	20.9	2.9	18.1	31.0	- 3.7	3.5	16.0	11.5	May	
21.2	- 26.4	-	74.7	95.3	67.0	7.3	59.7	34.6	- 6.3	- 4.4	- 3.1	- 13.0	June	
- 41.5	34.7	-	54.2	37.8	- 13.6	8.0	- 21.6	61.6	- 10.2	4.9	14.4	- 2.8	July	
- 6.3	- 59.8	-	7.4	- 20.4	- 82.8	- 2.3	- 80.5	70.4	- 8.0	10.5	- 6.9	24.1	Aug	
22.3	- 36.5	-	103.6	105.1	77.1	- 0.2	77.3	34.4	- 6.4	1.1	- 24.5	21.9	Sep	
- 16.5	48.2	-	81.7	56.3	- 31.6	3.1	- 34.7	103.4	- 15.5	- 1.8	12.1	15.0	Oct	
15.5	19.1	-	96.8	61.9	40.9	5.1	35.8	27.2	- 6.3	8.4	11.7	14.9	Nov	
- 48.8	- 70.9	-	109.2	160.7	70.7	19.9	50.8	69.2	20.8	- 18.8	- 36.5	3.8	Dec	
15.3	44.0	-	28.7	- 31.9	- 62.1	- 16.5	- 45.6	30.0	0.2	24.2	43.8	- 7.3	2008 Jan	
20.3	5.1	-	25.4	27.7	- 47.3	5.6	- 52.9	77.6	- 2.7	7.1	11.9	- 21.2	Feb	
11.0	- 4.1	-	72.3	78.4	54.2	4.2	50.0	18.6	5.6	- 0.5	- 2.4	- 3.2	Mar	
- 2.4	3.0	-	94.5	77.9	- 16.3	8.5	- 24.8	96.0	- 1.8	14.9	10.4	- 8.7	Apr	
- 24.0	- 63.3	-	82.9	58.8	29.5	4.4	25.1	33.4	- 4.1	4.4	3.9	15.8	May	
37.1	- 27.6	-	26.1	50.9	49.2	6.3	42.9	5.4	- 3.7	- 3.0	- 23.2	1.4	June	
- 30.2	63.6	-	22.1	8.7	- 79.2	6.7	- 85.9	98.5	- 10.7	2.9	8.1	2.5	July	
5.8	- 19.2	-	16.1	- 0.4	- 51.7	- 2.7	- 49.0	53.9	- 2.6	9.8	14.2	- 7.6	Aug	
4.8	- 1.4	-	59.0	76.0	84.4	1.1	83.3	1.6	- 10.0	2.3	- 30.3	11.0	Sep	

(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							Money market fund shares (net) 7,8	Debt securities with maturities of up to 2 years (incl money market paper)(net) 7	
					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						
0.2	- 12.3	1.1	0.7	5.1	- 0.6	4.2	- 3.9	4.7	- 0.7	1.5	2007 Feb			
- 0.3	15.9	1.0	2.5	15.0	3.8	8.1	- 3.3	0.1	1.2	5.0	Mar			
0.3	1.3	0.0	2.2	9.8	- 2.6	17.4	- 4.1	- 0.4	- 0.0	0.5	Apr			
5.2	- 29.5	2.9	0.0	10.2	8.3	6.4	- 4.2	- 1.5	0.3	0.9	May			
0.9	- 1.1	1.2	2.6	21.9	9.8	12.3	- 4.1	3.2	1.5	0.7	June			
- 7.3	18.7	0.5	2.3	3.5	2.7	9.3	- 5.8	- 7.0	- 0.4	4.7	July			
- 0.3	- 19.9	2.3	- 0.9	16.9	- 7.5	26.9	- 3.9	2.7	- 3.8	2.6	Aug			
- 1.3	8.3	1.8	- 0.5	28.2	13.0	16.2	- 3.6	7.9	- 3.7	1.6	Sep			
- 0.4	17.8	1.4	1.2	- 4.0	- 11.1	15.6	- 4.8	- 1.7	- 1.0	1.0	Oct			
5.7	- 22.6	1.1	1.5	47.3	30.9	10.7	- 4.1	5.1	- 0.0	4.6	Nov			
- 6.5	10.5	0.9	4.7	24.9	- 15.4	51.1	- 6.4	- 13.1	- 0.4	3.7	Dec			
- 0.1	- 21.3	0.7	- 4.1	13.4	2.6	- 5.1	- 4.8	15.4	- 0.0	5.2	2008 Jan			
- 1.3	- 7.3	2.1	1.5	16.1	- 4.2	19.7	- 2.1	3.9	0.5	1.7	Feb			
2.3	23.9	1.4	1.4	5.7	8.8	0.7	- 1.6	0.8	- 1.5	1.4	Mar			
- 3.3	29.7	0.4	2.8	20.1	- 13.3	25.2	- 2.7	9.0	- 1.5	3.4	Apr			
2.2	- 7.5	2.1	0.4	10.6	2.8	17.4	- 2.1	0.2	- 0.6	7.1	May			
- 0.3	- 27.2	0.9	2.2	5.8	8.4	- 4.3	- 2.1	7.9	- 0.1	3.9	June			
- 2.2	5.1	0.2	2.0	1.6	- 22.4	35.6	- 5.1	- 5.8	- 0.1	0.7	July			
0.1	2.1	2.4	- 1.0	14.9	1.4	14.1	- 3.2	5.0	- 0.3	2.1	Aug			
0.7	25.1	2.1	0.5	18.0	16.3	- 0.8	- 3.3	7.8	- 0.4	1.6	Sep			

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					
<b>Euro area (€ billion) <sup>1</sup></b>												
2006 Aug	18,860.3	12,647.3	10,287.3	8,874.1	613.9	799.3	2,360.0	820.7	1,539.4	4,280.2	1,932.9	
Sep	19,232.3	12,768.7	10,413.4	8,983.9	620.2	809.3	2,355.2	824.0	1,531.3	4,418.2	2,045.3	
Oct	19,417.3	12,850.0	10,500.2	9,036.7	634.9	828.6	2,349.7	825.9	1,523.8	4,541.8	2,025.5	
Nov	19,715.4	12,945.4	10,592.9	9,118.2	638.2	836.5	2,352.5	824.1	1,528.4	4,620.9	2,149.2	
Dec	19,723.8	12,914.7	10,620.5	9,161.0	648.4	811.2	2,294.2	830.2	1,464.0	4,680.4	2,128.7	
2007 Jan	20,073.5	13,066.2	10,747.1	9,276.9	647.5	822.7	2,319.1	826.1	1,493.0	4,848.5	2,158.7	
Feb	20,254.6	13,130.5	10,808.8	9,337.1	660.6	811.1	2,321.6	823.0	1,498.6	4,935.8	2,188.3	
Mar	20,614.1	13,273.5	10,962.1	9,440.3	687.9	833.8	2,311.5	821.2	1,490.3	5,030.0	2,310.5	
Apr	20,881.0	13,419.5	11,124.5	9,525.7	709.0	889.8	2,295.0	821.6	1,473.4	5,141.8	2,319.8	
May	21,173.3	13,553.7	11,221.8	9,599.6	735.7	886.5	2,331.9	816.1	1,515.9	5,241.8	2,377.9	
June	21,379.3	13,640.0	11,327.2	9,711.7	765.1	850.4	2,312.8	816.0	1,496.8	5,236.7	2,502.6	
July	21,433.3	13,719.5	11,427.4	9,809.0	781.0	837.4	2,292.1	817.4	1,474.7	5,281.9	2,431.9	
Aug	21,428.3	13,718.3	11,460.2	9,847.7	785.0	827.5	2,258.1	812.1	1,446.0	5,274.7	2,435.3	
Sep	21,652.2	13,829.1	11,583.7	9,948.7	808.5	826.4	2,245.4	811.8	1,433.7	5,243.9	2,579.2	
Oct	22,194.3	14,182.3	11,786.3	10,027.5	881.6	877.2	2,396.0	962.3	1,433.7	5,362.4	2,649.6	
Nov	22,398.9	14,275.7	11,877.8	10,110.3	896.0	871.6	2,397.9	963.1	1,434.8	5,388.6	2,734.6	
Dec	22,330.8	14,389.6	11,996.5	10,160.4	951.8	884.3	2,393.2	973.9	1,419.2	5,246.5	2,694.7	
2008 Jan	22,834.4	14,589.0	12,157.6	10,300.4	963.9	893.3	2,431.4	980.5	1,451.0	5,490.1	2,755.3	
Feb	22,977.0	14,638.4	12,214.0	10,356.8	985.1	872.1	2,424.4	970.8	1,453.6	5,530.2	2,808.4	
Mar	23,000.9	14,763.0	12,334.0	10,457.0	1,006.3	870.8	2,429.0	977.4	1,451.7	5,357.5	2,880.3	
Apr	23,185.5	14,943.0	12,494.0	10,533.7	1,034.5	925.7	2,449.1	989.8	1,459.3	5,450.9	2,791.6	
May	23,375.8	15,021.7	12,576.1	10,598.6	1,058.7	918.7	2,445.7	982.1	1,463.6	5,436.5	2,917.6	
June	23,323.2	15,054.8	12,606.4	10,661.3	1,084.9	860.3	2,448.4	994.2	1,454.2	5,277.2	2,991.2	
July	23,312.4	15,153.1	12,695.8	10,715.2	1,102.0	878.6	2,457.4	995.7	1,461.7	5,317.9	2,841.4	
Aug	23,520.3	15,186.9	12,733.0	10,723.4	1,129.8	879.8	2,453.9	988.5	1,465.4	5,495.5	2,837.9	
Sep	23,794.9	15,224.0	12,797.6	10,819.8	1,100.8	877.1	2,426.4	998.0	1,428.4	5,599.9	2,970.9	
<b>German contribution (€ billion)</b>												
2006 Aug	4,821.6	3,477.1	2,759.4	2,344.8	103.6	310.9	717.7	424.2	293.5	1,172.0	172.5	
Sep	4,884.7	3,497.1	2,788.4	2,367.7	108.4	312.3	708.7	420.2	288.5	1,209.8	177.8	
Oct	4,886.3	3,500.9	2,787.3	2,361.5	112.9	313.0	713.6	423.2	290.4	1,204.4	181.0	
Nov	4,933.0	3,510.9	2,790.3	2,357.2	117.9	315.2	720.6	423.7	296.9	1,234.4	187.7	
Dec	4,922.2	3,466.6	2,764.1	2,327.2	120.7	316.2	702.4	420.8	281.6	1,258.1	197.5	
2007 Jan	4,972.0	3,501.3	2,788.2	2,343.3	118.1	326.9	713.1	419.4	293.6	1,279.4	191.3	
Feb	4,987.2	3,491.8	2,786.6	2,349.6	120.5	316.5	705.2	415.0	290.2	1,300.8	194.5	
Mar	5,010.4	3,500.9	2,800.3	2,357.3	123.5	319.5	700.6	408.3	292.4	1,316.2	193.3	
Apr	5,064.5	3,530.4	2,830.8	2,353.3	130.1	347.4	699.6	410.1	289.5	1,333.0	201.1	
May	5,076.7	3,516.3	2,814.6	2,352.1	131.6	330.9	701.7	407.3	294.5	1,346.5	213.9	
June	5,070.7	3,488.8	2,801.2	2,364.9	133.7	302.6	687.6	402.2	285.3	1,368.3	213.5	
July	5,084.0	3,494.2	2,806.6	2,365.9	139.8	300.9	687.6	407.6	280.0	1,377.5	212.4	
Aug	5,097.5	3,490.3	2,820.4	2,383.6	141.2	295.6	669.8	401.7	268.1	1,387.0	220.3	
Sep	5,152.6	3,497.4	2,837.2	2,394.9	145.2	297.1	660.2	395.5	264.7	1,423.6	231.6	
Oct	5,138.6	3,490.1	2,836.5	2,399.8	150.4	286.2	653.6	394.0	259.7	1,416.2	232.3	
Nov	5,155.4	3,486.8	2,839.6	2,401.8	151.5	286.3	647.1	392.7	254.4	1,434.8	233.8	
Dec	5,159.0	3,491.7	2,850.6	2,413.7	148.7	288.2	641.1	391.2	249.9	1,432.7	234.6	
2008 Jan	5,167.5	3,535.3	2,894.6	2,438.5	145.8	310.3	640.7	387.4	253.3	1,407.0	225.2	
Feb	5,186.3	3,525.7	2,879.9	2,442.3	144.4	293.3	645.8	383.9	261.9	1,427.6	233.0	
Mar	5,222.7	3,565.8	2,919.8	2,456.6	163.7	299.5	646.0	381.6	264.4	1,422.9	234.1	
Apr	5,300.6	3,614.0	2,958.7	2,466.4	161.4	330.8	655.4	386.3	269.0	1,441.3	245.3	
May	5,283.0	3,600.6	2,951.1	2,473.1	162.5	315.5	649.5	381.1	268.4	1,436.0	246.5	
June	5,230.1	3,581.4	2,944.7	2,491.9	162.8	290.0	636.6	380.1	256.6	1,399.5	249.2	
July	5,239.5	3,592.2	2,959.4	2,503.6	162.1	293.7	632.9	380.0	252.9	1,394.5	252.8	
Aug	5,284.5	3,623.9	2,995.2	2,511.9	187.2	296.1	628.8	379.8	249.0	1,410.0	250.6	
Sep	5,383.1	3,627.7	3,016.0	2,530.7	188.4	296.9	611.7	377.3	234.4	1,501.9	253.5	

\* 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

## II Overall monetary survey in the euro area

Liabilities											
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	End of year/month
			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											
559.0	7,454.2	7,008.2	7,080.5	2,780.8	1,090.6	109.5	1,590.7	1,414.2	94.6	2006 Aug	
563.2	7,568.4	7,090.6	7,173.0	2,837.7	1,122.2	113.4	1,593.4	1,410.4	95.9	Sep	
567.1	7,582.0	7,114.3	7,192.2	2,809.6	1,152.3	119.4	1,609.2	1,403.7	98.0	Oct	
571.5	7,646.2	7,176.6	7,241.4	2,838.1	1,165.4	124.6	1,617.3	1,395.4	100.7	Nov	
592.2	7,816.5	7,375.4	7,445.8	2,961.1	1,209.4	123.8	1,640.9	1,407.8	102.7	Dec	
575.6	7,815.2	7,354.3	7,435.5	2,909.4	1,235.7	129.6	1,647.5	1,408.0	105.4	2007 Jan	
578.7	7,839.6	7,363.6	7,440.8	2,900.3	1,250.8	136.5	1,649.5	1,396.5	107.3	Feb	
588.5	7,980.2	7,496.9	7,589.8	2,956.5	1,304.1	146.2	1,680.7	1,394.0	108.2	Mar	
594.7	8,020.8	7,543.7	7,635.5	2,964.9	1,335.1	148.0	1,692.5	1,386.6	108.5	Apr	
597.6	8,113.3	7,602.2	7,690.9	2,979.9	1,357.0	152.6	1,709.6	1,383.5	108.3	May	
604.9	8,240.5	7,710.6	7,794.7	3,038.3	1,384.1	156.8	1,729.2	1,377.4	109.0	June	
612.9	8,239.3	7,735.4	7,827.8	3,006.6	1,437.5	162.8	1,743.3	1,367.8	109.8	July	
610.6	8,212.8	7,719.6	7,808.8	2,933.5	1,498.3	168.2	1,739.2	1,359.7	110.0	Aug	
610.4	8,329.8	7,802.5	7,895.0	3,002.6	1,524.3	169.8	1,733.6	1,353.4	111.2	Sep	
613.5	8,545.9	8,033.4	8,114.1	2,968.2	1,619.6	181.6	1,747.8	1,484.6	112.4	Oct	
618.6	8,615.5	8,092.5	8,158.1	2,998.0	1,625.4	193.5	1,749.2	1,478.6	113.4	Nov	
638.5	8,753.0	8,282.4	8,346.1	3,048.0	1,687.4	198.4	1,798.6	1,499.8	114.0	Dec	
623.1	8,808.9	8,305.6	8,388.8	3,024.1	1,740.9	204.9	1,797.5	1,506.1	115.2	2008 Jan	
628.7	8,840.3	8,322.2	8,395.9	2,973.1	1,811.2	205.4	1,788.0	1,503.8	114.4	Feb	
632.9	8,917.5	8,396.1	8,468.8	3,023.5	1,830.2	203.5	1,789.6	1,509.6	112.4	Mar	
641.3	8,992.2	8,471.1	8,542.5	3,001.1	1,919.0	208.5	1,794.8	1,508.2	111.1	Apr	
645.7	9,037.4	8,534.5	8,600.8	3,026.2	1,942.9	209.0	1,808.6	1,504.5	109.6	May	
652.0	9,121.6	8,578.8	8,641.2	3,063.2	1,935.6	215.8	1,816.6	1,501.1	108.9	June	
658.7	9,097.5	8,577.9	8,651.7	2,984.9	2,025.9	225.5	1,815.7	1,491.3	108.4	July	
656.0	9,114.1	8,578.6	8,661.1	2,941.7	2,074.9	233.8	1,814.0	1,489.4	107.3	Aug	
657.1	9,189.1	8,646.3	8,728.4	3,025.6	2,079.0	236.5	1,801.5	1,479.7	106.2	Sep	
German contribution (€ billion)											
151.1	2,382.7	2,308.9	2,254.5	712.8	218.4	19.9	713.1	499.1	91.2	2006 Aug	
151.5	2,392.8	2,315.6	2,261.1	714.0	227.0	20.5	711.9	495.3	92.4	Sep	
152.9	2,389.1	2,314.9	2,264.0	709.2	236.2	21.8	711.7	490.5	94.5	Oct	
154.7	2,423.5	2,346.4	2,286.5	733.7	235.9	22.6	712.8	484.4	97.1	Nov	
160.1	2,449.6	2,375.2	2,311.5	735.3	249.6	23.1	716.6	487.7	99.1	Dec	
155.7	2,445.2	2,372.5	2,313.6	737.8	252.4	24.2	716.6	481.6	100.9	2007 Jan	
156.4	2,447.5	2,373.6	2,314.3	735.9	255.1	25.4	717.3	477.6	102.9	Feb	
158.9	2,456.2	2,381.8	2,323.9	740.7	261.0	26.6	716.7	474.4	104.4	Mar	
161.1	2,470.3	2,398.3	2,336.5	737.5	276.8	27.7	719.5	470.3	104.6	Apr	
161.1	2,485.8	2,408.2	2,340.0	744.1	277.2	28.7	719.4	466.2	104.4	May	
163.7	2,507.3	2,427.9	2,359.0	755.7	284.4	30.2	721.5	462.2	105.0	June	
166.0	2,508.5	2,434.9	2,365.2	756.8	291.7	31.7	722.9	456.5	105.6	July	
165.1	2,524.3	2,451.3	2,377.6	751.4	311.8	32.7	723.2	452.7	105.8	Aug	
164.6	2,551.8	2,476.1	2,400.8	761.4	323.9	33.7	726.2	449.1	106.4	Sep	
165.8	2,549.0	2,474.8	2,400.1	748.5	340.1	36.2	723.3	444.4	107.5	Oct	
167.3	2,592.5	2,509.1	2,430.6	779.5	340.4	39.4	722.4	440.4	108.5	Nov	
172.0	2,634.0	2,554.6	2,473.5	763.6	384.6	42.7	726.2	446.8	109.5	Dec	
167.9	2,628.9	2,548.6	2,476.2	769.4	383.1	45.0	727.3	442.1	109.4	2008 Jan	
169.4	2,638.9	2,559.5	2,487.6	764.9	402.2	45.8	726.2	440.0	108.5	Feb	
170.8	2,645.3	2,564.1	2,492.0	773.5	402.6	45.5	725.5	438.4	106.5	Mar	
173.6	2,650.1	2,574.0	2,498.9	760.6	425.8	46.0	725.6	435.7	105.1	Apr	
174.0	2,671.0	2,591.1	2,508.4	763.8	435.1	46.3	725.8	433.7	103.7	May	
176.2	2,671.2	2,589.5	2,502.9	770.0	425.7	47.4	725.3	431.6	102.9	June	
178.2	2,676.3	2,596.5	2,512.2	750.5	458.7	49.2	724.8	426.5	102.5	July	
177.2	2,688.5	2,608.0	2,522.6	751.6	472.1	50.3	724.0	423.4	101.3	Aug	
177.7	2,698.7	2,618.8	2,532.5	768.0	471.5	51.5	721.1	420.1	100.3	Sep	

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.



## II Overall monetary survey in the euro area

### 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										Repo transactions with non-banks in the euro area		Debt securities	
End of year/month	Other general government								Total	of which Enterprises and households	Money market fund shares (net) <sup>3</sup>	Total	of which denominated in euro
	Central governments	Total	Overnight	With agreed maturities of			At agreed notice of <sup>2</sup>						
				up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months					
<b>Euro area (€ billion) <sup>1</sup></b>													
2006 Aug	184.8	188.8	101.6	60.9	1.3	21.4	3.2	0.4	264.9	260.7	639.6	2,489.8	1,887.7
Sep	202.9	192.6	104.0	61.8	1.6	21.6	3.2	0.4	263.8	259.7	645.5	2,509.1	1,896.2
Oct	193.1	196.7	108.8	61.2	1.7	21.6	3.0	0.4	261.3	255.8	644.6	2,554.3	1,930.0
Nov	193.9	210.9	116.3	67.1	1.7	22.6	2.9	0.4	260.8	256.8	651.9	2,569.7	1,949.1
Dec	158.0	212.8	114.5	70.4	2.1	22.6	2.7	0.4	248.0	244.8	614.6	2,587.8	1,958.4
2007 Jan	170.5	209.2	112.1	68.8	2.4	22.8	2.6	0.4	262.3	258.7	641.6	2,628.0	1,987.1
Feb	189.5	209.4	111.5	69.6	2.4	22.8	2.6	0.4	268.8	264.1	651.9	2,670.9	2,027.4
Mar	183.8	206.6	107.5	71.2	2.5	22.4	2.5	0.4	282.0	277.3	666.2	2,704.3	2,056.0
Apr	173.9	211.4	111.4	72.2	2.5	22.3	2.5	0.4	281.6	276.6	681.7	2,712.6	2,060.6
May	199.8	222.6	117.1	77.8	2.6	22.5	2.3	0.4	285.2	280.4	702.3	2,750.4	2,082.5
June	221.0	224.8	116.3	80.1	3.5	22.3	2.2	0.5	282.2	278.0	698.9	2,772.5	2,088.2
July	180.1	231.4	121.9	81.1	3.6	22.2	2.1	0.5	287.1	282.5	712.4	2,773.2	2,088.9
Aug	173.7	230.3	116.3	85.6	3.7	22.3	2.0	0.5	297.6	292.9	705.9	2,807.4	2,121.6
Sep	196.0	238.8	121.7	88.3	3.7	22.8	1.9	0.5	295.4	290.5	682.2	2,811.5	2,146.0
Oct	184.3	247.5	127.2	84.8	3.7	22.8	1.8	7.1	293.5	288.6	684.0	2,867.8	2,207.2
Nov	199.8	257.6	130.0	92.1	4.0	22.8	1.8	6.9	301.8	297.1	696.7	2,862.9	2,211.8
Dec	151.0	255.9	125.4	93.8	4.4	24.0	1.8	6.7	283.0	278.8	660.4	2,866.8	2,223.6
2008 Jan	168.9	251.2	123.2	89.6	3.9	24.1	1.8	8.7	307.4	303.6	737.1	2,854.8	2,210.7
Feb	189.2	255.2	122.2	94.4	4.0	24.6	1.7	8.3	314.4	310.0	749.9	2,824.4	2,189.9
Mar	200.0	248.7	118.7	90.9	5.0	24.3	1.7	8.1	314.0	309.9	742.2	2,828.1	2,212.9
Apr	197.6	252.1	119.1	93.7	5.2	24.6	1.7	7.9	329.0	322.9	752.0	2,831.1	2,209.6
May	174.0	262.7	121.0	102.7	5.3	24.5	1.6	7.6	333.4	327.3	755.8	2,863.4	2,239.7
June	211.1	269.3	124.2	105.9	5.8	24.4	1.6	7.4	330.3	324.5	733.0	2,876.9	2,256.7
July	180.9	264.9	119.0	107.0	5.7	24.4	1.6	7.2	333.2	329.1	742.5	2,897.4	2,275.1
Aug	186.8	266.2	117.9	109.4	5.8	24.4	1.6	7.1	343.1	338.3	756.7	2,906.7	2,274.0
Sep	191.5	269.1	121.3	109.3	5.8	24.4	1.5	6.8	345.6	340.9	727.0	2,926.1	2,280.9
<b>German contribution (€ billion)</b>													
2006 Aug	46.7	81.4	21.2	38.3	0.9	18.8	1.9	0.4	34.9	34.9	30.3	893.6	661.1
Sep	49.1	82.6	20.9	39.3	1.1	18.9	1.9	0.4	38.1	38.1	29.7	896.8	663.1
Oct	46.3	78.8	19.0	37.4	1.2	19.1	1.8	0.4	32.1	32.1	29.7	896.1	657.2
Nov	48.4	88.6	22.1	44.0	1.2	19.2	1.7	0.4	27.5	27.5	29.5	889.7	654.0
Dec	45.5	92.6	24.8	45.1	1.5	19.1	1.6	0.4	17.1	17.1	29.3	888.7	646.5
2007 Jan	43.7	88.0	21.3	43.7	1.8	19.1	1.6	0.4	25.0	25.0	29.5	903.2	655.3
Feb	43.8	89.4	22.4	43.9	1.9	19.2	1.6	0.4	29.7	29.7	28.3	901.1	655.8
Mar	43.4	88.9	21.3	44.8	1.9	18.9	1.6	0.4	29.8	29.8	29.5	899.9	659.5
Apr	43.6	90.1	22.1	45.3	1.8	18.9	1.5	0.4	29.4	29.4	28.5	898.9	663.0
May	48.9	97.0	23.9	50.3	1.9	19.0	1.4	0.4	28.0	28.0	28.8	907.9	667.6
June	49.7	98.5	22.1	52.9	2.8	18.9	1.3	0.5	32.7	32.7	30.3	902.7	658.2
July	43.0	100.4	23.6	53.3	2.9	18.9	1.2	0.5	25.7	25.7	29.9	906.0	665.5
Aug	42.6	104.1	21.6	59.0	2.9	18.9	1.2	0.5	28.4	28.4	26.0	900.4	662.5
Sep	41.3	109.7	24.1	61.8	2.9	19.3	1.1	0.5	36.3	36.3	22.4	889.3	655.7
Oct	40.9	108.1	25.7	58.7	2.9	19.3	1.1	0.4	34.6	34.6	21.4	891.6	658.3
Nov	46.7	115.2	25.4	65.9	3.1	19.3	1.0	0.4	39.7	39.7	21.4	881.2	655.5
Dec	40.1	120.3	26.1	69.1	3.5	20.3	1.0	0.4	26.6	26.6	21.1	866.9	646.7
2008 Jan	40.0	112.7	23.4	64.5	3.0	20.4	0.9	0.4	42.1	42.1	21.0	873.7	652.8
Feb	38.7	112.6	23.5	63.9	3.2	20.6	0.9	0.4	45.9	45.9	21.5	862.3	642.2
Mar	40.8	112.4	23.1	63.2	4.2	20.7	0.9	0.4	46.7	46.7	20.0	854.3	648.3
Apr	37.5	113.7	22.8	64.5	4.2	20.9	0.9	0.4	55.7	55.7	18.4	859.7	644.1
May	39.7	122.9	24.3	72.2	4.3	20.8	0.9	0.4	56.0	56.0	17.8	848.4	630.4
June	39.4	128.8	26.3	75.5	4.8	21.0	0.9	0.4	63.9	63.9	17.7	842.9	626.2
July	37.3	126.9	23.4	76.7	4.5	21.1	0.8	0.3	58.1	58.1	17.7	842.4	619.3
Aug	37.3	128.6	24.6	77.1	4.6	21.1	0.8	0.3	63.1	63.1	17.3	846.5	619.4
Sep	38.0	128.2	25.0	76.4	4.6	21.1	0.8	0.3	70.9	70.9	16.9	845.6	607.4

\* 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). — <sup>1</sup> Source: ECB. — <sup>2</sup> In Germany, only savings deposits. — <sup>3</sup> Excluding holdings of MFIs; for the German contribution, excluding German MFIs' portfolios of securities issued by MFIs in the euro area. — <sup>4</sup> In Germany, bank debt securities with maturities of up to one year are classed as money market paper. —

<sup>5</sup> Excluding liabilities arising from securities issued. — <sup>6</sup> After deduction of inter-MFI participations. — <sup>7</sup> 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. — <sup>8</sup> including DM banknotes still in circulation (see also footnote 4 on p 10\*). — <sup>9</sup> For the German contribution, the difference between the volume of euro banknotes actually issued



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issued (net) <sup>3</sup>						Other liability items		Memo item			Monetary capital formation <sup>13</sup>	Monetary liabilities of central governments (Post Office, Treasury) <sup>14</sup>	End of year/month
								Monetary aggregates <sup>7</sup> (From 2002, German contribution excludes currency in circulation)					
With maturities of			Liabilities to non-euro-area residents <sup>5</sup>	Capital and reserves <sup>6</sup>	Excess of inter-MFI liabilities	Total <sup>8</sup>	of which Intra-Eurosystem-liability/claim related to banknote issue <sup>9</sup>	M1 <sup>10</sup>	M2 <sup>11</sup>	M3 <sup>12</sup>			
up to 1 year <sup>4</sup>	over 1 year and up to 2 years	over 2 years											
<b>Euro area (€ billion) <sup>1</sup></b>													
138.0	41.0	2,310.7	3,825.8	1,272.8	10.6	2,343.5	–	3,515.9	6,346.3	7,429.9	5,290.6	225.1	2006 Aug
138.1	40.6	2,330.5	3,934.3	1,275.6	4.0	2,468.2	–	3,581.4	6,445.1	7,532.9	5,317.3	227.6	Sep
152.3	42.0	2,360.0	4,027.8	1,284.7	– 1.5	2,497.0	–	3,563.5	6,457.1	7,557.1	5,373.9	230.3	Oct
160.5	38.9	2,370.2	4,046.0	1,279.9	38.1	2,666.3	–	3,609.7	6,520.5	7,617.4	5,391.1	237.7	Nov
151.2	47.7	2,389.0	4,026.5	1,280.8	15.6	2,541.8	–	3,756.5	6,728.4	7,789.5	5,436.5	244.4	Dec
166.2	54.7	2,407.0	4,218.6	1,290.7	18.3	2,623.0	–	3,681.7	6,686.5	7,811.1	5,473.8	242.2	2007 Jan
173.5	58.4	2,439.1	4,270.6	1,302.3	36.0	2,635.6	–	3,674.0	6,690.7	7,843.0	5,521.3	241.7	Feb
179.9	60.1	2,464.3	4,295.2	1,348.2	18.9	2,730.4	–	3,735.4	6,814.3	8,002.3	5,624.3	241.2	Mar
174.7	67.2	2,470.7	4,451.4	1,350.0	1.2	2,786.7	–	3,755.4	6,860.3	8,065.3	5,644.5	242.4	Apr
180.5	74.2	2,495.8	4,562.1	1,327.2	23.2	2,811.8	–	3,777.0	6,910.1	8,151.9	5,663.8	239.9	May
167.5	74.8	2,530.1	4,502.7	1,353.6	– 2.5	2,926.3	–	3,845.2	7,005.8	8,228.6	5,744.6	242.4	June
154.7	85.1	2,533.4	4,542.4	1,378.5	8.0	2,879.3	–	3,830.9	7,041.8	8,280.3	5,787.7	245.4	July
174.1	86.5	2,546.8	4,585.9	1,377.9	– 18.9	2,848.8	–	3,748.4	7,022.0	8,285.4	5,796.6	244.2	Aug
193.2	89.0	2,529.3	4,575.8	1,394.7	– 27.9	2,979.9	–	3,822.6	7,119.9	8,378.9	5,792.1	243.7	Sep
212.2	86.5	2,569.1	4,684.1	1,460.6	– 16.3	3,060.8	–	3,789.6	7,205.7	8,481.2	5,917.5	120.6	Oct
222.2	91.1	2,549.6	4,696.6	1,458.9	– 7.3	3,154.9	–	3,829.5	7,264.3	8,575.2	5,900.8	122.3	Nov
220.8	96.6	2,549.5	4,599.2	1,487.6	– 41.2	3,083.3	–	3,900.5	7,425.1	8,684.8	5,980.3	127.8	Dec
200.9	97.7	2,556.2	4,867.0	1,515.7	– 30.8	3,150.8	–	3,850.7	7,436.5	8,778.7	6,017.5	118.9	2008 Jan
178.2	98.8	2,547.5	4,927.2	1,514.8	– 23.6	3,200.7	–	3,799.9	7,458.7	8,799.0	5,997.5	114.2	Feb
171.3	112.0	2,544.8	4,833.9	1,502.5	– 12.3	3,242.0	–	3,850.9	7,529.8	8,868.5	5,981.6	113.8	Mar
161.6	113.1	2,556.5	5,010.5	1,496.6	– 26.1	3,158.7	–	3,835.3	7,609.2	8,963.9	5,991.4	111.5	Apr
165.5	126.1	2,571.9	5,062.6	1,484.9	– 33.8	3,226.2	–	3,866.5	7,669.8	9,049.4	6,007.0	110.9	May
157.4	132.3	2,587.2	4,888.8	1,490.6	– 52.4	3,282.1	–	3,914.5	7,717.2	9,068.8	6,035.1	112.0	June
152.1	138.5	2,606.8	4,932.0	1,511.9	– 49.6	3,188.4	–	3,837.1	7,730.7	9,095.7	6,074.3	111.0	July
143.7	138.3	2,624.7	5,118.6	1,523.2	– 40.4	3,141.8	–	3,789.4	7,740.5	9,121.1	6,100.6	109.9	Aug
151.7	140.4	2,634.0	5,169.1	1,560.6	– 58.5	3,278.5	–	3,876.9	7,824.7	9,188.1	6,133.5	108.9	Sep
<b>German contribution (€ billion)</b>													
20.8	36.8	836.0	703.2	344.1	– 137.3	570.2	83.9	734.1	1,512.5	1,635.3	2,003.5	–	2006 Aug
20.5	38.8	837.5	723.6	336.2	– 121.3	588.9	85.9	735.0	1,520.1	1,647.1	1,997.3	–	Sep
19.5	40.0	836.7	723.2	340.0	– 118.7	594.8	86.5	728.2	1,517.1	1,638.3	2,002.4	–	Oct
21.3	37.9	830.6	714.5	337.0	– 95.7	607.0	86.3	755.7	1,545.7	1,661.8	1,997.0	–	Nov
20.3	38.2	830.2	697.1	336.0	– 106.4	610.9	84.3	760.0	1,568.7	1,673.6	2,001.5	–	Dec
20.6	42.7	839.9	729.6	348.1	– 119.2	610.7	85.5	759.1	1,564.5	1,682.2	2,025.1	–	2007 Jan
20.2	44.5	836.4	745.5	353.5	– 134.7	616.3	86.5	758.3	1,563.8	1,686.6	2,029.7	–	Feb
22.2	47.4	830.2	748.7	350.3	– 131.7	627.7	87.5	762.0	1,572.3	1,701.4	2,021.0	–	Mar
19.6	49.6	829.7	780.5	352.6	– 131.8	636.2	87.5	759.7	1,583.2	1,710.3	2,025.7	–	Apr
17.2	52.9	837.7	796.4	342.6	– 149.7	636.9	90.4	768.0	1,593.7	1,720.6	2,023.6	–	May
14.7	54.7	833.4	761.0	352.3	– 162.7	647.1	91.6	777.8	1,611.6	1,744.0	2,031.6	–	June
14.4	60.4	831.2	753.5	361.7	– 148.8	647.6	92.1	780.4	1,617.7	1,748.0	2,040.8	–	July
15.5	59.9	824.9	772.0	360.3	– 170.4	656.6	94.4	773.0	1,633.3	1,763.2	2,033.5	–	Aug
16.8	57.0	815.5	785.8	362.4	– 172.4	676.9	96.1	785.5	1,658.1	1,790.7	2,030.3	–	Sep
22.8	48.0	820.7	772.9	366.1	– 167.7	670.8	97.5	774.2	1,657.5	1,784.4	2,037.4	–	Oct
27.4	48.4	805.5	777.4	363.0	– 200.2	680.4	98.6	804.9	1,695.2	1,832.1	2,019.1	–	Nov
27.0	45.1	794.8	754.6	368.0	– 194.9	682.8	99.5	809.7	1,737.4	1,857.2	2,019.3	–	Dec
30.2	46.9	796.6	779.2	374.4	– 220.0	668.2	100.2	792.9	1,731.4	1,871.6	2,028.4	–	2008 Jan
27.2	48.2	787.0	794.7	377.0	– 228.9	674.8	102.4	788.4	1,744.4	1,887.1	2,019.8	–	Feb
25.0	48.8	780.6	813.3	379.8	– 212.8	676.2	103.7	796.6	1,751.3	1,891.8	2,013.5	–	Mar
24.7	52.5	782.5	837.1	375.4	– 187.9	692.0	104.1	783.4	1,760.6	1,911.9	2,009.9	–	Apr
19.6	51.6	777.3	824.7	369.6	– 197.6	693.0	106.3	788.1	1,780.6	1,925.6	1,997.6	–	May
13.3	53.9	775.8	789.2	375.0	– 228.6	698.8	107.2	796.3	1,782.2	1,931.0	2,000.4	–	June
12.2	54.3	775.9	783.7	381.7	– 223.0	702.7	107.4	773.9	1,790.4	1,932.6	2,006.2	–	July
13.7	50.9	782.0	803.1	382.3	– 241.0	724.7	109.8	776.2	1,804.4	1,949.4	2,011.0	–	Aug
13.5	49.6	782.5	850.3	391.3	– 238.3	747.6	111.8	793.1	1,817.9	1,968.9	2,016.5	–	Sep

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). — <sup>10</sup> 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. — <sup>11</sup> M1 plus deposits with agreed maturities of up to 2 years and at agreed notice of up to 3 months

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

## 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
	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							
<b>Eurosystem 2</b>												
2006 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
July	334.3	316.5	120.0	0.2	–	0.6	0.3	578.8	67.0	– 42.1	166.3	745.7
Aug	327.6	329.7	120.0	0.2	–	0.1	0.6	588.2	73.0	– 51.5	167.1	755.4
Sep	327.3	314.0	120.0	0.1	–	0.1	0.4	588.7	61.4	– 55.6	166.4	755.2
Oct	326.7	308.7	120.0	0.1	0.3	0.2	–	588.5	59.1	– 59.1	167.0	755.7
Nov	327.4	311.9	120.0	0.1	–	0.1	–	592.8	60.2	– 60.6	167.0	759.8
Dec	327.0	313.1	120.0	0.1	0.1	0.1	–	598.6	54.9	– 66.4	173.2	771.8
2007 Jan	325.8	322.3	120.0	0.1	–	0.2	1.0	619.5	45.0	– 72.7	175.3	794.9
Feb	322.1	300.5	124.6	0.1	0.1	0.1	1.5	604.6	47.9	– 83.1	176.5	781.2
Mar	321.6	288.7	134.6	0.0	–	0.5	0.8	606.2	47.1	– 90.0	180.6	787.2
Apr	323.6	281.7	145.7	0.5	–	0.3	0.9	614.8	48.2	– 95.2	182.6	797.7
May	326.1	281.6	150.0	0.3	–	0.5	0.1	620.0	51.3	– 97.2	183.2	803.8
June	326.4	284.9	150.0	0.3	–	0.2	0.2	625.2	49.1	– 99.4	186.2	811.7
July	323.0	295.4	150.0	0.2	0.1	0.3	–	631.3	53.9	– 106.4	189.6	821.2
Aug	316.7	301.7	150.0	0.1	–	0.4	–	639.7	52.3	– 115.8	192.0	832.1
Sep	317.3	268.7	171.7	0.2	10.7	0.4	1.7	639.2	52.3	– 117.8	192.7	832.4
Oct	321.9	194.3	262.3	0.3	–	1.6	0.9	637.3	63.7	– 118.0	193.4	832.3
Nov	327.6	180.2	265.0	0.1	–	0.6	5.1	640.1	55.9	– 123.3	194.4	835.1
Dec	327.5	173.0	278.6	0.3	–	0.4	2.2	644.6	61.9	– 126.6	196.8	841.9
2008 Jan	343.8	255.7	268.8	0.3	–	1.1	68.4	668.2	46.4	– 116.4	200.9	870.2
Feb	353.6	173.8	268.5	0.2	–	0.4	0.6	651.7	51.7	– 110.7	202.4	854.5
Mar	343.3	181.3	268.5	0.1	0.3	0.3	–	653.2	59.7	– 125.0	205.3	858.7
Apr	349.4	181.5	278.6	0.1	2.6	0.6	0.4	662.1	66.4	– 124.8	207.5	870.3
May	364.5	174.4	295.0	0.1	–	0.3	0.8	667.6	68.8	– 112.2	208.6	876.6
June	375.0	172.8	287.9	0.3	–	0.2	0.5	671.4	67.3	– 111.5	208.1	879.7
July	376.4	185.4	275.4	0.1	–	0.4	0.5	677.2	64.9	– 118.3	212.7	890.3
Aug	374.5	166.3	299.3	0.1	–	0.3	0.6	686.1	61.3	– 123.0	214.8	901.2
Sep	376.6	163.5	300.0	0.1	–	0.6	0.7	685.0	61.1	– 121.2	214.0	899.5
Oct	417.3	174.1	334.3	7.5	5.9	19.9	45.5	684.3	55.2	– 82.6	216.8	921.0
<b>Deutsche Bundesbank</b>												
2006 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
July	84.0	162.4	71.6	0.1	–	0.4	0.1	157.9	0.1	118.6	41.0	199.3
Aug	82.3	171.6	72.1	0.1	–	0.0	0.5	160.1	0.1	124.3	41.2	201.3
Sep	82.3	156.8	73.4	0.1	–	0.0	0.2	160.9	0.0	110.2	41.2	202.2
Oct	82.6	155.6	76.7	0.1	0.2	0.1	–	160.5	0.1	113.7	40.9	201.5
Nov	82.8	162.6	78.9	0.1	–	0.0	–	161.1	0.1	122.4	40.8	202.0
Dec	82.7	155.3	78.4	0.1	0.1	0.0	–	162.4	0.1	112.6	41.4	203.8
2007 Jan	82.5	165.0	81.0	0.0	–	0.0	–	167.8	0.1	119.4	41.4	209.2
Feb	82.2	153.7	86.6	0.0	0.0	0.0	–	164.8	0.1	115.7	41.9	206.7
Mar	82.0	135.0	95.7	0.0	–	0.2	–	165.3	0.1	104.5	42.8	208.2
Apr	82.7	128.2	103.9	0.1	–	0.1	0.2	167.1	0.1	104.2	43.2	210.4
May	83.4	130.6	107.1	0.2	–	0.1	0.0	168.3	0.1	109.2	43.5	212.0
June	83.6	124.0	108.7	0.1	–	0.0	0.0	170.6	0.1	101.4	44.1	214.8
July	82.7	125.1	108.8	0.1	0.0	0.1	–	171.8	0.1	99.7	45.0	216.8
Aug	81.1	135.4	104.9	0.1	–	0.0	–	173.9	0.1	102.6	44.9	218.8
Sep	81.1	125.0	114.2	0.2	4.1	0.3	0.6	174.1	0.1	104.4	45.2	219.6
Oct	82.4	93.2	142.9	0.2	–	0.9	0.2	173.5	0.1	98.8	45.2	219.6
Nov	84.6	78.3	139.0	0.0	–	0.4	1.5	174.1	0.0	80.0	45.9	220.5
Dec	84.6	73.2	133.6	0.3	–	0.3	0.7	175.2	0.1	68.7	46.7	222.1
2008 Jan	91.5	102.1	134.6	0.1	–	0.6	26.4	180.6	0.1	73.7	46.9	228.1
Feb	96.0	60.8	130.6	0.0	–	0.2	0.1	176.2	0.0	63.3	47.7	224.1
Mar	90.8	59.8	122.5	0.0	0.1	0.2	–	177.5	0.1	46.9	48.6	226.3
Apr	92.9	76.7	109.9	0.0	1.5	0.5	–	179.7	0.0	52.4	48.6	228.7
May	99.6	75.7	112.7	0.0	–	0.2	0.2	181.0	0.0	57.9	48.6	229.8
June	104.4	73.5	112.8	0.1	–	0.1	0.1	182.7	0.1	58.9	49.1	231.8
July	102.8	79.4	107.2	0.0	–	0.1	0.1	183.6	0.1	55.9	49.5	233.2
Aug	99.6	70.8	111.9	0.0	–	0.1	0.0	185.5	0.0	46.5	50.1	235.7
Sep	100.6	76.7	105.2	0.1	–	0.2	0.1	185.7	0.1	46.2	50.2	236.2
Oct	114.4	74.8	118.6	0.9	3.6	10.1	8.6	186.2	0.2	55.9	51.2	247.5

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%

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Flows

Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) <sup>5</sup>	Base money <sup>6</sup>	Reserve maintenance period ending in <sup>1</sup>
Net assets in gold and foreign currency	Monetary policy operations of the Eurosystem				Deposit facility	Other liquidity-absorbing operations	Banknotes in circulation <sup>3</sup>	Central government deposits	Other factors (net) <sup>4</sup>			
	Main refinancing operations	Longer-term refinancing operations	Marginal lending facility	Other liquidity-providing operations								
<b>Eurosystem <sup>2</sup></b>												
+ 3.2	- 9.2	+ 9.0	+ 0.0	+ 0.7	+ 0.1	- 0.1	+ 5.6	- 1.7	- 1.2	+ 1.2	+ 7.0	2006 Apr
+ 9.1	+ 1.2	+ 6.3	+ 0.1	- 0.7	- 0.1	+ 0.4	+ 12.7	- 0.5	+ 1.7	+ 1.7	+ 14.3	May
- 0.1	- 4.3	+ 0.0	- 0.1	-	- 0.1	+ 0.3	+ 2.9	- 5.6	- 3.5	+ 2.1	+ 4.9	June
- 2.6	+ 29.5	- 0.0	+ 0.1	-	+ 0.5	+ 0.2	+ 6.8	+ 21.5	- 5.1	+ 3.0	+ 10.3	July
- 6.7	+ 13.2	+ 0.0	+ 0.0	-	- 0.5	+ 0.3	+ 9.4	+ 6.0	- 9.4	+ 0.8	+ 9.7	Aug
- 0.3	- 15.7	+ 0.0	- 0.1	-	-	- 0.2	+ 0.5	- 11.6	- 4.1	- 0.7	- 0.2	Sep
+ 0.6	- 5.3	+ 0.0	+ 0.0	+ 0.3	+ 0.1	- 0.4	- 0.2	- 2.3	- 3.5	+ 0.6	+ 0.5	Oct
+ 0.7	+ 3.2	+ 0.0	+ 0.0	- 0.3	- 0.1	-	+ 4.3	+ 1.1	- 1.5	+ 0.0	+ 4.1	Nov
- 0.4	+ 1.2	- 0.0	- 0.0	+ 0.1	- 0.0	-	+ 5.8	- 5.3	- 5.8	+ 6.2	+ 12.0	Dec
- 1.2	+ 9.2	+ 0.0	- 0.0	- 0.1	+ 0.1	+ 1.0	+ 20.9	- 9.9	- 6.3	+ 2.1	+ 23.1	2007 Jan
- 3.7	- 21.8	+ 4.6	- 0.0	+ 0.1	- 0.1	+ 0.5	- 14.9	+ 2.9	- 10.4	+ 1.2	- 13.7	Feb
- 0.5	- 11.8	+ 10.0	- 0.1	- 0.1	+ 0.4	- 0.7	+ 1.6	- 0.8	- 6.9	+ 4.1	+ 6.0	Mar
+ 2.0	- 7.0	+ 11.1	+ 0.5	-	- 0.2	+ 0.1	+ 8.6	+ 1.1	- 5.2	+ 2.0	+ 10.5	Apr
+ 2.5	- 0.1	+ 4.3	- 0.2	-	+ 0.2	- 0.8	+ 5.2	+ 3.1	- 2.0	+ 0.6	+ 6.1	May
+ 0.3	+ 3.3	+ 0.0	- 0.0	-	- 0.3	+ 0.1	+ 5.2	- 2.2	- 2.2	+ 3.0	+ 7.9	June
- 3.4	+ 10.5	+ 0.0	- 0.1	+ 0.1	+ 0.1	- 0.2	+ 6.1	+ 4.8	- 7.0	+ 3.4	+ 9.5	July
- 6.3	+ 6.3	+ 0.0	- 0.1	- 0.1	+ 0.1	-	+ 8.4	- 1.6	- 9.4	+ 2.4	+ 10.9	Aug
+ 0.6	- 33.0	+ 21.7	+ 0.0	+ 10.7	+ 0.0	+ 1.7	- 0.5	- 0.0	- 2.0	+ 0.7	+ 0.3	Sep
+ 4.6	- 74.4	+ 90.6	+ 0.1	- 10.7	+ 1.2	- 0.8	- 1.9	+ 11.4	- 0.2	+ 0.7	- 0.1	Oct
+ 5.7	- 14.1	+ 2.7	- 0.2	-	- 1.0	+ 4.2	+ 2.8	- 7.8	- 5.3	+ 1.0	+ 2.8	Nov
- 0.1	- 7.2	+ 13.6	+ 0.2	-	- 0.2	- 2.9	+ 4.5	+ 6.0	- 3.3	+ 2.4	+ 6.8	Dec
+ 16.3	+ 82.7	- 9.8	- 0.0	-	+ 0.7	+ 66.2	+ 23.6	- 15.5	+ 10.2	+ 4.1	+ 28.3	2008 Jan
+ 9.8	- 81.9	- 0.3	- 0.1	-	- 0.7	- 67.8	- 16.5	+ 5.3	+ 5.7	+ 1.5	- 15.7	Feb
- 10.3	+ 7.5	- 0.0	- 0.1	+ 0.3	- 0.1	- 0.6	+ 1.5	+ 8.0	- 14.3	+ 2.9	+ 4.2	Mar
+ 6.1	+ 0.2	+ 10.1	+ 0.0	+ 2.3	+ 0.3	+ 0.4	+ 8.9	+ 6.7	+ 0.2	+ 2.2	+ 11.6	Apr
+ 15.1	- 7.1	+ 16.4	- 0.0	- 2.6	- 0.3	+ 0.4	+ 5.5	+ 2.4	+ 12.6	+ 1.1	+ 6.3	May
+ 10.5	- 1.6	- 7.1	+ 0.2	-	- 0.1	- 0.3	+ 3.8	- 1.5	+ 0.7	- 0.5	+ 3.1	June
+ 1.4	+ 12.6	- 12.5	- 0.2	-	+ 0.2	+ 0.0	+ 5.8	- 2.4	- 6.8	+ 4.6	+ 10.6	July
- 1.9	+ 19.1	+ 23.9	- 0.0	-	- 0.1	+ 0.1	+ 8.9	- 3.6	- 4.7	+ 2.1	+ 10.9	Aug
+ 2.1	- 2.8	+ 0.7	+ 0.0	-	+ 0.3	+ 0.1	- 1.1	- 0.2	+ 1.8	- 0.8	- 1.7	Sep
+ 40.7	+ 10.6	+ 34.3	+ 7.4	+ 5.9	+ 19.3	+ 44.8	- 0.7	- 5.9	+ 38.6	+ 2.8	+ 21.5	Oct
<b>Deutsche Bundesbank</b>												
+ 1.5	- 8.0	+ 6.0	+ 0.0	+ 0.2	- 0.0	- 0.1	+ 0.8	- 0.0	- 1.1	+ 0.1	+ 0.9	2006 Apr
+ 2.7	+ 14.4	+ 2.0	- 0.0	- 0.2	- 0.0	+ 0.1	+ 3.3	+ 0.0	+ 14.9	+ 0.5	+ 3.7	May
- 0.2	+ 1.7	- 2.6	- 0.0	-	+ 0.0	- 0.1	+ 1.5	+ 0.0	- 3.0	+ 0.5	+ 2.0	June
- 0.9	+ 8.4	- 2.1	- 0.0	-	+ 0.3	+ 0.0	+ 1.7	+ 0.0	+ 3.1	+ 0.4	+ 2.4	July
- 1.7	+ 9.3	+ 0.5	+ 0.1	-	- 0.3	+ 0.4	+ 2.2	- 0.0	+ 5.7	+ 0.1	+ 2.0	Aug
+ 0.0	- 14.8	+ 1.3	- 0.1	-	- 0.0	- 0.3	+ 0.8	- 0.0	- 14.1	+ 0.1	+ 0.8	Sep
+ 0.3	- 1.2	+ 3.3	+ 0.0	+ 0.2	+ 0.1	- 0.2	- 0.5	+ 0.0	+ 3.5	- 0.4	- 0.7	Oct
+ 0.2	+ 7.0	+ 2.1	+ 0.0	- 0.2	- 0.1	-	+ 0.7	+ 0.0	+ 8.7	- 0.1	+ 0.5	Nov
- 0.1	- 7.3	- 0.5	- 0.0	+ 0.1	- 0.0	-	+ 1.3	- 0.0	- 9.7	+ 0.5	+ 1.9	Dec
- 0.2	+ 9.8	+ 2.7	- 0.0	- 0.1	+ 0.0	-	+ 5.3	+ 0.0	+ 6.8	+ 0.0	+ 5.3	2007 Jan
- 0.4	- 11.4	+ 5.5	- 0.0	+ 0.0	- 0.0	-	- 2.9	- 0.0	- 3.7	+ 0.5	- 2.4	Feb
- 0.1	- 18.7	+ 9.1	+ 0.0	- 0.0	+ 0.1	-	+ 0.5	+ 0.0	- 11.2	+ 0.9	+ 1.5	Mar
+ 0.7	- 6.8	+ 8.2	+ 0.0	-	- 0.0	+ 0.2	+ 1.8	- 0.0	- 0.3	+ 0.4	+ 2.2	Apr
+ 0.7	+ 2.4	+ 3.2	+ 0.1	-	- 0.0	- 0.2	+ 1.2	- 0.0	+ 5.0	+ 0.4	+ 1.6	May
+ 0.1	- 6.6	+ 1.6	- 0.1	-	- 0.1	- 0.0	+ 2.3	+ 0.0	- 7.8	+ 0.6	+ 2.8	June
- 0.8	+ 1.1	+ 0.0	- 0.1	+ 0.0	+ 0.0	- 0.0	+ 1.1	+ 0.0	- 1.7	+ 0.9	+ 2.0	July
- 1.6	+ 10.3	- 3.9	+ 0.0	- 0.0	- 0.0	-	+ 2.1	- 0.0	+ 2.9	- 0.1	+ 2.0	Aug
+ 0.1	- 10.4	+ 9.3	+ 0.1	+ 4.1	+ 0.2	+ 0.6	+ 0.2	- 0.0	+ 1.9	+ 0.3	+ 0.7	Sep
+ 1.3	- 31.9	+ 28.7	+ 0.1	- 4.1	+ 0.6	- 0.4	- 0.6	- 0.0	- 5.6	- 0.0	+ 0.1	Oct
+ 2.2	- 14.9	- 3.8	- 0.2	-	- 0.5	+ 1.2	+ 0.6	- 0.0	- 18.8	+ 0.7	+ 0.9	Nov
- 0.0	- 5.2	- 5.5	+ 0.2	-	- 0.1	- 0.8	+ 1.0	+ 0.0	- 11.3	+ 0.8	+ 1.6	Dec
+ 6.9	+ 28.9	+ 1.0	- 0.1	-	+ 0.4	+ 25.6	+ 5.4	+ 0.0	+ 5.1	+ 0.2	+ 6.0	2008 Jan
+ 4.5	- 41.3	- 4.0	- 0.1	-	- 0.4	- 26.3	- 4.4	- 0.0	- 10.5	+ 0.8	- 4.0	Feb
- 5.2	- 1.0	- 8.1	+ 0.0	+ 0.1	- 0.0	- 0.1	+ 1.3	+ 0.0	- 16.3	+ 0.9	+ 2.2	Mar
+ 2.1	+ 16.9	- 12.5	+ 0.0	+ 1.4	+ 0.3	-	+ 2.2	- 0.0	+ 5.4	- 0.0	+ 2.4	Apr
+ 6.7	- 1.1	+ 2.7	- 0.0	- 1.5	- 0.3	+ 0.2	+ 1.3	- 0.0	+ 5.5	+ 0.0	+ 1.1	May
+ 4.8	- 2.1	+ 0.1	+ 0.1	-	- 0.2	- 0.1	+ 1.7	+ 0.0	+ 1.0	+ 0.5	+ 2.0	June
- 1.7	+ 5.9	- 5.6	- 0.1	-	+ 0.1	- 0.0	+ 0.9	+ 0.0	- 2.9	+ 0.4	+ 1.4	July
- 3.2	- 8.6	+ 4.7	- 0.0	-	- 0.1	- 0.0	+ 2.0	- 0.1	- 9.4	+ 0.6	+ 2.5	Aug
+ 1.0	+ 5.9	- 6.7	+ 0.1	-	+ 0.1	+ 0.1	+ 0.2	+ 0.0	- 0.3	+ 0.1	+ 0.4	Sep
+ 13.8	- 1.9	+ 13.5	+ 0.8	+ 3.6	+ 10.0	+ 8.5	+ 0.5	+ 0.1	+ 9.7	+ 0.9	+ 11.4	Oct

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
<b>Eurosystem <sup>2</sup></b>									
2008 Mar 7	1,332.9	201.2	136.4	9.0	127.3	26.7	15.2	15.2	–
14	1,367.1	201.2	139.1	9.0	130.2	24.4	14.8	14.8	–
20	1,378.7	201.1	139.4	9.0	130.4	25.3	14.8	14.8	–
28	1,393.3	201.1	140.9	9.0	131.8	34.6	14.9	14.9	–
Apr 4	3 1,371.4	3 209.7	3 136.7	8.7	3 128.0	3 31.7	14.8	14.8	–
11	1,361.8	209.7	136.2	8.8	127.4	41.7	14.9	14.9	–
18	1,433.2	209.7	138.2	8.8	129.4	40.5	15.8	15.8	–
25	1,405.9	209.6	138.7	8.8	129.9	40.1	15.9	15.9	–
May 2	1,399.8	209.6	138.0	8.7	129.2	39.6	16.3	16.3	–
9	1,392.9	209.6	137.3	8.7	128.6	48.2	15.4	15.4	–
16	1,440.9	209.6	138.4	9.4	129.0	47.8	15.3	15.3	–
23	1,423.8	209.6	138.4	9.4	129.0	53.3	15.7	15.7	–
30	1,423.2	209.5	136.3	9.4	126.9	54.9	15.6	15.6	–
June 6	1,407.7	209.5	136.2	9.4	126.8	55.3	15.1	15.1	–
13	1,442.6	209.4	135.7	9.4	126.3	55.5	14.8	14.8	–
20	1,441.2	209.4	136.1	9.4	126.7	55.2	14.9	14.9	–
27	1,462.7	209.4	135.3	9.3	125.9	56.3	14.7	14.7	–
2008 July 4	3 1,404.9	3 209.0	3 137.6	9.3	3 128.3	55.3	15.1	15.1	–
11	1,452.2	209.0	136.0	9.2	126.8	55.8	15.2	15.2	–
18	1,427.3	208.9	131.8	9.2	122.5	56.6	16.7	16.7	–
25	1,450.9	208.4	135.5	9.2	126.3	54.9	15.2	15.2	–
Aug 1	1,444.6	208.3	136.9	9.3	127.6	54.7	16.4	16.4	–
8	1,441.6	208.3	137.0	9.3	127.7	54.6	17.0	17.0	–
15	1,460.2	208.3	136.6	9.3	127.3	59.1	16.3	16.3	–
22	1,435.0	208.3	136.0	9.3	126.7	58.4	15.8	15.8	–
29	1,449.1	208.3	135.4	9.3	126.1	55.1	15.4	15.4	–
Sep 5	1,441.0	208.2	135.2	9.3	125.9	55.5	15.0	15.0	–
12	1,457.7	208.2	134.7	9.2	125.6	55.6	15.5	15.5	–
19	1,460.6	208.1	131.2	9.2	122.0	85.5	16.1	16.1	–
26	1,518.5	208.1	134.4	9.2	125.2	103.2	15.0	15.0	–
Oct 3	3 1,758.7	3 220.4	3 148.6	3 9.8	3 138.8	3 132.2	13.9	13.9	–
10	1,881.9	220.2	147.0	9.8	137.2	165.1	14.2	14.2	–
17	1,973.1	220.2	146.6	9.8	136.8	223.2	13.7	13.7	–
24	1,958.2	220.2	153.9	9.8	144.1	198.9	13.0	13.0	–
31	2,031.4	220.2	155.2	9.8	145.4	205.8	11.2	11.2	–
Nov 7	1,940.4	220.2	155.8	10.1	145.7	226.5	11.4	11.4	–
<b>Deutsche Bundesbank</b>									
2006 Dec	373.7	3 53.1	3 31.7	3.0	3 28.6	–	0.3	0.3	–
2007 Jan	357.9	53.1	32.1	3.0	29.1	0.0	0.3	0.3	–
Feb	365.5	53.1	31.5	2.7	28.8	–	0.3	0.3	–
Mar	3 371.4	3 54.8	3 31.3	2.6	3 28.7	–	0.3	0.3	–
Apr	370.9	54.8	32.5	2.6	29.9	–	0.3	0.3	–
May	377.2	54.8	33.2	2.7	30.5	–	0.3	0.3	–
June	3 373.5	3 52.8	3 32.0	2.7	3 29.4	–	0.3	0.3	–
July	382.1	52.8	31.9	2.6	29.3	–	0.3	0.3	–
Aug	369.6	52.8	31.9	2.6	29.3	–	0.3	0.3	–
Sep	3 394.0	3 57.2	3 31.4	2.5	3 28.9	–	0.3	0.3	–
Oct	394.6	57.2	31.1	2.5	28.6	–	0.3	0.3	–
Nov	410.3	57.2	30.8	2.5	28.3	–	0.3	0.3	–
Dec	3 483.7	3 62.4	3 30.1	2.4	3 27.7	7.1	0.3	0.3	–
2008 Jan	415.5	62.4	30.4	2.4	28.0	6.9	0.3	0.3	–
Feb	432.2	62.4	30.8	2.4	28.4	–	0.3	0.3	–
Mar	3 453.4	3 65.1	3 30.0	2.3	3 27.6	4.5	0.3	0.3	–
Apr	439.6	65.1	31.1	2.3	28.7	8.1	0.3	0.3	–
May	439.2	65.1	30.2	2.5	27.6	14.5	0.3	0.3	–
June	447.2	64.9	30.3	2.5	3 27.8	12.2	0.3	0.3	–
July	435.9	64.9	29.1	2.5	26.6	9.4	0.3	0.3	–
Aug	449.0	64.9	29.1	2.5	26.7	10.1	0.3	0.3	–
Sep	3 519.7	3 68.8	3 31.1	2.6	3 28.5	3 39.1	0.3	0.3	–
Oct	591.6	68.8	34.5	2.6	31.9	50.5	0.3	0.3	–

\* The consolidated financial statement of the Eurosystem comprises the financial statement of the European Central Bank (ECB) and the financial statements of the national central banks of the euro-area member states (NCBs). The balance sheet items for foreign currency, securities, gold

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					
<b>Eurosystem <sup>2</sup></b>											
447.0	178.5	268.5	-	-	0.0	0.0	31.2	107.5	38.6	329.1	2008 Mar 7
476.5	209.0	267.4	-	-	0.0	0.0	33.5	107.3	38.6	331.6	14
484.6	201.7	267.4	15.0	-	0.5	0.0	34.2	107.3	38.6	333.2	20
484.5	216.1	268.4	-	-	-	0.0	34.8	108.3	38.6	335.4	28
444.6	151.4	293.1	-	-	0.0	0.0	34.2	<sup>3</sup> 109.6	38.6	<sup>3</sup> 351.6	Apr 4
425.0	131.6	293.1	-	-	0.2	0.0	35.2	109.6	38.6	350.9	11
499.5	204.5	295.0	-	-	0.0	0.0	34.6	109.3	38.6	347.0	18
468.0	173.0	295.0	-	-	0.0	0.0	34.8	109.4	38.6	350.7	25
465.0	170.0	295.0	-	-	0.0	0.0	32.0	110.0	38.0	351.3	May 2
445.0	150.0	295.0	-	-	0.0	0.0	34.6	110.6	38.0	354.1	9
486.6	191.5	295.0	-	-	0.1	-	33.9	112.2	38.0	359.0	16
461.9	176.5	285.0	-	-	0.4	0.0	32.5	112.4	38.0	362.1	23
455.8	170.0	285.0	-	-	0.8	0.0	32.1	114.0	38.0	366.9	30
438.0	153.0	285.0	-	-	-	0.0	31.4	114.9	38.0	369.3	June 6
466.0	191.0	275.0	-	-	0.0	0.0	30.4	115.2	38.0	377.6	13
463.0	188.0	275.0	-	-	0.0	0.0	30.6	115.3	38.0	378.7	20
483.0	208.0	275.0	-	-	-	0.0	31.7	114.7	38.0	379.7	27
429.5	154.5	275.0	-	-	0.0	-	30.9	<sup>3</sup> 112.6	37.5	<sup>3</sup> 377.4	2008 July 4
475.2	175.0	300.0	-	-	0.2	0.0	32.1	112.9	37.5	378.6	11
455.1	155.0	300.0	-	-	-	0.0	33.9	110.2	37.5	376.7	18
475.5	175.5	300.0	-	-	0.0	0.0	35.0	112.0	37.5	376.9	25
466.0	166.0	300.0	-	-	-	0.0	35.2	111.7	37.5	377.9	Aug 1
460.0	160.0	300.0	-	-	-	0.0	35.9	110.6	37.5	380.7	8
476.1	176.0	300.0	-	-	0.1	0.0	36.9	110.0	37.5	379.4	15
451.0	151.0	300.0	-	-	-	0.0	37.3	109.8	37.5	380.9	22
467.0	167.0	300.0	-	-	0.0	0.0	38.2	111.1	37.5	381.2	29
460.0	160.0	300.0	-	-	0.0	0.0	37.6	109.7	37.5	382.2	Sep 5
476.5	176.5	300.0	-	-	-	0.0	40.6	110.0	37.5	379.2	12
450.3	150.0	299.0	-	-	1.3	0.0	43.5	110.3	37.5	378.2	19
487.3	180.0	300.5	-	-	6.8	0.0	46.4	111.3	37.5	375.4	26
635.1	190.0	420.5	-	-	24.6	0.0	75.5	<sup>3</sup> 113.1	37.4	<sup>3</sup> 382.3	Oct 3
739.4	250.9	447.2	24.7	-	16.6	0.0	66.1	113.6	37.4	378.9	10
773.2	312.0	447.2	-	-	14.0	0.0	61.2	114.8	37.4	382.8	17
767.2	306.0	447.2	-	-	14.1	0.0	64.0	116.3	37.4	387.2	24
839.6	326.6	501.8	-	-	11.2	0.0	63.6	116.9	37.4	381.5	31
723.4	312.8	402.2	-	-	8.4	0.0	67.4	118.7	37.4	379.6	Nov 7
<b>Deutsche Bundesbank</b>											
256.3	173.9	82.3	-	-	0.1	-	3.0	-	4.4	24.8	2006 Dec
232.5	150.1	82.3	-	-	0.0	-	3.1	-	4.4	32.4	2007 Jan
235.0	143.5	91.5	-	-	0.0	-	3.1	-	4.4	38.0	Feb
237.3	130.8	106.4	-	-	0.1	-	3.1	-	4.4	40.1	Mar
247.4	139.6	107.5	-	-	0.4	-	3.1	-	4.4	28.3	Apr
236.9	126.6	110.3	-	-	0.0	-	3.2	-	4.4	44.5	May
243.4	136.2	107.0	-	-	0.2	-	3.2	-	4.4	37.3	June
248.5	146.0	102.4	-	-	-	-	3.3	-	4.4	41.0	July
210.4	89.9	120.5	-	-	0.0	-	3.3	-	4.4	66.5	Aug
223.3	83.8	139.3	-	-	0.2	-	4.3	-	4.4	<sup>3</sup> 73.1	Sep
202.2	62.9	139.3	-	-	0.0	-	7.0	-	4.4	92.4	Oct
207.2	77.3	129.9	-	-	0.0	-	10.1	-	4.4	100.3	Nov
268.0	133.1	134.8	-	-	0.1	-	13.1	-	4.4	<sup>3</sup> 98.4	Dec
172.7	47.0	125.7	-	-	0.0	-	17.3	-	4.4	120.9	2008 Jan
178.7	59.0	119.7	-	-	-	-	18.5	-	4.4	137.1	Feb
213.1	98.4	103.5	11.2	-	0.0	-	20.6	-	4.4	<sup>3</sup> 115.4	Mar
192.5	80.1	112.4	-	-	0.0	-	19.9	-	4.4	118.1	Apr
184.5	71.2	113.2	-	-	0.1	-	19.9	-	4.4	120.2	May
192.4	86.5	105.9	-	-	0.0	-	18.4	-	4.4	124.3	June
184.5	75.5	109.0	-	-	0.0	-	20.3	-	4.4	122.9	July
180.4	76.6	103.8	-	-	0.0	-	22.9	-	4.4	136.8	Aug
223.5	69.2	153.5	-	-	0.8	-	25.2	-	4.4	<sup>3</sup> 127.2	Sep
297.1	107.2	186.4	-	-	3.5	-	38.5	-	4.4	97.4	Oct

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

for the Bundesbank: end-of month financial statement.— <sup>2</sup> Source: ECB.— <sup>3</sup> 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 <sup>1</sup>	Total liabilities	Banknotes in circulation <sup>2</sup>	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
<b>Eurosystem <sup>4</sup></b>													
2008 Mar 7	1,332.9	657.3	196.3	195.8	0.2	-	-	0.3	0.2	-	69.4	62.0	7.5
14	1,367.1	658.7	229.5	229.0	0.2	-	-	0.3	0.2	-	71.0	63.5	7.5
20	1,378.7	665.7	220.6	219.6	0.7	-	-	0.3	0.2	-	80.7	72.9	7.8
28	1,393.3	661.0	224.6	223.4	1.0	-	-	0.2	0.2	-	84.8	77.1	7.7
Apr 4	5 1,371.4	662.6	195.6	194.7	0.6	-	-	0.3	0.2	-	76.3	68.8	7.5
11	1,361.8	662.3	175.5	174.9	0.3	-	-	0.3	0.2	-	75.1	67.6	7.5
18	1,433.2	662.8	247.0	246.3	0.3	-	-	0.4	0.2	-	72.6	65.0	7.7
25	1,405.9	664.3	197.4	196.9	0.1	-	-	0.3	0.2	-	90.4	83.1	7.3
May 2	1,399.8	671.7	209.3	209.1	0.1	-	-	0.2	0.2	-	65.1	57.6	7.6
9	1,392.9	673.5	195.5	194.8	0.5	-	-	0.2	0.2	-	61.6	54.3	7.3
16	1,440.9	671.1	233.4	233.2	0.0	-	-	0.2	0.2	-	72.9	65.4	7.5
23	1,423.8	669.3	195.5	195.4	0.1	-	-	0.0	0.2	-	88.5	81.1	7.3
30	1,423.2	672.0	207.6	207.5	0.1	-	-	0.0	0.2	-	71.9	64.7	7.2
June 6	1,407.7	675.6	195.1	195.1	0.1	-	-	0.0	0.2	-	66.5	59.6	6.9
13	1,442.6	675.0	225.9	225.9	0.1	-	-	0.0	0.1	-	65.8	58.8	7.1
20	1,441.2	674.3	216.0	215.8	0.0	-	-	0.2	0.2	-	74.9	67.9	7.1
27	1,462.7	677.4	227.2	226.5	0.7	-	-	0.0	0.2	-	81.4	74.4	7.0
2008 July 4	5 1,404.9	683.9	179.3	179.1	0.3	-	-	0.0	0.3	-	66.9	59.9	7.0
11	1,452.2	685.6	236.2	236.1	0.1	-	-	0.0	0.2	-	59.6	52.6	7.0
18	1,427.3	685.1	215.7	215.6	0.1	-	-	0.0	0.2	-	56.8	49.9	6.9
25	1,450.9	683.9	208.7	208.6	0.1	-	-	0.0	0.3	-	87.8	81.0	6.8
Aug 1	1,444.6	688.6	214.8	214.7	0.1	-	-	0.0	0.2	-	66.4	59.5	6.9
8	1,441.6	690.3	211.1	211.0	0.1	-	-	0.0	0.2	-	63.5	56.8	6.7
15	1,460.2	690.2	232.9	232.8	0.0	-	-	0.0	0.1	-	57.5	50.8	6.7
22	1,435.0	683.7	214.4	214.3	0.1	-	-	0.0	0.1	-	58.4	51.4	7.0
29	1,449.1	683.5	204.3	204.1	0.2	-	-	0.0	0.2	-	85.0	78.0	7.1
Sep 5	1,441.0	684.6	210.8	210.7	0.1	-	-	0.0	0.1	-	68.5	61.5	7.0
12	1,457.7	682.7	229.8	229.7	0.1	-	-	0.0	0.1	-	67.5	60.5	7.0
19	1,460.6	681.3	215.1	213.3	1.8	-	-	0.0	0.1	-	54.4	46.4	8.0
26	1,518.5	681.7	243.5	215.4	28.1	-	-	0.0	0.3	-	62.3	55.4	6.9
Oct 3	5 1,758.7	693.2	386.1	153.4	38.9	193.8	-	0.1	0.2	-	79.0	71.4	7.6
10	1,881.9	712.1	450.6	295.8	154.7	-	-	0.1	0.1	-	85.7	64.9	20.8
17	1,973.1	721.8	470.3	230.5	239.6	-	-	0.2	0.1	-	91.9	80.0	11.9
24	1,958.2	723.1	383.8	181.2	202.6	-	-	0.1	0.2	-	137.7	120.3	17.5
31	2,031.4	727.7	458.9	179.4	279.4	-	-	0.1	0.2	-	109.4	95.4	14.1
Nov 7	1,940.4	729.3	377.9	152.4	225.5	-	-	0.0	0.3	-	86.9	75.7	11.1
<b>Deutsche Bundesbank</b>													
2006 Dec	373.7	170.9	48.0	47.9	0.0	-	-	-	-	-	0.4	0.0	0.4
2007 Jan	357.9	163.6	37.8	37.8	0.0	-	-	-	-	-	0.4	0.1	0.4
Feb	365.5	164.1	43.7	43.6	0.1	-	-	-	-	-	0.5	0.1	0.4
Mar	5 371.4	166.6	47.9	47.8	0.0	-	-	-	-	-	0.4	0.1	0.3
Apr	370.9	169.7	43.3	43.0	0.2	-	-	-	-	-	0.4	0.1	0.3
May	377.2	169.9	45.1	45.1	0.0	-	-	-	-	-	0.4	0.1	0.4
June	5 373.5	171.9	39.8	39.6	0.3	-	-	-	-	-	0.4	0.1	0.4
July	382.1	173.9	46.6	46.5	0.0	-	-	-	-	-	0.4	0.1	0.3
Aug	369.6	173.1	31.8	31.5	0.2	-	-	-	-	-	0.3	0.0	0.3
Sep	5 394.0	173.1	47.0	42.2	4.8	-	-	-	-	-	0.4	0.1	0.4
Oct	394.6	174.3	43.3	43.1	0.1	-	-	-	-	-	0.5	0.1	0.3
Nov	410.3	175.4	52.9	52.7	0.2	-	-	-	-	-	0.4	0.1	0.4
Dec	5 483.7	183.8	109.5	64.0	4.9	40.6	-	-	-	-	0.4	0.0	0.4
2008 Jan	415.5	176.2	42.6	42.4	0.2	-	-	-	-	-	0.8	0.0	0.8
Feb	432.2	177.1	54.3	54.2	0.2	-	-	-	-	-	0.6	0.1	0.5
Mar	5 453.4	179.0	70.1	69.3	0.8	-	-	-	-	-	0.6	0.1	0.5
Apr	439.6	181.4	53.4	53.3	0.1	-	-	-	-	-	0.7	0.0	0.7
May	439.2	182.0	50.5	50.4	0.0	-	-	-	-	-	0.5	0.0	0.4
June	447.2	183.8	56.0	55.1	0.9	-	-	-	-	-	0.5	0.0	0.4
July	435.9	186.0	41.2	40.9	0.4	-	-	-	-	-	0.4	0.0	0.4
Aug	449.0	185.1	50.6	50.5	0.1	-	-	-	-	-	0.4	0.0	0.3
Sep	5 519.7	185.3	111.5	65.8	45.7	-	-	-	-	-	0.7	0.1	0.6
Oct	591.6	197.1	146.4	48.4	98.0	-	-	-	-	-	7.9	0.2	7.7

\* 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						
<b>Eurosystem 4</b>										
35.4	0.9	18.8	18.8	—	5.3	131.0	—	147.7	70.6	2008 Mar 7
36.1	0.6	19.4	19.4	—	5.3	128.1	—	147.7	70.6	14
36.8	1.5	18.8	18.8	—	5.3	130.7	—	147.7	70.6	20
47.6	1.3	19.6	19.6	—	5.3	130.6	—	147.7	70.6	28
48.0	1.2	5 18.0	5 18.0	—	5.1	5 136.6	—	5 156.2	71.4	Apr 4
57.4	0.8	18.5	18.5	—	5.1	139.1	—	156.2	71.4	11
58.4	0.8	19.1	19.1	—	5.1	139.5	—	156.2	71.4	18
58.1	0.9	19.3	19.3	—	5.1	142.2	—	156.2	71.8	25
57.9	1.7	17.5	17.5	—	5.1	143.3	—	156.2	71.8	May 2
66.7	1.5	19.1	19.1	—	5.1	142.7	—	156.2	71.8	9
66.0	1.9	18.4	18.4	—	5.1	143.8	—	156.2	71.9	16
73.9	2.9	16.3	16.3	—	5.1	144.0	—	156.2	71.9	23
73.4	2.3	16.5	16.5	—	5.1	146.1	—	156.2	71.9	30
72.3	2.4	16.6	16.6	—	5.1	146.0	—	156.2	71.7	June 6
76.9	1.6	17.1	17.1	—	5.1	147.1	—	156.2	71.7	13
77.5	1.8	16.6	16.6	—	5.1	146.8	—	156.2	71.7	20
77.5	3.0	15.6	15.6	—	5.1	147.4	—	156.2	71.7	27
77.7	1.8	20.0	20.0	—	5.1	5 145.8	—	5 152.4	71.7	2008 July 4
76.7	2.5	18.2	18.2	—	5.1	144.0	—	152.4	71.7	11
78.3	1.8	16.0	16.0	—	5.1	144.3	—	152.4	71.7	18
78.0	2.9	16.3	16.3	—	5.1	144.0	—	152.4	71.7	25
78.9	2.1	18.3	18.3	—	5.1	146.0	—	152.4	71.7	Aug 1
78.2	1.4	19.5	19.5	—	5.1	148.4	—	152.4	71.7	8
81.7	1.2	19.4	19.4	—	5.1	148.0	—	152.4	71.7	15
81.4	1.3	18.3	18.3	—	5.1	148.2	—	152.4	71.7	22
80.1	0.9	17.3	17.3	—	5.1	148.7	—	152.4	71.7	29
79.0	1.3	17.3	17.3	—	5.1	150.2	—	152.4	71.7	Sep 5
78.3	1.0	17.2	17.2	—	5.1	151.9	—	152.4	71.7	12
108.4	1.5	15.3	15.3	—	5.1	155.3	—	152.4	71.7	19
127.5	2.1	16.1	16.1	—	5.1	156.0	—	152.4	71.7	26
161.6	1.3	5 25.0	5 25.0	—	5.4	5 166.5	—	5 168.7	71.7	Oct 3
195.0	1.0	26.7	26.7	—	5.4	164.9	—	168.7	71.7	10
255.0	1.3	19.8	19.8	—	5.4	167.1	—	168.7	71.7	17
283.6	0.1	16.4	16.4	—	5.4	167.5	—	168.7	71.7	24
303.4	0.7	16.7	16.7	—	5.4	168.7	—	168.7	71.7	31
315.9	- 0.9	16.7	16.7	—	5.4	168.6	—	168.7	71.7	Nov 7
<b>Deutsche Bundesbank</b>										
3.7	0.0	1.1	1.1	—	1.4	13.0	84.3	45.9	5.0	2006 Dec
3.8	0.0	1.6	1.6	—	1.4	12.9	85.5	45.9	5.0	2007 Jan
3.7	0.0	1.2	1.2	—	1.4	13.5	86.5	45.9	5.0	Feb
3.8	0.0	1.3	1.3	—	1.4	10.1	87.5	5 47.4	5.0	Mar
3.8	0.0	2.5	2.5	—	1.4	10.0	87.5	47.4	5.0	Apr
4.0	0.0	3.0	3.0	—	1.4	10.8	90.4	47.4	5.0	May
3.8	0.0	2.3	2.3	—	1.4	12.4	91.6	5 44.9	5.0	June
4.1	0.0	2.2	2.2	—	1.4	11.6	92.1	44.9	5.0	July
4.1	0.0	2.2	2.2	—	1.4	12.6	94.4	44.9	5.0	Aug
5.4	0.0	2.6	2.6	—	1.3	13.6	96.1	5 49.5	5.0	Sep
7.9	0.0	2.3	2.3	—	1.3	13.0	97.5	49.5	5.0	Oct
11.1	0.0	2.0	2.0	—	1.3	14.1	98.6	49.5	5.0	Nov
14.0	0.0	2.0	2.0	—	1.3	13.1	99.5	5 55.0	5.0	Dec
18.4	0.0	2.6	2.6	—	1.3	13.3	100.2	55.0	5.0	2008 Jan
19.4	0.0	3.0	3.0	—	1.3	14.1	102.4	55.0	5.0	Feb
21.7	0.0	3.3	3.3	—	1.3	10.7	103.7	5 58.1	5.0	Mar
21.2	0.0	4.3	4.3	—	1.3	10.2	104.1	58.1	5.0	Apr
21.2	0.0	3.2	3.2	—	1.3	11.3	106.3	58.1	5.0	May
19.6	0.0	3.9	3.9	—	1.3	12.5	107.2	5 57.4	5.0	June
22.1	0.0	3.0	3.0	—	1.3	12.2	107.4	57.4	5.0	July
24.0	0.0	2.4	2.4	—	1.3	13.1	109.8	57.4	5.0	Aug
24.7	0.0	2.1	2.1	—	1.3	5 15.1	111.8	5 62.2	5.0	Sep
21.7	11.9	3.8	3.8	—	1.3	14.8	119.3	62.2	5.0	Oct

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

euro area										Claims on non-euro-area residents		Other assets	Period
										to non-banks in other member states			
General government				Total	Enterprises and households		General government			Total	of which Loans		
Secur-ities	Total	Loans	Secur-ities 2		Total	Total	of which Loans	Total	Loans				
End of year or month													
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
294.1	549.5	390.2	159.2	376.6	228.1	85.2	148.5	26.1	122.4	1,172.7	936.2	188.8	2006
267.3	505.8	360.7	145.0	425.5	294.6	124.9	130.9	26.0	104.9	1,339.5	1,026.9	224.4	2007
294.1	549.5	390.2	159.2	376.6	228.1	85.2	148.5	26.1	122.4	1,172.7	936.2	188.8	2006 Dec
301.9	554.5	389.0	165.5	387.7	233.6	90.5	154.1	26.0	128.1	1,191.3	947.7	182.6	2007 Jan
291.0	548.8	384.8	164.0	391.3	239.4	93.4	151.9	25.8	126.1	1,212.1	955.0	185.9	Feb
294.5	545.0	379.2	165.8	395.7	244.5	96.0	151.2	24.7	126.5	1,229.3	969.4	184.6	Mar
323.9	547.6	380.6	167.0	397.6	250.0	96.4	147.6	25.0	122.5	1,245.5	980.9	192.3	Apr
305.8	547.2	378.5	168.7	405.8	255.7	99.0	150.1	24.3	125.8	1,259.2	979.3	205.1	May
276.3	533.9	372.3	161.6	412.5	263.2	103.1	149.2	25.5	123.8	1,282.6	996.3	204.3	June
276.1	538.9	378.0	160.9	408.9	264.6	100.0	144.3	25.2	119.1	1,291.5	1,004.7	203.1	July
272.8	527.2	371.6	155.6	414.3	276.0	112.0	138.2	25.7	112.5	1,300.5	1,005.8	211.0	Aug
274.0	521.4	366.1	155.3	419.0	284.7	116.4	134.3	24.9	109.5	1,334.3	1,039.6	220.9	Sep
265.3	514.8	364.6	150.3	427.1	292.8	121.4	134.4	24.9	109.4	1,325.3	1,022.3	221.5	Oct
264.5	513.4	362.9	150.5	424.8	295.5	122.2	129.3	25.4	103.9	1,344.7	1,031.3	223.1	Nov
267.3	505.8	360.7	145.0	425.5	294.6	124.9	130.9	26.0	104.9	1,339.5	1,026.9	224.4	Dec
287.6	499.9	357.1	142.8	446.1	309.7	141.2	136.4	25.9	110.5	1,307.3	1,006.0	215.2	2008 Jan
270.6	502.7	353.4	149.3	441.5	302.8	135.7	138.7	26.1	112.7	1,326.0	1,022.5	223.1	Feb
277.1	502.5	350.9	151.5	465.4	326.3	140.3	139.1	26.2	112.9	1,327.0	1,035.8	223.0	Mar
308.7	513.8	355.9	158.0	463.8	326.7	143.2	137.1	26.0	111.1	1,347.9	1,061.0	234.1	Apr
294.2	509.9	350.7	159.3	465.4	330.3	146.5	135.1	26.0	109.1	1,342.9	1,054.7	235.2	May
270.9	494.1	349.4	144.7	478.3	340.1	158.3	138.1	26.2	111.9	1,303.5	1,013.6	237.6	June
274.7	493.8	349.6	144.2	477.7	343.1	161.9	134.6	26.0	108.7	1,299.8	1,011.4	241.2	July
301.1	491.7	349.0	142.8	482.4	349.9	167.7	132.6	26.4	106.2	1,316.1	1,027.0	239.0	Aug
302.4	477.5	344.8	132.7	488.7	358.9	175.9	129.8	28.0	101.8	1,401.2	1,106.2	243.3	Sep
Changes <sup>1</sup>													
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
19.3	- 31.0	- 18.6	- 12.4	54.5	59.6	20.9	- 5.1	- 1.3	- 3.8	205.9	165.7	9.8	2006
- 14.6	- 39.6	- 29.3	- 10.3	55.1	73.7	41.5	- 18.6	0.0	- 18.6	222.9	136.8	21.1	2007
11.5	5.5	- 1.2	6.7	9.4	4.2	3.8	5.2	- 0.3	5.5	17.3	9.9	- 10.2	2007 Jan
- 10.7	- 5.7	- 4.3	- 1.4	4.6	6.7	3.1	- 2.1	- 0.1	- 2.0	27.4	13.5	2.2	Feb
3.8	- 3.8	- 5.6	1.8	4.6	4.8	2.2	- 0.2	- 0.6	0.4	20.6	17.4	- 1.8	Mar
30.4	2.7	1.5	1.2	2.7	6.3	1.0	- 3.5	0.4	- 4.0	23.9	18.5	7.4	Apr
- 18.2	- 0.4	- 2.1	1.7	8.4	5.9	2.9	2.5	- 0.7	3.3	10.1	- 4.9	12.4	May
- 29.1	- 13.2	- 6.1	- 7.1	6.8	9.2	4.8	- 2.3	0.6	- 3.0	24.6	19.4	- 1.7	June
1.1	4.9	5.6	- 0.7	- 3.2	1.7	- 2.9	- 5.0	- 0.2	- 4.8	13.3	12.4	- 1.3	July
- 3.4	- 11.7	- 6.4	- 5.3	5.4	11.5	12.0	- 6.2	0.5	- 6.6	5.4	- 2.5	7.5	Aug
1.4	- 5.7	- 5.4	- 0.3	5.7	9.4	5.1	- 3.7	- 0.7	- 2.9	48.4	47.0	9.3	Sep
- 3.6	- 3.3	- 1.5	- 1.8	11.5	11.5	5.4	0.1	0.1	- 0.1	4.3	- 9.7	- 0.3	Oct
- 0.7	- 1.4	- 1.7	0.3	- 1.7	3.3	1.2	- 5.0	0.5	- 5.5	28.3	16.7	1.1	Nov
2.9	- 7.6	- 2.1	- 5.4	0.9	- 0.8	3.0	1.7	0.6	1.0	- 0.8	- 0.9	- 3.7	Dec
21.6	- 5.8	- 3.6	- 2.2	9.7	4.4	9.9	5.3	- 0.1	5.4	- 12.6	- 10.3	- 17.9	2008 Jan
- 17.0	2.8	- 3.7	6.5	- 3.8	- 6.2	- 5.0	2.4	0.2	2.2	28.6	24.6	6.4	Feb
6.7	0.1	- 2.4	2.5	25.6	25.2	5.4	0.4	0.2	0.2	21.5	30.8	- 3.9	Mar
31.8	11.5	4.7	6.8	- 0.7	1.3	3.8	- 2.1	- 0.2	- 1.8	16.5	20.9	10.2	Apr
- 14.6	- 3.8	- 5.2	1.4	1.5	3.5	3.2	- 2.0	0.0	- 2.0	- 5.6	- 6.8	0.4	May
- 22.6	- 15.8	- 1.3	- 14.6	13.7	10.7	12.3	3.0	0.2	2.8	- 33.2	- 34.6	1.6	June
3.9	- 0.4	0.2	- 0.6	- 1.2	2.2	3.4	- 3.5	- 0.3	- 3.2	- 6.0	- 4.1	2.8	July
26.0	- 2.2	- 0.6	- 1.6	1.5	3.9	4.0	- 2.3	0.3	- 2.6	- 4.4	- 3.1	1.9	Aug
1.6	- 14.1	- 4.0	- 10.1	6.6	9.3	8.2	- 2.8	1.7	- 4.5	85.7	79.5	2.1	Sep

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		At agreed notice		Total	Over-night
								Total	of which up to 2 years	Total	of which up to 3 months		
End of year or month													
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
2006	7,154.4	1,637.7	1,348.6	289.0	2,449.2	2,341.6	745.8	1,009.3	310.1	586.5	487.4	62.0	13.9
2007	7,592.4	1,778.6	1,479.0	299.6	2,633.6	2,518.3	769.6	1,193.3	477.9	555.4	446.0	75.1	19.6
2006 Dec	7,154.4	1,637.7	1,348.6	289.0	2,449.2	2,341.6	745.8	1,009.3	310.1	586.5	487.4	62.0	13.9
2007 Jan	7,192.4	1,619.6	1,334.6	285.1	2,444.8	2,341.1	744.5	1,014.4	313.0	582.2	481.3	60.0	14.2
Feb	7,230.9	1,623.5	1,339.1	284.4	2,447.0	2,345.0	744.5	1,020.2	317.4	580.3	477.4	58.2	13.4
Mar	7,288.3	1,652.4	1,368.1	284.3	2,455.8	2,350.8	745.9	1,026.3	324.4	578.5	474.2	61.7	15.7
Apr	7,357.2	1,669.5	1,370.7	298.7	2,469.9	2,366.6	745.8	1,046.2	342.2	574.6	470.0	59.6	13.5
May	7,389.3	1,664.2	1,356.6	307.6	2,485.4	2,376.3	751.7	1,054.5	349.9	570.1	465.8	60.3	16.0
June	7,381.7	1,653.4	1,357.7	295.7	2,506.8	2,394.5	760.0	1,067.8	360.3	566.7	461.7	62.6	17.4
July	7,371.2	1,650.1	1,351.7	298.5	2,508.2	2,401.0	764.7	1,074.7	366.9	561.6	456.0	64.2	15.4
Aug	7,417.4	1,665.0	1,359.9	305.1	2,523.9	2,418.3	759.1	1,101.4	393.4	557.8	452.1	63.0	13.6
Sep	7,500.9	1,698.6	1,380.9	317.7	2,551.3	2,441.3	768.5	1,117.9	405.7	554.8	448.5	68.6	16.6
Oct	7,500.5	1,714.2	1,377.3	336.9	2,548.5	2,438.7	757.6	1,129.9	420.3	551.2	443.8	68.9	16.1
Nov	7,553.6	1,719.0	1,393.4	325.7	2,592.0	2,474.9	785.8	1,141.0	430.8	548.1	439.7	70.5	18.6
Dec	7,592.4	1,778.6	1,479.0	299.6	2,633.6	2,518.3	769.6	1,193.3	477.9	555.4	446.0	75.1	19.6
2008 Jan	7,574.1	1,734.4	1,393.6	340.7	2,628.1	2,514.1	770.0	1,193.6	476.6	550.5	441.2	74.1	22.1
Feb	7,596.6	1,736.2	1,395.6	340.6	2,638.4	2,525.9	768.8	1,209.6	491.5	547.6	439.2	73.7	19.1
Mar	7,641.7	1,759.3	1,432.8	326.5	2,644.7	2,524.5	769.7	1,211.0	492.4	543.8	437.5	79.3	26.3
Apr	7,725.9	1,790.8	1,439.8	351.1	2,649.4	2,535.5	758.9	1,236.8	517.2	539.8	434.8	76.4	23.7
May	7,729.1	1,785.2	1,443.6	341.6	2,670.6	2,550.5	761.5	1,252.7	533.4	536.3	432.8	80.4	26.1
June	7,688.7	1,764.2	1,448.9	315.3	2,670.8	2,551.5	768.8	1,249.3	530.1	533.4	430.7	79.8	27.1
July	7,675.4	1,749.7	1,439.1	310.6	2,675.9	2,557.0	746.2	1,283.0	563.6	527.9	425.6	81.7	27.3
Aug	7,744.7	1,753.3	1,446.9	306.3	2,688.1	2,569.2	748.7	1,296.8	577.6	523.6	422.5	81.6	27.1
Sep	7,896.8	1,832.6	1,529.1	303.5	2,698.0	2,573.6	758.0	1,296.4	578.4	519.2	419.2	86.4	34.4
Changes <sup>1</sup>													
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
2006	349.0	105.5	81.5	24.0	123.0	118.6	30.4	105.0	77.1	- 16.8	- 31.7	0.5	4.4
2007	509.7	148.4	134.8	13.6	185.2	177.3	24.5	183.9	167.8	- 31.1	- 41.4	13.7	5.6
2007 Jan	33.9	- 19.2	- 14.3	- 4.9	- 5.0	- 0.8	- 1.4	5.0	2.8	- 4.4	- 6.2	- 2.2	0.3
Feb	46.3	4.9	4.9	0.1	2.6	4.2	0.2	5.9	4.4	- 1.8	- 3.8	- 1.8	- 0.8
Mar	61.6	29.4	29.3	0.1	9.2	5.9	1.5	6.1	7.0	- 1.8	- 3.3	3.6	2.3
Apr	77.8	18.6	3.2	15.4	14.0	15.6	- 0.4	20.0	17.9	- 3.9	- 4.1	- 1.9	- 2.1
May	28.0	- 5.8	- 14.3	8.5	15.3	9.5	5.8	8.2	7.7	- 4.5	- 4.2	0.6	2.4
June	- 6.0	- 9.0	2.7	- 11.7	21.5	18.3	8.4	13.4	10.5	- 3.5	- 4.1	2.4	1.5
July	- 4.4	- 2.7	- 5.8	3.1	1.0	6.7	4.8	7.0	6.6	- 5.1	- 5.7	1.6	- 2.0
Aug	42.1	14.7	8.1	6.5	15.3	16.9	- 5.7	26.3	26.4	- 3.7	- 3.9	- 1.3	- 1.8
Sep	101.2	35.8	21.9	13.9	28.3	23.7	9.8	16.9	12.6	- 3.0	- 3.6	5.9	3.1
Oct	26.7	16.8	- 3.1	20.0	- 2.4	- 2.4	- 10.7	11.9	14.5	- 3.6	- 4.7	0.4	- 0.4
Nov	63.1	5.9	16.5	- 10.6	43.6	36.3	28.4	11.0	10.2	- 3.1	- 4.1	1.6	2.5
Dec	39.4	58.9	85.7	- 26.8	41.7	43.4	- 16.2	52.3	47.1	7.3	6.3	4.8	0.8
2008 Jan	- 31.3	- 61.6	- 101.1	39.5	- 6.8	- 4.2	0.4	0.4	- 1.3	- 4.9	- 4.8	- 2.5	- 1.9
Feb	33.0	3.0	2.4	0.6	10.8	12.2	- 0.9	16.1	14.9	- 2.9	- 2.1	- 0.2	- 3.0
Mar	66.1	26.4	38.4	- 12.0	7.6	- 0.7	1.5	1.6	1.2	- 3.7	- 1.6	5.9	7.3
Apr	81.6	32.6	7.9	24.8	4.7	10.6	- 11.1	25.8	24.7	- 4.1	- 2.7	- 2.6	- 2.3
May	5.2	- 1.2	4.0	- 5.2	19.2	15.0	2.6	15.9	16.3	- 3.5	- 2.1	2.1	0.5
June	- 25.4	- 18.0	5.9	- 23.9	0.6	1.3	7.4	- 3.3	- 3.2	- 2.9	- 2.1	- 0.4	1.0
July	- 1.1	- 1.7	3.0	- 4.7	5.1	5.4	- 22.7	33.6	33.5	- 5.6	- 5.1	- 1.9	0.3
Aug	52.5	5.4	11.4	- 6.0	10.3	11.2	1.9	13.6	13.7	- 4.3	- 3.1	- 0.9	- 0.4
Sep	152.1	79.4	82.2	- 2.8	9.9	4.4	9.3	- 0.5	0.8	- 4.4	- 3.3	4.8	7.3

\* 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). —

IV Banks

in other member states <sup>2</sup>				Deposits of central governments		Liabilities arising from repos with non-banks in the euro area	Money market fund shares issued <sup>3</sup>	Debt securities issued <sup>3</sup>		Liabilities to non-euro-area residents	Capital and reserves	Other Liabilities	Period
With agreed maturities		At agreed notice		Total	of which domestic central governments			Total	of which with maturities of up to 2 years <sup>3</sup>				
Total	of which up to 2 years	Total	of which up to 3 months										
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
45.9	9.3	2.3	1.9	45.5	41.9	17.1	32.0	1,636.7	136.4	638.5	389.6	353.7	2006
53.2	22.0	2.3	1.8	40.1	38.3	26.6	28.6	1,637.6	182.3	661.0	428.2	398.2	2007
45.9	9.3	2.3	1.9	45.5	41.9	17.1	32.0	1,636.7	136.4	638.5	389.6	353.7	2006 Dec
43.5	9.2	2.3	1.9	43.7	40.6	25.0	31.9	1,653.8	145.9	667.6	393.0	356.6	2007 Jan
42.5	8.9	2.3	1.8	43.8	41.8	29.7	31.6	1,657.3	149.5	682.1	399.7	359.9	Feb
43.6	10.0	2.3	1.9	43.4	42.2	29.8	32.7	1,659.7	158.3	681.3	405.5	371.2	Mar
43.8	9.5	2.3	1.8	43.6	43.2	29.4	33.6	1,657.7	158.0	708.9	410.7	377.5	Apr
42.0	8.2	2.3	1.8	48.9	46.9	28.0	33.9	1,666.3	158.4	720.2	416.8	374.6	May
42.9	10.0	2.3	1.8	49.7	46.6	32.7	35.3	1,670.4	162.2	685.8	417.8	379.5	June
46.6	12.6	2.3	1.8	43.0	41.8	25.7	34.9	1,673.2	168.2	675.2	426.0	378.0	July
47.1	13.1	2.3	1.8	42.6	41.1	28.4	32.3	1,665.5	169.2	694.4	423.3	384.6	Aug
49.8	16.5	2.3	1.7	41.3	39.6	36.3	30.3	1,651.5	170.7	703.6	426.5	402.7	Sep
50.5	17.5	2.3	1.7	40.9	38.2	34.6	29.2	1,664.4	179.3	687.5	427.7	394.5	Oct
49.6	18.1	2.3	1.7	46.6	41.9	39.7	29.1	1,658.9	188.3	687.0	427.5	400.4	Nov
53.2	22.0	2.3	1.8	40.1	38.3	26.6	28.6	1,637.6	182.3	661.0	428.2	398.2	Dec
49.6	18.9	2.3	1.8	40.0	37.4	42.1	28.8	1,644.1	190.6	679.2	430.8	386.7	2008 Jan
52.3	23.6	2.3	1.8	38.7	37.1	45.9	29.0	1,631.9	189.7	694.5	431.8	389.0	Feb
50.7	23.0	2.3	1.8	40.8	37.6	46.7	27.2	1,622.3	188.1	703.1	447.5	390.9	Mar
50.4	23.5	2.3	1.8	37.5	35.3	55.7	25.4	1,628.2	195.8	729.3	442.8	404.2	Apr
52.0	24.6	2.3	1.8	39.7	36.7	56.0	24.6	1,629.9	201.4	716.8	444.5	401.5	May
50.5	23.4	2.3	1.8	39.4	37.8	63.9	23.8	1,641.4	217.1	679.2	442.6	402.9	June
52.0	25.5	2.3	1.7	37.2	35.2	58.1	23.5	1,644.8	222.2	674.8	443.6	405.0	July
52.3	26.4	2.3	1.7	37.3	36.3	63.1	23.2	1,655.8	224.7	687.9	448.7	424.6	Aug
49.7	25.5	2.3	1.7	38.0	37.5	70.9	22.4	1,643.0	220.0	741.6	445.2	443.0	Sep
<b>Changes <sup>1</sup></b>													
- 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
- 3.9	- 0.2	- 0.1	- 0.2	3.9	3.1	- 3.2	0.3	34.3	21.7	32.1	27.9	29.2	2006
8.1	13.0	0.0	- 0.1	- 5.8	- 4.3	8.1	- 3.4	20.4	48.7	49.1	42.9	59.1	2007
- 2.5	- 0.2	- 0.0	- 0.0	- 1.9	- 1.4	8.0	- 0.0	14.7	9.5	26.0	3.8	5.8	2007 Jan
- 1.0	- 0.3	0.0	- 0.0	0.2	1.1	4.7	- 0.3	6.5	3.6	19.2	7.2	1.5	Feb
1.2	1.1	0.0	0.0	- 0.3	0.4	0.1	1.0	4.2	8.9	1.5	6.0	10.2	Mar
0.3	- 0.4	- 0.0	- 0.0	0.3	1.0	- 0.4	0.9	2.1	- 0.3	32.5	6.0	4.0	Apr
- 1.9	- 1.3	- 0.0	- 0.0	5.2	3.7	- 1.5	0.3	7.1	0.4	9.0	5.8	- 2.2	May
1.0	1.8	- 0.0	- 0.0	0.9	- 0.3	3.2	1.5	4.8	3.7	- 33.7	1.1	4.5	June
3.7	2.7	- 0.0	- 0.0	- 7.3	- 5.3	- 7.0	- 0.4	3.4	5.2	- 7.7	8.4	0.6	July
0.5	0.4	0.0	- 0.0	- 0.3	- 0.7	2.7	- 2.7	- 8.6	2.8	16.4	- 2.9	7.1	Aug
2.9	3.6	- 0.0	- 0.0	- 1.3	- 1.5	7.9	- 1.9	- 7.2	1.6	18.1	4.4	15.7	Sep
0.9	1.1	- 0.0	- 0.0	- 0.4	- 1.4	- 1.7	- 1.1	16.0	10.5	- 11.9	1.7	9.2	Oct
- 1.0	0.5	0.0	- 0.0	5.7	3.7	5.1	- 0.1	- 2.5	8.7	5.0	0.3	5.8	Nov
3.9	4.0	0.1	0.0	- 6.5	- 3.7	- 13.1	- 0.5	- 20.2	- 5.9	- 25.2	1.0	- 3.2	Dec
- 4.4	- 3.8	0.0	0.0	- 0.2	- 0.9	15.4	0.2	6.7	- 8.3	22.8	2.6	- 10.6	2008 Jan
2.9	4.8	- 0.0	- 0.0	- 1.3	- 0.3	3.9	0.2	- 8.9	- 0.7	21.1	1.0	1.8	Feb
- 1.4	- 0.4	- 0.0	0.0	2.3	0.7	0.8	- 1.8	- 3.5	- 1.5	17.9	16.9	1.9	Mar
- 0.3	0.5	- 0.0	- 0.0	- 3.3	- 2.3	9.0	- 1.8	5.5	7.7	23.5	- 3.9	12.0	Apr
1.6	1.1	- 0.0	- 0.0	2.2	1.4	0.2	- 0.8	1.6	4.5	- 12.8	1.8	- 2.9	May
- 1.3	- 1.1	- 0.0	- 0.0	- 0.3	1.1	7.9	- 0.8	14.0	15.8	- 34.1	4.1	0.9	June
1.6	2.1	- 0.0	- 0.0	- 2.2	- 2.6	- 5.8	- 0.3	4.5	5.7	- 5.8	1.5	1.4	July
- 0.4	0.4	- 0.0	- 0.0	0.1	1.1	5.0	- 0.3	2.9	2.3	0.6	3.3	25.1	Aug
- 2.5	- 0.9	- 0.0	- 0.0	0.7	1.3	7.8	- 0.8	- 11.3	- 3.2	53.7	- 5.0	18.4	Sep

<sup>2</sup> Excluding deposits of central governments. — <sup>3</sup> 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
<b>All categories of banks</b>													
2008 Apr	2,019	7,782.0	67.8	3,205.5	2,347.2	810.1	3,998.2	589.2	2,623.7	1.5	764.2	160.7	349.8
2008 May	2,017	7,785.8	64.4	3,221.4	2,339.2	827.4	3,988.9	588.3	2,632.4	1.5	745.0	160.6	350.5
2008 June	2,014	7,745.1	68.6	3,227.3	2,332.1	829.5	3,940.6	560.1	2,647.7	1.5	708.4	156.5	352.2
2008 July	2,008	7,732.1	55.4	3,212.1	2,314.7	827.4	3,948.2	566.3	2,656.9	1.4	702.7	160.2	356.1
2008 Aug	2,003	7,802.4	62.4	3,230.3	2,325.6	833.2	3,995.0	568.7	2,677.6	1.4	727.0	160.1	354.6
2008 Sep	1,995	7,953.8	82.2	3,344.6	2,450.1	824.1	4,011.8	578.2	2,689.8	1.3	721.6	156.9	358.4
<b>Commercial banks <sup>5</sup></b>													
2008 Aug	271	2,371.5	23.5	975.7	826.8	133.8	1,138.7	309.9	617.8	0.7	203.3	78.6	154.9
2008 Sep	271	2,479.7	34.0	1,072.8	924.6	133.6	1,143.2	314.7	620.6	0.6	202.4	76.1	153.6
<b>Big banks <sup>6</sup></b>													
2008 Aug	5	1,457.6	13.6	640.6	549.3	81.2	614.8	189.9	296.1	0.5	123.7	71.5	117.0
2008 Sep	5	1,499.5	18.5	692.0	602.4	79.8	603.6	185.1	296.9	0.5	117.8	69.0	116.4
<b>Regional banks and other commercial banks</b>													
2008 Aug	164	739.6	8.3	243.1	187.1	50.9	450.2	90.3	280.0	0.1	77.7	6.5	31.4
2008 Sep	164	786.7	12.0	275.8	218.8	52.3	461.6	97.6	281.3	0.1	81.2	6.6	30.7
<b>Branches of foreign banks</b>													
2008 Aug	102	174.3	1.6	92.0	90.3	1.7	73.6	29.7	41.8	0.0	1.9	0.6	6.6
2008 Sep	102	193.5	3.4	105.0	103.4	1.6	78.0	32.0	42.4	0.0	3.4	0.6	6.5
<b>Landesbanken</b>													
2008 Aug	10	1,590.7	3.9	832.7	609.2	192.5	669.1	111.0	435.6	0.1	111.2	28.2	56.8
2008 Sep	10	1,618.2	7.6	847.7	630.8	187.0	675.4	110.8	441.2	0.1	109.4	27.4	60.1
<b>Savings banks</b>													
2008 Aug	438	1,046.3	18.1	268.0	119.6	138.2	721.5	60.3	563.8	0.4	96.9	19.8	18.9
2008 Sep	438	1,045.3	19.9	264.2	116.1	137.8	723.0	62.5	563.9	0.3	96.0	19.8	18.3
<b>Regional institutions of credit cooperatives</b>													
2008 Aug	2	272.4	1.4	171.9	115.2	54.8	73.2	21.5	19.5	0.0	31.4	13.9	11.9
2008 Sep	2	278.0	1.8	177.4	121.3	53.9	72.6	20.3	19.7	0.0	31.9	13.9	12.3
<b>Credit cooperatives</b>													
2008 Aug	1,220	642.3	12.6	177.0	80.4	90.3	422.1	35.6	336.7	0.2	49.4	10.8	19.8
2008 Sep	1,212	643.5	13.3	175.2	79.2	89.5	424.2	37.1	337.3	0.2	49.2	10.8	20.0
<b>Mortgage banks</b>													
2008 Aug	20	799.1	0.9	246.4	136.8	107.1	532.6	16.9	378.9	-	136.1	1.2	18.0
2008 Sep	20	800.4	1.2	247.2	138.3	106.3	532.9	16.8	380.3	-	134.9	1.2	17.9
<b>Building and loan associations</b>													
2008 Aug	25	190.1	0.1	55.3	41.0	13.3	120.3	1.4	107.6	.	11.3	0.3	14.1
2008 Sep	25	190.0	0.1	54.8	40.6	13.1	120.7	1.5	108.1	.	11.2	0.3	14.0
<b>Special purpose banks</b>													
2008 Aug	17	889.9	1.9	503.2	396.7	103.2	317.5	12.1	217.7	-	87.5	7.2	60.1
2008 Sep	17	898.9	4.3	505.4	399.3	102.9	319.8	14.4	218.6	-	86.5	7.2	62.2
<b>Memo item: Foreign banks <sup>7</sup></b>													
2008 Aug	147	839.8	6.5	344.8	272.4	63.8	446.7	95.7	276.9	0.2	72.4	6.6	35.2
2008 Sep	147	906.1	11.7	394.2	320.2	66.1	458.0	105.7	277.8	0.2	72.8	6.8	35.4
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>													
2008 Aug	45	665.5	5.0	252.8	182.1	62.1	373.0	66.0	235.1	0.2	70.5	6.1	28.6
2008 Sep	45	712.6	8.3	289.2	216.8	64.5	380.0	73.8	235.4	0.2	69.4	6.2	28.9

\* For the period up to December 1998, section IV (except for Table IV.1) shows the assets and liabilities of banks (excluding building and loan associations) in 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 <sup>4</sup>	Bank savings bonds	Capital including published reserves, participation rights capital, funds for general banking risks	Other liabilities	End of month
Total	of which		Total	of which			Memo item Liabilities arising from repos <sup>2</sup>	Savings deposits <sup>3</sup>						
	Sight deposits	Time deposits		Sight deposits	Time deposits <sup>1</sup>	for up to and including 1 year		for more than 1 year <sup>1</sup>	Total					
<b>All categories of banks</b>														
2,270.4	348.7	1,921.7	2,955.0	877.6	594.7	798.3	158.9	548.2	441.0	136.2	1,708.1	361.8	486.8	2008 Apr
2,266.3	364.0	1,902.3	2,962.3	876.9	601.5	800.1	144.6	544.7	438.9	139.1	1,711.1	362.3	483.9	May
2,217.8	365.5	1,852.3	2,960.2	894.3	583.3	800.3	139.8	541.8	436.8	140.5	1,725.6	357.4	484.0	June
2,185.1	321.3	1,863.8	2,973.4	868.9	625.7	800.3	148.7	536.2	431.7	142.3	1,726.3	361.1	486.1	July
2,194.5	296.2	1,898.3	2,998.0	875.7	645.0	801.9	157.2	531.9	428.5	143.5	1,742.2	361.2	506.5	Aug
2,343.9	409.7	1,934.2	2,999.3	885.9	640.4	800.4	143.0	527.6	425.2	145.1	1,722.0	364.6	524.1	Sep
<b>Commercial banks <sup>5</sup></b>														
808.2	177.0	631.2	982.7	425.7	290.9	141.6	102.6	104.0	81.5	20.4	264.8	117.2	198.6	2008 Aug
921.0	256.0	664.9	972.6	426.6	279.3	142.0	85.2	103.8	81.0	21.0	258.0	120.6	207.5	Sep
<b>Big banks <sup>6</sup></b>														
506.3	118.4	387.8	566.3	229.4	180.8	86.6	93.8	61.4	57.7	8.2	204.8	74.7	105.5	2008 Aug
571.0	162.1	408.9	541.5	222.3	163.2	86.8	74.2	60.8	57.1	8.4	199.2	78.0	109.9	Sep
<b>Regional banks and other commercial banks</b>														
172.9	34.9	137.9	382.9	177.5	102.0	48.7	8.6	42.6	23.8	12.1	60.0	37.2	86.6	2008 Aug
203.2	62.5	140.7	397.0	184.7	107.8	49.0	10.6	43.0	23.8	12.4	58.8	37.2	90.6	Sep
<b>Branches of foreign banks</b>														
129.1	23.7	105.4	33.4	18.8	8.1	6.4	0.2	0.0	0.0	0.1	0.0	5.3	6.5	2008 Aug
146.8	31.5	115.3	34.2	19.5	8.3	6.2	0.4	0.0	0.0	0.1	0.0	5.4	7.1	Sep
<b>Landesbanken</b>														
554.7	47.5	507.1	416.5	60.4	138.8	202.5	51.5	13.4	13.1	1.5	483.4	63.7	72.4	2008 Aug
577.0	74.0	503.0	426.5	69.3	140.5	201.8	50.6	13.3	13.0	1.5	475.9	63.7	75.1	Sep
<b>Savings banks</b>														
208.5	23.0	185.4	682.9	223.5	89.1	14.4	-	263.8	203.9	92.0	46.7	56.1	52.2	2008 Aug
208.5	22.5	186.0	680.8	221.6	90.3	14.7	-	261.7	202.3	92.5	45.9	56.2	53.9	Sep
<b>Regional institutions of credit cooperatives</b>														
143.6	23.3	120.4	46.8	8.3	19.3	17.7	3.1	-	-	1.5	54.3	10.9	16.7	2008 Aug
145.7	25.4	120.3	51.2	12.6	19.3	17.6	7.2	-	-	1.7	52.5	10.9	17.6	Sep
<b>Credit cooperatives</b>														
95.2	6.9	88.3	439.1	148.8	83.7	29.4	-	149.9	129.2	27.4	39.1	38.6	30.4	2008 Aug
96.8	8.6	88.3	437.2	146.6	85.5	29.4	-	147.9	128.1	27.8	39.5	38.6	31.3	Sep
<b>Mortgage banks</b>														
170.3	3.4	166.9	195.3	3.7	13.0	178.1	-	0.5	0.5	0.0	388.4	21.7	23.4	2008 Aug
179.7	6.3	173.4	195.3	4.2	12.8	177.7	-	0.5	0.5	0.0	378.6	21.7	25.0	Sep
<b>Building and loan associations</b>														
27.1	3.0	24.2	126.0	0.3	1.7	123.2	-	0.3	0.3	0.5	6.2	7.3	23.5	2008 Aug
27.4	3.0	24.3	125.5	0.4	1.7	122.7	-	0.3	0.3	0.5	6.1	7.3	23.7	Sep
<b>Special purpose banks</b>														
186.9	12.1	174.9	108.6	5.0	8.5	95.0	0.0	-	-	0.2	459.4	45.7	89.3	2008 Aug
187.9	13.8	174.1	110.2	4.5	11.0	94.4	-	-	-	0.2	465.4	45.5	89.9	Sep
<b>Memo item: Foreign banks <sup>7</sup></b>														
291.8	65.0	226.8	341.4	156.2	95.3	67.3	21.8	14.8	14.6	7.8	109.8	43.8	53.1	2008 Aug
345.1	97.9	247.1	353.4	166.6	96.8	67.1	21.5	14.8	14.6	8.1	108.9	43.9	54.8	Sep
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>														
162.7	41.3	121.4	308.0	137.4	87.2	60.9	21.6	14.8	14.5	7.6	109.7	38.4	46.7	2008 Aug
198.3	66.4	131.8	319.1	147.1	88.5	60.9	21.2	14.8	14.5	7.9	108.9	38.5	47.8	Sep

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

of the banks majority-owned by foreign banks and included in other categories of banks and the category "Branches (with dependent legal status) of foreign banks". — <sup>8</sup> Separate presentation of the banks majority-owned by foreign banks included in 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
<b>End of year or month *</b>													
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
2006	16.0	49.4	1,637.8	1,086.3	–	9.3	542.2	1.9	3,000.7	2,630.3	1.9	2.0	366.5
2007	17.5	64.6	1,751.8	1,222.5	0.0	25.3	504.0	2.3	2,975.7	2,647.9	1.6	1.5	324.7
2007 Apr	13.9	44.9	1,660.0	1,118.8	0.0	12.8	528.4	1.9	3,043.3	2,635.9	1.6	2.4	403.4
May	14.2	45.6	1,668.3	1,119.7	0.0	13.4	535.1	1.9	3,021.0	2,630.0	1.6	1.3	388.0
June	13.7	41.3	1,651.1	1,112.2	0.0	16.7	522.2	1.9	2,986.2	2,632.4	1.7	1.7	350.5
July	13.4	48.4	1,629.8	1,095.7	0.0	17.2	517.0	1.8	2,993.2	2,642.2	1.6	1.3	348.1
Aug	13.5	33.2	1,670.8	1,141.6	0.0	17.7	511.5	1.8	2,984.1	2,641.6	1.6	1.3	339.6
Sep	14.0	42.2	1,683.5	1,155.8	0.0	18.8	508.9	1.8	2,986.2	2,643.2	1.4	1.9	339.7
Oct	14.1	44.1	1,696.3	1,162.1	0.0	23.9	510.3	1.8	2,973.3	2,641.5	1.5	2.2	328.1
Nov	13.6	52.0	1,708.7	1,171.8	0.0	26.0	511.0	1.7	2,971.5	2,641.0	1.5	2.2	326.9
Dec	17.5	64.6	1,751.8	1,222.5	0.0	25.3	504.0	2.3	2,975.7	2,647.9	1.6	1.5	324.7
2008 Jan	13.8	43.6	1,723.3	1,194.0	0.0	29.2	500.2	1.9	2,998.5	2,652.9	1.5	2.2	341.9
Feb	13.2	52.1	1,722.2	1,194.4	–	29.3	498.5	1.9	2,993.2	2,658.6	1.3	2.1	331.1
Mar	13.8	69.6	1,716.3	1,189.6	–	29.7	497.0	1.9	3,009.0	2,666.0	1.3	2.5	339.3
Apr	13.5	53.9	1,739.3	1,207.2	–	31.3	500.8	1.9	3,058.8	2,677.9	1.2	2.0	377.7
May	13.7	50.2	1,763.7	1,220.9	0.0	33.2	509.5	1.9	3,043.7	2,676.2	1.2	3.2	363.2
June	13.3	54.7	1,773.8	1,224.3	0.0	37.2	512.3	1.9	3,011.5	2,681.9	1.1	3.6	324.8
July	13.6	41.2	1,766.2	1,218.9	–	37.5	509.8	1.9	3,018.8	2,690.2	1.1	2.8	324.8
Aug	13.7	48.2	1,785.7	1,232.3	–	38.9	514.6	1.9	3,045.3	2,692.1	1.1	2.9	349.3
Sep	13.4	68.5	1,823.5	1,279.2	0.0	38.0	506.3	1.9	3,044.8	2,698.6	1.0	2.5	342.7
<b>Changes *</b>													
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
2006	+ 0.9	+ 1.5	+ 3.6	+ 24.5	– 0.0	+ 2.6	– 30.6	– 0.2	– 12.4	– 20.3	– 0.5	– 0.4	+ 8.8
2007	+ 1.5	+ 15.2	+ 114.8	+ 137.6	+ 0.0	+ 17.0	– 39.8	+ 0.4	– 15.9	+ 12.1	– 0.3	– 0.5	– 27.2
2007 Apr	+ 0.9	– 4.5	– 11.0	– 10.4	+ 0.0	– 0.4	– 0.3	– 0.0	+ 28.1	– 3.1	+ 0.0	+ 0.6	+ 30.6
May	+ 0.3	+ 0.7	+ 8.2	+ 0.9	–	+ 0.6	+ 6.7	– 0.0	– 22.4	– 5.8	– 0.0	– 1.1	– 15.4
June	– 0.5	– 4.3	– 16.1	– 6.4	– 0.0	+ 3.2	– 12.9	+ 0.0	– 35.8	+ 1.3	+ 0.1	+ 0.4	– 37.5
July	– 0.3	+ 7.1	– 20.6	– 15.9	– 0.0	+ 0.5	– 5.2	– 0.1	+ 8.1	+ 9.4	– 0.1	– 0.4	– 0.9
Aug	+ 0.1	– 15.2	+ 41.0	+ 46.0	+ 0.0	+ 0.5	– 5.5	– 0.0	– 9.2	– 0.7	– 0.0	+ 0.0	– 8.5
Sep	+ 0.5	+ 9.0	+ 12.7	+ 14.2	–	+ 1.0	– 2.5	– 0.0	+ 2.2	+ 1.7	– 0.1	+ 0.6	+ 0.1
Oct	+ 0.1	+ 1.9	+ 13.4	+ 6.3	– 0.0	+ 6.1	+ 1.0	+ 0.0	– 4.4	– 1.7	+ 0.0	+ 0.3	– 3.1
Nov	– 0.5	+ 7.9	+ 12.4	+ 9.7	– 0.0	+ 2.0	+ 0.7	– 0.1	– 1.7	– 0.5	+ 0.0	– 0.0	– 1.2
Dec	+ 3.8	+ 12.7	+ 43.1	+ 50.7	–	– 0.6	– 7.0	+ 0.6	+ 3.4	+ 6.1	+ 0.1	– 0.7	– 2.1
2008 Jan	– 3.7	– 21.0	– 44.3	– 44.4	+ 0.0	+ 3.8	– 3.8	– 0.8	+ 22.7	+ 5.0	– 0.1	+ 0.7	+ 17.1
Feb	– 0.6	+ 8.5	– 1.1	+ 0.5	– 0.0	+ 0.1	– 1.7	– 0.0	– 5.3	+ 5.6	– 0.1	– 0.0	– 10.8
Mar	+ 0.6	+ 17.5	– 5.9	– 4.8	–	+ 0.4	– 1.5	+ 0.0	+ 15.9	+ 7.5	– 0.1	+ 0.3	+ 8.2
Apr	– 0.3	– 15.7	+ 24.0	+ 18.7	–	+ 1.6	+ 3.7	+ 0.0	+ 49.8	+ 11.7	– 0.1	– 0.2	+ 38.4
May	+ 0.2	– 3.6	+ 24.6	+ 13.9	+ 0.0	+ 1.9	+ 8.8	– 0.0	– 15.1	– 1.7	– 0.0	+ 1.2	– 14.5
June	– 0.4	+ 4.5	+ 10.0	+ 3.3	–	+ 4.0	+ 2.7	+ 0.0	– 32.1	+ 5.7	– 0.0	+ 0.4	– 38.1
July	+ 0.3	– 13.6	+ 7.6	+ 8.1	– 0.0	+ 0.6	– 1.1	– 0.0	+ 6.8	+ 7.7	– 0.0	– 0.8	– 0.0
Aug	+ 0.1	+ 7.1	+ 25.4	+ 19.3	–	+ 1.3	+ 4.8	– 0.0	+ 26.6	+ 2.1	+ 0.0	+ 0.1	+ 24.5
Sep	– 0.3	+ 20.2	+ 37.8	+ 46.9	+ 0.0	– 0.8	– 8.3	+ 0.0	– 0.5	+ 6.5	– 0.1	– 0.4	– 6.5

\* 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, 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 de-positions 11	Time deposits 13,16	Savings de-positions 17	Bank savings bonds 18		Memo item Fiduciary loans 5
End of year or month *														
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
-	53.0	106.3	1,348.2	125.4	1,222.7	0.0	22.3	2,394.6	747.7	962.8	586.5	97.5	37.8	2006
-	51.1	109.4	1,478.6	122.1	1,356.5	0.0	20.0	2,579.1	779.9	1,125.4	555.4	118.4	36.4	2007
-	54.2	107.9	1,370.2	143.6	1,226.6	0.0	21.3	2,434.0	756.1	999.6	574.6	103.7	38.3	2007 Apr
-	53.8	108.0	1,356.0	142.1	1,213.9	0.0	21.2	2,445.1	761.0	1,008.9	570.1	105.0	37.6	May
-	53.5	108.5	1,357.0	137.8	1,219.2	0.0	21.0	2,464.9	772.5	1,019.0	566.7	106.6	37.5	June
-	52.2	110.3	1,351.2	131.5	1,219.7	0.0	20.6	2,464.7	775.2	1,019.2	561.6	108.7	36.6	July
-	52.0	110.3	1,359.0	134.5	1,224.5	0.0	20.4	2,483.3	769.5	1,045.6	557.8	110.3	36.4	Aug
-	51.7	110.3	1,380.6	135.8	1,244.7	0.0	20.3	2,510.2	782.1	1,061.7	554.8	111.6	36.4	Sep
-	51.7	108.0	1,376.9	133.1	1,243.8	0.0	19.8	2,506.9	770.4	1,071.5	551.2	113.8	36.5	Oct
-	51.4	108.9	1,393.0	141.6	1,251.4	0.0	19.7	2,551.3	800.8	1,085.7	548.1	116.7	36.4	Nov
-	51.1	109.4	1,478.6	122.1	1,356.5	0.0	20.0	2,579.1	779.9	1,125.4	555.4	118.4	36.4	Dec
-	51.9	110.5	1,393.3	136.9	1,256.4	0.0	44.0	2,587.3	785.1	1,130.6	550.5	121.1	33.6	2008 Jan
-	51.4	110.5	1,394.9	139.2	1,255.7	0.0	43.6	2,601.7	784.9	1,147.5	547.6	121.7	33.6	Feb
-	50.8	111.9	1,432.6	142.8	1,289.7	0.0	42.8	2,601.9	786.3	1,150.0	543.8	121.8	33.2	Mar
-	50.4	111.0	1,439.6	132.6	1,306.9	0.0	42.7	2,620.8	779.4	1,178.8	539.8	122.8	33.1	Apr
-	50.2	110.8	1,443.2	133.5	1,309.6	0.0	42.5	2,636.4	782.6	1,193.5	536.3	124.0	33.1	May
-	49.2	106.7	1,448.6	134.8	1,313.8	0.0	41.6	2,644.8	793.1	1,194.4	533.5	125.4	32.9	June
-	49.7	110.5	1,438.6	122.5	1,316.1	0.0	41.9	2,644.7	768.2	1,221.5	527.9	127.1	32.5	July
-	49.3	110.2	1,446.4	124.6	1,321.8	0.0	42.3	2,660.4	771.9	1,236.7	523.6	128.1	32.5	Aug
-	48.4	108.2	1,528.8	151.4	1,377.4	0.0	42.0	2,676.0	784.7	1,242.4	519.3	129.6	32.3	Sep
Changes *														
- 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
-	- 3.7	- 2.2	+ 79.0	+ 8.6	+ 70.5	- 0.1	- 4.5	+ 118.0	+ 30.0	+ 97.7	- 16.8	+ 7.2	- 4.1	2006
-	- 2.3	+ 3.1	+ 132.0	- 3.3	+ 135.3	- 0.0	- 2.3	+ 181.1	+ 31.6	+ 160.5	- 31.1	+ 20.1	- 2.0	2007
-	+ 1.3	+ 0.4	+ 2.9	+ 7.7	- 4.8	+ 0.0	- 0.3	+ 16.2	+ 8.1	+ 10.9	- 3.9	+ 1.2	- 0.2	2007 Apr
-	- 0.3	+ 0.1	- 14.2	- 1.5	- 12.7	+ 0.0	- 0.2	+ 11.1	+ 4.9	+ 9.3	- 4.5	+ 1.4	- 0.7	May
-	- 0.4	+ 0.4	+ 2.5	- 4.4	+ 6.8	- 0.0	- 0.1	+ 18.3	+ 11.5	+ 8.6	- 3.5	+ 1.6	- 0.1	June
-	- 0.7	+ 1.8	- 5.8	- 6.3	+ 0.5	- 0.0	- 0.4	- 0.8	+ 2.6	- 0.3	- 5.1	+ 2.0	- 0.4	July
-	- 0.3	+ 0.0	+ 7.8	+ 3.0	+ 4.8	-	- 0.3	+ 18.2	- 5.7	+ 26.2	- 3.7	+ 1.4	- 0.1	Aug
-	- 0.2	+ 0.0	+ 21.6	+ 1.4	+ 20.3	-	- 0.1	+ 26.9	+ 12.6	+ 16.1	- 3.0	+ 1.2	- 0.1	Sep
-	- 0.1	- 2.3	- 3.7	- 2.8	- 0.9	- 0.0	- 0.5	- 3.2	- 11.7	+ 9.9	- 3.6	+ 2.3	+ 0.1	Oct
-	- 0.2	+ 0.9	+ 16.1	+ 8.5	+ 7.6	- 0.0	- 0.1	+ 44.1	+ 30.4	+ 14.2	- 3.1	+ 2.6	- 0.1	Nov
-	- 0.3	+ 0.6	+ 85.6	- 19.5	+ 105.1	-	+ 0.3	+ 27.9	- 20.9	+ 39.7	+ 7.3	+ 1.7	+ 0.1	Dec
-	- 0.7	+ 1.1	- 101.0	+ 14.9	- 115.9	- 0.0	- 1.1	+ 8.0	+ 5.0	+ 5.2	- 4.9	+ 2.7	- 0.1	2008 Jan
-	- 0.5	- 0.0	+ 1.6	+ 2.2	- 0.6	- 0.0	- 0.5	+ 14.5	- 0.1	+ 16.9	- 2.9	+ 0.6	+ 0.0	Feb
-	- 0.5	+ 1.4	+ 37.7	+ 3.7	+ 34.0	-	- 0.7	+ 0.4	+ 1.4	+ 2.7	- 3.7	+ 0.0	- 0.4	Mar
-	- 0.5	+ 0.1	+ 8.0	- 9.7	+ 17.8	+ 0.0	- 0.1	+ 18.7	- 7.2	+ 28.8	- 4.1	+ 1.1	- 0.1	Apr
-	- 0.2	- 0.1	+ 3.8	+ 1.0	+ 2.9	+ 0.0	- 0.2	+ 15.6	+ 3.1	+ 14.7	- 3.5	+ 1.2	- 0.0	May
-	- 1.0	+ 0.3	+ 5.5	+ 1.3	+ 4.2	+ 0.0	- 0.9	+ 9.9	+ 10.5	+ 0.9	- 2.9	+ 1.4	- 0.2	June
-	+ 0.5	+ 4.4	+ 3.0	- 9.7	+ 12.7	- 0.0	+ 0.3	- 1.7	- 24.9	+ 27.1	- 5.6	+ 1.7	- 0.5	July
-	- 0.4	- 0.3	+ 13.7	+ 2.2	+ 11.6	-	+ 0.4	+ 15.7	+ 3.8	+ 15.2	- 4.3	+ 1.0	+ 0.0	Aug
-	- 1.0	- 2.0	+ 82.3	+ 26.8	+ 55.5	-	- 0.3	+ 15.5	+ 12.8	+ 5.7	- 4.4	+ 1.4	- 0.2	Sep

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 *														
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
2006	0.4	1,266.9	1,003.2	744.5	258.7	13.3	250.4	0.8	777.0	421.0	156.0	264.9	7.2	348.9
2007	0.3	1,433.5	1,105.9	803.6	302.4	13.4	314.2	0.5	908.3	492.9	197.5	295.4	27.5	387.9
2007 Apr	0.5	1,347.6	1,050.3	778.5	271.8	16.2	281.1	0.7	839.7	457.9	192.1	265.8	7.7	374.1
May	0.5	1,354.6	1,052.3	776.9	275.4	16.5	285.7	0.7	863.6	464.6	193.0	271.6	8.8	390.2
June	0.5	1,392.2	1,077.8	799.8	278.0	18.6	295.8	0.8	872.5	470.4	192.3	278.1	9.2	392.9
July	0.5	1,397.0	1,081.9	802.4	279.4	19.6	295.6	0.7	865.3	463.0	184.7	278.3	6.6	395.7
Aug	0.6	1,399.5	1,080.7	794.4	286.4	20.4	298.4	0.6	886.0	481.8	195.3	286.5	12.2	391.9
Sep	0.4	1,444.2	1,122.4	829.1	293.3	18.8	303.0	0.6	892.6	488.0	200.0	288.0	14.6	390.0
Oct	0.4	1,437.2	1,112.6	811.4	301.2	15.4	309.3	0.5	897.8	486.1	196.3	289.8	22.3	389.3
Nov	0.5	1,448.2	1,119.1	817.3	301.7	15.2	313.9	0.6	919.6	503.4	212.1	291.3	27.0	389.3
Dec	0.3	1,433.5	1,105.9	803.6	302.4	13.4	314.2	0.5	908.3	492.9	197.5	295.4	27.5	387.9
2008 Jan	0.3	1,438.2	1,113.1	814.1	298.9	11.7	313.4	2.1	921.4	513.3	215.3	298.0	24.4	383.7
Feb	0.4	1,436.6	1,107.9	803.7	304.3	15.8	312.9	2.0	934.3	526.3	225.5	300.8	25.2	382.8
Mar	0.4	1,446.0	1,116.7	810.0	306.7	18.2	311.1	2.0	940.1	527.5	226.7	300.7	19.6	393.1
Apr	0.4	1,466.2	1,140.2	829.7	310.6	16.7	309.3	2.0	939.4	535.3	226.2	309.1	17.7	386.5
May	0.4	1,457.7	1,118.4	805.0	313.5	21.5	317.8	2.1	945.1	544.8	229.9	314.8	18.5	381.8
June	0.5	1,453.6	1,108.0	790.9	317.1	28.3	317.2	1.9	929.1	526.2	194.2	332.0	19.3	383.6
July	0.6	1,445.9	1,096.0	766.6	329.5	32.2	317.7	1.9	929.5	533.3	196.0	337.3	18.2	378.0
Aug	0.5	1,444.6	1,093.5	754.7	338.8	32.5	318.6	2.0	949.7	554.6	203.1	351.5	17.3	377.8
Sep	0.4	1,521.0	1,171.1	814.7	356.4	32.1	317.8	2.0	967.1	569.7	203.4	366.3	18.5	378.9
Changes *														
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
2006	+ 0.1	+ 238.3	+ 153.5	+ 109.7	+ 43.8	+ 7.5	+ 77.2	- 0.7	+ 81.4	+ 51.6	+ 25.9	+ 25.8	- 1.8	+ 31.5
2007	- 0.0	+ 190.3	+ 123.7	+ 72.9	+ 50.8	+ 7.5	+ 59.1	- 0.4	+ 167.7	+ 94.3	+ 50.1	+ 44.2	+ 20.1	+ 53.3
2007 Apr	+ 0.0	+ 36.2	+ 34.1	+ 29.1	+ 5.1	+ 0.1	+ 2.0	- 0.0	+ 18.2	+ 13.5	+ 11.8	+ 1.7	- 0.1	+ 4.8
May	+ 0.1	+ 4.6	- 0.4	- 2.9	+ 2.6	+ 0.3	+ 4.7	+ 0.0	+ 22.2	+ 5.4	+ 0.3	+ 5.1	+ 1.1	+ 15.7
June	+ 0.0	+ 38.1	+ 25.9	+ 23.2	+ 2.7	+ 2.1	+ 10.1	+ 0.0	+ 9.7	+ 7.7	+ 0.9	+ 6.8	- 1.0	+ 2.9
July	- 0.0	+ 3.3	+ 2.6	+ 0.9	+ 1.7	+ 1.0	- 0.3	- 0.0	- 1.0	- 1.9	- 3.5	+ 1.6	- 2.7	+ 3.6
Aug	+ 0.1	+ 2.5	- 1.1	- 8.1	+ 7.0	+ 0.8	+ 2.9	- 0.1	+ 17.1	+ 15.3	+ 7.1	+ 8.2	+ 5.6	- 3.9
Sep	- 0.2	+ 52.9	+ 49.4	+ 40.0	+ 9.4	- 1.6	+ 5.1	- 0.0	+ 15.5	+ 12.5	+ 7.0	+ 5.4	+ 2.7	+ 0.4
Oct	+ 0.0	- 0.5	- 5.7	- 14.8	+ 9.1	+ 4.0	+ 1.2	- 0.1	+ 16.5	+ 1.4	- 2.5	+ 3.9	+ 8.2	+ 6.9
Nov	+ 0.1	+ 16.2	+ 11.5	+ 9.2	+ 2.3	- 0.1	+ 4.8	+ 0.0	+ 27.2	+ 21.3	+ 17.4	+ 3.9	+ 4.9	+ 1.0
Dec	- 0.1	- 14.0	- 12.6	- 13.4	+ 0.8	- 1.8	+ 0.4	- 0.0	- 10.7	- 10.1	- 14.5	+ 4.4	+ 0.6	- 1.1
2008 Jan	- 0.0	+ 6.6	+ 9.1	+ 11.9	- 2.8	- 1.7	- 0.7	+ 0.2	+ 15.6	+ 21.9	+ 18.5	+ 3.4	- 2.9	- 3.4
Feb	+ 0.0	+ 3.5	- 0.2	- 7.2	+ 7.0	+ 4.1	- 0.3	- 0.0	+ 17.9	+ 16.5	+ 11.6	+ 5.0	+ 1.0	+ 0.3
Mar	+ 0.1	+ 19.8	+ 18.7	+ 12.8	+ 5.8	+ 2.5	- 1.4	- 0.0	+ 15.8	+ 8.7	+ 3.9	+ 4.8	- 1.0	+ 12.2
Apr	- 0.0	+ 17.7	+ 20.7	+ 16.9	+ 3.8	- 1.6	- 1.4	- 0.0	- 2.9	+ 6.6	- 0.3	+ 6.8	- 2.0	- 7.4
May	+ 0.1	- 6.8	- 20.0	- 25.0	+ 5.0	+ 4.8	+ 8.4	+ 0.1	+ 5.4	+ 9.2	+ 3.6	+ 5.5	+ 0.8	- 4.6
June	+ 0.0	+ 2.8	- 3.5	- 10.7	+ 7.2	+ 6.8	- 0.5	- 0.1	- 12.4	- 14.9	- 34.8	+ 20.0	+ 0.9	+ 1.5
July	+ 0.2	- 9.2	- 13.5	- 25.2	+ 11.7	+ 3.9	+ 0.4	- 0.0	- 1.4	+ 5.7	+ 1.4	+ 4.3	- 1.1	- 6.0
Aug	- 0.1	- 15.5	- 16.4	- 20.7	+ 4.3	+ 0.2	+ 0.7	+ 0.1	+ 7.0	+ 11.5	+ 4.7	+ 6.9	- 1.1	- 3.4
Sep	- 0.1	+ 65.8	+ 67.5	+ 53.7	+ 13.7	- 0.4	- 1.3	+ 0.0	+ 9.2	+ 8.9	- 1.5	+ 10.3	+ 1.1	- 0.7

\* 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). —



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						Period
		Total	Sight deposits 6	Time deposits (including bank savings bonds)			Memo item Fiduciary loans 4	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 *														
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
5.8	50.4	689.7	168.1	521.6	397.3	124.3	0.4	310.1	82.1	228.0	111.5	116.5	1.5	2006
5.7	48.3	738.9	164.7	574.1	461.2	113.0	0.2	303.1	76.0	227.1	122.3	104.8	3.1	2007
5.7	44.3	753.1	200.5	552.6	429.8	122.8	0.3	320.6	91.9	228.7	118.5	110.2	3.2	2007 Apr
5.7	44.7	757.9	208.0	549.9	424.0	125.9	0.3	338.8	111.1	227.8	116.9	110.8	3.2	May
5.8	45.2	727.5	210.6	516.9	390.7	126.1	0.2	329.5	107.7	221.8	111.5	110.3	3.1	June
5.7	45.2	729.0	210.0	519.1	394.5	124.6	0.2	314.3	95.3	219.0	105.2	113.9	3.1	July
5.7	45.3	755.8	179.5	576.3	452.1	124.2	0.2	313.7	91.6	222.1	109.5	112.6	3.1	Aug
5.7	45.5	785.5	220.1	565.3	443.0	122.3	0.2	313.5	94.6	218.9	108.5	110.4	3.1	Sep
5.8	48.3	794.6	207.8	586.8	466.9	119.9	0.2	306.3	90.6	215.7	106.4	109.3	3.4	Oct
5.7	48.0	766.8	207.0	559.8	445.8	113.9	0.2	326.6	97.5	229.1	123.1	106.0	3.2	Nov
5.7	48.3	738.9	164.7	574.1	461.2	113.0	0.2	303.1	76.0	227.1	122.3	104.8	3.1	Dec
25.0	50.9	784.6	205.1	579.5	465.6	113.9	0.2	318.5	100.2	218.3	115.7	102.6	3.1	2008 Jan
25.0	50.2	787.8	200.4	587.4	473.8	113.6	0.2	330.5	94.1	236.4	135.7	100.7	3.0	Feb
24.2	49.8	791.6	229.5	562.1	449.4	112.7	0.3	327.6	100.5	227.2	129.6	97.5	2.8	Mar
24.5	49.7	830.8	216.1	614.7	501.7	113.1	0.3	334.1	98.2	236.0	139.0	97.0	2.8	Apr
24.4	49.8	823.2	230.4	592.7	481.1	111.6	0.3	326.0	94.4	231.6	131.7	99.9	2.8	May
24.4	49.7	769.2	230.7	538.5	431.6	106.9	0.3	313.9	101.2	212.7	114.2	98.5	2.7	June
23.7	49.8	746.6	198.8	547.7	439.8	107.9	0.3	328.7	100.7	228.0	130.9	97.2	2.6	July
24.4	49.9	748.0	171.6	576.5	465.4	111.1	0.3	337.6	103.8	233.8	136.4	97.4	2.6	Aug
24.7	48.6	815.2	258.3	556.9	436.1	120.8	0.3	323.3	101.1	222.2	125.6	96.6	2.5	Sep
Changes *														
+ 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
- 5.1	+ 13.8	+ 56.2	+ 68.3	- 12.1	- 13.7	+ 1.6	- 0.2	- 0.8	+ 21.2	- 22.0	- 5.1	- 17.0	- 0.2	2006
- 0.1	- 0.8	+ 67.3	+ 1.5	+ 65.8	+ 74.0	- 8.3	- 0.1	+ 4.6	- 5.5	+ 10.2	+ 16.6	- 6.4	+ 1.6	2007
- 0.0	+ 0.2	+ 34.2	+ 1.2	+ 33.0	+ 33.9	- 0.9	+ 0.0	+ 10.2	+ 2.0	+ 8.2	+ 6.9	+ 1.3	+ 1.8	2007 Apr
- 0.0	+ 0.3	+ 3.0	+ 7.1	- 4.1	- 6.9	+ 2.8	-	+ 17.4	+ 19.0	- 1.6	- 1.8	+ 0.3	- 0.0	May
+ 0.0	+ 0.5	- 29.8	+ 2.8	- 32.6	- 33.0	+ 0.4	- 0.1	- 9.2	- 3.3	- 5.9	- 5.4	- 0.6	- 0.1	June
- 0.0	+ 0.1	+ 0.3	+ 0.0	+ 0.3	+ 1.5	- 1.2	- 0.0	- 10.6	- 12.1	+ 1.5	- 2.5	+ 4.0	+ 0.0	July
-	+ 0.1	+ 26.6	- 30.5	+ 57.1	+ 57.5	- 0.4	+ 0.0	- 3.4	- 5.0	+ 1.7	+ 2.9	- 1.3	- 0.0	Aug
+ 0.0	+ 0.6	+ 36.8	+ 41.5	- 4.8	- 3.8	- 1.0	- 0.0	+ 3.1	+ 3.8	- 0.6	+ 0.1	- 0.8	- 0.0	Sep
+ 0.1	+ 2.9	+ 12.7	- 11.4	+ 24.1	+ 26.1	- 2.0	+ 0.0	- 5.8	- 3.7	- 2.0	- 1.6	- 0.5	+ 0.3	Oct
- 0.1	-	- 23.6	+ 0.3	- 23.9	- 18.7	- 5.2	-	+ 22.4	+ 7.3	+ 15.1	+ 17.3	- 2.2	- 0.2	Nov
+ 0.0	+ 0.3	- 28.2	- 42.3	+ 14.1	+ 14.9	- 0.9	+ 0.0	- 23.0	- 21.7	- 1.2	- 0.6	- 0.6	- 0.1	Dec
+ 0.1	+ 2.2	+ 46.6	+ 40.7	+ 5.9	+ 5.0	+ 1.0	+ 0.0	+ 16.0	+ 24.3	- 8.3	- 6.5	- 1.8	- 0.0	2008 Jan
+ 0.0	- 0.4	+ 7.4	- 3.4	+ 10.7	+ 10.7	+ 0.0	-	+ 13.9	- 5.7	+ 19.5	+ 20.7	- 1.2	- 0.1	Feb
- 0.7	+ 0.7	+ 11.5	+ 31.0	- 19.6	- 19.4	- 0.2	+ 0.0	+ 0.9	+ 7.3	- 6.4	- 4.8	- 1.6	- 0.2	Mar
+ 0.2	- 0.2	+ 38.2	- 14.2	+ 52.4	+ 51.3	+ 1.1	+ 0.0	+ 5.9	- 2.8	+ 8.6	+ 9.6	- 0.9	- 0.0	Apr
- 0.1	+ 0.0	- 3.7	+ 16.2	- 19.9	- 20.7	+ 0.8	+ 0.0	- 10.3	- 5.7	- 4.5	- 7.2	+ 2.7	- 0.0	May
+ 0.0	+ 0.2	- 48.9	+ 1.0	- 49.9	- 47.8	- 2.1	+ 0.0	- 10.8	+ 7.0	- 17.9	- 17.0	- 0.9	- 0.1	June
- 0.7	- 0.1	- 23.6	- 32.2	+ 8.5	+ 7.6	+ 1.0	+ 0.0	+ 14.4	- 0.6	+ 15.0	+ 16.6	- 1.6	- 0.0	July
+ 0.7	- 0.4	- 11.1	- 29.7	+ 18.6	+ 16.2	+ 2.4	+ 0.0	+ 6.4	+ 2.1	+ 4.2	+ 5.4	- 1.1	- 0.0	Aug
+ 0.4	- 1.7	+ 59.5	+ 85.7	- 26.2	- 35.3	+ 9.1	- 0.0	- 17.7	- 3.1	- 14.6	- 12.7	- 1.9	- 0.1	Sep

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			
	including negotiable money market paper, securities, equalisation claims	excluding negotiable money market paper, securities, equalisation claims	Total	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		
	End of year or month *										
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
2006	3,000.7	2,632.2	303.1	269.8	269.3	0.6	33.3	31.9	1.4	2,697.6	2,181.8
2007	2,975.7	2,649.5	331.2	301.8	301.5	0.3	29.4	28.2	1.2	2,644.6	2,168.3
2007 Apr	3,043.3	2,637.5	327.9	291.1	290.1	1.0	36.8	35.4	1.4	2,715.4	2,205.0
May	3,021.0	2,631.6	319.3	284.2	283.3	0.9	35.1	34.7	0.4	2,701.6	2,189.7
June	2,986.2	2,634.1	321.7	293.5	292.7	0.8	28.2	27.3	0.9	2,664.6	2,159.1
July	2,993.2	2,643.8	331.2	295.7	294.9	0.8	35.5	35.0	0.5	2,662.0	2,158.9
Aug	2,984.1	2,643.2	321.9	292.0	291.4	0.7	29.9	29.3	0.6	2,662.2	2,165.0
Sep	2,986.2	2,644.7	328.8	300.2	299.8	0.4	28.5	27.1	1.4	2,657.5	2,164.8
Oct	2,973.3	2,643.0	334.5	301.9	301.4	0.6	32.5	30.9	1.6	2,638.8	2,156.7
Nov	2,971.5	2,642.5	329.1	296.7	296.1	0.6	32.4	30.8	1.6	2,642.4	2,161.6
Dec	2,975.7	2,649.5	331.2	301.8	301.5	0.3	29.4	28.2	1.2	2,644.6	2,168.3
2008 Jan	2,998.5	2,654.4	341.7	310.0	309.1	0.9	31.8	30.5	1.3	2,656.7	2,188.9
Feb	2,993.2	2,659.9	348.3	317.6	316.7	0.9	30.7	29.4	1.2	2,644.9	2,173.1
Mar	3,009.0	2,667.3	359.5	329.7	328.8	0.8	29.8	28.2	1.6	2,649.5	2,177.1
Apr	3,058.8	2,679.1	366.6	332.5	331.7	0.8	34.1	32.8	1.2	2,692.3	2,212.7
May	3,043.7	2,677.4	363.1	332.6	331.5	1.1	30.5	28.4	2.1	2,680.7	2,201.4
June	3,011.5	2,683.0	371.0	338.9	337.8	1.1	32.1	29.6	2.5	2,640.5	2,178.7
July	3,018.8	2,691.2	374.4	340.5	339.9	0.6	34.0	31.8	2.1	2,644.3	2,184.7
Aug	3,045.3	2,693.2	369.9	335.0	334.3	0.7	34.9	32.8	2.1	2,675.4	2,218.7
Sep	3,044.8	2,699.6	378.5	345.9	345.0	0.9	32.6	31.1	1.6	2,666.2	2,221.6
	Changes *										
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
2006	- 12.4	- 20.8	- 7.1	- 4.5	- 4.4	- 0.0	- 2.7	- 2.3	- 0.4	+ 5.2	+ 23.6
2007	- 15.9	+ 11.8	+ 27.6	+ 31.5	+ 31.7	- 0.2	- 3.9	- 3.7	- 0.3	- 43.5	- 7.1
2007 Apr	+ 28.1	- 3.1	+ 3.7	- 0.7	- 1.1	+ 0.4	+ 4.4	+ 4.1	+ 0.2	+ 24.4	+ 26.1
May	- 22.4	- 5.9	- 8.6	- 6.8	- 6.8	- 0.1	- 1.7	- 0.7	- 1.0	- 13.8	- 15.2
June	- 35.8	+ 1.3	+ 1.5	+ 8.4	+ 8.5	- 0.2	- 6.9	- 7.4	+ 0.5	- 37.3	- 30.8
July	+ 8.1	+ 9.4	+ 9.9	+ 2.7	+ 2.6	+ 0.0	+ 7.2	+ 7.7	- 0.4	- 1.9	+ 0.5
Aug	- 9.2	- 0.7	- 9.3	- 3.7	- 3.6	- 0.1	- 5.6	- 5.7	+ 0.1	+ 0.1	+ 6.1
Sep	+ 2.2	+ 1.5	+ 6.8	+ 8.2	+ 8.4	- 0.2	- 1.4	- 2.2	+ 0.8	- 4.7	- 0.2
Oct	- 4.4	- 1.7	+ 5.7	+ 1.7	+ 1.6	+ 0.1	+ 4.0	+ 3.8	+ 0.2	- 10.2	- 2.7
Nov	- 1.7	- 0.5	- 5.4	- 5.3	- 5.2	- 0.0	- 0.1	- 0.1	- 0.0	+ 3.6	+ 4.9
Dec	+ 3.4	+ 6.2	+ 2.1	+ 5.1	+ 5.4	- 0.2	- 3.1	- 2.6	- 0.4	+ 1.4	+ 5.9
2008 Jan	+ 22.7	+ 4.9	+ 10.6	+ 8.2	+ 7.6	+ 0.5	+ 2.4	+ 2.3	+ 0.1	+ 12.2	+ 20.5
Feb	- 5.3	+ 5.5	+ 6.8	+ 7.9	+ 7.9	+ 0.1	- 1.1	- 1.0	- 0.1	- 12.1	- 16.0
Mar	+ 15.9	+ 7.4	+ 11.2	+ 12.0	+ 12.2	- 0.1	- 0.8	- 1.2	+ 0.4	+ 4.6	+ 4.0
Apr	+ 49.8	+ 11.6	+ 7.3	+ 2.8	+ 2.8	- 0.0	+ 4.4	+ 4.6	- 0.2	+ 42.5	+ 35.6
May	- 15.1	- 1.8	- 3.6	+ 0.1	- 0.2	+ 0.3	- 3.6	- 4.5	+ 0.8	- 11.5	- 11.3
June	- 32.1	+ 5.6	+ 7.9	+ 6.2	+ 6.3	- 0.1	+ 1.7	+ 1.2	+ 0.4	- 40.0	- 22.6
July	+ 6.8	+ 7.7	+ 3.4	+ 1.6	+ 2.0	- 0.4	+ 1.8	+ 2.2	- 0.4	+ 3.4	+ 5.6
Aug	+ 26.6	+ 2.1	- 4.6	- 5.5	- 5.6	+ 0.1	+ 0.9	+ 0.9	- 0.0	+ 31.2	+ 34.1
Sep	- 0.5	+ 6.4	+ 8.7	+ 10.9	+ 10.7	+ 0.1	- 2.2	- 1.7	- 0.5	- 9.2	+ 2.8

\* 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

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 *												
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
1,972.7	194.5	1,778.1	209.1	48.2	515.8	358.4	31.7	326.6	157.4	-	4.8	2006
1,987.3	207.7	1,779.6	181.1	46.5	476.2	332.5	31.9	300.6	143.7	-	4.7	2007
1,966.8	195.7	1,771.1	238.1	49.5	510.5	345.2	31.6	313.6	165.3	-	4.7	2007 Apr
1,969.8	199.1	1,770.7	219.9	49.2	511.9	343.8	32.2	311.6	168.1	-	4.7	May
1,969.0	198.8	1,770.3	190.1	48.8	505.4	345.0	33.9	311.1	160.4	-	4.6	June
1,970.9	199.0	1,772.0	188.0	47.6	503.1	343.0	33.3	309.7	160.1	-	4.6	July
1,980.2	202.7	1,777.5	184.8	47.4	497.1	342.3	33.9	308.4	154.8	-	4.6	Aug
1,978.7	203.2	1,775.5	186.1	47.2	492.7	339.1	33.3	305.7	153.6	-	4.6	Sep
1,977.0	200.5	1,776.5	179.7	47.1	482.1	333.7	32.0	301.6	148.4	-	4.6	Oct
1,983.5	203.1	1,780.4	178.1	46.9	480.8	332.0	32.0	300.0	148.7	-	4.6	Nov
1,987.3	207.7	1,779.6	181.1	46.5	476.2	332.5	31.9	300.6	143.7	-	4.7	Dec
1,988.3	209.5	1,778.8	200.6	47.4	467.9	326.6	31.5	295.1	141.3	-	4.5	2008 Jan
1,989.8	210.5	1,779.4	183.3	46.9	471.8	324.0	32.9	291.1	147.8	-	4.5	Feb
1,987.5	211.5	1,776.1	189.6	46.3	472.4	322.7	33.6	289.1	149.7	-	4.5	Mar
1,991.6	211.9	1,779.7	221.1	45.9	479.6	323.0	34.0	289.0	156.6	-	4.5	Apr
1,995.2	212.1	1,783.2	206.2	45.7	479.3	322.3	33.5	288.8	157.0	-	4.5	May
1,995.9	213.3	1,782.6	182.8	44.7	461.8	319.8	32.4	287.3	142.0	-	4.5	June
2,001.8	213.3	1,788.4	182.9	45.2	459.7	317.8	32.1	285.7	141.9	-	4.5	July
2,009.9	215.6	1,794.3	208.8	44.9	456.7	316.2	31.7	284.6	140.5	-	4.4	Aug
2,009.8	215.4	1,794.4	211.9	44.0	444.6	313.7	31.0	282.8	130.9	-	4.4	Sep
Changes *												
+ 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
+ 2.3	+ 0.2	+ 2.2	+ 21.2	- 3.9	- 28.8	- 16.4	- 1.4	- 15.0	- 12.4	-	+ 0.3	2006
+ 9.6	+ 10.1	- 0.6	- 16.7	- 2.2	- 36.3	- 25.8	+ 0.1	- 26.0	- 10.5	-	- 0.1	2007
- 3.5	- 0.8	- 2.7	+ 29.6	+ 1.3	- 1.7	- 2.7	+ 0.1	- 2.8	+ 1.0	-	+ 0.0	2007 Apr
+ 3.0	+ 3.4	- 0.5	- 18.2	- 0.3	+ 1.4	- 1.4	+ 0.7	- 2.0	+ 2.8	-	- 0.0	May
- 1.0	- 0.6	- 0.4	- 29.9	- 0.4	+ 6.4	+ 1.2	+ 1.7	- 0.5	- 7.7	-	- 0.0	June
+ 1.1	+ 0.2	+ 0.9	- 0.6	- 0.7	- 2.3	- 2.0	- 0.6	- 1.4	- 0.3	-	- 0.0	July
+ 9.3	+ 3.8	+ 5.5	- 3.2	- 0.2	- 6.0	- 0.7	+ 0.6	- 1.3	- 5.3	-	- 0.0	Aug
- 1.5	+ 0.5	- 2.0	+ 1.3	- 0.2	- 4.4	- 3.3	- 0.6	- 2.7	- 1.2	-	+ 0.0	Sep
- 1.7	- 2.7	+ 1.0	- 1.0	- 0.1	- 7.4	- 5.4	- 1.3	- 4.1	- 2.0	-	+ 0.0	Oct
+ 6.5	+ 3.1	+ 3.4	- 1.5	- 0.2	- 1.3	- 1.6	- 0.0	- 1.6	+ 0.3	-	- 0.0	Nov
+ 3.0	+ 4.5	- 1.5	+ 2.9	- 0.4	- 4.6	+ 0.5	- 0.1	+ 0.6	- 5.1	-	+ 0.1	Dec
+ 1.0	+ 1.8	- 0.9	+ 19.5	- 0.6	- 8.4	- 5.9	- 0.4	- 5.6	- 2.4	-	- 0.1	2008 Jan
+ 1.3	+ 0.7	+ 0.6	- 17.3	- 0.5	+ 3.9	- 2.6	+ 1.4	- 4.1	+ 6.6	-	+ 0.0	Feb
- 2.3	+ 1.0	- 3.3	+ 6.3	- 0.5	+ 0.7	- 1.2	+ 0.7	- 1.9	+ 1.9	-	- 0.0	Mar
+ 4.0	+ 0.4	+ 3.6	+ 31.6	- 0.5	+ 7.0	+ 0.1	+ 0.2	- 0.1	+ 6.9	-	+ 0.0	Apr
+ 3.7	+ 0.2	+ 3.5	- 14.9	- 0.2	- 0.2	- 0.7	- 0.5	- 0.2	+ 0.5	-	- 0.0	May
+ 0.6	+ 1.2	- 0.6	- 23.3	- 1.0	- 17.4	- 2.5	- 1.0	- 1.5	- 14.8	-	- 0.0	June
+ 5.5	- 0.2	+ 5.7	+ 0.1	+ 0.5	- 2.2	- 2.0	- 0.4	- 1.7	- 0.1	-	- 0.0	July
+ 8.3	+ 2.4	+ 5.8	+ 25.9	- 0.3	- 2.9	- 1.5	- 0.4	- 1.1	- 1.4	-	- 0.0	Aug
- 0.3	- 0.2	- 0.1	+ 3.1	- 0.9	- 12.0	- 2.4	- 0.7	- 1.6	- 9.6	-	- 0.1	Sep

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													
	Total	Mortgage loans, total	Housing loans			Lending to enterprises and self-employed persons								
			Total	Mortgage loans secured by residential real estate	Other housing loans	Total	of which Housing loans	Manufacturing	Electricity, gas and water supply, mining 2	Construction	Wholesale and retail trade 3	Agriculture, forestry and fishing	Transport, storage and communication	Financing institutions (excluding MFIs) and insurance corporations
<b>Lending, total</b>														
<b>End of year or quarter *</b>														
2005	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	2,242.2	1,177.5	1,114.7	921.2	193.5	1,204.2	316.1	133.0	39.3	47.2	131.4	32.4	60.9	76.0
2007 Sep	2,278.8	1,172.1	1,105.7	917.6	188.2	1,246.4	309.5	141.5	40.0	47.9	131.9	33.6	63.3	106.9
2007 Dec	2,289.0	1,166.7	1,101.3	914.4	186.8	1,259.7	306.2	145.4	41.3	47.0	135.7	33.2	65.4	101.4
2008 Mar	2,316.5	1,158.3	1,095.0	908.0	187.0	1,293.1	303.5	152.9	41.7	47.9	134.4	33.5	65.8	126.3
2008 June	2,333.8	1,160.3	1,096.0	910.3	185.7	1,309.3	304.4	158.2	43.0	47.6	134.5	34.2	68.5	129.7
2008 Sep	2,355.0	1,161.4	1,097.1	911.0	186.1	1,329.2	304.3	158.6	43.8	47.8	134.7	35.1	71.5	138.9
<b>Short-term lending</b>														
2005	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	269.6	-	10.5	-	10.5	228.6	6.3	39.6	3.1	8.8	48.6	3.2	5.5	35.0
2007 Sep	300.0	-	9.0	-	9.0	260.4	4.9	44.4	3.6	9.3	48.6	3.8	6.3	59.4
2007 Dec	301.7	-	8.6	-	8.6	261.6	4.6	46.2	4.4	8.5	52.0	3.1	7.2	52.1
2008 Mar	329.0	-	8.6	-	8.6	289.8	4.6	51.1	4.4	9.5	50.9	3.3	6.7	75.4
2008 June	338.0	-	8.6	-	8.6	299.0	4.8	54.9	4.8	9.3	50.6	3.8	7.9	77.2
2008 Sep	345.2	-	8.6	-	8.6	305.3	4.7	53.2	5.0	9.1	50.4	3.8	6.9	85.5
<b>Medium-term lending</b>														
2005	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	194.5	-	34.4	-	34.4	124.6	10.5	18.5	2.2	5.1	11.4	2.9	10.6	11.7
2007 Sep	203.2	-	32.5	-	32.5	135.8	10.3	21.1	2.2	5.5	12.7	3.0	11.8	16.9
2007 Dec	207.7	-	32.2	-	32.2	141.5	10.4	22.3	2.2	5.6	13.1	2.9	12.5	17.4
2008 Mar	211.5	-	31.4	-	31.4	147.0	10.3	24.1	2.0	5.6	13.2	2.9	12.7	18.9
2008 June	213.3	-	31.2	-	31.2	148.7	10.5	24.1	1.9	5.7	13.5	3.0	12.8	18.9
2008 Sep	215.4	-	30.8	-	30.8	152.5	10.7	25.4	1.8	5.9	13.7	3.1	14.0	17.5
<b>Long-term lending</b>														
2005	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	1,778.1	1,177.5	1,069.8	921.2	148.6	850.9	299.3	74.9	34.0	33.3	71.4	26.4	44.7	29.3
2007 Sep	1,775.5	1,172.1	1,064.2	917.6	146.6	850.2	294.3	76.0	34.2	33.0	70.6	26.8	45.2	30.6
2007 Dec	1,779.6	1,166.7	1,060.5	914.4	146.0	856.5	291.2	76.9	34.7	33.0	70.6	27.2	45.7	31.9
2008 Mar	1,776.1	1,158.3	1,055.1	908.0	147.1	856.2	288.6	77.6	35.3	32.8	70.3	27.2	46.4	32.1
2008 June	1,782.6	1,160.3	1,056.2	910.3	146.0	861.6	289.1	79.2	36.3	32.6	70.3	27.5	47.8	33.6
2008 Sep	1,794.4	1,161.4	1,057.7	911.0	146.7	871.3	288.8	80.1	37.0	32.9	70.5	28.1	50.7	35.9
<b>Lending, total</b>														
<b>Change during quarter *</b>														
2007 Q3	+ 16.4	- 2.0	- 0.1	- 0.4	+ 0.3	+ 16.0	- 0.9	+ 0.3	+ 0.9	- 0.1	+ 1.3	+ 0.4	+ 0.8	+ 5.7
2007 Q4	+ 9.4	- 4.6	- 2.9	- 2.3	- 0.6	+ 12.5	- 1.8	+ 3.9	+ 1.3	- 1.0	+ 3.6	- 0.5	+ 2.1	+ 5.6
2008 Q1	+ 27.6	- 6.6	- 6.2	- 5.2	- 1.1	+ 33.3	- 2.6	+ 7.5	+ 0.4	+ 0.9	- 1.0	+ 0.3	+ 0.4	+ 24.7
2008 Q2	+ 17.3	+ 0.4	+ 1.1	+ 1.0	+ 0.1	+ 16.2	+ 0.9	+ 5.3	+ 1.3	- 0.2	+ 0.0	+ 0.8	+ 2.7	+ 3.3
2008 Q3	+ 20.6	+ 1.2	+ 1.1	+ 0.8	+ 0.3	+ 19.2	- 0.3	+ 0.4	+ 0.8	+ 0.1	+ 0.1	+ 0.8	+ 3.0	+ 10.8
<b>Short-term lending</b>														
2007 Q3	+ 7.5	-	- 0.2	-	- 0.2	+ 7.9	- 0.1	- 1.0	+ 0.5	- 0.3	+ 1.7	- 0.1	+ 0.2	+ 4.2
2007 Q4	+ 1.6	-	- 0.4	-	- 0.4	+ 1.2	- 0.3	+ 1.8	+ 0.8	- 0.9	+ 3.4	- 0.6	+ 1.0	- 7.3
2008 Q1	+ 27.6	-	- 0.1	-	- 0.1	+ 28.5	+ 0.0	+ 4.9	- 0.0	+ 1.0	- 0.8	+ 0.2	- 0.5	+ 23.3
2008 Q2	+ 8.9	-	+ 0.1	-	+ 0.1	+ 9.1	+ 0.1	+ 3.7	+ 0.4	- 0.2	- 0.3	+ 0.4	+ 1.1	+ 1.8
2008 Q3	+ 7.1	-	- 0.1	-	- 0.1	+ 6.3	- 0.1	- 1.7	+ 0.2	- 0.2	- 0.3	+ 0.1	- 1.0	+ 8.5
<b>Medium-term lending</b>														
2007 Q3	+ 4.5	-	- 0.6	-	- 0.6	+ 4.6	- 0.4	+ 0.8	+ 0.1	+ 0.2	+ 0.3	+ 0.1	+ 0.7	+ 1.4
2007 Q4	+ 4.9	-	- 0.2	-	- 0.2	+ 6.2	+ 0.4	+ 1.2	- 0.0	+ 0.1	+ 0.4	- 0.1	+ 0.7	+ 0.5
2008 Q1	+ 3.5	-	- 0.8	-	- 0.8	+ 5.2	- 0.1	+ 1.8	- 0.2	+ 0.0	+ 0.1	+ 0.0	+ 0.2	+ 1.2
2008 Q2	+ 1.8	-	- 0.2	-	- 0.2	+ 1.7	+ 0.3	- 0.0	- 0.1	+ 0.1	+ 0.3	+ 0.0	+ 0.2	- 0.0
2008 Q3	+ 2.0	-	- 0.3	-	- 0.3	+ 3.7	+ 0.2	+ 1.4	- 0.1	+ 0.1	+ 0.2	+ 0.1	+ 1.1	- 0.7
<b>Long-term lending</b>														
2007 Q3	+ 4.5	- 2.0	+ 0.7	- 0.4	+ 1.1	+ 3.5	- 0.4	+ 0.5	+ 0.4	+ 0.0	- 0.7	+ 0.4	- 0.1	+ 0.2
2007 Q4	+ 2.9	- 4.6	- 2.3	- 2.3	- 0.0	+ 5.0	- 1.9	+ 0.9	+ 0.5	- 0.2	- 0.1	+ 0.2	+ 0.4	+ 1.2
2008 Q1	- 3.6	- 6.6	- 5.4	- 5.2	- 0.2	- 0.4	- 2.5	+ 0.7	+ 0.6	- 0.2	- 0.2	+ 0.0	+ 0.7	+ 0.2
2008 Q2	+ 6.5	+ 0.4	+ 1.2	+ 1.0	+ 0.2	+ 5.4	+ 0.5	+ 1.6	+ 1.0	- 0.1	- 0.0	+ 0.3	+ 1.4	+ 1.5
2008 Q3	+ 11.5	+ 1.2	+ 1.5	+ 0.8	+ 0.7	+ 9.3	- 0.5	+ 0.8	+ 0.7	+ 0.2	+ 0.2	+ 0.6	+ 2.9	+ 3.0

\* 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 <sup>4</sup>	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 <sup>5</sup>						
<b>End of year or quarter *</b>														<b>Lending, total</b>	
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	2005		
684.0	164.2	39.5	197.0	396.6	60.2	1,023.4	795.0	228.4	130.6	17.6	14.7	3.7	2006		
681.4	163.2	45.0	194.1	388.1	59.5	1,018.2	792.6	225.5	130.9	17.2	14.2	3.6	2007 Sep		
690.3	165.0	46.2	197.5	386.6	58.2	1,015.2	791.6	223.7	129.3	17.2	14.0	3.5	2007 Dec		
690.5	165.5	47.4	195.9	384.2	58.6	1,009.6	788.1	221.6	128.9	17.0	13.9	3.5	2008 Mar		
693.5	166.1	48.5	197.2	383.9	58.9	1,010.8	788.1	222.6	130.6	17.1	13.8	3.5	2008 June		
698.8	167.1	49.0	198.4	382.4	58.6	1,012.3	789.5	222.8	130.4	17.9	13.5	3.3	2008 Sep		
<b>Short-term lending</b>															
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	2005		
84.9	13.9	10.1	22.1	36.7	10.0	39.8	4.2	35.6	2.8	17.6	1.2	0.0	2006		
85.0	12.7	13.1	21.6	35.3	10.0	38.8	4.1	34.8	2.6	17.2	0.8	0.0	2007 Sep		
88.0	13.0	13.0	23.3	35.7	9.4	39.2	4.0	35.2	2.5	17.2	0.8	0.0	2007 Dec		
88.4	13.1	14.3	22.3	35.5	10.1	38.3	3.9	34.4	2.5	17.0	0.9	0.0	2008 Mar		
90.5	13.5	15.4	22.5	35.3	10.2	38.2	3.9	34.4	2.5	17.1	0.8	0.0	2008 June		
91.4	13.6	14.7	23.7	35.0	9.9	39.2	3.9	35.3	2.4	17.9	0.7	0.0	2008 Sep		
<b>Medium-term lending</b>															
63.7	7.3	6.5	15.9	29.8	3.8	71.5	25.0	46.5	37.2	-	0.7	0.1	2005		
62.3	6.9	5.9	15.8	27.7	3.8	69.3	23.9	45.4	37.0	-	0.6	0.1	2006		
62.7	7.0	6.8	16.6	27.5	3.8	66.8	22.2	44.6	36.9	-	0.6	0.0	2007 Sep		
65.7	7.4	7.5	17.7	27.4	3.7	65.4	21.7	43.6	35.8	-	0.7	0.0	2007 Dec		
67.7	7.9	7.5	18.6	27.0	3.7	63.8	21.0	42.7	34.8	-	0.7	0.0	2008 Mar		
68.8	8.4	7.8	19.3	27.1	3.8	63.9	20.6	43.3	35.5	-	0.6	0.0	2008 June		
71.2	8.7	8.5	19.5	26.8	3.9	62.3	20.1	42.2	34.4	-	0.6	0.0	2008 Sep		
<b>Long-term lending</b>															
534.4	138.9	23.8	159.6	337.6	46.2	899.6	749.4	150.2	90.3	-	12.0	3.1	2005		
536.9	143.4	23.4	159.1	332.1	46.5	914.3	766.8	147.4	90.8	-	12.9	3.6	2006		
533.7	143.5	25.1	155.9	325.2	45.7	912.6	766.3	146.2	91.4	-	12.7	3.6	2007 Sep		
536.6	144.7	25.7	156.5	323.5	45.1	910.6	765.8	144.8	90.9	-	12.5	3.4	2007 Dec		
534.4	144.5	25.6	155.0	321.8	44.8	907.5	763.1	144.4	91.6	-	12.3	3.4	2008 Mar		
534.2	144.3	25.2	155.3	321.5	44.9	908.6	763.7	144.9	92.7	-	12.4	3.4	2008 June		
536.2	144.7	25.8	155.1	320.6	44.8	910.9	765.5	145.3	93.6	-	12.2	3.3	2008 Sep		
<b>Change during quarter *</b>														<b>Lending, total</b>	
+ 6.7	+ 0.8	+ 3.0	+ 0.5	- 1.7	- 0.5	+ 0.5	+ 0.8	- 0.3	+ 1.2	- 0.4	- 0.1	- 0.0	2007 Q3		
+ 8.7	+ 1.5	+ 1.1	+ 3.6	- 1.5	- 1.2	- 2.9	- 0.9	- 2.0	- 1.6	- 0.0	- 0.1	- 0.1	2007 Q4		
+ 0.2	+ 0.4	+ 1.2	- 1.5	- 2.4	+ 0.4	- 5.6	- 3.6	- 2.0	- 0.4	- 0.2	- 0.2	- 0.0	2008 Q1		
+ 3.0	+ 0.7	+ 1.0	+ 1.3	- 0.3	+ 0.3	+ 1.2	+ 0.2	+ 1.0	+ 1.7	+ 0.1	- 0.1	+ 0.0	2008 Q2		
+ 3.2	+ 1.0	+ 0.5	+ 1.0	- 1.6	- 0.3	+ 1.6	+ 1.5	+ 0.1	- 0.3	+ 0.8	- 0.3	- 0.1	2008 Q3		
<b>Short-term lending</b>															
+ 2.6	+ 0.2	+ 2.1	- 0.4	- 0.9	- 0.3	- 0.3	- 0.1	- 0.2	+ 0.0	- 0.4	- 0.1	+ 0.0	2007 Q3		
+ 3.0	+ 0.3	- 0.1	+ 1.7	+ 0.3	- 0.6	+ 0.4	- 0.1	+ 0.5	- 0.0	- 0.0	- 0.0	+ 0.0	2007 Q4		
+ 0.4	+ 0.1	+ 1.3	- 1.0	- 0.2	+ 0.7	- 0.9	- 0.1	- 0.8	- 0.0	- 0.2	+ 0.0	-	2008 Q1		
+ 2.1	+ 0.4	+ 1.1	+ 0.2	- 0.1	+ 0.0	- 0.1	- 0.1	- 0.0	- 0.0	+ 0.1	- 0.1	-	2008 Q2		
+ 0.6	+ 0.1	- 0.7	+ 1.2	- 0.3	- 0.3	+ 1.0	+ 0.0	+ 1.0	- 0.1	+ 0.8	- 0.1	- 0.0	2008 Q3		
<b>Medium-term lending</b>															
+ 1.2	+ 0.6	+ 0.0	+ 0.6	+ 0.1	- 0.0	- 0.1	- 0.3	+ 0.1	+ 0.1	-	- 0.0	- 0.0	2007 Q3		
+ 3.5	+ 0.6	+ 0.7	+ 1.2	- 0.0	- 0.1	- 1.5	- 0.6	- 0.9	- 1.1	-	+ 0.1	+ 0.0	2007 Q4		
+ 2.0	+ 0.5	- 0.0	+ 0.9	- 0.4	- 0.0	- 1.6	- 0.7	- 0.9	- 1.0	-	- 0.1	- 0.0	2008 Q1		
+ 1.2	+ 0.5	+ 0.4	+ 0.8	+ 0.1	+ 0.1	+ 0.2	- 0.4	+ 0.6	+ 0.7	-	- 0.0	- 0.0	2008 Q2		
+ 1.7	+ 0.5	+ 0.7	+ 0.0	- 0.3	+ 0.1	- 1.7	- 0.5	- 1.2	- 1.1	-	- 0.0	- 0.0	2008 Q3		
<b>Long-term lending</b>															
+ 2.8	+ 0.1	+ 0.8	+ 0.4	- 0.9	- 0.2	+ 1.0	+ 1.1	- 0.2	+ 1.1	-	+ 0.0	- 0.0	2007 Q3		
+ 2.2	+ 0.7	+ 0.5	+ 0.6	- 1.8	- 0.5	- 1.9	- 0.3	- 1.6	- 0.5	-	- 0.3	- 0.1	2007 Q4		
- 2.2	- 0.3	- 0.0	- 1.4	- 1.8	- 0.3	- 3.1	- 2.8	- 0.2	+ 0.6	-	- 0.1	- 0.0	2008 Q1		
- 0.2	- 0.2	- 0.4	+ 0.3	- 0.3	+ 0.1	+ 1.1	+ 0.7	+ 0.4	+ 1.1	-	+ 0.0	+ 0.0	2008 Q2		
+ 0.8	+ 0.5	- 0.2	- 0.2	- 0.9	- 0.1	+ 2.4	+ 2.0	+ 0.3	+ 0.9	-	- 0.1	- 0.1	2008 Q3		

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							
<b>Domestic non-banks, total</b>													<b>End of year or month *</b>	
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		
2006	2,394.6	747.7	962.8	289.5	673.3	11.7	661.6	586.5	97.5	37.8	30.4	11.2		
2007	2,579.1	779.9	1,125.4	418.9	706.5	22.8	683.7	555.4	118.4	36.4	35.0	22.6		
2007 Oct	2,506.9	770.4	1,071.5	375.7	695.8	17.7	678.1	551.2	113.8	36.5	34.1	30.1		
Nov	2,551.3	800.8	1,085.7	387.0	698.7	19.8	678.8	548.1	116.7	36.4	35.0	34.5		
Dec	2,579.1	779.9	1,125.4	418.9	706.5	22.8	683.7	555.4	118.4	36.4	35.0	22.6		
2008 Jan	2,587.3	785.1	1,130.6	420.3	710.3	24.0	686.3	550.5	121.1	33.6	34.9	36.1		
Feb	2,601.7	784.9	1,147.5	434.5	713.0	25.0	688.0	547.6	121.7	33.6	35.0	38.9		
Mar	2,601.9	786.3	1,150.0	435.8	714.2	26.1	688.1	543.8	121.8	33.2	35.0	39.9		
Apr	2,620.8	779.4	1,178.8	462.5	716.3	26.5	689.8	539.8	122.8	33.1	35.6	50.1		
May	2,636.4	782.6	1,193.5	476.5	717.0	27.0	690.0	536.3	124.0	33.1	35.4	49.2		
June	2,646.4	793.1	1,194.4	475.9	718.5	28.4	690.1	533.5	125.4	32.9	35.6	57.1		
July	2,644.7	768.2	1,221.5	501.6	719.9	29.6	690.4	527.9	127.1	32.5	35.7	52.6		
Aug	2,660.4	771.9	1,236.7	515.4	721.3	30.8	690.5	523.6	128.1	32.5	35.7	55.1		
Sep	2,676.0	784.7	1,242.4	521.6	720.8	32.2	688.6	519.3	129.6	32.3	35.7	64.9		
<b>Changes *</b>													<b>End of year or month *</b>	
2006	+ 118.0	+ 30.0	+ 97.7	+ 57.5	+ 40.2	+ 3.5	+ 36.6	- 16.8	+ 7.2	- 4.1	+ 0.1	- 2.2		
2007	+ 181.1	+ 31.6	+ 160.5	+ 127.5	+ 33.0	+ 11.0	+ 22.0	- 31.1	+ 20.1	- 2.0	+ 3.3	+ 9.9		
2007 Oct	- 3.2	- 11.7	+ 9.9	+ 11.1	- 1.2	+ 0.7	- 1.9	- 3.6	+ 2.3	+ 0.1	- 0.1	+ 0.8		
Nov	+ 44.1	+ 30.4	+ 14.2	+ 11.0	+ 3.2	+ 2.1	+ 1.0	- 3.1	+ 2.6	- 0.1	+ 0.6	+ 4.4		
Dec	+ 27.9	- 20.9	+ 39.7	+ 31.9	+ 7.8	+ 2.9	+ 4.9	+ 7.3	+ 1.7	+ 0.1	+ 0.0	- 11.9		
2008 Jan	+ 8.0	+ 5.0	+ 5.2	+ 1.4	+ 3.8	+ 1.3	+ 2.5	- 4.9	+ 2.7	- 0.1	- 0.1	+ 13.5		
Feb	+ 14.5	- 0.1	+ 16.9	+ 14.2	+ 2.8	+ 1.0	+ 1.8	- 2.9	+ 0.6	+ 0.0	+ 0.0	+ 2.9		
Mar	+ 0.4	+ 1.4	+ 2.7	+ 1.3	+ 1.3	+ 1.1	+ 0.2	- 3.7	+ 0.0	- 0.4	+ 0.0	+ 0.9		
Apr	+ 18.7	- 7.2	+ 28.8	+ 26.7	+ 2.1	+ 0.5	+ 1.7	- 4.1	+ 1.1	- 0.1	+ 0.6	+ 10.2		
May	+ 15.6	+ 3.1	+ 14.7	+ 14.0	+ 0.7	+ 0.4	+ 0.3	- 3.5	+ 1.2	- 0.0	- 0.2	- 0.8		
June	+ 9.9	+ 10.5	+ 0.9	- 0.7	+ 1.6	+ 1.4	+ 0.1	- 2.9	+ 1.4	- 0.2	+ 0.2	+ 7.9		
July	- 1.7	- 24.9	+ 27.1	+ 25.7	+ 1.4	+ 1.2	+ 0.2	- 5.6	+ 1.7	- 0.5	+ 0.2	- 4.5		
Aug	+ 15.7	+ 3.8	+ 15.2	+ 13.8	+ 1.4	+ 1.2	+ 0.2	- 4.3	+ 1.0	+ 0.0	- 0.1	+ 2.5		
Sep	+ 15.5	+ 12.8	+ 5.7	+ 6.3	- 0.6	+ 1.4	- 2.0	- 4.4	+ 1.4	- 0.2	- 0.0	+ 9.8		
<b>Domestic government</b>													<b>End of year or month *</b>	
2005	103.7	21.0	78.7	31.7	47.0	0.5	46.5	2.4	1.5	32.3	1.0	-		
2006	134.4	26.7	104.0	51.1	52.9	2.1	50.8	2.1	1.6	28.2	0.8	-		
2007	158.5	28.0	127.7	71.9	55.8	3.7	52.1	1.4	1.5	27.6	4.5	-		
2007 Oct	146.1	27.1	116.0	61.2	54.8	3.2	51.6	1.5	1.5	27.6	4.5	-		
Nov	157.0	27.3	126.8	71.8	55.1	3.4	51.7	1.4	1.5	27.5	4.5	-		
Dec	158.5	28.0	127.7	71.9	55.8	3.7	52.1	1.4	1.5	27.6	4.5	-		
2008 Jan	150.0	24.9	122.2	66.9	55.3	3.2	52.1	1.4	1.5	24.9	4.5	0.2		
Feb	149.6	24.9	121.9	66.2	55.8	3.4	52.4	1.3	1.5	25.0	4.5	0.2		
Mar	150.0	24.6	122.7	66.7	56.0	4.4	51.6	1.3	1.4	24.7	4.5	-		
Apr	149.0	24.1	122.1	66.2	55.9	4.1	51.8	1.3	1.4	24.7	4.6	-		
May	159.5	26.4	130.5	74.5	56.0	4.2	51.8	1.2	1.4	24.7	4.4	-		
June	166.6	28.6	135.4	79.0	56.4	4.6	51.8	1.2	1.4	24.6	4.4	-		
July	162.0	25.4	134.0	77.9	56.1	4.4	51.8	1.2	1.4	24.3	4.4	-		
Aug	164.8	26.9	135.3	78.9	56.3	4.5	51.8	1.2	1.4	24.3	4.4	-		
Sep	165.8	27.0	136.3	80.4	55.9	4.6	51.3	1.2	1.4	24.2	4.4	-		
<b>Changes *</b>													<b>End of year or month *</b>	
2006	+ 30.7	+ 5.7	+ 25.3	+ 19.4	+ 5.9	+ 1.6	+ 4.3	- 0.4	+ 0.1	- 4.0	- 0.1	-		
2007	+ 23.5	+ 1.2	+ 23.0	+ 20.8	+ 2.2	+ 1.6	+ 0.6	- 0.6	- 0.1	- 1.2	+ 2.6	-		
2007 Oct	- 3.2	+ 0.5	- 3.6	- 3.2	- 0.3	- 0.4	+ 0.1	- 0.1	- 0.0	+ 0.0	- 0.0	-		
Nov	+ 10.9	+ 0.2	+ 10.8	+ 10.6	+ 0.2	+ 0.2	+ 0.0	- 0.1	+ 0.0	- 0.0	-	-		
Dec	+ 1.5	+ 0.7	+ 0.9	+ 0.1	+ 0.8	+ 0.4	+ 0.4	- 0.0	- 0.0	+ 0.0	- 0.0	-		
2008 Jan	- 8.6	- 3.0	- 5.4	- 5.0	- 0.5	- 0.5	+ 0.0	- 0.1	+ 0.0	+ 0.1	- 0.0	+ 0.2		
Feb	- 0.4	- 0.1	- 0.3	- 0.7	+ 0.4	+ 0.2	+ 0.3	- 0.0	- 0.0	+ 0.0	+ 0.0	-		
Mar	+ 0.6	- 0.3	+ 0.9	+ 0.5	+ 0.4	+ 1.0	- 0.6	- 0.0	- 0.0	- 0.3	- 0.0	- 0.2		
Apr	- 1.0	- 0.4	- 0.5	- 0.5	- 0.1	- 0.3	+ 0.3	- 0.1	+ 0.0	+ 0.0	+ 0.1	-		
May	+ 10.6	+ 2.2	+ 8.4	+ 8.3	+ 0.1	+ 0.1	- 0.0	- 0.0	- 0.0	+ 0.0	- 0.1	-		
June	+ 7.0	+ 2.2	+ 4.8	+ 4.4	+ 0.4	+ 0.4	- 0.0	- 0.0	+ 0.0	- 0.1	- 0.0	-		
July	- 4.5	- 3.1	- 1.4	- 1.1	- 0.3	- 0.3	- 0.0	- 0.0	- 0.0	- 0.3	+ 0.0	-		
Aug	+ 2.7	+ 1.5	+ 1.2	+ 1.0	+ 0.2	+ 0.2	+ 0.0	- 0.0	+ 0.0	+ 0.0	+ 0.0	-		
Sep	+ 0.9	+ 0.1	+ 0.8	+ 1.5	- 0.7	+ 0.0	- 0.7	- 0.0	+ 0.0	- 0.1	+ 0.0	-		

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

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

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

€ billion

Period	Deposits, total	Sight deposits	Time deposits 1,2					Savings deposits 3	Bank savings bonds 4	Memo item			
			Total	for up to and including 1 year	for more than 1 year 2					Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities)	Included in time deposits: liabilities arising from repos	
					Total	for up to and including 2 years	for more than 2 years						
<b>Domestic enterprises and households</b>												<b>End of year or month *</b>	
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	
2006	2,260.2	721.0	858.8	238.4	620.4	9.6	610.8	584.5	95.9	9.6	29.5	11.2	
2007	2,420.6	752.0	997.7	347.0	650.7	19.0	631.7	554.0	116.9	8.8	30.5	22.6	
2007 Oct	2,360.8	743.2	955.5	314.5	641.0	14.5	626.5	549.7	112.4	8.9	29.6	30.1	
Nov	2,394.2	773.5	958.9	315.3	643.6	16.5	627.2	546.7	115.2	8.8	30.5	34.5	
Dec	2,420.6	752.0	997.7	347.0	650.7	19.0	631.7	554.0	116.9	8.8	30.5	22.6	
2008 Jan	2,437.3	760.1	1,008.4	353.4	654.9	20.8	634.1	549.1	119.6	8.6	30.4	35.9	
Feb	2,452.2	760.1	1,025.6	368.3	657.3	21.6	635.7	546.2	120.3	8.6	30.5	38.8	
Mar	2,452.0	761.8	1,027.3	369.1	658.2	21.7	636.5	542.5	120.4	8.5	30.5	39.9	
Apr	2,471.9	755.3	1,056.7	396.3	660.4	22.4	637.9	538.5	121.4	8.4	31.1	50.1	
May	2,476.8	756.2	1,063.0	402.0	660.9	22.8	638.2	535.1	122.6	8.4	31.0	49.2	
June	2,479.8	764.5	1,059.0	396.9	662.1	23.8	638.4	532.2	124.0	8.4	31.2	57.1	
July	2,482.7	742.7	1,087.5	423.7	663.8	25.2	638.6	526.7	125.7	8.2	31.3	52.6	
Aug	2,495.7	745.0	1,101.5	436.5	665.0	26.3	638.7	522.4	126.7	8.2	31.3	55.1	
Sep	2,510.1	757.7	1,106.2	441.3	664.9	27.7	637.3	518.1	128.1	8.1	31.2	64.9	
<b>Changes *</b>													
2006	+ 87.3	+ 24.3	+ 72.3	+ 38.1	+ 34.2	+ 1.9	+ 32.4	- 16.5	+ 7.1	- 0.1	+ 0.3	- 2.2	
2007	+ 157.7	+ 30.3	+ 137.6	+ 106.8	+ 30.8	+ 9.4	+ 21.4	- 30.5	+ 20.2	- 0.7	+ 0.7	+ 9.9	
2007 Oct	- 0.1	- 12.2	+ 13.4	+ 14.3	- 0.9	+ 1.1	- 2.0	- 3.6	+ 2.3	+ 0.1	- 0.1	+ 0.8	
Nov	+ 33.2	+ 30.3	+ 3.4	+ 0.4	+ 2.9	+ 1.9	+ 1.0	- 3.0	+ 2.6	- 0.1	+ 0.6	+ 4.4	
Dec	+ 26.4	- 21.5	+ 38.8	+ 31.8	+ 7.1	+ 2.6	+ 4.5	+ 7.3	+ 1.7	+ 0.0	+ 0.0	- 11.9	
2008 Jan	+ 16.6	+ 8.0	+ 10.7	+ 6.4	+ 4.3	+ 1.8	+ 2.5	- 4.8	+ 2.7	- 0.2	- 0.1	+ 13.3	
Feb	+ 14.9	- 0.1	+ 17.2	+ 14.9	+ 2.3	+ 0.8	+ 1.5	- 2.9	+ 0.7	- 0.0	+ 0.0	+ 2.9	
Mar	- 0.2	+ 1.7	+ 1.7	+ 0.8	+ 0.9	+ 0.1	+ 0.9	- 3.7	+ 0.1	- 0.1	+ 0.1	+ 1.1	
Apr	+ 19.7	- 6.7	+ 29.4	+ 27.2	+ 2.2	+ 0.8	+ 1.4	- 4.0	+ 1.1	- 0.1	+ 0.6	+ 10.2	
May	+ 5.0	+ 0.9	+ 6.3	+ 5.7	+ 0.6	+ 0.3	+ 0.3	- 3.4	+ 1.2	- 0.0	- 0.1	- 0.8	
June	+ 2.9	+ 8.3	- 3.9	- 5.1	+ 1.2	+ 1.0	+ 0.2	- 2.8	+ 1.4	- 0.0	+ 0.2	+ 7.9	
July	+ 2.9	- 21.8	+ 28.5	+ 26.8	+ 1.7	+ 1.5	+ 0.2	- 5.5	+ 1.7	- 0.2	+ 0.2	- 4.5	
Aug	+ 13.0	+ 2.3	+ 13.9	+ 12.7	+ 1.2	+ 1.0	+ 0.2	- 4.2	+ 1.0	+ 0.0	- 0.1	+ 2.5	
Sep	+ 14.7	+ 12.7	+ 4.9	+ 4.8	+ 0.1	+ 1.4	- 1.3	- 4.3	+ 1.4	- 0.1	- 0.0	+ 9.8	
<b>of which: Domestic enterprises</b>												<b>End of year or month *</b>	
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	
2006	874.9	256.1	594.1	122.8	471.3	3.2	468.1	4.5	20.2	9.1	20.0	11.2	
2007	961.9	264.9	672.9	178.6	494.3	5.5	488.8	3.9	20.1	8.3	21.5	22.6	
2007 Oct	944.7	269.7	651.1	160.8	490.3	4.5	485.8	4.0	19.9	8.4	20.8	30.1	
Nov	962.6	288.7	649.9	158.2	491.7	5.0	486.7	3.9	20.0	8.3	21.4	34.5	
Dec	961.9	264.9	672.9	178.6	494.3	5.5	488.8	3.9	20.1	8.3	21.5	22.6	
2008 Jan	980.6	281.1	675.6	178.4	497.1	5.6	491.5	3.9	20.1	8.4	21.5	35.9	
Feb	993.1	279.2	690.0	190.7	499.2	5.8	493.4	3.9	20.0	8.4	21.6	38.8	
Mar	990.1	278.8	687.5	187.6	500.0	5.7	494.3	3.9	19.9	8.2	21.7	39.9	
Apr	1,005.0	270.4	710.8	208.3	502.5	6.1	496.4	3.9	19.9	8.2	22.3	50.1	
May	1,005.7	270.7	711.5	208.1	503.3	6.3	497.0	3.8	19.8	8.1	22.3	49.2	
June	1,010.6	283.4	703.7	199.1	504.6	6.9	497.7	3.8	19.8	8.1	22.5	57.1	
July	1,011.5	262.8	725.2	219.0	506.2	7.3	498.9	3.8	19.7	7.9	22.6	52.6	
Aug	1,018.6	264.5	731.0	224.2	506.7	7.6	499.2	3.8	19.3	7.9	22.6	55.1	
Sep	1,039.2	280.7	735.3	226.3	509.1	8.4	500.6	3.8	19.3	7.8	22.4	64.9	
<b>Changes *</b>													
2006	+ 63.5	+ 22.2	+ 42.5	+ 13.4	+ 29.1	+ 0.7	+ 28.4	- 0.5	- 0.8	- 0.1	+ 0.6	- 2.2	
2007	+ 84.8	+ 8.1	+ 77.6	+ 53.9	+ 23.7	+ 2.3	+ 21.4	- 0.6	- 0.4	- 0.7	+ 1.5	+ 9.9	
2007 Oct	+ 0.4	- 8.0	+ 8.5	+ 10.1	- 1.5	- 0.0	- 1.5	- 0.1	- 0.1	+ 0.1	-	+ 0.8	
Nov	+ 17.9	+ 19.1	- 1.2	- 3.0	+ 1.8	+ 0.5	+ 1.2	- 0.1	+ 0.1	- 0.1	+ 0.6	+ 4.4	
Dec	- 0.7	- 23.9	+ 23.1	+ 20.4	+ 2.6	+ 0.5	+ 2.1	+ 0.0	+ 0.1	+ 0.0	+ 0.1	- 11.9	
2008 Jan	+ 18.6	+ 16.0	+ 2.6	- 0.2	+ 2.8	+ 0.1	+ 2.7	- 0.0	- 0.1	+ 0.0	- 0.0	+ 13.3	
Feb	+ 12.5	- 1.9	+ 14.4	+ 12.3	+ 2.1	+ 0.2	+ 1.9	+ 0.0	- 0.1	- 0.0	+ 0.1	+ 2.9	
Mar	- 2.9	- 0.4	- 2.4	- 3.2	+ 0.7	- 0.1	+ 0.8	- 0.0	- 0.1	- 0.1	+ 0.1	+ 1.1	
Apr	+ 14.9	- 8.4	+ 23.3	+ 20.7	+ 2.5	+ 0.4	+ 2.2	- 0.0	- 0.0	- 0.1	+ 0.6	+ 10.2	
May	+ 0.8	+ 0.2	+ 0.7	- 0.1	+ 0.8	+ 0.2	+ 0.6	- 0.0	- 0.1	- 0.0	- 0.0	- 0.8	
June	+ 4.8	+ 12.6	- 7.8	- 9.1	+ 1.2	+ 0.6	+ 0.6	- 0.0	- 0.0	- 0.0	+ 0.2	+ 7.9	
July	+ 0.9	- 20.6	+ 21.5	+ 19.9	+ 1.6	+ 0.4	+ 1.2	+ 0.0	- 0.1	- 0.2	+ 0.1	- 4.5	
Aug	+ 7.1	+ 1.8	+ 5.8	+ 5.2	+ 0.6	+ 0.3	+ 0.3	- 0.0	- 0.4	+ 0.0	- 0.1	+ 2.5	
Sep	+ 16.5	+ 15.6	+ 0.8	+ 0.7	+ 0.1	+ 0.8	- 0.7	+ 0.0	+ 0.0	- 0.2	- 0.2	+ 9.8	

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
<b>End of year or month *</b>												
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
2006	1,385.3	464.9	450.3	81.7	307.4	61.1	14.6	264.7	245.7	30.1	198.6	16.9
2007	1,458.7	487.1	472.1	83.9	320.9	67.2	15.0	324.8	300.7	41.7	234.3	24.7
2008 Apr	1,466.9	484.9	469.6	81.9	320.3	67.5	15.2	345.8	320.5	44.2	248.0	28.3
May	1,471.1	485.5	470.2	81.7	321.1	67.3	15.4	351.5	325.0	45.1	250.8	29.1
June	1,469.2	481.2	465.9	78.9	319.9	67.1	15.3	355.4	328.0	45.2	253.1	29.8
July	1,471.2	480.0	465.3	80.1	318.9	66.3	14.6	362.3	335.5	47.1	257.3	31.1
Aug	1,477.0	480.5	465.6	80.8	318.5	66.4	14.9	370.5	343.3	48.3	262.6	32.4
Sep	1,470.9	477.1	462.5	79.3	316.4	66.8	14.6	370.8	347.1	48.6	265.3	33.1
<b>Changes *</b>												
2006	+ 23.8	+ 2.1	+ 2.2	+ 1.9	- 0.9	+ 1.2	- 0.2	+ 29.8	+ 28.7	+ 5.8	+ 19.9	+ 3.0
2007	+ 72.9	+ 22.2	+ 21.8	+ 2.2	+ 16.0	+ 3.6	+ 0.4	+ 60.0	+ 54.9	+ 11.6	+ 35.6	+ 7.8
2008 Apr	+ 4.8	+ 1.6	+ 1.9	+ 1.0	+ 0.9	+ 0.0	- 0.3	+ 6.1	+ 6.2	+ 1.5	+ 3.7	+ 1.0
May	+ 4.2	+ 0.7	+ 0.5	- 0.2	+ 0.8	- 0.1	+ 0.1	+ 5.6	+ 4.5	+ 0.9	+ 2.9	+ 0.8
June	- 1.9	- 4.3	- 4.2	- 2.8	- 1.2	- 0.2	- 0.1	+ 3.9	+ 3.0	+ 0.1	+ 2.2	+ 0.7
July	+ 2.0	- 1.2	- 0.6	+ 1.2	- 1.2	- 0.6	- 0.6	+ 7.0	+ 7.4	+ 1.9	+ 4.2	+ 1.3
Aug	+ 5.8	+ 0.5	+ 0.3	+ 0.6	- 0.4	+ 0.1	+ 0.2	+ 8.2	+ 7.8	+ 1.2	+ 5.2	+ 1.4
Sep	- 1.8	- 2.9	- 3.2	- 1.4	- 2.1	+ 0.4	+ 0.3	+ 4.1	+ 3.8	+ 0.3	+ 2.8	+ 0.7

\* 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		Savings deposits and bank savings bonds 2	Memo item Fiduciary loans
				for up to and including 1 year	for more than 1 year					for up to and including 1 year	for more than 1 year		
<b>End of year or month *</b>													
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
2006	134.4	41.9	2.1	6.2	33.6	0.0	9.5	18.0	5.4	2.5	10.0	0.1	18.5
2007	158.5	38.3	1.9	3.1	33.2	0.0	8.2	27.9	6.0	11.2	10.6	0.1	19.1
2008 Apr	149.0	35.3	1.4	2.0	31.9	0.0	6.8	27.3	5.3	10.7	11.2	0.1	17.6
May	159.5	36.7	2.1	2.6	32.0	0.0	7.0	28.6	4.4	13.0	11.1	0.1	17.5
June	166.6	37.8	2.3	3.7	31.8	0.0	6.8	36.1	6.3	18.0	11.7	0.1	17.5
July	162.0	35.2	2.0	1.4	31.7	0.0	6.6	34.8	5.2	17.5	12.0	0.1	17.4
Aug	164.8	36.3	2.3	2.1	31.8	0.0	6.6	32.9	4.6	16.2	12.1	0.1	17.4
Sep	165.8	37.5	2.1	4.3	31.1	0.0	6.6	34.6	6.1	16.4	12.0	0.1	17.3
<b>Changes *</b>													
2006	+ 30.7	+ 3.1	+ 0.8	- 1.7	+ 4.0	- 0.0	- 3.4	+ 1.7	+ 1.6	+ 0.1	+ 0.1	- 0.0	- 0.6
2007	+ 23.5	- 4.3	- 0.2	- 3.1	- 1.0	- 0.0	- 0.5	+ 9.8	+ 0.6	+ 8.6	+ 0.6	+ 0.0	- 0.8
2008 Apr	- 1.0	- 2.3	- 0.2	- 1.8	- 0.3	+ 0.0	+ 0.0	+ 1.6	+ 0.5	+ 1.1	+ 0.1	- 0.0	- 0.0
May	+ 10.6	+ 1.4	+ 0.8	+ 0.6	+ 0.0	-	+ 0.1	+ 1.3	- 0.8	+ 2.3	- 0.1	- 0.0	- 0.1
June	+ 7.0	+ 1.1	+ 0.1	+ 1.1	- 0.2	-	- 0.1	+ 7.5	+ 1.8	+ 5.0	+ 0.7	+ 0.0	- 0.0
July	- 4.5	- 2.6	- 0.2	- 2.3	- 0.1	+ 0.0	- 0.2	- 1.3	- 1.1	- 0.5	+ 0.3	+ 0.0	- 0.1
Aug	+ 2.7	+ 1.1	+ 0.3	+ 0.6	+ 0.1	-	+ 0.0	- 1.8	- 0.6	- 1.3	+ 0.1	-	+ 0.0
Sep	+ 0.9	+ 1.3	- 0.3	+ 2.3	- 0.7	+ 0.0	- 0.0	+ 1.6	+ 1.4	+ 0.2	- 0.0	- 0.0	- 0.1

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

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



					Savings deposits <sup>3</sup>			Memo item					
by maturity					Total	Domestic households	Domestic non-profit institutions	Bank savings bonds <sup>4</sup>	Fiduciary loans	Subordinated liabilities (excluding negotiable debt securities) <sup>5</sup>	Included in time deposits: liabilities arising from repos	Period	
Domestic non-profit institutions	up to and including 1 year	more than 1 year <sup>2</sup>											
		Total	of which										
		up to and including 2 years	more than 2 years										
<b>End of year or month *</b>													
17.9	90.8	144.1	5.3	138.8	596.0	586.4	9.6	69.3	0.5	11.3	–	2005	
19.1	115.6	149.2	6.4	142.7	580.0	571.1	8.9	75.7	0.5	9.5	–	2006	
24.1	168.4	156.4	13.5	142.8	550.1	542.4	7.7	96.8	0.5	9.0	–	2007	
25.3	188.0	157.8	16.3	141.5	534.6	527.1	7.5	101.6	0.3	8.8	–	2008 Apr	
26.5	193.9	157.6	16.4	141.2	531.3	523.8	7.5	102.8	0.3	8.7	–	May	
27.3	197.8	157.6	16.8	140.7	528.4	521.0	7.4	104.2	0.3	8.7	–	June	
26.9	204.7	157.6	17.9	139.7	522.9	515.5	7.3	106.1	0.3	8.7	–	July	
27.2	212.2	158.3	18.7	139.6	518.6	511.3	7.3	107.4	0.3	8.7	–	Aug	
23.8	215.0	155.9	19.2	136.6	514.3	507.1	7.2	108.8	0.3	8.8	–	Sep	
<b>Changes *</b>													
+ 1.1	+ 24.7	+ 5.1	+ 1.1	+ 4.0	– 16.0	– 15.3	– 0.7	+ 7.9	+ 0.0	– 0.3	–	2006	
+ 5.0	+ 52.9	+ 7.1	+ 7.1	+ 0.0	– 29.9	– 28.7	– 1.2	+ 20.6	+ 0.0	– 0.8	–	2007	
– 0.2	+ 6.4	– 0.4	+ 0.4	– 0.8	– 4.0	– 3.9	– 0.1	+ 1.1	– 0.0	– 0.1	–	2008 Apr	
+ 1.1	+ 5.9	– 0.2	+ 0.1	– 0.3	– 3.4	– 3.3	– 0.1	+ 1.3	+ 0.0	– 0.1	–	May	
+ 0.9	+ 4.0	– 0.1	+ 0.4	– 0.5	– 2.8	– 2.7	– 0.1	+ 1.4	– 0.0	– 0.0	–	June	
– 0.5	+ 6.9	+ 0.1	+ 1.1	– 1.0	– 5.6	– 5.5	– 0.1	+ 1.8	–	+ 0.0	–	July	
+ 0.4	+ 7.5	+ 0.6	+ 0.8	– 0.1	– 4.2	– 4.2	– 0.0	+ 1.4	–	– 0.0	–	Aug	
+ 0.3	+ 4.1	– 0.0	+ 0.6	– 0.6	– 4.4	– 4.3	– 0.1	+ 1.4	+ 0.1	+ 0.2	–	Sep	

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

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

Local government and local government associations (including municipal special-purpose associations)						Social security funds						
Total	Sight deposits	Time deposits <sup>3</sup>		Savings deposits and bank savings bonds <sup>2,4</sup>	Memo item Fiduciary loans	Total	Sight deposits	Time deposits		Savings deposits and bank savings bonds <sup>2</sup>	Memo item Fiduciary loans	Period
		for up to and including 1 year	for more than 1 year					for up to and including 1 year	for more than 1 year			
<b>End of year or month *</b>												
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
30.5	11.5	12.7	3.4	3.0	0.3	44.0	7.8	29.7	6.0	0.6	0.0	2006
37.8	12.3	19.5	3.6	2.5	0.3	54.5	7.7	38.1	8.4	0.3	0.0	2007
36.8	10.5	20.4	3.7	2.3	0.2	49.5	7.0	33.1	9.1	0.3	0.0	2008 Apr
41.0	11.7	23.3	3.8	2.2	0.2	53.1	8.1	35.5	9.2	0.3	0.0	May
38.9	10.9	21.9	3.9	2.2	0.2	53.8	9.1	35.3	9.1	0.3	0.0	June
38.3	10.4	21.8	3.9	2.2	0.2	53.8	7.8	37.1	8.6	0.3	0.0	July
43.1	11.9	25.0	4.0	2.2	0.2	52.5	8.0	35.7	8.5	0.3	0.0	Aug
41.6	10.6	24.6	4.1	2.2	0.2	52.2	8.2	35.1	8.6	0.3	0.0	Sep
<b>Changes *</b>												
+ 2.5	– 0.3	+ 2.3	+ 0.7	– 0.2	– 0.0	+ 23.3	+ 3.6	+ 18.7	+ 1.1	– 0.1	– 0.0	2006
+ 7.4	+ 0.9	+ 6.8	+ 0.2	– 0.5	– 0.0	+ 10.5	– 0.1	+ 8.4	+ 2.4	– 0.2	– 0.0	2007
– 0.2	– 0.2	+ 0.0	+ 0.0	– 0.1	–	– 0.1	– 0.5	+ 0.2	+ 0.1	+ 0.0	–	2008 Apr
+ 4.3	+ 1.2	+ 3.0	+ 0.1	– 0.0	–	+ 3.6	+ 1.1	+ 2.4	+ 0.1	– 0.0	–	May
– 2.1	– 0.8	– 1.4	+ 0.1	+ 0.0	–	+ 0.6	+ 1.0	– 0.3	– 0.1	– 0.0	– 0.0	June
– 0.6	– 0.5	– 0.1	+ 0.0	– 0.0	–	+ 0.0	– 1.3	+ 1.8	– 0.5	– 0.0	–	July
+ 4.8	+ 1.6	+ 3.1	+ 0.1	+ 0.0	– 0.0	– 1.3	+ 0.2	– 1.4	– 0.1	–	–	Aug
– 1.6	– 1.3	– 0.3	+ 0.0	– 0.0	– 0.0	– 0.4	+ 0.2	– 0.6	+ 0.0	+ 0.0	– 0.0	Sep

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

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

## IV Banks

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

€ billion

Period	Savings deposits <sup>1</sup>								Memo item Interest credited on savings deposits	Bank savings bonds, <sup>3</sup> sold to			
	of residents				of non-residents					non-banks, total	domestic non-banks		foreign non-banks
	Total	Total	at three months' notice		at more than three months' notice		Total	of which At three months' notice			Total	of which With maturities of more than 2 years	
			Total	of which Special savings facilities <sup>2</sup>	Total	of which Special savings facilities <sup>2</sup>							
<b>End of year or month *</b>													
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	594.9	586.5	487.4	384.4	99.1	89.8	8.3	6.4	13.2	107.6	97.5	70.5	10.0
2007	563.8	555.4	446.0	354.6	109.4	101.4	8.4	6.1	14.2	130.7	118.4	64.5	12.3
2008 May	544.7	536.3	432.8	346.5	103.5	96.2	8.4	6.1	0.3	139.1	124.0	61.3	15.1
June	541.8	533.5	430.7	345.4	102.7	95.4	8.4	6.1	0.4	140.5	125.4	60.9	15.1
July	536.2	527.9	425.6	341.9	102.2	94.9	8.3	6.0	0.5	142.3	127.1	60.7	15.1
Aug	531.9	523.6	422.5	339.9	101.1	93.8	8.3	6.0	0.4	143.5	128.1	60.4	15.3
Sep	527.6	519.3	419.2	337.6	100.0	92.9	8.3	6.0	0.5	145.1	129.6	60.4	15.6
<b>Changes *</b>													
2006	- 17.0	- 16.8	- 31.7	- 20.4	+ 14.9	+ 15.5	- 0.2	- 0.4	.	+ 7.3	+ 7.2	- 5.5	+ 0.1
2007	- 31.0	- 31.1	- 41.4	- 28.8	+ 10.3	+ 11.6	+ 0.1	- 0.3	.	+ 22.4	+ 20.1	- 6.7	+ 2.2
2008 May	- 3.5	- 3.5	- 2.1	- 0.7	- 1.4	- 1.5	- 0.0	- 0.0	.	+ 2.9	+ 1.2	- 0.6	+ 1.8
June	- 2.9	- 2.9	- 2.1	- 1.1	- 0.8	- 0.8	- 0.0	- 0.0	.	+ 1.3	+ 1.4	- 0.4	- 0.1
July	- 5.6	- 5.6	- 5.1	- 3.5	- 0.5	- 0.5	- 0.1	- 0.1	.	+ 1.8	+ 1.7	- 0.2	+ 0.1
Aug	- 4.3	- 4.3	- 3.1	- 2.0	- 1.1	- 1.1	- 0.0	- 0.0	.	+ 1.2	+ 1.0	- 0.3	+ 0.2
Sep	- 4.3	- 4.4	- 3.3	- 2.4	- 1.1	- 1.1	+ 0.0	- 0.0	.	+ 1.7	+ 1.4	+ 0.0	+ 0.3

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

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

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

€ billion

Period	Negotiable bearer debt securities and money market paper							Non-negotiable bearer debt securities and money market paper <sup>5</sup>					Subordinated	
	Total	of which				with maturities of			Total	of which with maturities of				
		Floating rate bonds <sup>1</sup>	Zero coupon bonds <sup>1,2</sup>	Foreign currency bonds <sup>3,4</sup>	Certificates of deposit	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		
<b>End of year or month *</b>														
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	1,636.2	392.5	41.1	301.5	30.9	68.3	118.3	1,449.5	1.8	0.2	0.8	0.7	51.4	1.2
2007	1,659.1	375.7	54.2	305.1	51.2	109.6	147.5	1,402.0	1.9	0.1	1.1	0.7	53.6	1.4
2008 May	1,657.8	387.3	54.7	307.2	58.3	120.2	162.1	1,375.5	1.9	0.2	1.1	0.6	53.3	1.4
June	1,672.2	367.8	55.0	308.4	60.8	125.1	176.0	1,371.1	1.9	0.2	1.1	0.6	53.5	1.4
July	1,672.7	367.7	55.3	312.4	59.7	123.0	180.3	1,369.3	2.0	0.2	1.1	0.7	53.6	1.4
Aug	1,688.4	371.1	57.4	322.7	64.4	131.1	179.7	1,377.6	2.0	0.2	1.1	0.7	53.8	1.4
Sep	1,668.3	365.1	55.3	327.1	62.9	125.4	174.2	1,368.7	2.0	0.2	1.1	0.7	53.7	1.6
<b>Changes *</b>														
2006	+ 21.6	- 27.3	+ 8.2	+ 25.4	- 2.3	+ 6.0	+ 22.9	- 7.4	+ 0.2	- 0.0	+ 0.3	- 0.0	+ 4.0	+ 0.2
2007	+ 21.7	- 17.5	+ 12.9	+ 3.6	+ 20.2	+ 40.7	+ 32.3	- 51.3	- 0.1	- 0.1	+ 0.3	- 0.2	+ 2.2	- 0.0
2008 May	+ 2.9	- 0.7	+ 0.9	+ 3.2	+ 0.9	+ 0.9	+ 4.8	- 2.8	+ 0.0	+ 0.0	+ 0.0	+ 0.0	+ 0.0	- 0.0
June	+ 14.4	- 1.8	+ 1.3	+ 1.1	+ 2.6	+ 4.9	+ 14.0	- 4.4	+ 0.0	+ 0.0	+ 0.0	+ 0.0	+ 0.1	- 0.0
July	+ 2.2	- 0.1	+ 0.3	+ 4.0	- 1.1	- 1.7	+ 4.7	- 0.9	+ 0.0	- 0.0	+ 0.0	+ 0.0	+ 0.2	+ 0.0
Aug	+ 15.7	+ 3.4	+ 2.1	+ 10.4	+ 4.7	+ 8.0	- 0.6	+ 8.3	+ 0.0	- 0.0	+ 0.0	+ 0.0	+ 0.2	+ 0.0
Sep	- 20.1	- 6.0	- 2.1	+ 4.4	- 1.5	- 6.0	- 5.2	- 9.0	- 0.0	-	+ 0.0	- 0.0	- 0.1	+ 0.3

\* 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 associ- ations	Balance sheet total	Lending to banks (MFIs)			Lending to non-banks (non-MFIs)				Deposits of banks (MFIs) 5		Deposits of non- banks (non-MFIs)		Bearer debt securi- ties out- stand- ing	Capital (includ- ing pub- lished re- serves) 7	Memo item New con- tracts entered into in year or month 8
			Credit bal- ances and loans (ex- clud- ing building loans) 1	Building loans 2	Bank debt securi- ties 3	Building loans			Secur- ities (in- clud- ing Treasury bills and Treasury discount paper) 4	Deposits under savings and loan con- tracts	Sight and time deposits	Deposits under savings and loan con- tracts	Sight and time de- posits 6			
						Loans under savings and loan con- tracts	Interim and bridging loans	Other building loans								
<b>All building and loan associations</b>																
2007	25	189.5	41.8	0.0	12.1	27.6	67.9	11.9	12.1	0.3	22.8	123.8	5.2	6.6	7.3	89.3
2008 July	25	191.1	42.1	0.0	14.5	28.7	68.3	11.8	11.2	0.2	27.5	120.7	5.9	6.2	7.3	8.0
Aug	25	190.1	41.0	0.1	14.4	28.9	68.3	11.8	11.3	0.2	26.9	120.1	5.9	6.2	7.3	7.5
Sep	25	190.0	40.7	0.1	14.1	29.1	68.6	11.9	11.2	0.2	27.2	119.6	5.9	6.1	7.3	7.8
<b>Private building and loan associations</b>																
2008 July	15	139.4	27.4	0.0	9.6	18.3	52.8	10.9	6.7	0.2	22.6	79.9	5.7	6.2	4.7	5.1
Aug	15	138.5	26.4	0.0	9.5	18.4	52.9	10.9	6.7	0.1	22.1	79.5	5.7	6.2	4.7	4.9
Sep	15	138.6	26.2	0.0	9.4	18.5	53.2	11.0	6.6	0.1	22.5	79.1	5.7	6.1	4.7	5.0
<b>Public building and loan associations</b>																
2008 July	10	51.7	14.7	0.0	5.0	10.4	15.4	0.9	4.6	0.1	4.9	40.8	0.2	-	2.6	2.8
Aug	10	51.7	14.6	0.0	4.9	10.5	15.4	0.9	4.7	0.1	4.8	40.7	0.2	-	2.6	2.7
Sep	10	51.3	14.4	0.0	4.7	10.6	15.3	0.9	4.6	0.1	4.6	40.5	0.2	-	2.6	2.8

Trends in building and loan association business

€ billion

Period	Changes in deposits under savings and loan contracts			Capital promised		Capital disbursed					Disbursement commitments outstanding at end of period		Interest and repayments received on building loans 10		Memo item Housing bonuses re- ceived 12					
	Amounts paid into savings and loan ac- counts 9	Interest credited on deposits under savings and loan con- tracts	Repay- ments of deposits under cancelled savings and loan con- tracts	Total	of which Net allo- cations 11	Total	Allocations				Newly granted interim and bridging loans and other building loans	Total	of which Under allo- cated con- tracts	Total		of which Repay- ments during quarter				
							Deposits under savings and loan contracts		Loans under savings and loan contracts 9								Total	of which Applied to settle- ment of interim and bridging loans	Total	of which Applied to settle- ment of interim and bridging loans
							Total	of which Applied to settle- ment of interim and bridging loans	Total	of which Applied to settle- ment of interim and bridging loans										
<b>All building and loan associations</b>																				
2007	24.3	3.2	6.6	45.9	34.1	42.3	21.0	4.2	8.4	3.8	13.0	10.0	7.6	10.3	8.4	0.5				
2008 July	1.9	0.1	0.6	5.0	3.7	5.1	2.3	0.5	1.1	0.4	1.7	10.8	7.7	0.8		0.0				
Aug	1.8	0.1	0.5	4.1	3.1	3.8	1.9	0.3	0.8	0.3	1.1	10.8	7.7	0.8		0.0				
Sep	1.9	0.1	0.5	4.1	3.1	3.9	2.0	0.3	0.9	0.3	1.1	10.6	7.7	0.9		0.0				
<b>Private building and loan associations</b>																				
2008 July	1.2	0.0	0.4	3.6	2.5	3.8	1.7	0.3	0.7	0.3	1.5	6.6	4.0	0.6		0.0				
Aug	1.1	0.0	0.3	2.9	2.1	2.8	1.4	0.2	0.6	0.2	0.9	6.6	4.0	0.5		0.0				
Sep	1.3	0.0	0.3	2.8	2.0	2.9	1.4	0.2	0.5	0.2	1.0	6.5	4.0	0.6		0.0				
<b>Public building and loan associations</b>																				
2008 July	0.7	0.0	0.3	1.4	1.2	1.3	0.7	0.2	0.4	0.2	0.2	4.1	3.7	0.3		0.0				
Aug	0.6	0.0	0.2	1.2	1.0	1.0	0.5	0.1	0.3	0.1	0.2	4.1	3.7	0.3		0.0				
Sep	0.6	0.0	0.2	1.2	1.1	1.1	0.6	0.1	0.3	0.1	0.2	4.1	3.7	0.3		0.0				

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

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

IV Banks

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

€ billion

Period	Number of		Balance sheet total	Lending to banks (MFIs)					Lending to non-banks (non-MFIs)					Other assets	
	German banks (MFIs) with foreign branches and/or foreign subsidiaries	foreign branches 1 and/or foreign subsidiaries		Total	Credit balances and loans			Money market paper, securities 2,3	Total	Loans			Money market paper, securities 2		
					Total	German banks	Foreign banks			Total	to German non-banks	to foreign non-banks			
End of year or month *															
<b>Foreign branches</b>															
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
2006	53	213	1,743.7	711.6	635.5	194.1	441.4	76.1	897.7	671.8	18.5	17.9	653.3	226.0	134.3
2007	52	218	2,042.4	813.8	743.1	238.6	504.5	70.7	1,066.8	811.4	21.6	20.7	789.8	255.3	161.8
2007 Nov	52	218	2,067.1	816.2	741.4	247.6	493.9	74.7	1,085.5	827.8	24.9	24.1	802.9	257.8	165.4
2007 Dec	52	218	2,042.4	813.8	743.1	238.6	504.5	70.7	1,066.8	811.4	21.6	20.7	789.8	255.3	161.8
2008 Jan	52	217	2,080.4	837.3	764.6	255.2	509.4	72.7	1,087.8	833.6	22.7	21.6	810.9	254.2	155.3
2008 Feb	52	219	2,014.6	819.5	748.5	248.1	500.4	71.1	1,049.3	788.5	24.4	23.3	764.1	260.7	145.8
2008 Mar	52	220	1,980.6	812.8	744.6	255.0	489.6	68.2	1,025.6	777.1	25.5	24.2	751.5	248.5	142.2
2008 Apr	53	221	1,986.1	804.0	738.0	265.8	472.2	65.9	1,023.8	770.8	23.5	22.2	747.3	253.0	158.3
2008 May	53	221	2,006.1	822.1	755.3	273.4	481.9	66.8	1,031.1	777.3	23.4	22.1	753.9	253.8	152.9
2008 June	55	224	1,893.5	804.7	738.8	244.4	494.5	65.9	959.9	719.8	22.0	20.6	697.9	240.1	128.9
2008 July	55	224	1,858.5	768.1	703.2	235.9	467.3	64.8	960.2	719.9	22.7	21.3	697.1	240.4	130.2
2008 Aug	55	225	1,882.8	774.3	708.1	235.0	473.1	66.2	980.2	739.5	21.3	19.9	718.1	240.8	128.2
<b>Changes *</b>															
2006	- 1	+ 2	+204.9	+ 29.4	+ 23.7	+ 13.9	+ 9.8	+ 5.6	+142.8	+123.1	- 3.5	- 3.7	+126.6	+ 19.7	+ 32.8
2007	- 1	+ 5	+406.5	+132.8	+136.4	+ 44.5	+ 91.9	- 3.6	+240.6	+196.1	+ 3.1	+ 2.9	+192.9	+ 44.5	+ 33.1
2007 Nov	-	-	+ 18.5	- 9.0	- 7.0	- 9.2	+ 2.2	- 2.0	+ 18.5	+ 26.3	+ 0.1	+ 0.1	+ 26.2	- 7.8	+ 9.0
2007 Dec	-	-	- 21.8	- 2.0	- 2.0	- 8.9	+ 10.9	- 4.0	- 16.6	- 14.4	- 3.3	- 3.3	- 11.1	- 2.2	- 3.2
2008 Jan	-	- 1	+ 45.5	+ 25.8	+ 23.6	+ 16.6	+ 7.1	+ 2.2	+ 26.0	+ 26.2	+ 1.1	+ 0.8	+ 25.1	- 0.1	- 6.4
2008 Feb	-	+ 2	- 46.2	- 11.6	- 10.2	- 7.1	- 3.1	- 1.4	- 26.1	- 35.2	+ 1.7	+ 1.7	- 36.9	+ 9.2	- 8.5
2008 Mar	-	+ 1	+ 5.2	+ 6.0	+ 8.2	+ 7.0	+ 1.3	- 2.2	+ 1.2	+ 7.8	+ 1.1	+ 1.0	+ 6.7	- 6.5	- 2.0
2008 Apr	+ 1	+ 1	- 5.8	- 13.1	- 10.6	+ 10.8	- 21.4	- 2.5	- 8.6	- 11.3	- 2.0	- 2.1	- 9.3	+ 2.8	+ 15.9
2008 May	-	-	+ 18.1	+ 17.5	+ 16.7	+ 7.6	+ 9.1	+ 0.8	+ 5.9	+ 5.5	- 0.1	- 0.1	+ 5.5	+ 0.5	- 5.4
2008 June	+ 2	+ 3	- 97.0	- 12.3	- 11.6	- 29.0	+ 17.4	- 0.7	- 61.4	- 50.0	- 1.4	- 1.5	- 48.5	- 11.4	- 23.3
2008 July	-	-	- 41.4	- 39.0	- 37.8	- 8.5	- 29.4	- 1.1	- 3.7	- 3.0	+ 0.7	+ 0.7	- 3.7	- 0.7	+ 1.2
2008 Aug	-	+ 1	- 21.0	- 10.0	- 10.8	- 0.9	- 9.8	+ 0.8	- 7.2	- 0.7	- 1.4	- 1.4	+ 0.6	- 6.5	- 3.8
<b>Foreign subsidiaries</b>															
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
2006	40	142	761.2	341.9	262.8	124.1	138.7	79.1	347.3	218.7	38.0	36.4	180.7	128.6	72.1
2007	39	120	590.8	267.8	202.4	104.8	97.5	65.5	263.9	176.0	37.8	36.8	138.1	87.9	59.0
2007 Nov	41	112	586.7	269.7	199.6	105.4	94.1	70.1	258.8	152.1	36.7	35.3	115.5	106.7	58.2
2007 Dec	39	120	590.8	267.8	202.4	104.8	97.5	65.5	263.9	176.0	37.8	36.8	138.1	87.9	59.0
2008 Jan	39	121	598.1	273.3	206.9	108.9	98.0	66.4	265.0	177.9	38.4	37.4	139.5	87.1	59.7
2008 Feb	39	122	598.8	272.0	206.0	108.7	97.2	66.1	264.4	179.2	39.7	38.7	139.5	85.3	62.3
2008 Mar	39	121	600.7	273.9	208.4	111.9	96.5	65.6	262.9	179.8	40.5	39.5	139.2	83.1	63.8
2008 Apr	39	121	608.9	278.6	213.2	110.7	102.5	65.4	266.7	183.3	40.0	39.1	143.4	83.4	63.6
2008 May	39	121	610.9	280.2	214.2	115.2	99.0	65.9	267.8	185.7	40.4	39.5	145.3	82.1	63.0
2008 June	39	121	611.5	279.2	213.2	110.8	102.4	66.1	269.0	187.6	39.6	38.7	148.0	81.4	63.3
2008 July	39	121	602.8	268.8	203.1	98.4	104.7	65.7	271.0	190.0	40.2	39.3	149.8	81.0	63.1
2008 Aug	39	121	608.6	270.4	204.9	99.5	105.4	65.5	273.8	192.2	40.3	39.5	151.9	81.7	64.3
<b>Changes *</b>															
2006	- 3	- 11	+ 62.6	+ 29.7	+ 17.9	+ 4.3	+ 13.6	+ 11.8	+ 28.3	- 0.7	- 1.0	+ 0.6	+ 0.3	+ 29.0	+ 4.7
2007	- 1	- 22	-155.7	- 64.1	- 55.8	- 19.3	- 36.5	- 8.3	- 79.1	- 38.8	- 0.2	+ 0.4	- 38.6	- 40.4	- 12.5
2007 Nov	-	-	+ 1.2	+ 1.0	- 0.2	- 3.6	+ 3.4	+ 1.2	- 1.3	+ 1.9	+ 0.5	+ 0.5	+ 1.4	- 3.1	+ 1.5
2007 Dec	- 2	+ 8	+ 4.5	- 1.6	+ 3.0	- 0.6	+ 3.6	- 4.5	+ 5.2	+ 24.0	+ 1.2	+ 1.5	+ 22.8	- 18.8	+ 0.9
2008 Jan	-	+ 1	+ 7.8	+ 5.9	+ 4.7	+ 4.1	+ 0.6	+ 1.2	+ 1.1	+ 1.9	+ 0.6	+ 0.6	+ 1.3	- 0.8	+ 0.7
2008 Feb	-	+ 1	+ 2.6	- 0.1	- 0.3	- 0.2	- 0.2	+ 0.3	+ 0.0	+ 1.8	+ 1.3	+ 1.3	+ 0.5	- 1.8	+ 2.7
2008 Mar	-	- 1	+ 6.1	+ 4.6	+ 3.8	+ 3.2	+ 0.6	+ 0.8	- 0.2	+ 1.8	+ 0.8	+ 0.8	+ 1.0	- 2.0	+ 1.7
2008 Apr	-	-	+ 8.2	+ 4.7	+ 4.8	- 1.2	+ 6.0	- 0.1	+ 3.8	+ 3.6	- 0.6	- 0.4	+ 4.1	+ 0.2	- 0.2
2008 May	-	-	+ 1.9	+ 1.4	+ 1.0	+ 4.5	- 3.5	+ 0.4	+ 1.1	+ 2.4	+ 0.4	+ 0.4	+ 2.0	- 1.3	- 0.6
2008 June	-	-	+ 1.9	- 0.0	- 0.6	- 4.5	+ 3.8	+ 0.6	+ 1.6	+ 2.3	- 0.8	- 0.8	+ 3.1	- 0.7	+ 0.3
2008 July	-	-	- 9.1	- 10.8	- 10.3	- 12.4	+ 2.1	- 0.6	+ 2.0	+ 2.4	+ 0.6	+ 0.6	+ 1.8	- 0.4	- 0.2
2008 Aug	-	-	+ 0.2	- 1.7	+ 0.1	+ 1.1	- 1.0	- 1.7	+ 0.9	+ 0.2	+ 0.1	+ 0.2	+ 0.1	+ 0.7	+ 1.0

\* 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 <sup>5</sup>	Working capital and own funds	Other liabilities <sup>6</sup>	Period
of banks (MFIs)			of non-banks (non-MFIs)							Foreign non-banks							
Total	German banks	Foreign banks	Total	German non-banks <sup>4</sup>				Foreign non-banks									
				Total	Short-term		Medium and long-term										
						of which enterprises and households		of which enterprises and households									
<b>End of year or month *</b>														<b>Foreign branches</b>			
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			
1,442.7	984.9	398.5	586.4	457.8	53.8	49.3	46.2	4.6	4.1	403.9	181.5	27.8	91.7	2006			
1,723.7	1,191.0	547.7	643.3	532.7	55.3	51.2	47.5	4.1	3.9	477.4	186.0	29.2	103.5	2007			
1,739.0	1,154.7	523.7	631.0	584.3	64.0	60.0	55.4	4.1	3.8	520.3	189.8	30.1	108.2	2007 Nov			
1,723.7	1,191.0	547.7	643.3	532.7	55.3	51.2	47.5	4.1	3.9	477.4	186.0	29.2	103.5	2007 Dec			
1,767.7	1,195.7	519.4	676.3	572.0	60.6	56.5	53.6	4.1	3.8	511.4	177.2	29.2	106.4	2008 Jan			
1,709.0	1,161.3	504.1	657.2	547.6	57.3	53.2	50.2	4.1	3.8	490.4	166.8	31.6	107.3	2008 Feb			
1,692.7	1,145.9	508.3	637.5	546.8	57.2	53.1	50.0	4.1	3.9	489.6	160.9	33.8	93.2	2008 Mar			
1,699.1	1,146.9	512.4	634.5	552.2	56.9	52.7	50.5	4.1	3.9	495.4	157.0	33.3	96.6	2008 Apr			
1,709.6	1,158.9	517.1	641.8	550.8	53.9	49.7	46.8	4.2	3.9	496.9	168.0	34.0	94.6	2008 May			
1,609.5	1,113.9	518.7	595.2	495.6	49.7	45.6	42.2	4.1	3.8	446.0	155.3	34.1	94.7	2008 June			
1,574.7	1,099.8	507.0	592.7	474.9	48.1	43.7	40.9	4.4	3.9	426.8	160.0	34.0	89.8	2008 July			
1,585.4	1,116.1	509.3	606.8	469.3	47.8	43.2	41.0	4.6	4.0	421.5	165.7	34.2	97.6	2008 Aug			
<b>Changes *</b>														<b>Foreign subsidiaries</b>			
+ 142.5	+ 110.0	+ 24.9	+ 85.1	+ 32.5	- 10.0	- 9.7	- 9.1	- 0.3	- 0.5	+ 42.5	+ 9.5	+ 6.9	+ 46.0	2006			
+ 359.0	+ 243.9	+ 149.2	+ 94.7	+ 115.1	+ 1.5	+ 2.0	+ 1.3	- 0.5	- 0.2	+ 113.6	+ 4.5	+ 1.3	+ 41.7	2007			
+ 42.9	+ 3.9	+ 13.0	- 9.1	+ 39.0	+ 0.4	+ 0.4	- 0.9	- 0.0	+ 0.0	+ 38.6	- 18.7	+ 0.0	- 5.7	2007 Nov			
- 13.6	+ 37.0	+ 24.0	+ 13.0	- 50.6	- 8.7	- 8.8	- 8.0	+ 0.0	+ 0.1	- 41.9	- 3.8	- 0.9	- 3.5	2007 Dec			
+ 49.1	+ 7.3	- 28.4	+ 35.6	+ 41.9	+ 5.2	+ 5.3	+ 6.2	- 0.0	- 0.0	+ 36.6	- 8.8	+ 0.0	+ 5.1	2008 Jan			
- 44.1	- 26.2	- 15.3	- 10.9	- 18.0	- 3.3	- 3.3	- 3.5	+ 0.0	+ 0.0	- 14.7	- 10.4	+ 2.4	+ 5.9	2008 Feb			
+ 13.2	+ 1.2	+ 4.3	- 3.1	+ 12.0	- 0.0	- 0.1	- 0.2	+ 0.0	+ 0.0	+ 12.0	- 5.8	+ 2.2	- 4.3	2008 Mar			
- 2.2	- 3.9	+ 4.1	- 8.0	+ 1.7	- 0.3	- 0.4	+ 0.5	+ 0.0	+ 0.0	+ 2.1	- 3.9	- 0.5	+ 0.8	2008 Apr			
+ 8.9	+ 11.1	+ 4.6	+ 6.5	- 2.3	- 3.0	- 3.0	- 3.6	+ 0.0	+ 0.0	+ 4.7	+ 11.0	+ 0.6	- 2.4	2008 May			
- 88.5	- 38.5	+ 1.6	- 40.1	- 50.1	- 4.2	- 4.2	- 4.6	- 0.1	- 0.1	- 45.8	- 12.7	+ 0.1	+ 4.1	2008 June			
- 39.7	- 16.8	- 11.7	- 5.1	- 22.9	- 1.6	- 1.9	- 1.4	+ 0.3	+ 0.0	- 21.3	+ 4.7	- 0.1	- 6.4	2008 July			
- 23.3	- 4.2	+ 2.3	- 6.5	- 19.1	- 0.3	- 0.5	+ 0.1	+ 0.2	+ 0.1	- 18.7	+ 5.6	+ 0.2	- 3.5	2008 Aug			
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			
557.3	329.4	121.5	207.9	227.9	40.8	33.0	31.6	7.8	7.7	187.1	87.9	40.0	76.0	2006			
437.3	270.1	118.2	151.9	167.2	37.1	30.3	29.5	6.8	6.7	130.1	69.5	28.6	55.4	2007			
443.2	275.4	121.8	153.6	167.8	37.7	31.0	30.4	6.7	6.6	130.1	69.5	27.4	56.8	2007 Nov			
437.3	270.1	118.2	151.9	167.2	37.1	30.3	29.5	6.8	6.7	130.1	69.5	28.6	55.4	2007 Dec			
445.3	270.6	120.5	150.2	174.7	41.1	34.1	33.8	7.0	6.9	133.6	70.2	29.2	53.3	2008 Jan			
448.6	278.2	128.8	149.5	170.4	38.8	31.6	31.4	7.2	7.0	131.6	69.0	29.1	52.2	2008 Feb			
452.1	278.1	134.5	143.5	174.0	38.9	32.0	31.6	6.9	6.8	135.1	67.8	29.1	51.8	2008 Mar			
458.0	283.3	127.6	155.7	174.7	37.9	30.9	30.6	7.0	6.9	136.8	67.2	29.1	54.7	2008 Apr			
459.2	290.5	129.7	160.8	168.8	34.7	27.5	27.1	7.2	7.1	134.1	66.6	29.3	55.9	2008 May			
461.8	286.8	125.6	161.1	175.0	33.0	26.1	25.3	6.9	6.8	142.1	66.4	29.3	54.1	2008 June			
452.4	281.9	127.0	154.9	170.5	31.9	25.1	24.9	6.8	6.7	138.6	65.5	29.5	55.4	2008 July			
453.6	279.0	125.3	153.7	174.6	32.1	25.3	25.1	6.8	6.8	142.5	67.9	29.7	57.3	2008 Aug			
<b>Changes *</b>														<b>Foreign subsidiaries</b>			
+ 43.8	+ 26.3	+ 18.2	+ 8.0	+ 17.6	+ 4.8	+ 3.9	+ 4.5	+ 0.9	+ 0.9	+ 12.7	+ 8.2	- 1.0	+ 11.6	2006			
- 109.3	- 53.9	- 3.4	- 50.5	- 55.4	- 3.7	- 2.6	- 2.1	- 1.1	- 1.0	- 51.7	- 18.3	- 11.4	- 16.7	2007			
+ 4.7	+ 0.5	+ 1.3	- 0.9	+ 4.3	+ 0.7	+ 0.7	+ 0.2	- 0.0	- 0.0	+ 3.6	- 2.9	- 0.5	- 0.1	2007 Nov			
- 5.6	- 5.2	- 3.6	- 1.6	- 0.4	- 0.6	- 0.7	- 0.9	+ 0.1	+ 0.1	+ 0.2	+ 10.2	+ 1.2	- 1.3	2007 Dec			
+ 8.4	+ 0.6	+ 2.3	- 1.7	+ 7.8	+ 4.0	+ 3.7	+ 4.3	+ 0.2	+ 0.2	+ 3.8	+ 0.7	+ 0.6	- 2.0	2008 Jan			
+ 4.8	+ 8.3	+ 8.3	- 0.0	- 3.5	- 2.3	- 2.4	- 2.4	+ 0.2	+ 0.1	- 1.2	- 1.3	- 0.2	- 0.7	2008 Feb			
+ 6.6	+ 1.4	+ 5.8	- 4.4	+ 5.2	+ 0.1	+ 0.3	+ 0.2	- 0.2	- 0.1	+ 5.1	- 1.2	+ 0.0	+ 0.6	2008 Mar			
+ 5.9	+ 5.2	- 6.9	+ 12.2	+ 0.7	- 1.0	- 1.1	- 1.0	+ 0.1	+ 0.1	+ 1.7	- 0.6	- 0.0	+ 2.9	2008 Apr			
+ 1.1	+ 7.1	+ 2.1	+ 5.0	- 6.0	- 3.2	- 3.4	- 3.6	+ 0.1	+ 0.1	- 2.8	- 0.7	+ 0.2	+ 1.2	2008 May			
+ 3.6	- 3.2	- 4.1	+ 0.9	+ 6.8	- 1.7	- 1.4	- 1.7	- 0.3	- 0.3	+ 8.5	- 0.2	+ 0.0	- 1.6	2008 June			
- 9.8	- 5.0	+ 1.4	- 6.3	- 4.8	- 1.1	- 1.0	- 0.4	- 0.1	- 0.1	- 3.7	- 0.9	+ 0.3	+ 1.3	2008 July			
- 3.1	- 5.2	- 1.7	- 3.5	+ 2.2	+ 0.2	+ 0.2	+ 0.2	+ 0.1	+ 0.1	+ 1.9	+ 2.4	+ 0.2	+ 0.7	2008 Aug			

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
<b>Euro area (€ billion)</b>							
2008 Mar	10,370.4	207.4	0.5	206.9	207.5	0.6	0.0
Apr	10,416.7	208.3	0.5	207.8	208.6	0.8	0.0
May	10,391.9	207.8	0.5	207.3	208.1	0.7	0.0
June	10,618.2	212.4	0.5	211.9	212.7	0.8	0.0
July	10,728.4	214.6	0.5	214.1	214.8	0.7	0.0
Aug	10,691.7	213.8	0.5	213.3	214.0	0.7	0.0
Sep	10,763.4	215.3	0.5	214.8	216.8	2.0	0.0
Oct p.8	...	...	...	216.1	218.6	2.5	...
Nov p	...	...	...	217.2	...	...	...
<b>Of which: Germany (€ million)</b>							
2008 Mar	2,428,235	48,565	197	48,368	48,556	188	0
Apr	2,425,851	48,517	196	48,321	48,581	260	1
May	2,453,700	49,074	196	48,878	49,075	197	2
June	2,476,801	49,536	196	49,340	49,520	180	1
July	2,506,799	50,136	195	49,941	50,106	165	0
Aug	2,513,647	50,273	194	50,079	50,242	163	0
Sep	2,516,227	50,325	193	50,131	51,179	1,048	3
Oct p	2,540,390	50,808	192	50,615	52,271	1,656	29
Nov p	2,594,481	51,890	192	51,697	...	...	...

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. — 8 The total number of deficiencies was not available when this report went to press.

VI Interest rates

1 ECB interest rates

2 Base rates

% per annum

Applicable from	Deposit facility	Main refinancing operations		Marginal lending facility	Applicable from	Deposit facility	Main refinancing operations		Marginal lending facility
		Fixed rate	Minimum bid rate				Fixed rate	Minimum bid rate	
1999 Jan 1	2.00	3.00	—	4.50	2003 Mar 7	1.50	—	2.50	3.50
Jan 4	2.75	3.00	—	3.25	June 6	1.00	—	2.00	3.00
Jan 22	2.00	3.00	—	4.50					
Apr 9	1.50	2.50	—	3.50	2005 Dec 6	1.25	—	2.25	3.25
Nov 5	2.00	3.00	—	4.00					
2000 Feb 4	2.25	3.25	—	4.25	2006 Mar 8	1.50	—	2.50	3.50
Mar 17	2.50	3.50	—	4.50	June 15	1.75	—	2.75	3.75
Apr 28	2.75	3.75	—	4.75	Aug 9	2.00	—	3.00	4.00
June 9	3.25	4.25	—	5.25	Oct 11	2.25	—	3.25	4.25
June 28	3.25	—	4.25	5.25	Dec 13	2.50	—	3.50	4.50
Sep 1	3.50	—	4.50	5.50	2007 Mar 14	2.75	—	3.75	4.75
Oct 6	3.75	—	4.75	5.75	June 13	3.00	—	4.00	5.00
2001 May 11	3.50	—	4.50	5.50	2008 July 9	3.25	—	4.25	5.25
Aug 31	3.25	—	4.25	5.25	Oct 8	2.75	—	3.75	4.75
Sep 18	2.75	—	3.75	4.75	Oct 9	3.25	3.75	—	4.25
Nov 9	2.25	—	3.25	4.25	Nov 12	2.75	3.25	—	3.75
2002 Dec 6	1.75	—	2.75	3.75					

% per annum

Applicable from	Base rate as per Discount Rate Transition Act 1	Applicable from	Base rate as per Civil Code 2
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 1	2.71	2005 Jan 1	1.21
to Apr 3		July 1	1.17
		2006 Jan 1	1.37
		July 1	1.95
		2007 Jan 1	2.70
		July 1	3.19
		2008 Jan 1	3.32
		July 1	3.19

1 Pursuant to the Discount Rate Transition Act, read in conjunction with the Regulation Governing the Use of the Base Rate as a Reference Variable. —

2 Pursuant to section 247 of the Civil Code.

3 Eurosystem monetary policy operations allotted through tenders \*

Date of settlement	Bid amount	Allotment amount	Fixed rate tenders		Variable rate tenders		Running for ... days	
			Fixed rate	% per annum	Minimum bid rate	Marginal rate 1		Weighted average rate
<b>Main refinancing operations</b>								
2008 Oct 1	228,012	190,000	—	—	4.25	4.65	4.96	7
Oct 8	271,271	250,000	—	—	4.25	4.70	4.99	7
Oct 15	310,412	310,412	3.75	—	—	—	—	7
Oct 22	305,421	305,421	3.75	—	—	—	—	7
Oct 29	325,112	325,112	3.75	—	—	—	—	7
Nov 5	311,991	311,991	3.75	—	—	—	—	7
Nov 12	334,413	334,413	3.25	—	—	—	—	7
<b>Longer-term refinancing operations</b>								
2008 Oct 30	103,108	103,108	3.75	—	—	—	—	91
Nov 7	20,416	20,416	3.75	—	—	—	—	33
Nov 13	66,807	66,807	3.25	—	—	—	—	91
Nov 13	41,558	41,558	3.25	—	—	—	—	182

Source: ECB. — \* Enlargement of the euro area on 1 January 2008 to include Malta and Cyprus. — 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					
2008 Apr	3.98	3.75 – 4.24	4.75	4.68 – 4.86	3.99	4.24	4.37	4.78	4.80	4.81	4.82
May	4.01	3.70 – 4.15	4.83	4.80 – 4.88	4.01	4.22	4.39	4.86	4.90	4.94	4.99
June	3.98	3.65 – 4.20	4.91	4.81 – 4.97	4.01	4.20	4.47	4.94	5.09	5.23	5.36
July	4.17	3.65 – 4.37	4.93	4.90 – 4.97	4.19	4.34	4.47	4.96	5.15	5.25	5.39
Aug	4.28	4.22 – 4.35	4.94	4.91 – 4.98	4.30	4.40	4.49	4.97	5.16	5.23	5.32
Sep	4.22	3.35 – 4.55	4.99	4.90 – 5.30	4.27	4.53	4.66	5.02	5.22	5.29	5.38
Oct	3.67	3.17 – 5.00	5.13	4.74 – 5.43	3.82	4.29	4.83	5.11	5.18	5.21	5.25

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.

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				Non-financial corporations' deposits						Loans to households				Loans to non-financial corporations	
					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	up to 1 year	over 1 year and up to 5 years	over 5 years
2008 Feb	3.99	3.11	4.23	4.24	5.60	4.82	5.03	9.05	7.21	6.26	5.99	5.52	5.30	5.99	5.51	5.27
Mar	4.01	3.07	4.29	4.24	5.61	4.80	5.02	9.06	7.19	6.25	5.99	5.51	5.27	5.99	5.51	5.27
Apr	4.07	3.07	4.37	4.29	5.59	4.85	5.03	9.07	7.22	6.28	6.04	5.54	5.29	6.04	5.54	5.29
May	4.13	3.06	4.43	4.27	5.61	4.85	5.05	9.08	7.22	6.27	6.09	5.59	5.32	6.09	5.59	5.32
June	4.20	3.08	4.47	4.31	5.68	4.89	5.07	9.11	7.29	6.35	6.18	5.68	5.39	6.18	5.68	5.39
July	4.31	3.07	4.59	4.39	5.72	4.93	5.11	9.19	7.34	6.37	6.25	5.76	5.44	6.25	5.76	5.44
Aug	4.38	3.09	4.65	4.38	5.78	4.97	5.11	9.26	7.38	6.41	6.28	5.79	5.46	6.28	5.79	5.46
Sep	4.45	3.10	4.75	4.44	5.81	5.03	5.15	9.40	7.45	6.50	6.39	5.90	5.54	6.39	5.90	5.54

(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			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				
2008 Feb	1.21	4.10	4.18	3.22	2.65	3.77	2.01	4.07	4.18	4.36	2.01	4.07	4.18	4.36
Mar	1.22	4.14	3.97	3.08	2.69	3.78	2.03	4.20	4.23	4.07	2.03	4.20	4.23	4.07
Apr	1.22	4.28	4.16	3.14	2.72	3.81	2.05	4.27	4.56	4.64	2.05	4.27	4.56	4.64
May	1.23	4.32	4.27	3.17	2.73	3.84	2.07	4.26	4.68	4.48	2.07	4.26	4.68	4.48
June	1.24	4.43	4.62	3.28	2.74	3.88	2.06	4.28	4.72	4.01	2.06	4.28	4.72	4.01
July	1.26	4.61	4.83	3.37	2.81	3.94	2.14	4.46	5.06	4.57	2.14	4.46	5.06	4.57
Aug	1.29	4.59	4.84	3.45	2.87	3.98	2.17	4.46	5.34	4.55	2.17	4.46	5.34	4.55
Sep	1.32	4.65	4.85	3.35	2.97	4.01	2.20	4.51	5.19	4.67	2.20	4.51	5.19	4.67

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	over 10 years				
2008 Feb	10.45	8.70	8.55	7.24	8.44	5.35	5.26	4.97	5.02	5.11	5.55	5.87	5.55	
Mar	10.52	8.56	8.43	7.05	8.42	5.28	5.20	4.89	4.96	5.11	5.65	5.79	5.46	
Apr	10.53	8.55	8.33	7.02	8.46	5.29	5.23	4.91	4.95	5.12	5.83	5.80	5.45	
May	10.58	8.64	8.70	7.02	8.44	5.36	5.34	4.96	4.98	5.13	5.99	5.87	5.59	
June	10.63	8.57	8.61	6.94	8.44	5.46	5.48	5.11	5.08	5.20	6.03	6.12	5.67	
July	10.66	8.80	8.82	7.15	8.58	5.62	5.67	5.27	5.22	5.34	6.08	6.21	5.82	
Aug	10.77	8.95	8.86	7.22	8.69	5.69	5.77	5.37	5.29	5.26	6.05	6.28	5.70	
Sep	10.82	8.85	8.79	7.20	8.68	5.71	5.80	5.43	5.29	5.37	6.26	6.35	5.74	

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
2008 Feb	6.56	5.84	5.86	5.24	5.04	5.43	5.14
Mar	6.56	5.91	5.77	5.23	5.19	5.44	5.34
Apr	6.54	6.03	5.77	5.20	5.30	5.42	5.39
May	6.57	6.10	5.93	5.25	5.27	5.70	5.38
June	6.67	6.16	6.09	5.43	5.35	5.68	5.52
July	6.74	6.26	6.29	5.53	5.45	5.82	5.55
Aug	6.77	6.27	6.34	5.49	5.45	5.60	5.56
Sep	6.91	6.34	6.36	5.67	5.62	5.86	5.58

Source: ECB. — For footnotes \*, o 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 for 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
2007 Sep	3.86	202,538	2.54	187,402	4.24	109,580	4.30	22,699
Oct	3.91	210,844	2.54	186,438	4.22	112,487	4.29	22,705
Nov	3.95	218,591	2.53	185,967	4.26	110,367	4.30	22,552
Dec	4.06	233,913	2.52	187,966	4.42	114,005	4.31	22,016
2008 Jan	4.04	245,906	2.52	186,950	4.29	112,840	4.30	21,881
Feb	4.01	250,408	2.51	185,966	4.19	123,009	4.33	22,040
Mar	4.03	255,183	2.50	185,527	4.26	116,191	4.32	21,716
Apr	4.11	263,482	2.49	184,344	4.32	121,637	4.34	21,730
May	4.17	271,299	2.49	183,531	4.40	122,362	4.34	21,803
June	4.23	277,318	2.48	182,724	4.47	118,160	4.38	21,713
July	4.33	287,196	2.48	181,642	4.56	121,536	4.41	21,919
Aug	4.40	296,615	2.49	181,577	4.60	121,183	4.44	21,860
Sep	4.46	303,137	2.45	180,997	4.69	121,282	4.44	22,304

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
2007 Sep	5.94	5,759	4.53	27,516	5.12	928,315	10.25	69,308	5.58	66,890	6.12	316,026
Oct	6.01	5,610	4.56	27,337	5.11	927,803	10.33	68,812	5.63	66,284	6.14	315,858
Nov	6.00	5,580	4.59	27,097	5.11	928,247	10.21	67,118	5.64	66,285	6.16	315,737
Dec	5.98	5,715	4.61	26,823	5.10	926,998	10.39	69,974	5.64	66,288	6.17	313,792
2008 Jan	6.19	5,548	4.62	26,524	5.09	924,788	10.37	67,113	5.64	66,119	6.17	313,350
Feb	6.16	5,524	4.65	26,171	5.09	924,251	10.27	66,879	5.69	64,854	6.16	313,645
Mar	6.18	5,643	4.66	26,002	5.08	922,828	10.39	68,853	5.69	64,918	6.16	312,385
Apr	6.12	5,625	4.67	25,743	5.07	922,724	10.32	66,962	5.68	65,354	6.16	313,135
May	6.18	5,397	4.69	25,587	5.07	923,312	10.33	66,248	5.70	65,268	6.16	313,410
June	6.22	5,493	4.71	25,544	5.07	923,192	10.43	68,794	5.70	65,599	6.18	313,464
July	6.21	5,519	4.76	25,308	5.06	924,208	10.47	66,689	5.73	65,200	6.20	313,990
Aug	6.31	5,477	4.78	25,164	5.06	924,666	10.50	65,485	5.74	65,213	6.21	314,367
Sep	6.28	5,536	4.82	24,992	5.06	924,468	10.60	69,395	5.79	64,214	6.23	313,182

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
2007 Sep	6.15	167,064	5.17	101,492	5.10	509,124
Oct	6.11	165,273	5.24	100,697	5.13	511,668
Nov	6.12	168,960	5.25	102,768	5.13	514,169
Dec	6.22	175,804	5.39	109,222	5.17	517,706
2008 Jan	6.15	176,696	5.35	112,568	5.15	519,188
Feb	6.04	181,249	5.30	114,577	5.15	523,115
Mar	6.17	185,006	5.32	116,463	5.14	523,232
Apr	6.18	183,319	5.37	119,193	5.15	526,831
May	6.20	183,855	5.42	120,527	5.16	530,746
June	6.24	188,257	5.47	122,714	5.20	531,783
July	6.30	184,191	5.58	124,690	5.22	533,931
Aug	6.34	183,359	5.62	128,090	5.24	537,289
Sep	6.46	187,653	5.69	129,730	5.26	538,158

\* 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 MFI 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
2007 Sep	1.85	478,416	4.01	55,900	4.29	2,811	3.11	1,422	2.44	448,931	3.51	106,318
Oct	1.86	473,877	4.00	56,757	4.29	4,426	3.26	2,616	2.41	444,222	3.58	107,459
Nov	1.84	485,275	4.03	46,651	4.33	4,358	3.26	2,594	2.40	440,239	3.64	108,404
Dec	1.83	487,616	4.22	51,117	4.45	4,997	3.20	2,517	2.46	446,616	3.68	109,427
2008 Jan	1.89	479,559	4.08	67,098	4.38	5,178	3.56	2,096	2.44	441,880	3.76	109,322
Feb	1.89	480,976	3.91	51,891	4.14	2,051	3.22	1,201	2.43	439,835	3.78	108,445
Mar	1.90	483,442	4.01	49,509	4.18	1,308	2.85	1,033	2.44	438,185	3.79	106,376
Apr	1.91	485,248	4.13	59,292	4.27	1,456	3.02	1,226	2.52	435,524	3.82	105,021
May	1.90	485,688	4.18	50,180	4.37	1,359	2.83	845	2.51	433,505	3.85	103,615
June	1.91	481,446	4.27	52,717	4.80	2,511	3.17	1,019	2.53	431,428	3.89	102,836
July	1.95	480,219	4.43	62,011	4.97	3,507	3.24	1,324	2.57	426,345	3.95	102,337
Aug	1.99	480,303	4.51	50,968	5.00	2,914	3.63	1,292	2.58	423,199	4.00	101,222
Sep	2.05	477,381	4.48	53,916	4.98	2,022	3.39	1,390	2.59	419,923	4.03	100,148

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
2007 Sep	2.34	173,245	4.12	66,416	4.57	532	4.22	607
Oct	2.35	175,018	4.03	66,241	4.43	849	4.94	988
Nov	2.34	181,448	4.10	56,793	4.54	615	4.30	606
Dec	2.20	182,148	4.25	58,222	4.71	661	4.70	724
2008 Jan	2.38	175,501	4.08	60,058	4.51	437	5.29	696
Feb	2.41	173,993	4.02	59,230	3.83	202	4.70	550
Mar	2.41	173,778	4.13	66,136	4.51	161	4.57	181
Apr	2.41	172,497	4.20	55,504	4.66	306	5.20	404
May	2.42	171,111	4.21	46,331	4.91	288	5.00	234
June	2.36	173,952	4.30	50,477	5.04	304	5.12	336
July	2.50	172,252	4.41	53,057	5.15	267	5.22	382
Aug	2.47	175,575	4.42	46,256	6.08	460	5.27	201
Sep	2.58	183,365	4.47	52,263	5.39	899	5.27	290

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		floating rate or up to 1 year 10		over 1 year and up to 5 years		over 5 years		
Reporting period	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
2007 Sep	7.88	6.38	832	5.93	4,399	8.70	2,772	5.11	24,079	5.84	1,477	5.48	2,287
Oct	7.62	6.29	1,359	5.67	3,527	8.73	3,132	5.22	20,162	5.93	1,456	5.48	2,996
Nov	7.40	6.19	1,229	5.50	3,131	8.65	2,348	5.15	18,337	5.94	1,296	5.39	2,356
Dec	6.96	5.51	1,472	5.46	2,585	8.27	2,039	5.32	19,696	5.75	2,239	5.33	2,926
2008 Jan	7.58	5.99	1,683	5.73	3,199	8.71	2,631	5.22	17,306	5.91	1,745	5.42	2,866
Feb	7.81	6.36	864	5.84	2,394	8.69	2,143	5.08	10,092	5.78	1,102	5.33	1,752
Mar	7.58	6.17	1,005	5.69	2,523	8.59	2,167	5.26	11,416	5.68	1,041	5.30	1,838
Apr	7.56	5.70	1,087	5.68	2,933	8.66	2,657	5.39	8,433	5.71	1,274	5.25	2,565
May	7.53	6.33	843	5.66	2,634	8.61	2,237	5.41	6,766	5.77	1,081	5.39	1,850
June	7.48	6.25	974	5.52	2,841	8.63	2,412	5.56	6,864	6.09	1,165	5.54	2,628
July	7.71	6.47	1,090	5.67	2,864	8.78	2,616	5.64	10,020	6.19	1,227	5.68	2,802
Aug	7.74	6.24	1,218	5.80	2,322	8.79	2,141	5.62	6,914	6.30	883	5.74	2,164
Sep	7.60	6.08	1,064	5.71	2,555	8.80	2,219	5.72	6,795	6.25	1,007	5.64	1,935

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
2007 Sep	11.94	44,980	5.31	5.86	2,240	5.34	1,967	5.12	4,717	5.08	4,242
Oct	11.90	45,952	5.29	5.87	2,458	5.30	2,380	5.08	5,796	5.08	4,619
Nov	11.76	44,575	5.27	5.91	1,933	5.30	2,248	5.08	4,964	5.02	4,478
Dec	11.88	47,501	5.28	5.97	2,127	5.33	2,094	5.03	4,842	5.01	4,025
2008 Jan	11.87	46,057	5.28	5.99	2,759	5.17	2,776	5.04	5,863	5.06	4,813
Feb	11.81	44,772	5.15	5.80	1,926	5.11	2,085	4.94	4,520	4.89	3,734
Mar	11.84	46,975	5.09	5.73	1,647	5.01	2,181	4.89	4,701	4.88	3,915
Apr	11.81	45,118	5.13	5.86	2,388	4.99	2,966	4.90	6,576	4.97	4,787
May	11.82	44,544	5.19	6.00	1,946	5.06	2,510	4.96	5,480	4.97	4,197
June	11.83	47,209	5.30	6.05	2,173	5.24	2,634	5.06	6,229	5.09	4,703
July	11.91	44,887	5.47	6.18	2,701	5.43	2,829	5.21	6,747	5.28	5,113
Aug	11.94	44,184	5.54	6.28	1,998	5.57	1,932	5.27	4,920	5.30	4,213
Sep	11.98	48,078	5.45	6.24	2,129	5.50	1,979	5.17	5,610	5.21	4,418

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
2007 Sep	7.06	69,525	6.42	10,087	5.89	1,130	5.42	1,989
Oct	7.10	65,820	6.43	9,719	5.79	1,154	5.39	2,254
Nov	7.06	67,908	6.40	8,483	5.71	1,380	5.35	1,975
Dec	7.15	71,200	6.55	9,614	5.80	1,289	5.38	2,274
2008 Jan	7.13	70,142	6.31	9,604	5.74	1,248	5.33	2,693
Feb	7.03	75,934	6.27	7,819	5.72	1,138	5.12	1,250
Mar	7.11	80,965	6.24	9,491	5.65	1,079	5.11	1,354
Apr	6.97	80,182	6.26	9,762	5.65	1,297	5.10	1,673
May	6.98	80,154	6.26	9,173	5.81	1,051	5.15	1,444
June	7.07	85,801	6.34	10,794	5.97	1,280	5.38	1,734
July	7.12	82,949	6.36	10,066	6.18	1,313	5.50	1,837
Aug	7.15	82,270	6.35	8,096	6.27	995	5.65	1,298
Sep	7.26	85,079	6.46	10,688	6.14	1,119	5.54	1,559

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			
		Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million	Effective interest rate 1 % pa	Volume 7 € million
2007 Sep	5.42	49,458	5.71	3,763	5.64	6,111	
Oct	5.24	49,735	5.51	4,437	5.47	6,766	
Nov	5.12	49,167	5.39	3,453	5.44	6,819	
Dec	5.47	73,727	5.67	7,580	5.53	9,629	
2008 Jan	5.21	59,934	5.39	5,274	5.06	6,876	
Feb	5.09	57,309	5.84	3,873	5.08	4,127	
Mar	5.36	67,678	5.58	3,106	5.43	4,907	
Apr	5.44	68,988	5.59	3,842	5.40	6,057	
May	5.25	66,639	5.74	3,571	5.53	4,224	
June	5.36	80,148	6.09	3,254	5.82	6,699	
July	5.38	90,571	5.97	3,511	5.66	6,703	
Aug	5.46	73,515	5.91	2,956	5.73	3,836	
Sep	5.70	87,137	5.63	3,353	5.73	4,378	

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						Purchases				
	Sales = total purchases	Domestic debt securities 1				Foreign debt securities 3	Residents				Non-residents 7
		Total	Bank debt securities	Corporate bonds	Public debt securities 2		Total 4	Credit institutions including building and loan associations 5	Non-banks 6	Bundesbank open market operations 5	
DM million											
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	184,679	134,455	31,404	30,262	72,788	50,224	105,557	35,748	69,809	–	79,122
2004	233,890	133,711	64,231	10,778	58,703	100,179	108,119	121,841	– 13,723	–	125,772
2005	252,003	110,542	39,898	2,682	67,965	141,461	95,826	61,740	34,086	–	156,177
2006	247,261	102,379	40,995	8,943	52,446	144,882	125,329	68,893	56,436	–	121,932
2007	204,638	90,270	42,034	20,123	28,111	114,368	– 53,354	96,476	– 149,830	–	257,992
2008 July	14,755	11,277	21,196	1,683	– 11,602	3,478	1,732	502	1,230	–	13,023
Aug	42,816	45,497	4,333	28,130	13,033	– 2,681	25,614	27,217	– 1,603	–	17,202
Sep	– 38,799	– 19,918	– 24,624	1,844	2,862	– 18,881	– 44,135	– 23,358	– 20,777	–	5,336

Shares									
Period	Sales			Purchases					
	Sales = total purchases	Domestic shares 8	Foreign shares 9	Residents			Non-residents 12		
				Total 10	Credit institutions 5,11	Non-banks 6			
DM million									
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	117,729	164,654	23,293	141,361	–	24,194	
2001	82,665	17,575	65,091	2,252	14,714	12,462	–	84,918	
2002	39,338	9,232	30,106	18,398	23,236	41,634	–	20,941	
2003	11,896	16,838	– 4,946	15,121	7,056	22,177	–	27,016	
2004	– 3,317	10,157	– 13,474	7,432	5,045	2,387	–	10,748	
2005	31,734	13,766	17,969	451	10,208	9,757	–	31,283	
2006	25,886	9,061	16,825	133	11,323	11,190	–	25,752	
2007	– 2,271	10,053	– 12,325	15,897	6,702	9,195	–	13,626	
2008 July	– 195	173	– 368	4,296	– 2,956	7,252	–	4,491	
Aug	1,715	385	1,330	7,522	– 845	8,367	–	5,807	
Sep	4,802	4,961	– 159	6,538	6,386	152	–	1,736	

\* 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 <sup>1</sup>							Corporate bonds <sup>2</sup>	Public debt securities <sup>3</sup>	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				
<b>Gross sales <sup>4</sup></b>										
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	925,863	622,055	24,483	99,628	139,193	358,750	29,975	273,834	69	
2007	1,021,533	743,616	19,211	82,720	195,722	445,963	15,043	262,872	–	
2008 June	113,418	89,202	7,604	6,406	33,024	42,168	2,660	21,556	–	
July	115,107	80,645	2,626	7,299	33,434	37,286	2,454	32,008	–	
Aug	103,236	56,251	3,072	5,005	23,002	25,171	28,782	18,204	–	
Sep	102,030	72,817	3,819	8,612	32,405	27,980	2,650	26,562	–	
<b>of which: Debt securities with maturities of more than four years <sup>5</sup></b>										
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	337,969	190,836	17,267	47,814	47,000	78,756	14,422	132,711	69	
2007	315,418	183,660	10,183	31,331	50,563	91,586	13,100	118,659	–	
2008 June	24,794	14,467	1,658	3,011	3,859	5,940	2,188	8,139	–	
July	30,474	14,387	537	1,488	3,235	9,128	1,971	14,116	–	
Aug	43,870	7,273	1,715	1,350	955	3,253	27,964	8,632	–	
Sep	31,196	20,970	796	5,239	6,012	8,924	2,482	7,744	–	
<b>Net sales <sup>6</sup></b>										
1995	205,482	173,797	18,260	96,125	3,072	56,342	–	354	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	–	
2001	84,122	60,905	6,932	9,254	28,808	34,416	8,739	14,479	–	
2002	131,976	56,393	7,936	26,806	20,707	54,561	14,306	61,277	–	
2003	124,556	40,873	2,700	42,521	44,173	36,519	18,431	65,253	–	
2004	167,233	81,860	1,039	52,615	50,142	83,293	18,768	66,605	–	
2005	141,715	65,798	–	34,255	37,242	64,962	10,099	65,819	–	
2006	129,423	58,336	–	20,150	44,890	46,410	15,605	55,482	–	
2007	86,579	58,168	–	10,896	46,629	42,567	73,127	32,093	–	
2008 June	9,954	8,386	–	522	4,725	6,257	7,376	10	–	
July	11,347	10,517	–	885	–	1,611	11,937	583	–	
Aug	42,747	4,078	–	2,237	–	768	3,780	10,616	–	
Sep	–	12,098	–	60	–	1,413	9,061	3,826	–	

\* For definitions, see the explanatory notes in the Statistical Supplement 2 Capital market statistics on p 21 ff. — 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 by 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 <sup>1</sup>								Public debt securities	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	Corporate bonds			
DM million										
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	3,044,145	1,809,899	144,397	499,525	368,476	797,502	99,545	1,134,701	115,373	
2007	3,130,723	1,868,066	133,501	452,896	411,041	870,629	95,863	1,166,794	85,623	
2008 July	3,166,410	1,896,653	139,679	416,471	492,975	847,528	102,731	1,167,025	63,135	
Aug	3,209,158	1,900,732	141,916	413,774	493,743	851,299	130,784	1,177,642	62,366	
Sep	3,196,403	1,881,966	141,856	403,373	495,156	841,580	132,969	1,181,468	61,131	
Breakdown by remaining period to maturity <sup>2</sup>										
less than 2	1,261,072	864,497	61,313	206,497	219,746	376,944	22,674	373,900	38,115	
2 to less than 4	674,058	411,193	39,448	100,172	99,594	171,977	19,771	243,095	7,153	
4 to less than 6	433,151	233,485	26,930	52,963	61,394	92,198	18,420	181,247	7,714	
6 to less than 8	335,953	188,663	10,027	21,388	30,474	126,774	13,563	133,726	2,592	
8 to less than 10	174,556	68,049	3,594	14,439	30,486	19,529	3,129	103,378	1,876	
10 to less than 15	40,188	32,102	525	4,055	19,952	7,569	1,697	6,389	894	
15 to less than 20	65,454	13,999	19	1,991	7,731	4,258	1,318	50,136	1,704	
20 and more	211,972	69,979	-	1,868	25,779	42,330	52,399	89,595	1,084	
Position at end-September 2008										

\* 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 <sup>1</sup>	issue of bonus shares	contribution of claims and other real assets	contribution of shares, mining shares, GmbH shares, etc	merger and transfer of assets	change of legal form		reduction of capital and liquidation
DM million										
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	- 2,224	647,492
2003	162,131	6,585	4,482	923	211	513	- 322	- 10,806	- 1,584	851,001
2004	164,802	2,669	3,960	1,566	276	696	220	- 1,760	- 2,286	887,217
2005	163,071	- 1,733	2,470	1,040	694	268	- 1,443	- 3,060	- 1,703	1,058,532
2006	163,764	695	2,670	3,347	604	954	- 1,868	- 1,256	- 3,761	1,279,638
2007	164,560	799	3,164	1,322	200	269	- 682	- 1,847	- 1,636	1,481,930
2008 July	166,006	12	119	171	8	-	- 120	70	- 95	1,207,195
Aug	165,492	- 514	84	404	45	-	- 929	39	- 81	1,177,852
Sep	167,134	1,642	1,792	160	-	-	214	84	- 181	1,070,775

\* Excluding shares of public limited investment companies. — 1 Including  
shares issued out of company profits. — 2 Enterprises listed on the Regulated  
Market (the introduction of which marked the end of the division of orga-  
nised trading segments into an official and a regulated market on 1 Novem-  
ber 2007) or the Neuer Markt (stock market segment was closed down on

24 March 2003) are included as well as enterprises listed on the Open Market.  
Source: Bundesbank calculations based on data of the Herausgebergemein-  
schaft 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					Debt securities		Shares		
	Total	Total	Listed Federal securities		With a residual maturity of more than 9 and including 10 years 4	Total	With a residual maturity of more than 9 and including 10 years	Corporate bonds	Memo item Foreign DM/euro bonds issued by German-managed syndicates 1,5	Total	Total	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	
1996	5.6	5.6	5.6	6.2	5.5	6.4	5.8	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	3.8	3.7	3.7	3.8	3.8	4.0	4.2	4.0	116.78	96.69	407.16	6,596.92			
2007	4.3	4.3	4.2	4.2	4.4	4.5	5.0	4.6	114.85	94.62	478.65	8,067.32			
2008 July	4.8	4.7	4.6	4.5	5.1	5.2	6.4	5.3	114.26	93.93	374.48	6,479.56			
Aug	4.5	4.3	4.3	4.2	4.7	4.8	6.1	5.0	116.35	94.87	373.55	6,422.30			
Sep	4.4	4.2	4.2	4.1	4.8	4.8	6.4	5.2	116.87	95.63	332.07	5,831.02			
Oct	4.2	3.9	3.8	3.9	4.8	4.8	7.6	5.4	118.57	97.12	279.51	4,987.97			

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							
	Sales = total purchases	Domestic mutual funds 1 (sales receipts)							Foreign funds 4	Residents						Non-residents 5
		Total	Mutual funds open to the general public				Specialised funds	Total		Credit institutions including building and loan associations 2		Non-banks 3				
			Money market funds	Securities-based funds	Open-end real estate funds	of which				of which Foreign mutual fund shares	of which Foreign mutual fund shares					
DM million																
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	47,754	43,943	20,079	- 924	7,408	14,166	23,864	3,811	49,547	- 2,658	734	52,205	3,077	- 1,793		
2004	14,435	1,453	- 3,978	- 6,160	- 1,246	3,245	5,431	12,982	10,267	8,446	3,796	1,821	9,186	4,168		
2005	85,256	41,718	6,400	- 124	7,001	- 3,186	35,317	43,538	79,242	21,290	7,761	57,952	35,777	6,014		
2006	42,974	19,535	- 14,257	490	- 9,362	- 8,814	33,791	23,439	34,593	14,676	5,221	19,917	18,218	8,381		
2007	55,141	13,436	- 7,872	- 4,839	- 12,848	6,840	21,307	41,705	51,456	- 229	4,240	51,685	37,465	3,685		
2008 July	487	1,029	- 346	- 545	- 1,591	1,227	1,375	- 542	1,404	- 1,767	- 879	3,171	337	- 917		
Aug	3,035	1,906	- 563	- 338	- 1,007	459	2,468	1,129	3,444	745	- 250	2,699	1,379	- 409		
Sep	2,389	1,471	- 1,995	- 635	- 1,429	206	3,467	918	3,107	- 378	1,165	3,485	- 247	- 718		

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 Financial accounts**
**1 Acquisition of financial assets and financing of private non-financial sectors**

€ billion

Item	2005	2006	2007	2006		2007				2008	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Households <sup>1</sup></b>											
<b>I Acquisition of financial assets</b>											
Currency and deposits	43.9	42.5	85.9	1.3	19.6	8.9	22.1	16.5	38.4	7.0	15.5
Money market paper	0.1	1.0	- 0.3	0.4	0.2	0.1	- 0.1	- 0.1	- 0.1	- 0.1	- 0.1
Bonds	17.7	37.6	- 33.7	19.6	- 10.0	8.9	- 16.5	- 6.8	- 19.2	12.4	- 3.6
Shares	- 4.0	- 5.0	- 16.5	- 1.0	- 1.0	- 1.0	- 1.0	- 2.5	- 12.0	- 1.0	- 2.5
Other equity	3.0	2.9	2.9	0.7	0.8	0.8	0.7	0.8	0.7	0.8	0.8
Mutual funds shares	17.7	- 7.0	25.6	- 8.2	0.3	11.4	9.9	- 4.5	8.8	10.8	5.7
Claims on insurance corporations <sup>2</sup>	59.3	55.0	53.8	13.5	14.0	15.2	12.4	13.8	12.4	15.0	12.3
Short-term claims	2.7	3.0	2.9	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.7
Longer-term claims	56.6	52.1	50.9	12.7	13.3	14.4	11.7	13.1	11.7	14.3	11.6
Claims from company pension commitments	7.3	10.3	4.3	2.6	2.7	1.0	1.1	1.1	1.1	1.4	1.4
Other claims <sup>3</sup>	- 6.2	- 4.9	- 4.8	- 1.2	- 1.2	- 1.2	- 1.2	- 1.2	- 1.1	- 1.2	- 1.2
<b>Total</b>	<b>138.7</b>	<b>132.5</b>	<b>117.3</b>	<b>27.7</b>	<b>25.3</b>	<b>44.0</b>	<b>27.4</b>	<b>17.0</b>	<b>28.8</b>	<b>44.9</b>	<b>28.3</b>
<b>II Financing</b>											
Loans	- 3.4	- 7.2	- 19.0	6.0	- 6.2	- 10.1	- 1.1	- 4.5	- 3.4	- 9.8	0.8
Short-term loans	- 5.1	- 5.4	- 1.2	- 0.2	- 2.6	- 2.0	0.7	- 0.9	1.0	- 0.7	- 0.0
Longer-term loans	1.7	- 1.7	- 17.8	6.1	- 3.6	- 8.0	- 1.8	- 3.6	- 4.4	- 9.0	0.8
Other liabilities	- 2.6	0.4	0.7	- 0.1	0.0	0.1	0.2	0.2	0.2	- 0.2	0.1
<b>Total</b>	<b>- 6.0</b>	<b>- 6.8</b>	<b>- 18.3</b>	<b>5.9</b>	<b>- 6.2</b>	<b>- 10.0</b>	<b>- 0.9</b>	<b>- 4.3</b>	<b>- 3.2</b>	<b>- 10.0</b>	<b>0.9</b>
<b>Corporations</b>											
<b>I Acquisition of financial assets</b>											
Currency and deposits	41.7	27.8	69.7	7.4	15.8	16.2	6.8	20.2	26.5	4.9	- 6.9
Money market paper	2.6	9.6	- 23.0	3.3	1.9	3.9	- 1.0	- 12.5	- 13.3	13.8	- 29.0
Bonds	- 18.9	- 27.6	- 138.2	- 27.4	- 3.3	- 24.9	- 10.7	- 52.1	- 50.5	- 33.9	- 13.7
Financial derivatives	3.8	1.5	37.9	1.3	0.7	5.1	4.8	13.7	14.3	10.0	7.6
Shares	10.7	- 7.6	79.0	13.9	- 36.8	1.6	43.6	19.7	14.1	31.7	73.1
Other equity	- 4.8	34.4	24.2	15.2	10.2	4.3	0.4	20.9	- 1.4	8.4	22.2
Mutual funds shares	4.9	- 8.1	- 3.2	- 6.0	0.0	- 1.5	- 5.3	2.0	1.7	- 3.6	- 2.5
Loans	53.7	26.0	- 6.9	- 5.6	32.7	- 18.6	14.1	1.8	- 4.2	- 19.0	12.0
Short-term loans	49.1	18.4	- 10.4	- 6.0	25.0	- 18.6	8.6	- 1.8	1.4	- 25.3	12.2
Longer-term loans	4.7	7.5	3.5	0.3	7.8	0.0	5.5	3.6	- 5.6	6.3	- 0.1
Claims on insurance corporations <sup>2</sup>	1.7	1.5	1.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Short-term claims	1.7	1.5	1.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Longer-term claims	.	.	.	.	.	.	.	.	.	.	.
Other claims	- 11.0	37.1	110.8	5.2	5.3	21.0	- 9.5	20.7	78.6	15.6	- 19.4
<b>Total</b>	<b>84.3</b>	<b>94.7</b>	<b>151.8</b>	<b>7.6</b>	<b>26.9</b>	<b>7.5</b>	<b>43.4</b>	<b>34.8</b>	<b>66.1</b>	<b>28.3</b>	<b>43.8</b>
<b>II Financing</b>											
Money market paper	- 6.9	1.8	18.2	- 3.8	- 4.1	6.1	4.1	- 0.5	8.5	10.3	- 5.1
Bonds	10.1	15.6	- 3.7	8.0	- 2.4	- 1.8	- 1.0	0.8	- 1.7	0.9	4.5
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	6.0	4.7	6.8	2.8	0.3	1.9	2.6	0.8	1.5	0.9	1.4
Other equity	1.2	22.6	18.9	8.6	10.4	6.0	1.2	6.9	4.8	5.7	2.7
Loans	9.5	62.8	49.8	13.3	43.2	- 0.3	14.2	13.3	22.6	- 3.0	5.5
Short-term loans	13.3	33.8	23.2	10.1	18.1	6.4	11.8	5.1	- 0.1	- 0.3	14.6
Longer-term loans	- 3.8	29.0	26.6	3.2	25.1	- 6.7	2.4	8.2	22.7	- 2.7	- 9.1
Claims from company pension commitments	5.5	8.2	1.3	2.1	2.0	0.3	0.3	0.3	0.3	0.3	0.3
Other liabilities	7.9	- 1.1	17.3	- 2.5	- 3.3	14.3	- 4.4	4.9	2.5	9.6	4.4
<b>Total</b>	<b>33.2</b>	<b>114.5</b>	<b>108.6</b>	<b>28.4</b>	<b>46.1</b>	<b>26.6</b>	<b>17.0</b>	<b>26.4</b>	<b>38.6</b>	<b>24.7</b>	<b>13.8</b>

<sup>1</sup> Including non-profit institutions serving households. — <sup>2</sup> Including private pension funds, burial funds, occupational pension schemes and

supplementary pension funds. — <sup>3</sup> Including accumulated interest-bearing surplus shares with insurance corporations.



VIII Financial accounts

2 Financial assets and liabilities of private non-financial sectors

End-of-year level, end-of-quarter level; € billion

Item	2005	2006	2007	2006		2007				2008	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Households 1</b>											
<b>I Financial assets</b>											
Currency and deposits	1,492.3	1,534.8	1,620.8	1,515.2	1,534.8	1,543.7	1,565.8	1,582.4	1,620.8	1,627.8	1,643.5
Money market paper	1.0	2.0	1.7	1.8	2.0	2.0	1.9	1.8	1.7	1.6	1.5
Bonds	320.0	396.4	394.4	389.6	396.4	414.6	393.7	400.3	394.4	413.2	396.5
Shares	326.8	361.0	384.7	342.9	361.0	388.1	401.4	383.9	384.7	329.6	302.0
Other equity	201.8	206.0	190.9	210.6	206.0	206.8	205.6	203.7	190.9	194.4	196.9
Mutual funds shares	515.1	514.4	545.1	506.0	514.4	524.3	543.1	538.7	545.1	533.4	536.0
Claims on insurance corporations 2	1,053.2	1,107.8	1,164.6	1,094.0	1,107.8	1,122.9	1,135.2	1,149.0	1,164.6	1,179.6	1,191.8
Short-term claims	77.6	80.6	82.6	79.9	80.6	81.3	82.1	82.8	82.6	83.3	84.0
Longer-term claims	975.6	1,027.2	1,082.0	1,014.1	1,027.2	1,041.5	1,053.2	1,066.2	1,082.0	1,096.3	1,107.8
Claims from company pension commitments	240.5	250.8	255.1	248.1	250.8	251.8	252.9	254.0	255.1	256.5	257.9
Other claims 3	51.6	46.7	40.3	48.0	46.7	45.5	44.3	43.0	40.3	39.1	37.8
<b>Total</b>	<b>4,202.3</b>	<b>4,420.0</b>	<b>4,597.5</b>	<b>4,356.2</b>	<b>4,420.0</b>	<b>4,499.8</b>	<b>4,544.0</b>	<b>4,557.0</b>	<b>4,597.5</b>	<b>4,575.1</b>	<b>4,563.9</b>
<b>II Liabilities</b>											
Loans	1,555.9	1,556.1	1,537.6	1,562.8	1,556.1	1,546.7	1,545.6	1,541.0	1,537.6	1,526.5	1,527.3
Short-term loans	85.6	80.2	78.9	82.8	80.2	78.5	79.2	77.9	78.9	78.1	78.1
Longer-term loans	1,470.3	1,475.9	1,458.7	1,480.0	1,475.9	1,468.2	1,466.4	1,463.1	1,458.7	1,448.4	1,449.2
Other liabilities	12.8	9.9	9.1	11.3	9.9	11.2	11.3	11.2	9.1	10.2	9.9
<b>Total</b>	<b>1,568.7</b>	<b>1,566.0</b>	<b>1,546.7</b>	<b>1,574.1</b>	<b>1,566.0</b>	<b>1,557.9</b>	<b>1,556.9</b>	<b>1,552.2</b>	<b>1,546.7</b>	<b>1,536.7</b>	<b>1,537.2</b>
<b>Corporations</b>											
<b>I Financial assets</b>											
Currency and deposits	396.1	438.7	507.9	443.3	438.7	474.4	474.8	492.7	507.9	531.9	539.3
Money market paper	31.2	38.6	31.1	36.4	38.6	43.7	45.6	30.1	31.1	35.9	12.3
Bonds	134.5	120.8	38.6	118.9	120.8	98.8	87.0	37.9	38.6	24.5	12.3
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	848.6	915.1	1,098.7	912.8	915.1	994.9	1,062.6	1,038.3	1,098.7	983.1	982.4
Other equity	257.3	293.0	289.9	290.1	293.0	297.3	294.9	312.0	289.9	302.5	327.3
Mutual funds shares	108.8	106.5	109.5	106.6	106.5	108.2	104.9	107.6	109.5	103.9	98.9
Loans	213.0	241.7	244.4	208.8	241.7	228.3	244.3	245.6	244.4	230.0	243.9
Short-term loans	174.5	198.1	203.6	172.2	198.1	188.7	200.4	198.0	203.6	181.5	193.3
Longer-term loans	38.6	43.6	40.9	36.6	43.6	39.5	43.9	47.6	40.9	48.5	50.6
Claims on insurance corporations 2	41.4	42.8	44.2	42.5	42.8	43.2	43.6	44.0	44.2	44.6	45.0
Short-term claims	41.4	42.8	44.2	42.5	42.8	43.2	43.6	44.0	44.2	44.6	45.0
Longer-term claims	.	.	.	.	.	.	.	.	.	.	.
Other claims	399.5	446.4	501.6	428.6	446.4	464.0	468.7	488.2	501.6	522.3	539.3
<b>Total</b>	<b>2,430.4</b>	<b>2,643.6</b>	<b>2,865.9</b>	<b>2,587.9</b>	<b>2,643.6</b>	<b>2,752.7</b>	<b>2,826.3</b>	<b>2,796.5</b>	<b>2,865.9</b>	<b>2,778.8</b>	<b>2,800.7</b>
<b>II Liabilities</b>											
Money market paper	17.1	18.9	37.1	23.0	18.9	25.0	29.1	28.6	37.1	47.4	42.3
Bonds	89.6	93.7	92.5	94.7	93.7	92.4	89.5	93.0	92.5	96.1	95.5
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	1,137.4	1,359.8	1,620.6	1,251.8	1,359.8	1,439.5	1,597.1	1,600.6	1,620.6	1,369.3	1,312.5
Other equity	600.6	623.2	642.1	612.8	623.2	629.2	630.4	637.3	642.1	647.8	650.5
Loans	1,357.0	1,432.8	1,502.1	1,415.3	1,432.8	1,445.8	1,467.1	1,484.1	1,502.1	1,522.5	1,550.3
Short-term loans	417.9	451.5	486.4	436.9	451.5	459.3	476.0	480.8	486.4	480.7	496.4
Longer-term loans	939.1	981.2	1,015.7	978.4	981.2	986.5	991.1	1,003.3	1,015.7	1,041.8	1,054.0
Claims from company pension commitments	206.1	214.2	215.5	212.2	214.2	214.5	214.9	215.2	215.5	215.8	216.1
Other liabilities	358.7	388.8	441.0	369.4	388.8	399.5	410.8	431.0	441.0	448.4	463.5
<b>Total</b>	<b>3,766.4</b>	<b>4,131.5</b>	<b>4,550.9</b>	<b>3,979.3</b>	<b>4,131.5</b>	<b>4,246.0</b>	<b>4,438.9</b>	<b>4,489.9</b>	<b>4,550.9</b>	<b>4,347.3</b>	<b>4,330.9</b>

1 Including non-profit institutions serving households. — 2 Including private supplementary pension funds. — 3 Including accumulated interest-bearing pension funds, burial funds, occupational pension schemes and surplus shares with insurance corporations.

IX Public finances in Germany

1 General government: deficit and debt level as defined in the Maastricht Treaty

Period	General government	Central government	State government	Local government	Social security funds	General government	Central government	State government	Local government	Social security funds
	€ billion					as a percentage of GDP				
<b>Deficit / surplus <sup>1</sup></b>										
2002	- 78.3	- 36.0	- 30.6	- 5.0	- 6.8	- 3.7	- 1.7	- 1.4	- 0.2	- 0.3
2003	- 87.2	- 39.6	- 32.7	- 7.1	- 7.7	- 4.0	- 1.8	- 1.5	- 0.3	- 0.4
2004	- 83.5	- 52.0	- 27.9	- 2.4	- 1.2	- 3.8	- 2.4	- 1.3	- 0.1	- 0.1
2005 p	- 74.1	- 47.5	- 22.6	+ 0.1	- 4.1	- 3.3	- 2.1	- 1.0	+ 0.0	- 0.2
2006 p	- 35.6	- 34.3	- 10.3	+ 4.0	+ 5.0	- 1.5	- 1.5	- 0.4	+ 0.2	+ 0.2
2007 p	- 4.0	- 26.0	+ 3.4	+ 8.3	+ 10.4	- 0.2	- 1.1	+ 0.1	+ 0.3	+ 0.4
2006 H1 p	- 21.9	- 20.5	- 5.5	+ 1.5	+ 2.7	- 1.9	- 1.8	- 0.5	+ 0.1	+ 0.2
H2 p	- 14.0	- 14.1	- 4.8	+ 2.6	+ 2.3	- 1.2	- 1.2	- 0.4	+ 0.2	+ 0.2
2007 H1 p,e	+ 4.2	- 10.2	+ 3.7	+ 4.0	+ 6.7	+ 0.4	- 0.9	+ 0.3	+ 0.3	+ 0.6
H2 p,e	- 8.4	- 16.0	- 0.4	+ 4.3	+ 3.7	- 0.7	- 1.3	- 0.0	+ 0.3	+ 0.3
2008 H1 p,e	+ 6.7	- 8.9	+ 3.5	+ 6.8	+ 5.3	+ 0.5	- 0.7	+ 0.3	+ 0.6	+ 0.4
<b>Debt level <sup>2</sup></b>										
<b>End of year or quarter</b>										
2002	1,293.0	798.1	404.1	104.3	3.0	60.3	37.2	18.9	4.9	0.1
2003	1,381.0	845.4	435.3	111.4	5.3	63.8	39.1	20.1	5.1	0.2
2004	1,451.1	887.1	459.7	116.1	4.2	65.6	40.1	20.8	5.3	0.2
2005	1,521.5	933.0	481.9	119.7	2.7	67.8	41.6	21.5	5.3	0.1
2006	1,569.0	968.6	491.8	122.2	1.7	67.6	41.7	21.2	5.3	0.1
2007 p,e	1,577.2	977.0	493.5	120.1	1.6	65.1	40.3	20.4	5.0	0.1
2006 Q1	1,540.7	945.1	487.8	121.3	2.3	68.0	41.7	21.5	5.4	0.1
Q2	1,560.7	964.0	488.5	122.2	1.7	68.5	42.3	21.5	5.4	0.1
Q3	1,575.8	980.0	488.3	121.3	1.7	68.6	42.7	21.3	5.3	0.1
Q4	1,569.0	968.6	491.8	122.2	1.7	67.6	41.7	21.2	5.3	0.1
2007 Q1 p,e	1,573.7	973.0	492.7	121.4	1.4	66.9	41.4	21.0	5.2	0.1
Q2 p,e	1,592.5	995.7	488.9	121.4	1.5	67.0	41.9	20.6	5.1	0.1
Q3 p,e	1,573.9	978.1	489.2	119.9	1.6	65.5	40.7	20.4	5.0	0.1
Q4 p,e	1,577.2	977.0	493.5	120.1	1.6	65.1	40.3	20.4	5.0	0.1
2008 Q1 p,e	1,578.8	987.3	486.5	118.2	1.6	64.7	40.4	19.9	4.8	0.1
Q2 p,e	1,591.8	995.3	490.8	118.5	1.6	64.5	40.3	19.9	4.8	0.1

Source: Federal Statistical Office and Bundesbank calculations / estimates. — 1 Unlike the fiscal balance as shown in the national accounts, the deficit as defined in the Maastricht Treaty includes interest flows from swaps and forward rate agreements. The half-year figures correspond to the deficit / sur-

plus according to the national accounts; figures for 2007 (Bundesbank estimates). — 2 Quarterly GDP ratios are based on the national output of the four preceding quarters.

2 General government: revenue, expenditure and fiscal deficit / surplus as shown in the national accounts \*

Period	Revenue			Expenditure						Deficit / surplus	Memo item Total tax burden <sup>1</sup>	
	Total	of which		Total	of which							
		Taxes	Social contributions	Other	Social benefits	Compensation of employees	Interest	Gross capital formation	Other			
<b>€ billion</b>												
2002	952.5	477.5	390.7	84.3	1,030.8	579.8	168.7	62.7	36.1	183.6	- 78.3	879.2
2003	961.9	481.8	396.3	83.9	1,049.2	594.2	169.2	64.3	33.9	187.6	- 87.3	889.3
2004	957.7	481.3	396.5	79.9	1,041.2	592.0	169.6	62.4	31.7	185.5	- 83.5	888.0
2005 p	976.2	493.2	396.5	86.6	1,050.5	597.2	168.7	62.3	31.0	191.3	- 74.3	900.5
2006 p	1,016.4	530.5	399.9	86.0	1,052.3	597.9	167.5	65.3	32.6	189.1	- 35.9	941.7
2007 p,e	1,065.9	576.3	399.9	89.8	1,070.1	596.7	168.0	67.4	35.6	202.5	- 4.2	988.2
<b>as a percentage of GDP</b>												
2002	44.4	22.3	18.2	3.9	48.1	27.1	7.9	2.9	1.7	8.6	- 3.7	41.0
2003	44.5	22.3	18.3	3.9	48.5	27.5	7.8	3.0	1.6	8.7	- 4.0	41.1
2004	43.3	21.8	17.9	3.6	47.1	26.8	7.7	2.8	1.4	8.4	- 3.8	40.2
2005 p	43.5	22.0	17.7	3.9	46.8	26.6	7.5	2.8	1.4	8.5	- 3.3	40.1
2006 p	43.8	22.9	17.2	3.7	45.3	25.8	7.2	2.8	1.4	8.1	- 1.5	40.6
2007 p,e	44.0	23.8	16.5	3.7	44.2	24.6	6.9	2.8	1.5	8.4	- 0.2	40.8
<b>Percentage growth rates</b>												
2002	+ 0.7	- 0.1	+ 1.8	+ 0.3	+ 2.6	+ 5.2	+ 1.5	- 2.8	- 2.1	- 1.5	.	+ 0.5
2003	+ 1.0	+ 0.9	+ 1.4	- 0.5	+ 1.8	+ 2.5	+ 0.3	+ 2.6	- 6.1	+ 2.2	.	+ 1.1
2004	- 0.4	- 0.1	+ 0.1	- 4.8	- 0.8	- 0.4	+ 0.2	- 3.0	- 6.4	- 1.1	.	- 0.1
2005 p	+ 1.9	+ 2.5	- 0.0	+ 8.3	+ 0.9	+ 0.9	- 0.5	- 0.1	- 2.3	+ 3.1	.	+ 1.4
2006 p	+ 4.1	+ 7.6	+ 0.9	- 0.7	+ 0.2	+ 0.1	- 0.7	+ 4.7	+ 5.3	- 1.2	.	+ 4.6
2007 p,e	+ 4.9	+ 8.6	+ 0.0	+ 4.4	+ 1.7	- 0.2	+ 0.3	+ 3.2	+ 9.2	+ 7.1	.	+ 4.9

Source: Federal Statistical Office, figures for 2007 (partly Bundesbank estimates). — \* Figures in accordance with ESA 1995; data as of August 2008. In the Monthly Reports up to December 2006, customs duties, the EU share in VAT revenue and EU subsidies were included in the national accounts' data

(without affecting the fiscal deficit / surplus). This information can still be found on the Bundesbank's website. — 1 Taxes and social contributions plus customs duties and the EU share in VAT revenue.

IX Public finances in Germany

3 General government: budgetary development (as per government's financial statistics)

€ billion

Period	Central, state and local government <sup>1</sup>									Social security funds <sup>2</sup>			General government, total			
	Revenue			Expenditure						Deficit / surplus	Revenue <sup>6</sup>	Expenditure	Deficit / surplus	Revenue	Expenditure	Deficit / surplus
	Total <sup>4</sup>	of which		Total <sup>4</sup>	of which <sup>3</sup>											
		Taxes	Financial transactions <sup>5</sup>		Personnel expenditure	Current grants	Interest	Fixed asset formation	Financial transactions <sup>5</sup>							
2001	555.5	446.2	23.5	599.6	169.9	213.9	66.6	40.1	16.7	- 44.2	445.1	449.1	- 4.0	923.3	971.5	- 48.2
2002 P	554.7	441.7	20.5	610.9	173.3	226.8	66.1	38.7	11.3	- 56.2	457.7	466.0	- 8.3	927.7	992.2	- 64.5
2003 pe	547.0	442.2	21.5	614.3	174.0	235.0	65.6	36.3	10.0	- 67.3	467.6	474.4	- 6.8	925.2	999.3	- 74.1
2004 pe	545.9	442.8	24.1	610.7	173.4	236.9	64.8	34.3	9.6	- 64.8	469.7	468.5	+ 1.2	926.8	990.4	- 63.6
2005 pe	568.9	452.1	31.3	621.1	172.1	245.3	64.0	33.0	14.3	- 52.2	467.8	471.0	- 3.2	947.4	1,002.7	- 55.3
2006 pe	589.1	488.4	18.1	625.1	169.4	252.1	64.4	33.5	11.7	- 36.1	486.3	466.3	+ 20.0	986.3	1,002.4	- 16.0
2007 pe	644.6	538.2	17.7	643.5	181.4	250.7	66.1	34.1	9.6	+ 1.1	474.9	465.7	+ 9.2	1,025.1	1,014.8	+ 10.2
2006 Q1 P	131.4	106.3	3.8	160.4	40.6	65.6	25.1	4.8	2.9	- 29.0	120.5	116.6	+ 3.9	229.0	254.1	- 25.1
Q2 P	144.3	121.8	4.1	139.9	40.7	59.9	9.5	6.4	2.5	+ 4.5	122.2	117.1	+ 5.0	245.1	235.6	+ 9.5
Q3 P	146.4	121.8	5.9	156.0	40.6	61.2	20.5	8.4	2.6	- 9.5	117.0	115.2	+ 1.7	241.4	249.2	- 7.8
Q4 P	166.0	138.7	4.0	167.8	46.1	64.1	9.0	12.9	3.5	- 1.8	127.2	117.2	+ 10.0	271.1	263.0	+ 8.1
2007 Q1 P	149.4	122.3	2.8	164.5	42.7	64.9	25.5	5.3	3.4	- 15.1	112.2	115.6	- 3.4	238.4	256.9	- 18.5
Q2 P	158.5	136.9	3.0	144.5	43.9	58.4	10.0	6.7	2.5	+ 14.0	119.0	116.3	+ 2.7	253.8	237.0	+ 16.7
Q3 P	155.4	131.6	3.6	160.5	44.2	59.8	21.3	8.6	1.6	- 5.1	116.2	115.6	+ 0.6	248.2	252.8	- 4.6
Q4 P	180.5	147.6	7.9	172.9	49.2	66.1	9.2	12.5	1.9	+ 7.5	126.9	117.8	+ 9.1	283.9	267.3	+ 16.6
2008 Q1 P	160.0	130.9	3.0	164.7	43.7	65.5	24.7	5.3	2.0	- 4.6	114.1	119.4	- 5.3	250.4	260.3	- 10.0
Q2 P	165.9	143.5	2.1	151.5	44.9	61.4	11.1	7.2	1.7	+ 14.3	120.6	120.1	+ 0.5	262.7	247.9	+ 14.8

Source: Bundesbank calculations based on the data from the Federal Statistical Office. — 1 Including subsidiary budgets but excluding the Post Office pension funds. Unlike the annual figures based on the annual calculations of the Federal Statistical Office, the quarterly figures do not include municipal special purpose associations and various special accounts. — 2 The annual figures do not tally with the sum of the quarterly figures, as the latter are all provisional. The quarterly figures for some insurance sectors

are estimated. — 3 The development of the types of expenditure recorded here is influenced in part by statistical changeovers. — 4 Including discrepancies in clearing transactions between central, state and local government. — 5 On the revenue side, this contains proceeds booked as disposals of equity interests and as loan repayments. On the expenditure side, this contains the acquisition of equity interests and loans granted. — 6 Including Federal Government liquidity assistance to the Federal Labour Office.

4 Central, state and local government: budgetary development (as per government's financial statistics)

€ billion

Period	Central government			State government <sup>2,3</sup>			Local government <sup>3</sup>		
	Revenue <sup>1</sup>	Expenditure	Deficit / surplus	Revenue	Expenditure	Deficit / surplus	Revenue	Expenditure	Deficit / surplus
2001	240.6	261.3	- 20.7	230.9	255.5	- 24.6	144.2	148.3	- 4.1
2002	240.8	273.5	- 32.7	228.8	258.0	- 29.2	147.0	150.4	- 3.5
2003	239.6	278.8	- 39.2	229.2	259.7	- 30.5	142.1	150.1	- 8.0
2004	233.9	273.6	- 39.7	233.5	257.1	- 23.6	147.0	150.4	- 3.4
2005	250.0	281.5	- 31.5	237.4	259.5	- 22.1	151.2	153.7	- 2.4
2006 pe	254.7	282.9	- 28.2	249.1	259.5	- 10.4	158.8	156.2	+ 2.6
2007 pe	277.4	292.1	- 14.7	276.1	266.7	+ 9.4	169.0	161.2	+ 7.8
2006 Q1	52.7	74.1	- 21.4	57.3	64.9	- 7.6	33.8	36.4	- 2.6
Q2	63.0	61.6	+ 1.5	60.6	60.1	+ 0.4	37.7	36.8	+ 0.9
Q3	64.6	73.7	- 9.1	60.5	62.5	- 2.1	40.3	38.1	+ 2.2
Q4 P	74.3	73.5	+ 0.8	70.5	71.2	- 0.7	46.9	44.5	+ 2.5
2007 Q1 P	61.1	74.6	- 13.6	63.5	66.5	- 3.0	35.4	37.6	- 2.1
Q2 P	69.7	64.4	+ 5.3	67.6	61.9	+ 5.7	40.4	37.3	+ 3.1
Q3 P	68.3	76.8	- 8.5	66.2	64.1	+ 2.1	42.5	39.7	+ 2.8
Q4 P	78.3	76.3	+ 2.0	77.9	73.4	+ 4.5	50.5	46.1	+ 4.4
2008 Q1 P	64.1	75.6	- 11.5	67.7	67.7	- 0.1	37.3	37.4	- 0.1
Q2 P	73.0	68.3	+ 4.7	70.5	64.2	+ 6.3	42.7	39.7	+ 3.0

Source: Bundesbank calculations based on the data from the Federal Statistical Office. — 1 The Bundesbank's profit is included only up to the maximum amount of €3.5 billion that is to be assigned to the core budget. Revenue over and above this amount accrues directly to the Redemption Fund for Inherited Liabilities. — 2 Including the local authority level of the

city-states Berlin, Bremen and Hamburg. — 3 Unlike the annual figure based on the annual calculations of the Federal Statistical Office, the quarterly figures do not include various special accounts and municipal special purpose associations.

## IX Public finances in Germany

### 5 Central, state and local government: tax revenue

€ million

Period	Central and state government and European Union						Local government <sup>3</sup>	Balance of untransferred tax shares <sup>4</sup>	Memo item Supplementary central government grants, state government's share of energy tax
	Total	Total	Central government <sup>1</sup>	State government	European Union <sup>2</sup>				
2001	446,248	392,189	213,342	159,115	19,732	54,047	+	12	19,576
2002	441,703	389,162	214,371	156,231	18,560	52,490	+	51	22,321
2003	442,238	390,438	214,002	155,510	20,926	51,673	+	127	22,067
2004	442,838	386,459	208,920	157,898	19,640	56,237	+	142	21,967
2005	452,078	392,313	211,779	158,823	21,711	59,750	+	16	21,634
2006	488,444	421,151	225,634	173,374	22,142	67,316	-	22	21,742
2007	538,243	465,554	251,747	191,558	22,249	72,551	+	138	21,643
2006 Q1	106,907	90,827	45,203	38,733	6,892	12,391	+	3,689	5,491
Q2	121,891	104,964	57,521	43,338	4,105	16,120	+	807	5,433
Q3	121,711	104,015	55,601	42,798	5,616	17,594	+	103	5,448
Q4	137,935	121,345	67,310	48,505	5,529	21,211	-	4,620	5,370
2007 Q1	122,550	104,537	53,928	43,916	6,693	13,313	+	4,700	5,362
Q2	136,963	118,090	65,298	49,069	3,724	18,217	+	655	5,408
Q3	131,495	113,712	61,592	46,875	5,246	17,882	-	99	5,524
Q4	147,236	129,215	70,929	51,699	6,587	23,138	-	5,117	5,348
2008 Q1	131,507	111,845	56,179	47,660	8,006	14,148	+	5,513	5,272
Q2	143,006	122,931	66,952	51,585	4,394	19,614	+	461	5,324
Q3	...	117,861	65,380	48,667	3,814	...	...	...	5,503
2007 Sep	..	45,387	24,630	18,884	1,873	..	..	..	1,841
2008 Sep	..	45,542	25,080	18,994	1,467	..	..	..	1,834

Source: Federal Ministry of Finance, Federal Statistical Office and Bundesbank calculations. — 1 Before deducting supplementary central government grants and shares in energy tax revenue remitted to state government. — 2 Custom duties and shares in VAT and gross national income accruing to the EU from central government tax revenue. — 3 Including local govern-

ment taxes in the city-states Berlin, Bremen and Hamburg. — 4 Difference between local government's share in the joint taxes received by the state government cash offices in the period in question (see Table IX. 6) and the amounts passed on to local government in the same period.

### 6 Central and state government and European Union: tax revenue, by type

€ million

Period	Joint taxes											Memo item Local government share in joint taxes		
	Total <sup>1</sup>	Income taxes <sup>2</sup>					Turnover taxes <sup>5</sup>			Local business tax transfers <sup>6</sup>	Central government taxes <sup>7</sup>		State government taxes <sup>7</sup>	EU customs duties
		Total	Wage tax <sup>3</sup>	Assessed income tax	Corporation tax	Investment income taxes <sup>4</sup>	Total	Turnover tax	Turnover tax on imports					
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	25,169
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	139,713	108,440	31,273	6,218	83,508	20,579	3,378	23,042
2006	446,139	182,614	122,612	17,567	22,898	19,537	146,688	111,318	35,370	7,013	84,215	21,729	3,880	24,988
2007	493,817	204,698	131,774	25,027	22,929	24,969	169,636	127,522	42,114	6,975	85,690	22,836	3,983	28,263
2006 Q1	95,851	36,593	28,095	- 2,104	5,184	5,418	35,873	27,508	8,364	313	15,897	6,258	916	5,024
Q2	111,206	47,844	29,772	5,856	5,173	7,042	35,236	26,345	8,891	1,611	20,438	5,130	948	6,242
Q3	110,282	44,951	29,229	6,266	6,079	3,376	37,051	28,063	8,988	1,686	20,448	5,158	989	6,267
Q4	128,800	53,227	35,516	7,549	6,461	3,701	38,529	29,402	9,127	3,403	27,432	5,183	1,026	7,455
2007 Q1	110,577	43,694	30,464	829	5,434	6,966	42,037	32,624	9,413	153	17,377	6,354	962	6,040
Q2	125,236	55,351	32,244	8,191	6,224	8,693	41,001	30,642	10,359	1,705	20,694	5,493	992	7,145
Q3	120,644	48,742	31,416	7,299	5,571	4,456	42,612	31,724	10,888	1,850	20,750	5,671	1,019	6,932
Q4	137,361	56,912	37,649	8,709	5,700	4,854	43,986	32,532	11,454	3,267	26,868	5,318	1,010	8,146
2008 Q1	118,847	49,649	32,793	3,668	4,727	8,462	44,294	33,488	10,806	297	17,515	6,114	980	7,002
Q2	130,829	60,000	34,700	10,398	4,822	10,081	41,890	30,645	11,244	1,636	20,700	5,677	927	7,898
Q3	125,510	52,135	34,063	8,878	4,086	5,109	44,339	32,705	11,633	1,690	20,888	5,442	1,017	7,648
2007 Sep	48,415	24,789	9,672	8,125	5,903	1,089	14,289	10,648	3,640	2	7,367	1,673	296	3,028
2008 Sep	48,814	25,169	10,508	8,898	4,724	1,039	14,267	10,558	3,709	3	7,306	1,729	341	3,272

Source: Federal Ministry of Finance and Bundesbank calculations. — 1 This total, unlike that in Table IX. 5, does not include the receipts from the equalisation of burdens levies, local business tax (less local business tax transfers to central and state government), real property taxes and other local government taxes, or the balance of untransferred tax shares. — 2 Respective percentage share of central, state and local government in revenue: wage tax and assessed income tax 42.5:42.5:15, corporation tax and non-assessed taxes on earnings 50:50:-, withholding tax on interest income 44:44:12. — 3 After deducting child benefit and subsidies for supplementary private pen-

sion plans. — 4 Non-assessed taxes on earnings and withholding tax on interest income. — 5 The allocation of revenue to central, state and local government, which is adjusted at more regular intervals, is regulated in section 1 of the Revenue Adjustment Act. Respective percentage share of central, state and local government in revenue for 2007: 53.1:44.9:2 (central government plus €2.7 billion, state government minus this amount). The EU share is deducted from central government's share. — 6 Respective percentage share of central and state government for 2007: 23.2:76.8. — 7 For the breakdown, see Table IX. 7.

IX Public finances in Germany

7 Central, state and local government: individual taxes

€ million

Period	Central government taxes 1							State government taxes 1				Local government taxes		
	Energy tax	Tobacco tax	Solidarity surcharge	Insurance tax	Electricity tax	Spirits tax	Other	Motor vehicle tax	Tax on the acquisition of land and buildings	Inheritance tax	Other 2	Total	of which	
													Local business tax	Real property taxes
2001	40,690	12,072	11,069	7,427	4,322	2,143	1,554	8,376	4,853	3,069	3,330	34,399	24,534	9,076
2002	42,192	13,778	10,403	8,327	5,097	2,149	1,548	7,592	4,763	3,021	3,200	33,447	23,489	9,261
2003	43,188	14,094	10,280	8,870	6,531	2,204	1,442	7,336	4,800	3,373	3,205	34,477	24,139	9,658
2004	41,782	13,630	10,108	8,751	6,597	2,195	1,492	7,740	4,646	4,284	3,105	38,982	28,373	9,939
2005	40,101	14,273	10,315	8,750	6,462	2,142	1,465	8,674	4,791	4,097	3,018	42,941	32,129	10,247
2006	39,916	14,387	11,277	8,775	6,273	2,160	1,428	8,937	6,125	3,763	2,904	49,319	38,370	10,399
2007	38,955	14,254	12,349	10,331	6,355	1,959	1,488	8,898	6,952	4,203	2,783	51,401	40,116	10,713
2006 Q1	4,480	2,786	2,628	3,792	1,492	399	320	2,718	1,681	1,049	811	11,370	8,874	2,321
Q2	9,727	3,604	2,879	1,662	1,720	505	341	2,258	1,350	881	641	12,296	9,365	2,801
Q3	10,045	3,700	2,665	1,705	1,468	536	329	2,020	1,501	904	733	13,115	9,948	3,026
Q4	15,665	4,296	3,105	1,615	1,593	720	438	1,942	1,593	928	719	12,538	10,182	2,250
2007 Q1	4,540	2,916	2,949	4,504	1,647	416	406	2,636	1,828	1,150	740	12,126	9,541	2,408
Q2	9,230	3,462	3,249	1,912	1,997	493	352	2,206	1,606	1,006	675	13,432	10,457	2,841
Q3	9,904	3,774	2,875	2,049	1,319	509	322	2,098	1,860	1,043	670	12,701	9,404	3,147
Q4	15,281	4,103	3,277	1,866	1,392	541	408	1,958	1,659	1,004	698	13,142	10,714	2,317
2008 Q1	4,668	2,547	3,192	4,540	1,547	626	394	2,590	1,676	1,087	761	12,956	10,330	2,444
Q2	9,570	3,267	3,502	1,950	1,594	479	338	2,290	1,461	1,301	625	13,813	10,850	2,815
Q3	9,807	3,649	3,059	2,078	1,464	488	343	2,050	1,398	1,361	632	...	...	...
2007 Sep	3,423	1,211	1,407	493	549	175	110	540	629	289	215	.	.	.
2008 Sep	3,444	1,148	1,443	496	487	172	117	649	444	429	207	.	.	.

Source: Federal Ministry of Finance, Federal Statistical Office and Bundesbank calculations. — 1 For the sum total, see Table IX. 6. — 2 Notably

betting, lottery and beer tax.

8 German pension insurance scheme: budgetary development and assets \*

€ million

Period	Revenue 1			Expenditure 1			Deficit / surplus	Assets 4					Memo item Administrative assets
	Total	of which		Total	of which			Total	Deposits 5	Securities	Equity interests, mortgages and other loans 6	Real estate	
		Contributions 2	Payments from central government		Pension payments	Pensioners' health insurance 3							
2001 7	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 8	231,684	156,535	71,680	233,011	198,587	14,258	- 1,327	5,158	4,980	19	41	118	4,834
2005	229,428	156,264	71,917	233,357	199,873	13,437	- 3,929	1,976	1,794	16	42	123	4,888
2006	241,231	168,083	71,773	233,668	200,459	13,053	+ 7,563	10,047	9,777	115	46	109	4,912
2007	236,642	162,225	72,928	235,459	201,642	13,665	+ 1,183	12,196	11,270	765	46	115	4,819
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
Q2	60,537	42,351	17,877	58,328	50,143	3,257	+ 2,209	7,406	7,241	16	45	105	4,956
Q3	57,950	39,741	17,839	58,521	50,297	3,266	- 571	6,845	6,681	16	45	104	4,959
Q4	61,369	43,351	17,755	58,459	50,140	3,274	+ 2,910	10,047	9,777	115	46	109	4,912
2007 Q1	56,177	37,771	18,118	58,275	50,369	3,279	- 2,098	7,955	7,585	215	46	108	4,889
Q2	59,068	40,501	18,180	58,595	50,282	3,432	+ 473	8,890	8,573	165	48	103	4,881
Q3	57,996	39,494	18,115	59,054	50,633	3,470	- 1,058	8,025	7,598	265	45	117	4,868
Q4	62,926	44,452	18,136	59,159	50,638	3,475	+ 3,767	12,196	11,270	765	46	115	4,819
2008 Q1	57,611	39,028	18,241	58,952	50,795	3,473	- 1,341	10,730	9,459	1,095	46	130	4,792
Q2	60,574	41,958	18,241	59,346	50,714	3,482	+ 1,228	11,923	10,267	1,466	61	128	4,704
Q3	59,525	40,769	18,215	60,124	51,418	3,539	- 599	11,727	10,421	1,128	50	127	4,690

Source: Federal Ministry of Labour and Social Affairs and German pension insurance scheme. — \* Excluding the German pension insurance scheme for the mining, railway and maritime industries. — 1 The annual figures do not tally with the sum of the quarterly figures, as the latter are all provisional. Including financial compensation payments. Excluding investment spending and proceeds. — 2 Including contributions for recipients of government

cash benefits. — 3 Including long-term care insurance for pensioners until 2004 Q1. — 4 Largely corresponds to the sustainability reserves. End of year or quarter. — 5 Including cash. — 6 Excluding loans to other social security funds. — 7 Excluding income booked in connection with the revaluation of equity interests. — 8 Revenue includes proceeds from the disposal of equity interests.

## IX Public finances in Germany

### 9 Federal Employment Agency: budgetary development

€ million

Period	Revenue			Expenditure								Deficit / surplus	Grant or working capital loans from central government
	Total 1	of which		Total 3	Unemployment support 4,5	of which		Job promotion 5,6	of which		Measures financed by levies 7		
		Contributions	Levies 2			Western Germany	Eastern Germany		Western Germany	Eastern Germany			
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
2006	55,384	51,176	1,123	44,162	23,249	17,348	5,901	9,259	6,185	3,074	1,089	+ 11,221	0
2007	42,838	32,264	971	36,196	17,356	13,075	4,282	8,370	5,747	2,623	949	+ 6,643	-
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
Q3	12,860	11,950	302	10,142	5,117	3,879	1,239	2,232	1,486	746	183	+ 2,718	-
Q4	14,656	13,321	504	9,958	4,616	3,518	1,098	2,455	1,669	787	218	+ 4,698	-
2007 Q1	9,932	7,738	78	10,044	5,321	3,971	1,350	2,032	1,370	662	408	- 113	-
Q2	10,837	7,910	303	9,383	4,598	3,440	1,157	2,089	1,423	666	259	+ 1,454	-
Q3	10,366	7,765	232	8,357	3,910	2,979	931	1,985	1,363	622	160	+ 2,010	-
Q4	11,703	8,851	357	8,412	3,528	2,684	843	2,264	1,591	674	122	+ 3,292	-
2008 Q1	8,714	5,955	83	11,295	4,299	3,183	1,116	2,088	1,473	615	327	- 2,581	-
Q2	9,690	6,931	211	10,367	3,739	2,761	978	2,182	1,556	626	255	- 677	-
Q3	9,330	6,317	272	8,648	3,245	2,442	804	2,053	1,462	592	149	+ 683	-

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 and short-time working benefit. — 5 Including contributions to the statutory

health, pension and long-term care insurance schemes. 6 Vocational training, measures to encourage job take-up, rehabilitation, job creation measures, subsidies granted to Personnel Service Agencies, compensation top-up payments and business start-up grants. — 7 Promotion of winter construction and insolvency compensation for employees.

### 10 Statutory health insurance scheme: budgetary development

€ million

Period	Revenue 1			Expenditure 1							Deficit / surplus 5	
	Total	of which		Total	Hospital treatment	Medical and dental treatment 3	Pharmaceuticals	Therapeutic treatment and aids	Sickness benefits	Other expenditure on benefits		Administrative expenditure 4
		Contributions 2	Federal grant									
2001	135,790	131,886	.	138,811	44,980	33,495	22,331	9,760	7,717	2,779	7,642	- 3,021
2002	139,707	136,208	.	143,026	46,308	34,899	23,449	9,304	7,561	2,998	8,019	- 3,320
2003	141,654	138,383	.	145,095	46,800	36,120	24,218	9,409	6,973	2,984	8,206	- 3,441
2004	144,279	140,120	1,000	140,178	47,594	34,218	21,811	8,281	6,367	3,731	8,114	+ 4,102
2005	145,742	140,250	2,500	143,809	48,959	33,024	25,358	8,284	5,868	3,847	8,155	+ 1,933
2006	149,929	142,184	4,200	147,973	50,327	34,260	25,835	8,303	5,708	4,526	8,110	+ 1,956
2007 p	155,678	149,966	2,500	153,616	51,102	35,545	27,759	8,655	6,012	2,274	8,132	+ 2,062
2006 Q1	34,744	34,034	-	35,968	12,834	8,483	6,384	1,881	1,477	283	1,836	- 1,224
Q2	38,004	35,279	2,100	36,830	12,658	8,588	6,450	2,071	1,439	574	1,910	+ 1,174
Q3	36,001	35,156	-	36,226	12,551	8,254	6,301	2,048	1,363	515	1,931	- 225
Q4	40,770	37,745	2,100	38,538	12,332	8,888	6,739	2,290	1,412	881	2,384	+ 2,232
2007 Q1	36,437	35,693	-	37,147	12,948	8,793	6,687	1,918	1,525	347	1,879	- 710
Q2	39,316	37,306	1,250	38,299	12,893	8,860	6,862	2,160	1,510	599	1,930	+ 1,017
Q3	37,939	37,138	-	38,068	12,750	8,614	6,897	2,199	1,451	510	1,987	- 129
Q4	41,987	39,829	1,250	40,103	12,512	9,278	7,313	2,378	1,527	818	2,337	+ 1,883
2008 Q1	37,937	37,136	-	39,010	13,410	9,119	7,084	2,011	1,643	322	1,898	- 1,073
Q2	40,361	38,491	1,250	40,232	13,387	9,162	7,339	2,292	1,644	715	2,021	+ 129

Source: Federal Ministry of Health. — 1 The annual figures do not tally with the sum of the quarterly figures, as the latter are all provisional. — 2 Including contributions from subsidised low-paid part-time employment. — 3 Including dentures. — 4 Net, ie after deducting reimbursements for ex-

penses for levying contributions incurred by other social insurance funds. — 5 Excluding revenue and expenditure as part of the risk structure compensation scheme.

IX Public finances in Germany

11 Statutory long-term care insurance scheme: budgetary development

€ million

Period	Revenue 1		Expenditure 1					Deficit / surplus		
	Total	of which Contributions 2	Total	of which						
				Non-cash care benefits	In-patient care	Nursing benefit	Contributions to pension insurance scheme 3		Administrative expenditure	
2001	16,843	16,581	16,890	2,301	7,744	4,134	979	816	-	47
2002	16,917	16,714	17,346	2,363	8,014	4,151	962	837	-	428
2003	16,844	16,665	17,468	2,361	8,183	4,090	951	853	-	624
2004	16,817	16,654	17,605	2,365	8,349	4,049	925	851	-	788
2005	17,526	17,385	17,891	2,409	8,516	4,050	890	875	-	366
2006	17,749	17,611	18,064	2,437	8,671	4,017	862	886	-	315
2007	18,036	17,858	18,385	2,475	8,831	4,050	861	896	-	350
2006 Q1	4,660	4,631	4,511	611	2,152	998	213	246	+	150
Q2	4,655	4,629	4,447	582	2,158	994	214	222	+	208
Q3	4,471	4,441	4,551	617	2,171	1,014	213	222	-	80
Q4	4,699	4,657	4,526	611	2,191	1,009	218	200	+	173
2007 Q1	4,301	4,265	4,591	624	2,191	1,014	212	238	-	290
Q2	4,469	4,432	4,528	595	2,192	993	213	231	-	59
Q3	4,440	4,403	4,617	623	2,226	1,012	216	213	-	177
Q4	4,813	4,761	4,608	626	2,218	1,015	217	209	+	204
2008 Q1	4,421	4,381	4,681	641	2,229	1,022	210	255	-	261
Q2	4,597	4,563	4,703	634	2,251	1,025	221	230	-	106

Source: Federal Ministry of Health. — 1 The annual figures do not tally with the sum of the quarterly figures, as the latter are all provisional. — 2 Since

2005 including special contributions for childless persons (0.25% of income subject to insurance contributions). — 3 For non-professional carers.

12 Central government: borrowing in the market

€ million

Period	Total new borrowing		of which Change in money market loans	of which Change in money market deposits	End of year or quarter
	Gross 1	Net			
2001	+ 135,018	- 14,719	+ 3,595	- 1,495	2001
2002	+ 178,203	+ 24,327	+ 2,221	+ 22	2002
2003	+ 227,483	+ 42,270	+ 1,236	+ 7,218	2003
2004	+ 227,441	+ 44,410	+ 1,844	+ 802	2004
2005	+ 224,922	+ 35,479	+ 4,511	+ 6,041	2005
2006	+ 221,873	+ 32,656	+ 3,258	+ 6,308	2006
2007	+ 214,995	+ 6,996	+ 1,086	- 4,900	2007
2006 Q1	+ 75,788	+ 12,526	+ 8,174	- 7,296	2006 Q1
Q2	+ 56,445	+ 14,238	+ 8,228	+ 14,649	Q2
Q3	+ 66,689	+ 16,579	+ 4,181	+ 8,913	Q3
Q4	+ 22,952	- 10,686	- 17,326	- 9,958	Q4
2007 Q1	+ 68,285	+ 4,600	+ 12,649	- 11,200	2007 Q1
Q2	+ 54,415	+ 22,020	+ 5,792	+ 27,209	Q2
Q3	+ 51,413	- 20,291	- 4,783	- 27,450	Q3
Q4	+ 40,882	+ 667	- 12,571	+ 6,541	Q4
2008 Q1	+ 69,510	+ 10,443	+ 12,306	- 705	2008 Q1 P
Q2	+ 52,618	+ 7,478	+ 4,872	+ 10,289	Q2 P
Q3	+ 53,933	- 2,231	- 10,736	- 12,088	

Source: Federal Republic of Germany – Finance Agency. — 1 After deducting repurchases.

13 Central, state and local government: debt by creditor \*

€ million

End of year or quarter	Total	Banking system		Domestic non-banks		Foreign creditors p€
		Bundesbank	Credit institutions	Social security funds	Other 1	
2001	1,223,966	4,440	534,262	174	230,890	454,200
2002	1,277,667	4,440	536,900	137	238,390	497,800
2003	1,358,137	4,440	530,700	341	301,956	520,700
2004	1,430,582	4,440	544,200	430	306,912	574,600
2005	1,489,029	4,440	518,500	488	312,401	653,200
2006	1,533,697	4,440	496,900	480	329,577	702,300
2007	1,540,381	4,440	457,000	476	313,065	765,400
2006 Q1	1,508,932	4,440	522,400	486	308,906	672,700
Q2	1,525,012	4,440	528,500	485	320,887	670,700
Q3	1,540,523	4,440	519,300	485	331,598	684,700
Q4	1,533,697	4,440	496,900	480	329,577	702,300
2007 Q1	1,538,621	4,440	513,900	480	321,201	698,600
Q2	1,556,684	4,440	504,600	480	320,564	726,600
Q3	1,535,253	4,440	489,000	480	308,433	732,900
Q4	1,540,381	4,440	457,000	476	313,065	765,400
2008 Q1 P	1,541,759	4,440	467,300	475	306,744	762,800
Q2 P	1,554,151	4,440	462,200	506	291,806	795,200

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* Excluding direct intergovernmental borrowing. — 1 Calculated as a residual.



IX Public finances in Germany

14 Central, state and local government: debt by category \*

€ million

End of year or quarter	Total	Treasury discount paper (Bubills) 1	Treasury notes 2,3	Five-year Federal notes (Boblis) 2	Federal savings notes	Federal bonds (Bunds) 2	Day-bond	Direct lending by credit institutions 4	Loans from non-banks		Old debt	
									Social security funds	Other 4	Equalisation claims 5	Other 5,6
<b>Central, state and local government</b>												
2002	1,277,667	30,815	203,951	137,669	17,898	456,300	.	404,046	137	18,844	7,845	164
2003	1,358,137	36,022	246,414	153,611	12,810	471,115	.	396,832	341	34,163	6,711	119
2004	1,430,582	35,722	279,796	168,958	10,817	495,547	.	379,984	430	53,672	5,572	84
2005	1,489,029	36,945	310,044	174,423	11,055	521,801	.	366,978	488	62,765	4,443	88
2006	1,533,697	37,834	320,288	179,940	10,199	552,028	.	356,514	480	71,889	4,443	82
2007 Q2	1,556,684	38,577	326,230	175,567	10,114	567,582	.	362,911	480	70,700	4,443	81
Q3	1,535,253	39,550	324,981	162,292	10,344	569,273	.	354,554	480	69,258	4,443	79
Q4	1,540,381	39,510	329,108	177,394	10,287	574,512	.	329,588	476	74,988	4,443	76
2008 Q1 p	1,541,759	39,467	325,481	173,295	9,885	579,072	.	336,845	475	72,726	4,443	72
Q2 p	1,554,151	39,655	328,980	168,938	9,816	586,050	.	343,931	506	71,761	4,443	72
<b>Central government</b> 7,8,9												
2002	725,443	30,227	78,584	127,484	17,898	422,558	.	39,517	0	1,167	7,845	163
2003	767,713	35,235	87,538	143,425	12,810	436,181	.	38,146	223	7,326	6,711	118
2004	812,123	34,440	95,638	159,272	10,817	460,380	.	34,835	333	10,751	5,572	83
2005	886,254	36,098	108,899	174,371	11,055	510,866	.	29,318	408	10,710	4,443	87
2006	918,911	37,798	103,624	179,889	10,199	541,404	.	30,030	408	11,036	4,443	82
2007 Q2	945,531	38,497	103,219	175,516	10,114	557,055	.	45,104	408	11,096	4,443	80
Q3	939,321	37,725	102,103	162,292	10,344	568,917	.	41,833	408	11,177	4,443	78
Q4	939,988	37,385	102,083	177,394	10,287	574,156	.	22,829	408	10,928	4,443	75
2008 Q1	950,431	37,774	101,205	173,295	9,885	578,816	.	33,649	408	10,886	4,443	71
Q2	957,909	37,136	101,932	168,938	9,816	585,794	.	38,496	438	10,845	4,443	71
Q3	955,678	40,316	105,361	177,594	9,415	579,713	701	26,980	438	10,644	4,443	74
<b>State government</b>												
2002	392,172	588	121,394	.	.	.	.	255,072	5	15,113	.	1
2003	423,737	787	154,189	.	.	.	.	244,902	4	23,854	.	1
2004	448,672	1,282	179,620	.	.	.	.	228,644	3	39,122	.	1
2005	471,375	847	201,146	.	.	.	.	221,163	3	48,216	.	1
2006	481,850	36	216,665	.	.	.	.	209,270	2	55,876	.	1
2007 Q2	479,658	80	223,011	.	.	.	.	201,938	2	54,627	.	1
Q3	480,050	1,825	222,879	.	.	.	.	202,054	2	53,290	.	1
Q4	484,373	2,125	227,025	.	.	.	.	194,956	2	60,264	.	1
2008 Q1 p	477,396	1,693	224,276	.	.	.	.	193,385	2	58,039	.	1
Q2 p	481,875	2,519	227,048	.	.	.	.	195,189	3	57,116	.	1
Q3 p	478,495	2,500	227,430	.	.	.	.	190,560	3	58,001	.	1
<b>Local government</b> 10												
2002	100,842	.	153	.	.	913	.	97,624	124	2,027	.	.
2003	107,857	.	77	.	.	734	.	104,469	106	2,471	.	.
2004	112,538	.	.	.	.	812	.	108,231	86	3,410	.	.
2005	116,033	.	.	.	.	466	.	111,889	77	3,601	.	.
2006	118,380	.	.	.	.	256	.	113,265	70	4,789	.	.
2007 Q2	117,312	.	.	.	.	256	.	112,196	70	4,790	.	.
Q3	115,782	.	.	.	.	256	.	110,666	70	4,790	.	.
Q4	115,920	.	.	.	.	256	.	111,803	66	3,796	.	.
2008 Q1 p	113,932	.	.	.	.	256	.	109,811	65	3,800	.	.
Q2 p	114,367	.	.	.	.	256	.	110,246	65	3,800	.	.
<b>Special funds</b> 7,8,9,11												
2002	59,210	-	3,820	10,185	.	32,828	.	11,832	8	537	.	.
2003	58,830	-	4,610	10,185	.	34,201	.	9,315	8	512	.	.
2004	57,250	-	4,538	9,685	.	34,355	.	8,274	8	389	.	.
2005	15,367	.	-	51	.	10,469	.	4,609	-	238	.	.
2006	14,556	.	-	51	.	10,368	.	3,950	-	188	.	.
2007 Q2	14,183	.	-	51	.	10,271	.	3,674	-	188	.	.
Q3	100	.	-	-	.	100	.	-	-	-	.	.
Q4	100	.	-	-	.	100	.	-	-	-	.	.
2008 Q1	-	.	-	-	.	-	.	-	-	-	.	.
Q2	-	.	-	-	.	-	.	-	-	-	.	.
Q3	-	.	-	-	.	-	.	-	-	-	.	.

Source: Bundesbank calculations based on data from the Federal Statistical Office. — \* Excluding direct intergovernmental borrowing. — 1 Including Treasury financing paper. — 2 Excluding issuers' holdings of their own securities. — 3 Treasury notes issued by state government include long-term notes. — 4 Mainly loans against borrowers' notes and cash advances. Including loans raised abroad. Other loans from non-banks, including loans from public supplementary pension funds and liabilities arising from the investment assistance levy. — 5 Excluding offsets against outstanding claims. — 6 Old debt mainly denominated in foreign currency, in accordance with the London Debts Agreement, 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; excluding debt securities in own portfolios. — 7 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 allocation ratios. — 8 On 1 January 2005 central government assumed joint responsibility for the debts of the German Unity Fund. From that date on, the aforementioned special fund is recorded under central government. — 9 On 1 July 2007 central government assumed joint responsibility for the debts of the ERP Special Fund. From that date on, the aforementioned special fund is recorded under central government. — 10 Including debt of municipal special purpose associations. Data other than year-end figures have been estimated. — 11 ERP Special Fund (up to the end of June 2007), German Unity Fund (up to the end of 2004) and Indemnification Fund.



## X Economic conditions in Germany

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

Item	2006			2007			2008						
	2005	2006	2007	2005	2006	2007	2006	2007	2008	2008	2008		
	Index 2000=100			Annual percentage change			Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>At constant prices, chained</b>													
<b>I Origin of domestic product</b>													
Production sector (excluding construction)	107.6	114.0	119.9	2.7	5.9	5.2	6.3	5.3	5.4	5.4	4.7	2.6	5.8
Construction	79.3	77.4	79.4	- 4.9	- 2.3	2.6	2.1	16.3	0.2	- 1.4	- 1.7	2.5	7.3
Wholesale/retail trade, hotel and restaurant services, transport and storage 1	106.0	110.5	111.0	0.7	4.2	0.5	6.2	1.8	0.8	0.6	- 1.1	2.5	3.4
Financing, renting and business services 2	105.9	108.2	112.2	1.4	2.1	3.6	2.9	4.2	4.1	3.2	3.0	2.1	2.5
Public and private services 3	103.0	103.7	105.1	0.6	0.7	1.3	0.5	0.9	1.3	1.3	1.7	0.6	1.2
Gross value added	104.2	107.3	110.4	1.0	2.9	2.9	3.7	3.7	3.1	2.7	2.3	2.0	3.4
Gross domestic product 4	103.0	106.1	108.7	0.8	3.0	2.5	3.8	3.4	2.5	2.4	1.6	1.8	3.1
<b>II Use of domestic product</b>													
Private consumption 5	101.5	102.5	102.1	0.2	1.0	- 0.4	2.1	- 0.2	- 0.2	0.0	- 1.0	- 0.1	- 0.0
Government consumption	102.1	102.7	105.0	0.4	0.6	2.2	0.7	2.1	2.5	2.3	1.8	1.7	2.0
Machinery and equipment	99.8	111.0	118.7	6.0	11.1	6.9	9.5	8.6	5.3	6.5	7.5	6.2	10.1
Premises	82.4	86.5	88.0	- 3.0	5.0	1.8	8.4	14.1	- 0.0	- 1.0	- 2.8	2.0	6.2
Other investment 6	117.2	126.6	136.7	4.9	8.0	8.0	7.0	4.3	8.9	9.6	8.8	8.9	6.2
Changes in inventories 7 8	.	.	.	- 0.4	0.0	0.1	- 2.0	- 0.1	- 0.5	0.0	0.9	- 0.1	0.2
Domestic use	97.9	100.0	101.1	0.0	2.1	1.1	1.1	2.0	0.4	1.0	1.2	1.0	2.2
Net exports 8	.	.	.	0.7	1.0	1.4	2.8	1.6	2.1	1.5	0.5	0.9	1.1
Exports	135.0	152.2	163.5	7.7	12.7	7.5	15.9	10.1	9.3	8.3	2.8	5.5	7.0
Imports	120.1	134.4	141.1	6.5	11.9	5.0	10.5	7.5	5.2	5.5	2.2	4.2	5.7
Gross domestic product 4	103.0	106.1	108.7	0.8	3.0	2.5	3.8	3.4	2.5	2.4	1.6	1.8	3.1
<b>At current prices (€ billion)</b>													
<b>III Use of domestic product</b>													
Private consumption 5	1,324.7	1,355.1	1,373.7	1.7	2.3	1.4	3.1	1.0	1.4	1.9	1.2	2.2	2.3
Government consumption	420.0	425.4	435.6	1.0	1.3	2.4	1.2	2.3	2.6	2.6	2.2	3.1	3.4
Machinery and equipment	162.1	178.1	189.4	4.9	9.8	6.3	7.8	7.9	4.9	5.9	6.7	5.1	9.2
Premises	203.4	218.6	236.4	- 2.1	7.5	8.1	12.6	21.9	7.0	4.9	2.5	5.1	9.7
Other investment 6	25.4	26.4	27.7	2.5	3.9	5.1	4.8	4.2	5.3	5.4	5.3	3.0	3.1
Changes in inventories 7	- 11.9	- 13.7	- 10.9	.	.	.	.	.	.	.	.	.	.
Domestic use	2,123.7	2,190.0	2,251.9	1.2	3.1	2.8	1.7	3.2	2.1	2.6	3.4	2.8	4.4
Net exports	119.6	131.5	171.0	.	.	.	.	.	.	.	.	.	.
Exports	921.4	1,052.7	1,137.2	8.4	14.3	8.0	17.2	11.4	9.9	8.5	2.9	6.0	7.8
Imports	801.9	921.2	966.2	8.8	14.9	4.9	12.0	7.4	5.1	4.8	2.6	6.0	8.4
Gross domestic product 4	2,243.2	2,321.5	2,422.9	1.5	3.5	4.4	4.4	5.2	4.4	4.4	3.5	3.1	4.4
<b>IV Prices (2000 = 100)</b>													
Private consumption	107.5	108.9	110.8	1.5	1.3	1.7	1.0	1.3	1.6	1.8	2.3	2.3	2.3
Gross domestic product	105.6	106.1	108.1	0.7	0.5	1.9	0.5	1.7	1.9	2.0	1.9	1.3	1.2
Terms of trade	101.2	99.9	100.5	- 1.4	- 1.3	0.7	- 0.3	1.3	0.6	1.0	- 0.2	- 1.2	- 1.8
<b>V Distribution of national income</b>													
Compensation of employees	1,130.1	1,149.5	1,183.6	- 0.6	1.7	3.0	2.3	3.1	3.3	2.6	2.9	3.5	3.5
Entrepreneurial and property income	566.7	616.1	643.5	5.9	8.7	4.5	12.8	7.5	0.3	6.8	2.8	3.5	8.0
National income	1,696.7	1,765.6	1,827.1	1.5	4.1	3.5	5.4	4.7	2.2	4.1	2.9	3.5	5.0
<i>Memo item:</i> Gross national income	2,270.8	2,362.4	2,464.2	1.7	4.0	4.3	4.9	5.7	3.6	4.5	3.5	2.9	3.9

Source: Federal Statistical Office; figures computed in August 2008. — 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

products). — 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.

## X Economic conditions in Germany

### 2 Output in the production sector \*

Adjusted for working-day variations ◦

Period	of which											
	Production sector, total	Construc-tion 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												
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	100.8	80.5	102.7	102.5	103.3	105.7	87.5	97.9	104.5	103.6	101.2	111.9
2005	103.6	76.1	102.9	106.3	106.5	111.0	87.8	100.9	110.0	104.5	106.1	116.8
2006	109.8	80.9	102.9	113.2	115.1	118.9	94.0	102.6	114.4	111.7	114.9	120.2
2007	116.3	83.2	100.5	121.1	123.9	128.8	95.3	105.7	120.5	118.0	126.1	129.3
2007 Jan	105.0	56.1	105.0	109.5	115.7	110.5	89.4	98.7	118.9	117.9	103.0	117.8
Feb	108.2	59.5	99.2	113.6	117.1	119.4	95.8	98.6	117.4	117.8	113.1	127.8
Mar	121.4	79.7	105.3	127.0	129.3	136.2	103.9	109.4	126.3	128.1	133.0	143.3
Apr	113.1	86.4	97.0	117.3	121.2	122.7	90.1	104.7	121.8	117.7	117.6	129.4
May	114.0	88.0	95.5	118.4	123.1	123.7	90.1	104.7	122.3	118.2	120.4	128.8
June	118.7	92.5	94.3	123.8	127.8	133.5	94.6	102.7	118.3	121.3	130.7	137.9
July	118.4	96.6	95.4	122.9	127.7	131.1	89.7	104.3	123.0	117.3	127.8	132.2
Aug	109.4	88.9	94.0	113.0	120.3	112.9	81.1	104.7	121.3	108.4	114.4	100.1
Sep	124.5	97.5	96.4	130.1	132.4	139.4	108.1	112.1	122.7	122.3	137.2	143.1
Oct	125.2	96.2	104.5	130.1	132.0	139.1	105.4	113.8	123.2	125.3	132.3	140.4
Nov	125.6	90.3	107.9	130.7	130.1	143.8	105.4	111.9	120.5	123.9	136.9	142.9
Dec	112.3	66.9	111.0	116.6	110.4	133.5	89.5	102.9	109.8	97.4	147.3	108.1
2008 Jan	111.1	60.1	107.0	116.2	121.1	121.7	89.5	101.3	123.0	120.0	112.5	123.7
Feb	113.8	65.3	101.2	119.6	122.9	129.5	94.6	99.1	117.3	122.4	122.1	136.7
Mar	7 126.2	7 75.9	108.3	132.8	136.8	143.5	103.9	109.6	130.4	130.9	141.2	146.1
Apr	7 119.3	7 84.2	102.3	124.4	129.1	134.3	94.2	101.6	119.9	125.1	131.2	137.2
May	7 115.9	7 87.5	95.7	120.7	126.6	128.1	86.2	101.5	119.1	121.6	126.1	125.3
June	7 121.2	7 92.3	89.7	127.3	130.7	140.3	94.6	101.9	120.5	126.3	142.5	134.9
July +	7 118.5	7 93.9	92.7	123.6	129.4	132.3	84.6	103.1	123.2	115.5	133.4	123.8
Aug +	7 111.1	7 90.1	89.7	115.3	123.8	116.5	79.3	103.0	119.9	111.1	120.5	99.8
Sep + p	7 121.9	7 97.1	90.5	127.6	129.5	139.1	100.3	107.2	117.4	121.7	139.2	134.2
Annual percentage change												
2003	+ 0.1	- 4.3	+ 2.6	+ 0.2	+ 0.6	+ 0.9	- 5.2	- 0.9	+ 0.2	- 2.0	- 1.7	+ 2.1
2004	+ 2.4	- 5.2	+ 2.9	+ 3.0	+ 3.8	+ 3.6	+ 0.3	+ 0.5	+ 2.5	+ 3.7	+ 3.5	+ 4.0
2005	+ 2.8	- 5.5	+ 0.2	+ 3.7	+ 3.1	+ 5.0	+ 0.3	+ 3.1	+ 5.3	+ 0.9	+ 4.8	+ 4.4
2006	+ 6.0	+ 6.3	+ 0.0	+ 6.5	+ 8.1	+ 7.1	+ 7.1	+ 1.7	+ 4.0	+ 6.9	+ 8.3	+ 2.9
2007	+ 5.9	+ 2.8	- 2.3	+ 7.0	+ 7.6	+ 8.3	+ 1.4	+ 3.0	+ 5.3	+ 5.6	+ 9.7	+ 7.6
2007 Jan	+ 7.0	+ 35.2	- 12.8	+ 8.5	+ 10.6	+ 9.3	+ 4.3	+ 2.5	+ 4.4	+ 12.6	+ 11.7	+ 9.8
Feb	+ 7.8	+ 30.2	- 8.9	+ 8.6	+ 11.0	+ 8.8	+ 7.2	+ 2.7	+ 6.5	+ 9.5	+ 13.7	+ 4.9
Mar	+ 8.6	+ 26.1	- 6.5	+ 9.3	+ 11.0	+ 9.5	+ 5.7	+ 5.8	+ 6.6	+ 9.4	+ 13.7	+ 8.8
Apr	+ 4.9	+ 0.6	- 4.7	+ 6.2	+ 7.1	+ 7.3	- 2.6	+ 3.4	+ 7.4	+ 6.5	+ 7.8	+ 7.5
May	+ 5.8	- 1.0	+ 0.1	+ 6.9	+ 7.9	+ 7.6	+ 0.9	+ 4.0	+ 8.2	+ 5.2	+ 9.5	+ 5.1
June	+ 5.6	- 1.6	+ 0.0	+ 6.7	+ 7.6	+ 8.4	+ 2.0	+ 1.3	+ 3.4	+ 3.5	+ 9.5	+ 9.4
July	+ 5.1	- 2.6	- 1.8	+ 6.3	+ 7.3	+ 8.1	- 0.7	+ 1.1	+ 3.5	+ 4.8	+ 10.9	+ 3.8
Aug	+ 5.7	- 2.0	+ 1.3	+ 6.7	+ 6.5	+ 8.8	+ 2.4	+ 3.8	+ 6.8	+ 3.5	+ 8.5	+ 8.3
Sep	+ 6.0	- 1.5	+ 3.1	+ 7.0	+ 7.6	+ 7.8	+ 1.4	+ 5.3	+ 8.5	+ 3.1	+ 9.1	+ 8.4
Oct	+ 6.2	- 1.5	+ 3.8	+ 7.0	+ 5.7	+ 10.7	+ 1.0	+ 3.1	+ 2.8	+ 3.7	+ 10.3	+ 10.6
Nov	+ 4.1	- 5.8	+ 1.3	+ 4.9	+ 4.6	+ 7.5	- 2.2	+ 1.2	+ 1.3	+ 2.3	+ 6.7	+ 7.2
Dec	+ 4.9	- 3.9	+ 0.3	+ 5.8	+ 6.6	+ 7.0	- 2.0	+ 2.6	+ 4.1	+ 3.6	+ 7.8	+ 7.5
2008 Jan	+ 5.8	+ 7.1	+ 1.9	+ 6.1	+ 4.7	+ 10.1	+ 0.1	+ 2.6	+ 3.4	+ 1.8	+ 9.2	+ 5.0
Feb	+ 5.2	+ 9.7	+ 2.0	+ 5.3	+ 5.0	+ 8.5	- 1.3	+ 0.5	- 0.1	+ 3.9	+ 8.0	+ 7.0
Mar	7 + 4.0	7 - 4.8	+ 2.8	+ 4.6	+ 5.8	+ 5.4	± 0.0	+ 0.2	+ 3.2	+ 2.2	+ 6.2	+ 2.0
Apr	7 + 5.5	7 - 2.5	+ 5.5	+ 6.1	+ 6.5	+ 9.5	+ 4.6	- 3.0	- 1.6	+ 6.3	+ 11.6	+ 6.0
May	7 + 1.7	7 - 0.6	+ 0.2	+ 1.9	+ 2.8	+ 3.6	- 4.3	- 3.1	- 2.6	+ 2.9	+ 4.7	- 2.7
June	7 + 2.1	7 - 0.2	- 4.9	+ 2.8	+ 2.3	+ 5.1	± 0.0	- 0.8	+ 1.9	+ 4.1	+ 9.0	- 2.2
July +	7 + 0.1	7 - 2.8	- 2.8	+ 0.6	+ 1.3	+ 0.9	- 5.7	- 1.2	+ 0.2	- 1.5	+ 4.4	- 6.4
Aug +	7 + 1.6	7 + 1.3	- 4.6	+ 2.0	+ 2.9	+ 3.2	- 2.2	- 1.6	- 1.2	+ 2.5	+ 5.3	- 0.3
Sep + p	7 - 2.1	7 - 0.4	- 6.1	- 1.9	- 2.2	- 0.2	- 7.2	- 4.4	- 4.3	- 0.5	+ 1.5	- 6.2

Source of the unadjusted figures: Federal Statistical Office. — \* Annual and quarterly figures based on firms' reports of enterprises with at least 20 employees; monthly breakdown from January 2007 on the basis of data provided by firms with at least 50 employees, but with a smaller reporting group before that date. — ◦ 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 oil 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 + 4%). — + Provisional; adjusted in advance by the Federal Statistical Office, by way of estimates, to the results of the Quarterly Production Survey for the third quarter 2008.

X Economic conditions in Germany

3 Orders received by industry \*

Adjusted for working-day variations ◦

Period	Industry		of which									
			Intermediate goods		Capital goods <sup>1</sup>		Consumer goods <sup>2</sup>		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
	<b>total</b>											
2003	99.0	+ 0.8	97.8	+ 1.5	100.7	+ 1.2	95.6	- 3.4	90.4	- 5.5	98.9	- 2.1
2004	105.1	+ 6.2	105.0	+ 7.4	107.6	+ 6.9	95.1	- 0.5	89.3	- 1.2	98.7	- 0.2
2005	111.8	+ 6.4	110.0	+ 4.8	116.2	+ 8.0	99.7	+ 4.8	91.4	+ 2.4	104.9	+ 6.3
2006	123.8	+ 10.7	124.8	+ 13.5	127.5	+ 9.7	105.7	+ 6.0	98.9	+ 8.2	109.9	+ 4.8
2007	137.5	+ 11.1	135.9	+ 8.9	145.0	+ 13.7	111.6	+ 5.6	103.0	+ 4.1	116.9	+ 6.4
2007 Sep	138.6	+ 6.5	138.7	+ 5.8	143.5	+ 7.2	118.7	+ 5.5	110.3	+ 3.0	123.8	+ 6.9
Oct	143.8	+ 10.9	139.8	+ 3.9	152.0	+ 17.1	123.3	+ 8.6	128.1	+ 14.1	120.3	+ 5.2
Nov	148.2	+ 13.4	145.3	+ 7.7	158.8	+ 20.7	114.5	+ 0.7	109.3	- 1.4	117.8	+ 2.0
Dec	137.9	+ 11.7	123.9	+ 7.1	158.4	+ 16.0	99.3	+ 3.8	91.6	+ 5.2	104.1	+ 3.2
2008 Jan	139.5	+ 8.2	139.6	+ 4.9	146.5	+ 12.0	111.3	+ 4.0	104.5	+ 5.2	115.5	+ 3.3
Feb	140.6	+ 5.5	137.0	+ 4.4	149.3	+ 7.1	117.1	+ 2.1	101.7	+ 2.5	126.7	+ 1.8
Mar	152.6	+ 5.1	151.0	+ 4.2	162.2	+ 7.0	119.3	- 0.6	111.7	+ 2.9	124.1	- 2.4
Apr	137.4	+ 4.9	138.8	+ 4.3	144.0	+ 6.0	105.8	+ 0.8	103.4	+ 6.2	107.3	- 2.3
May	135.1	+ 0.2	140.0	+ 3.2	139.1	- 1.3	102.7	- 3.9	97.4	- 3.4	106.0	- 4.2
June	136.3	- 7.3	140.5	- 0.9	140.7	- 12.8	105.4	- 1.6	102.6	+ 0.8	107.2	- 2.8
July	132.8	- 2.1	138.8	+ 1.7	134.4	- 4.5	107.2	- 3.7	93.2	- 4.8	115.9	- 3.0
Aug	125.4	+ 0.2	128.9	+ 1.7	126.6	- 0.5	108.7	- 2.4	91.5	- 0.7	119.4	- 3.2
Sep P	128.8	- 7.1	134.7	- 2.9	127.6	- 11.1	114.4	- 3.6	106.0	- 3.9	119.7	- 3.3
	<b>from the domestic market</b>											
2003	94.6	± 0.0	95.0	+ 0.4	96.0	+ 1.4	89.9	- 5.0	86.3	- 6.2	92.1	- 4.4
2004	98.3	+ 3.9	100.4	+ 5.7	100.1	+ 4.3	87.2	- 3.0	83.0	- 3.8	89.8	- 2.5
2005	101.4	+ 3.2	103.6	+ 3.2	102.8	+ 2.7	91.1	+ 4.5	85.2	+ 2.7	94.7	+ 5.5
2006	110.9	+ 9.4	116.9	+ 12.8	110.5	+ 7.5	95.0	+ 4.3	92.2	+ 8.2	96.6	+ 2.0
2007	120.1	+ 8.3	127.2	+ 8.8	120.9	+ 9.4	97.7	+ 2.8	93.2	+ 1.1	100.4	+ 3.9
2007 Sep	120.7	+ 0.7	127.7	+ 4.1	119.1	- 3.6	105.5	+ 3.6	101.8	+ 1.3	107.7	+ 5.0
Oct	124.2	+ 4.7	131.4	+ 3.9	124.2	+ 7.1	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5
Nov	128.9	+ 8.5	139.7	+ 9.7	127.2	+ 9.8	102.8	- 0.3	102.4	- 3.5	103.1	+ 1.8
Dec	115.9	+ 8.5	114.9	+ 6.9	126.8	+ 12.5	87.6	- 0.2	83.1	+ 1.3	90.3	- 1.1
2008 Jan	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.8	98.0	+ 4.6	97.4	+ 6.1	98.4	+ 3.7
Feb	121.1	+ 4.8	128.7	+ 6.3	120.3	+ 4.1	101.9	+ 2.1	95.3	+ 3.9	106.0	+ 1.1
Mar	132.5	+ 3.6	140.8	+ 5.9	133.5	+ 2.5	105.9	- 0.7	103.8	+ 2.2	107.2	- 2.3
Apr	122.8	+ 5.4	131.1	+ 5.6	124.8	+ 6.8	93.2	- 0.1	95.4	+ 7.3	91.8	- 4.4
May	117.7	- 0.3	130.6	+ 2.3	114.9	- 2.0	88.9	- 4.1	88.1	- 1.5	89.4	- 5.6
June	122.3	- 1.1	133.3	+ 1.3	121.6	- 4.2	93.1	+ 0.6	93.8	+ 2.4	92.7	- 0.3
July	119.2	- 2.1	132.6	+ 2.4	115.0	- 6.3	92.8	- 3.9	86.4	- 3.7	96.8	- 4.0
Aug	115.2	+ 1.8	124.4	+ 2.2	112.5	+ 2.0	96.6	- 0.3	84.7	+ 1.2	103.9	- 1.0
Sep P	118.1	- 2.2	127.9	+ 0.2	113.9	- 4.4	101.8	- 3.5	99.8	- 2.0	103.1	- 4.3
	<b>from abroad</b>											
2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.2	- 4.5	113.8	+ 2.2
2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.5	+ 4.0	103.1	+ 3.9	118.4	+ 4.0
2005	124.7	+ 9.8	120.0	+ 7.0	128.5	+ 12.2	119.0	+ 5.8	105.0	+ 1.8	127.6	+ 7.8
2006	140.0	+ 12.3	137.3	+ 14.4	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.2
2007	159.1	+ 13.6	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3
2007 Sep	161.0	+ 12.6	155.9	+ 8.1	166.0	+ 15.8	147.9	+ 8.7	129.0	+ 6.1	159.6	+ 10.0
Oct	168.3	+ 17.2	152.9	+ 4.1	177.7	+ 24.6	166.3	+ 22.1	184.3	+ 44.2	155.0	+ 9.5
Nov	172.4	+ 18.5	154.0	+ 5.1	187.9	+ 28.5	140.4	+ 2.3	124.3	+ 2.4	150.5	+ 2.4
Dec	165.3	+ 14.5	138.0	+ 7.4	187.5	+ 18.4	125.3	+ 10.8	110.2	+ 12.1	134.8	+ 10.2
2008 Jan	164.3	+ 12.3	155.5	+ 5.3	173.0	+ 17.8	140.7	+ 3.1	120.1	+ 3.8	153.6	+ 2.7
Feb	165.0	+ 6.2	150.0	+ 2.1	176.0	+ 9.0	150.8	+ 2.0	115.6	- 0.1	172.8	+ 2.9
Mar	177.8	+ 6.5	166.9	+ 2.1	188.6	+ 10.0	149.1	- 0.4	128.9	+ 4.2	161.7	- 2.5
Apr	155.7	+ 4.4	150.9	+ 2.6	161.7	+ 5.5	133.8	+ 2.1	120.9	+ 4.3	141.9	+ 1.1
May	156.9	+ 0.8	154.8	+ 4.5	161.5	- 0.8	133.1	- 3.8	117.7	- 6.4	142.8	- 2.3
June	153.9	- 12.8	151.8	- 3.8	158.3	- 18.0	132.6	- 4.9	121.9	- 1.9	139.4	- 6.4
July	149.9	- 2.0	148.4	+ 0.6	152.3	- 3.3	139.2	- 3.1	108.2	- 6.7	158.5	- 1.6
Aug	138.1	- 1.3	136.0	+ 1.2	139.7	- 2.1	135.6	- 5.4	106.5	- 3.5	153.7	- 6.3
Sep P	142.2	- 11.7	145.4	- 6.7	140.3	- 15.5	142.4	- 3.7	119.6	- 7.3	156.6	- 1.9

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; from January 2006 on the basis of reports by enterprises with at least 50 em-

ployees, previously on the basis of the reports by enterprises with at least 20 employees. — ◦ 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.

## X Economic conditions in Germany

### 4 Orders received by construction \*

Adjusted for working-day variations ◦

Period	Germany					Western Germany 1					Eastern Germany 2				
	Total	Housing construction	Industrial construction 3	Public sector construction	Annual percentage change	Total	Housing construction	Industrial construction 3	Public sector construction	Annual percentage change	Total	Housing construction 4	Industrial construction 3	Public sector construction	Annual percentage change
2003	79.3	- 10.7	67.5	78.6	87.5	82.0	- 11.1	75.6	79.7	88.7	71.9	- 9.7	45.1	75.4	84.3
2004	74.3	- 6.3	61.3	72.8	84.2	76.9	- 6.2	70.5	74.5	83.8	67.2	- 6.5	35.8	67.7	85.3
2005	73.8	- 0.7	56.9	74.4	83.5	77.8	+ 1.2	66.5	78.0	84.8	62.6	- 6.8	30.5	64.2	80.2
2006	77.6	+ 5.1	59.4	81.3	84.9	82.1	+ 5.5	68.9	84.8	87.3	65.4	+ 4.5	33.1	71.1	78.6
2007	84.2	+ 8.5	56.1	90.0	95.1	89.7	+ 9.3	64.5	94.5	100.0	69.0	+ 5.5	33.1	76.8	82.2
2007 Aug	83.8	- 0.4	58.5	82.0	101.5	88.9	+ 0.9	69.0	86.1	104.8	69.6	- 4.7	29.7	70.3	92.7
Sep	93.7	+ 3.1	62.3	93.1	113.9	97.5	+ 3.0	70.1	96.4	116.2	83.3	+ 3.7	41.0	83.7	108.1
Oct	96.3	+ 25.7	56.7	96.8	120.4	104.0	+ 27.9	65.8	96.9	136.5	75.1	+ 18.1	31.6	96.4	78.9
Nov	77.2	+ 9.5	45.6	83.6	89.7	83.0	+ 11.6	53.3	84.8	99.7	61.3	+ 2.7	24.5	80.2	63.8
Dec	75.0	+ 6.7	51.6	82.7	80.8	78.7	+ 8.3	56.6	84.7	85.8	64.6	+ 1.1	38.0	76.6	68.0
2008 Jan	68.7	+ 14.7	41.5	87.2	64.9	75.0	+ 16.3	49.1	93.5	70.0	51.4	+ 9.4	20.5	68.9	51.6
Feb	65.4	+ 2.0	46.0	74.5	67.4	73.3	+ 8.4	54.2	84.1	72.9	43.8	- 19.6	23.3	46.7	52.9
Mar	95.1	+ 2.3	60.2	95.6	116.3	101.8	+ 2.5	68.6	101.8	123.0	76.5	+ 1.1	37.2	77.4	99.1
Apr	88.8	+ 1.0	53.0	102.3	95.9	96.4	+ 3.1	58.5	112.0	102.4	67.7	- 6.5	37.7	74.0	79.0
May	88.0	- 1.8	55.4	91.8	103.9	93.8	- 2.6	63.1	96.0	110.7	71.8	+ 0.8	34.1	79.7	86.1
June	100.1	+ 4.3	63.1	108.4	113.9	102.0	- 0.2	67.8	112.3	111.7	95.1	+ 20.5	50.2	97.0	119.8
July	98.3	+ 5.0	59.3	97.3	123.7	105.3	+ 4.5	67.4	104.3	130.7	78.8	+ 6.8	37.0	76.8	105.7
Aug	85.6	+ 2.1	53.1	93.1	97.4	87.3	- 1.8	60.3	93.9	96.8	80.9	+ 16.2	33.3	91.0	98.8

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. — 4 Not working-day adjusted.

### 5 Retail trade turnover \*

Adjusted for working-day variations ◦

Period	Retail trade 1										Memo item					
	of which: by enterprises' main product range 2										of which					
	Total		Food, beverages, tobacco		Cosmetic, pharmaceutical and medical products		Textiles, clothing, footwear and leather goods		Furniture and lighting equipments, domestic appliances, building materials		Retail trade plus retail sales of motor vehicles and motorcycles and sales of automotive fuel		Retail sales of motor vehicles 3			
2003 = 100	Annual percentage change		2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change		2003 = 100	Annual percentage change	
	Not adjusted	Price-adjusted										Not adjusted	Price-adjusted			
2002	100.6	- 1.6	- 1.4	98.3	+ 2.6	97.6	+ 3.5	105.7	- 5.0	100.8	- 7.9	100.0	- 0.8	- 0.8	98.1	+ 2.9
2003 4	100.1	- 0.5	- 0.5	100.2	+ 1.9	100.0	+ 2.5	100.1	- 5.3	100.2	- 0.6	100.2	+ 0.2	- 0.1	100.5	+ 2.4
2004	101.8	+ 1.7	+ 1.8	103.3	+ 3.1	99.9	- 0.1	103.5	+ 3.4	103.8	+ 3.6	102.0	+ 1.8	+ 1.5	102.5	+ 2.0
2005	103.7	+ 1.9	+ 1.4	106.3	+ 2.9	104.5	+ 4.6	105.5	+ 1.9	102.0	- 1.7	103.9	+ 1.9	+ 1.2	104.9	+ 2.3
2006 5	104.9	+ 1.2	+ 0.6	106.7	+ 0.4	107.2	+ 2.6	108.1	+ 2.5	105.8	+ 3.7	106.5	+ 2.5	+ 1.5	111.9	+ 6.7
2007 6	103.5	- 1.3	- 2.4	105.8	- 0.8	110.2	+ 2.8	110.0	+ 1.8	103.7	- 2.0	104.1	- 2.3	- 3.5	105.8	- 5.5
2007 Sep 6	101.5	+ 0.4	- 0.7	101.1	± 0.0	107.8	+ 5.2	121.3	+ 18.2	101.7	- 1.0	102.9	- 0.6	- 2.0	106.2	- 3.6
Oct	107.3	- 0.9	- 2.5	107.5	+ 2.6	114.4	+ 4.0	124.7	+ 0.4	108.6	- 4.7	108.5	- 1.7	- 3.5	113.3	- 4.2
Nov	108.7	- 1.0	- 3.1	106.4	+ 0.4	114.7	+ 3.1	112.4	- 1.9	111.8	- 5.8	109.5	- 3.0	- 5.3	112.7	- 10.3
Dec	123.5	- 5.7	- 7.5	120.4	- 4.5	124.9	- 1.7	134.8	- 2.8	126.3	- 10.1	119.2	- 7.3	- 9.1	103.2	- 17.6
2008 Jan	97.4	+ 3.8	+ 1.6	99.5	+ 0.3	109.4	+ 6.4	94.2	+ 4.7	94.6	+ 2.8	96.0	+ 7.0	+ 4.7	91.5	+ 19.9
Feb	94.0	+ 3.0	+ 0.3	98.0	+ 0.6	104.7	+ 4.3	87.9	+ 8.4	90.7	+ 0.6	95.0	+ 5.3	+ 2.6	97.7	+ 12.8
Mar	106.5	+ 0.5	- 2.2	110.3	+ 1.5	110.9	- 0.1	103.3	- 7.1	110.1	- 0.7	108.9	+ 0.9	- 1.8	116.5	+ 1.7
Apr	104.7	- 1.6	- 3.8	108.8	- 0.9	112.4	+ 1.9	112.7	- 11.0	104.2	- 0.9	106.6	- 0.8	- 3.2	112.2	+ 1.9
May	105.3	+ 3.9	+ 1.1	108.7	+ 1.6	108.0	- 0.8	119.4	+ 14.4	103.0	+ 3.5	107.3	+ 2.9	+ 0.1	110.7	- 3.1
June	100.7	+ 1.2	- 1.4	105.1	+ 1.3	109.0	+ 2.3	100.7	- 1.9	98.7	+ 0.1	102.6	- 0.7	- 3.4	107.4	- 6.3
July	103.5	+ 1.5	- 1.8	106.5	+ 0.4	113.5	± 0.0	106.7	+ 1.2	99.8	- 0.7	104.2	+ 0.5	- 3.6	104.8	- 8.1
Aug	103.3	+ 3.1	- 0.3	106.6	+ 3.9	107.8	+ 0.3	104.7	- 0.4	99.6	+ 0.8	102.6	+ 1.5	- 1.6	97.5	- 5.6
Sep	103.5	+ 2.0	- 0.9	102.2	+ 1.1	108.9	+ 1.0	123.1	+ 1.5	100.8	- 0.9	102.6	- 0.3	- 2.9	98.7	- 7.1

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 Figures for 2003 do not include Lower

Saxony. — 5 From January 2006 reporting population expanded annually to include new entities; statistical break in reporting population eliminated by chain-linking. — 6 From January 2007 figures are provisional in some cases revised, and particularly uncertain in recent months owing to estimates for missing reports.

X Economic conditions in Germany

6 Labour market \*

Period	Employment 1			Employees 1		Persons in employment 2		Short-time workers 4	Persons employed under employment promotion schemes 5,6	Persons undergoing vocational further training 6	Unemployment 6		Unemployment rate 6,7 in %	Vacancies, 6 thousands			
	Thousands	Annual change		Thousands	Annual percentage change	Mining and manufacturing sector	Construction 3				Thousands	Thousands			Thousands	Thousands	Annual change, thousands
		in %	Thousands														
<b>Germany</b>																	
2005	38,850	- 0.1	- 30	34,490	- 0.5	5,931	719	126	61	114	8	4,861	+ 480	11.7	413		
2006	39,095	+ 0.6	+ 245	34,703	+ 0.6	10 5,249	710	67	51	124	8	4,487	- 374	10.8	564		
2007	39,766	+ 1.7	+ 671	35,317	+ 1.8	5,301	714	68	42	131	8	3,776	- 711	9.0	621		
2007 Oct	40,394	+ 1.8	+ 718			5,364	728	36	44	142		3,434	- 650	8.2	609		
Nov	40,410	+ 1.7	+ 667	35,905	+ 1.8	5,361	723	37	43	147		3,379	- 617	8.1	577		
Dec	40,230	+ 1.5	+ 614			5,347	708	78	40	148		3,406	- 602	8.1	546		
2008 Jan	r 39,744	r + 1.7	r + 656			5,366	681	126	36	139		3,659	- 625	8.7	528		
Feb	r 39,772	r + 1.7	r + 650	r 35,370	r + 1.8	5,385	678	159	35	143		3,617	- 630	8.6	565		
Mar	r 39,917	r + 1.7	r + 655			5,402	684	156	35	148		3,507	- 617	8.4	588		
Apr	r 40,094	r + 1.5	r + 610			5,404	12 693	59	36	152		3,414	- 563	8.1	592		
May	r 40,258	r + 1.5	r + 593	r 35,756	r + 1.7	5,409	12 696	51	37	150		3,283	- 529	13 7.8	579		
June	r 40,355	r + 1.5	r + 595			5,422	12 703	50	39	149		3,160	- 528	7.5	596		
July	r 40,360	r + 1.5	r + 614			5,450	12 703	...	41	143		3,210	- 505	7.7	588		
Aug	r 40,446	r + 1.5	r + 591	36,038	+ 1.6	5,473	12 708	...	14 43	14 138		3,196	- 510	7.6	586		
Sep	15 40,724	15 + 1.4	15 + 552			5,485	...	...	14 44	14 151		3,081	- 463	7.4	585		
Oct	...	...	...			...	...	...	14 47	14 163		2,997	- 437	7.2	571		
<b>Western Germany °</b>																	
2005	.	.	.	.	.	5,214	529	101	12	76	8	3,247	+ 464	9.9	325		
2006	.	.	.	.	.	10 4,650	525	54	10	85		3,007	- 240	9.1	436		
2007	.	.	.	.	.	4,684	529	52	9	90		2,486	- 521	7.5	489		
2007 Oct	.	.	.	.	.	4,734	540	30	9	98		2,265	- 473	6.8	485		
Nov	.	.	.	.	.	4,732	536	30	9	100		2,225	- 448	6.7	460		
Dec	.	.	.	.	.	4,719	527	58	8	101		2,231	- 440	6.7	439		
2008 Jan	.	.	.	.	.	4,732	510	94	8	95		2,383	- 448	7.1	426		
Feb	.	.	.	.	.	4,749	507	117	8	98		2,347	- 451	7.0	453		
Mar	.	.	.	.	.	4,761	12 512	114	8	101		2,271	- 437	6.8	463		
Apr	.	.	.	.	.	4,761	12 520	47	7	105		2,216	- 395	6.6	465		
May	.	.	.	.	.	4,766	12 522	41	7	104		2,140	- 364	13 6.4	462		
June	.	.	.	.	.	4,777	12 526	40	7	102		2,074	- 354	6.2	481		
July	.	.	.	.	.	4,801	12 526	...	7	97		2,120	- 330	6.4	478		
Aug	.	.	.	.	.	4,819	12 529	...	14 7	14 94		2,109	- 335	6.3	474		
Sep	.	.	.	.	.	4,827	...	...	14 7	14 102		2,042	- 293	6.1	471		
Oct	.	.	.	.	.	...	...	...	14 7	14 112		1,990	- 275	6.0	460		
<b>Eastern Germany +</b>																	
2005	.	.	.	.	.	717	189	25	49	38	8	1,614	+ 16	18.7	88		
2006	.	.	.	.	.	10 599	185	13	42	39		1,480	- 134	17.3	129		
2007	.	.	.	.	.	617	185	16	33	42		1,291	- 190	15.1	133		
2007 Oct	.	.	.	.	.	630	189	6	34	44		1,169	- 177	13.6	124		
Nov	.	.	.	.	.	629	187	7	34	47		1,154	- 169	13.4	117		
Dec	.	.	.	.	.	628	181	20	32	47		1,176	- 162	13.7	106		
2008 Jan	.	.	.	.	.	634	172	33	28	45		1,276	- 178	14.9	102		
Feb	.	.	.	.	.	636	171	42	28	45		1,270	- 179	14.8	112		
Mar	.	.	.	.	.	641	12 172	42	27	47		1,236	- 180	14.4	125		
Apr	.	.	.	.	.	643	12 173	12	28	47		1,198	- 167	13.9	127		
May	.	.	.	.	.	644	12 174	10	29	46		1,143	- 165	13 13.4	117		
June	.	.	.	.	.	645	12 176	10	32	47		1,086	- 174	12.7	115		
July	.	.	.	.	.	649	12 178	...	34	46		1,090	- 175	12.8	110		
Aug	.	.	.	.	.	654	12 179	...	14 36	14 44		1,087	- 175	12.8	112		
Sep	.	.	.	.	.	658	...	...	14 38	14 48		1,039	- 170	12.2	114		
Oct	.	.	.	.	.	...	...	...	14 40	14 50		1,007	- 162	11.8	111		

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 Workplace concept; averages. — 2 Including active proprietors; monthly figures: end of month. — 3 The figures refer to the economic classifications "Site preparation" and "Building of complete constructions or parts thereof; civil engineering". — 4 Number within a given month. — 5 Employees involved in job creation schemes and structural adjustment measures (SAM). — 6 Mid-month level. — 7 Relative to the total civilian labour force. — 8 From January 2005,

unemployed persons including recipients of social assistance who are able to work. — 9 From January 2005, including offers of job opportunities. — 10 From January 2006, enterprises with at least 50 employees, previously enterprises with at least 20 employees. — 11 From January 2007, vacancies for seasonal workers are included only if they are based on non-specific employer requirements. — 12 Provisional up to adjustment to the figures of the annual overall survey. — 13 From May 2008, calculated on the basis of new labour force figures. — 14 Annualised data from the Federal Employment Agency based on information received so far. — 15 Initial preliminary estimate by the Federal Statistical Office.

X Economic conditions in Germany

7 Prices

Period	Consumer price index							Construction price index 2	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		HWWI Index of World Market Prices of Raw Materials 5		
	Total	of which				Energy 1	Services excluding house rents 3				House rents 3	Exports	Imports	Energy 6	Other raw materials 7
		Food	Other durable and non-durable consumer goods excluding energy 1 2												
	2005 = 100							2000 = 100							
	Index level														
2005	8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	8	110.7	98.8	102.4	101.4	139.5	105.4
2006	9	101.6	101.9	100.3	108.5	101.0	101.1	102.4	9	116.8	107.1	104.8	106.7	163.9	131.5
2007	10 11	103.9	105.9	101.7	112.8	103.9	102.2	109.3	119.1	118.2	106.7	108.0	166.6	143.7	
2006 Dec		102.4	102.7	100.9	106.7	103.1	101.6		117.8	110.8	105.6	106.1	148.7	136.3	
2007 Jan	10	102.4	104.1	101.2	108.3	101.8	101.6		117.8	110.6	105.8	105.4	133.2	138.8	
Feb		102.9	103.9	101.4	109.1	102.9	101.7	108.3	118.1	112.6	106.0	105.9	142.2	141.8	
Mar		103.1	103.7	101.7	110.7	102.8	101.8		118.4	112.7	106.2	106.5	147.7	145.5	
Apr	11	103.6	105.3	101.7	111.9	103.5	101.9		118.5	111.9	106.5	107.5	154.9	149.1	
May		103.6	104.7	101.6	112.5	103.5	102.0	109.1	118.9	112.6	106.7	107.8	154.7	150.5	
June		103.6	105.1	101.4	112.8	103.5	102.2		119.1	113.2	106.9	108.4	164.3	148.5	
July		104.2	105.0	101.2	113.8	105.2	102.3		119.0	117.8	106.9	108.7	172.7	146.2	
Aug		104.1	105.1	101.1	112.5	105.2	102.5	109.6	119.1	121.8	106.9	107.9	166.8	141.5	
Sep		104.2	105.8	101.8	114.0	104.3	102.5		119.3	126.7	106.9	108.5	177.4	142.9	
Oct	11	104.5	108.2	102.2	113.8	104.0	102.6		119.8	129.2	107.0	109.3	186.5	143.9	
Nov		105.0	109.7	102.4	118.2	103.8	102.7	110.3	120.8	130.2	107.0	110.1	202.1	137.5	
Dec		105.6	110.4	102.2	115.8	106.4	102.8		120.7	130.9	107.0	110.0	199.6	138.2	
2008 Jan		105.3	112.1	101.9	118.4	104.3	103.0		121.7	130.9	107.7	110.9	201.2	153.3	
Feb		105.8	112.0	102.3	118.8	105.3	103.1	111.5	122.6	131.6	108.3	112.1	210.6	163.1	
Mar		106.3	112.6	102.5	121.5	105.7	103.2		123.4	131.5	108.5	112.6	216.5	160.5	
Apr		106.1	113.0	102.6	122.6	104.2	103.3		124.7	126.8	108.8	113.6	225.1	157.7	
May		106.7	113.0	102.4	126.9	105.0	103.4	112.5	126.0	125.5	109.2	116.3	258.8	159.6	
June		107.0	113.1	102.3	129.3	105.3	103.5		127.1	126.4	109.8	118.1	278.3	162.8	
July		107.6	113.4	101.8	131.0	107.1	103.6		129.6	127.0	110.4	118.8	279.8	160.6	
Aug		107.3	112.9	102.2	127.1	107.0	103.7	114.0	128.8	124.6	110.0	117.9	254.8	156.4	
Sep		107.2	112.6	102.9	127.9	105.9	103.8		129.2	120.2	109.9	116.7	232.7	150.8	
Oct		107.0	112.8	103.2	124.9	105.6	103.9		...	...	...	...	180.2	133.3	
	Annual percentage change														
2005	8	+ 1.5	- 0.2	+ 0.5	+ 9.8	+ 0.7	+ 0.9	+ 1.2	8	+ 4.6	- 0.9	+ 1.3	+ 4.3	+ 37.6	+ 9.4
2006	9	+ 1.6	+ 1.9	+ 0.3	+ 8.5	+ 1.0	+ 1.1	+ 2.4	9	+ 5.5	+ 8.4	+ 2.3	+ 5.2	+ 17.5	+ 24.8
2007	10 11	+ 2.3	+ 3.9	+ 1.4	+ 4.0	+ 2.9	+ 1.1	+ 6.7		+ 2.0	+ 10.4	+ 1.8	+ 1.2	+ 1.6	+ 9.3
2006 Dec		+ 1.4	+ 3.1	+ 0.7	+ 3.1	+ 1.3	+ 1.2		+ 4.4	+ 9.3	+ 2.4	+ 2.2	- 2.2	+ 17.7	
2007 Jan	10	+ 1.7	+ 3.2	+ 1.3	+ 2.0	+ 2.1	+ 1.0		+ 3.2	+ 9.4	+ 2.4	+ 0.7	- 18.6	+ 15.6	
Feb		+ 1.8	+ 2.4	+ 1.3	+ 2.4	+ 2.2	+ 1.0	+ 7.3	+ 2.8	+ 9.0	+ 2.2	+ 0.8	- 11.6	+ 13.9	
Mar		+ 2.0	+ 2.6	+ 1.3	+ 3.7	+ 2.5	+ 1.0		+ 2.5	+ 7.5	+ 2.1	+ 0.9	- 9.7	+ 17.6	
Apr	11	+ 2.1	+ 3.5	+ 1.3	+ 1.9	+ 3.2	+ 1.0		+ 1.6	+ 5.8	+ 1.9	+ 0.5	- 12.9	+ 15.3	
May		+ 2.1	+ 2.2	+ 1.2	+ 2.1	+ 3.5	+ 1.0	+ 7.4	+ 1.9	+ 6.0	+ 1.8	+ 0.6	- 9.8	+ 11.9	
June		+ 1.9	+ 2.6	+ 1.3	+ 1.8	+ 2.7	+ 1.2		+ 1.7	+ 5.9	+ 2.0	+ 1.3	- 4.9	+ 14.2	
July		+ 2.1	+ 3.0	+ 1.6	+ 1.8	+ 2.9	+ 1.2		+ 1.1	+ 11.2	+ 1.6	+ 0.4	- 5.2	+ 7.8	
Aug		+ 2.2	+ 3.2	+ 1.6	+ 1.1	+ 3.1	+ 1.3	+ 6.4	+ 1.0	+ 10.9	+ 1.6	- 0.6	- 6.6	+ 5.4	
Sep		+ 2.7	+ 3.3	+ 1.7	+ 5.8	+ 3.3	+ 1.2		+ 1.5	+ 16.1	+ 1.6	+ 1.3	+ 14.2	+ 6.9	
Oct	11	+ 2.8	+ 6.3	+ 1.4	+ 6.1	+ 3.1	+ 1.2		+ 1.7	+ 19.7	+ 1.3	+ 2.3	+ 27.0	+ 3.5	
Nov		+ 3.2	+ 7.3	+ 1.5	+ 10.7	+ 3.1	+ 1.2	+ 6.2	+ 2.5	+ 17.9	+ 1.2	+ 3.5	+ 39.5	- 0.1	
Dec		+ 3.1	+ 7.5	+ 1.3	+ 8.5	+ 3.2	+ 1.2		+ 2.5	+ 18.1	+ 1.3	+ 3.7	+ 34.2	+ 1.4	
2008 Jan		+ 2.8	+ 7.7	+ 0.7	+ 9.3	+ 2.5	+ 1.4		+ 3.3	+ 18.4	+ 1.8	+ 5.2	+ 51.1	+ 10.4	
Feb		+ 2.8	+ 7.8	+ 0.9	+ 8.9	+ 2.3	+ 1.4	+ 3.0	+ 3.8	+ 16.9	+ 2.2	+ 5.9	+ 48.1	+ 15.0	
Mar		+ 3.1	+ 8.6	+ 0.8	+ 9.8	+ 2.8	+ 1.4		+ 4.2	+ 16.7	+ 2.2	+ 5.7	+ 46.6	+ 10.3	
Apr		+ 2.4	+ 7.3	+ 0.9	+ 9.6	+ 0.7	+ 1.4		+ 5.2	+ 13.3	+ 2.2	+ 5.7	+ 45.3	+ 5.8	
May		+ 3.0	+ 7.9	+ 0.8	+ 12.8	+ 1.4	+ 1.4	+ 3.1	+ 6.0	+ 11.5	+ 2.3	+ 7.9	+ 67.3	+ 6.0	
June		+ 3.3	+ 7.6	+ 0.9	+ 14.6	+ 1.7	+ 1.3		+ 6.7	+ 11.7	+ 2.7	+ 8.9	+ 69.4	+ 9.6	
July		+ 3.3	+ 8.0	+ 0.6	+ 15.1	+ 1.8	+ 1.3		+ 8.9	+ 7.8	+ 3.3	+ 9.3	+ 62.0	+ 9.8	
Aug		+ 3.1	+ 7.4	+ 1.1	+ 13.0	+ 1.7	+ 1.2	+ 4.0	+ 8.1	+ 2.3	+ 2.9	+ 9.3	+ 52.8	+ 10.5	
Sep		+ 2.9	+ 6.4	+ 1.1	+ 12.2	+ 1.5	+ 1.3		+ 8.3	- 5.1	+ 2.8	+ 7.6	+ 31.2	+ 5.5	
Oct		+ 2.4	+ 4.3	+ 1.0	+ 9.8	+ 1.5	+ 1.3		...	...	...	...	- 3.4	- 7.4	

Source: Federal Statistical Office; HWWI Index of World Market Prices. — 1 Electricity, gas and other fuels. — 2 Bundesbank calculation based on data provided by the Federal Statistical Office. — 3 Net rents. — 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. — 8 From

September 2005, increase in tobacco tax. — 9 From October 2006, increase in the prices of tobacco products. — 10 From January 2007, increase in the standard rate of VAT and in insurance tax from 16% to 19%. — 11 Introduction of university tuition fees in some federal states.

X Economic conditions in Germany

8 Households' income \*

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
	€ billion	Annual percentage change	€ billion	Annual percentage change	€ billion	Annual percentage change	€ billion	Annual percentage change	€ billion	Annual percentage change	€ billion	Annual percentage change	%
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	908.2	0.7	591.9	0.3	367.7	3.9	959.6	1.7	1,402.8	1.0	139.3	6.4	9.9
2003	908.3	0.0	589.0	- 0.5	378.3	2.9	967.2	0.8	1,431.8	2.1	147.2	5.6	10.3
2004	914.6	0.7	603.3	2.4	378.2	- 0.0	981.5	1.5	1,454.5	1.6	151.4	2.9	10.4
2005	912.3	- 0.2	602.7	- 0.1	378.6	0.1	981.3	- 0.0	1,481.4	1.8	156.7	3.5	10.6
2006	926.7	1.6	605.2	0.4	377.6	- 0.3	982.8	0.2	1,514.1	2.2	159.0	1.5	10.5
2007	958.2	3.4	623.4	3.0	372.6	- 1.3	996.1	1.4	1,540.9	1.8	167.1	5.1	10.8
2007 Q1	222.0	3.5	144.9	3.2	94.3	- 1.4	239.2	1.3	382.5	1.6	55.0	5.0	14.4
Q2	231.8	3.6	147.6	2.8	93.0	- 2.0	240.6	0.9	378.6	1.6	38.9	3.4	10.3
Q3	237.9	3.0	158.6	2.5	93.0	- 0.9	251.6	1.2	381.6	2.0	35.0	3.7	9.2
Q4	266.5	3.5	172.4	3.5	92.3	- 0.9	264.7	2.0	398.1	1.9	38.2	8.5	9.6
2008 Q1	231.0	4.0	149.5	3.2	94.1	- 0.2	243.6	1.8	393.3	2.8	58.6	6.6	14.9
Q2	240.8	3.9	152.1	3.1	93.5	0.5	245.6	2.1	389.4	2.9	42.1	8.1	10.8

Source: Federal Statistical Office; figures computed in August 2008. — \* 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 (overall economy)

Period	Index of negotiated wages 1								Memo item: Wages and salaries per employee 3	
	on an hourly basis		on a monthly basis				Basic pay rates 2			
			Total		Total excluding one-off payments					
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	100.0	2.0	100.0	1.9	100.0	2.1	100.0	2.1	100.0	1.5
2001	101.9	1.9	101.9	1.9	102.2	2.2	102.2	2.2	101.8	1.8
2002	104.7	2.7	104.6	2.7	104.6	2.3	104.6	2.3	103.2	1.3
2003	106.8	2.0	106.8	2.1	106.9	2.2	107.1	2.4	104.5	1.3
2004	108.0	1.2	108.2	1.3	108.3	1.3	108.8	1.6	105.1	0.6
2005	109.0	0.9	109.3	1.1	109.3	0.9	110.0	1.0	105.4	0.3
2006	110.2	1.0	110.7	1.3	110.2	0.9	110.9	0.9	106.4	0.9
2007	111.6	1.3	112.3	1.4	111.9	1.6	112.6	1.5	108.0	1.6
2007 Q2	104.5	1.8	105.2	2.0	103.8	1.4	112.2	1.4	105.0	1.8
Q3	114.4	1.5	115.2	1.7	114.9	1.7	113.2	1.7	107.1	1.3
Q4	124.8	1.1	125.6	1.2	125.9	1.8	113.5	1.8	118.2	1.7
2008 Q1	105.2	2.6	105.9	2.7	106.2	2.9	115.1	3.0	103.9	2.3
Q2	106.2	1.6	107.0	1.7	107.2	3.3	116.0	3.4	107.4	2.2
Q3	117.8	2.9	118.7	3.0	118.1	2.9	116.7	3.2	.	.
2008 Mar	105.3	2.9	106.0	3.0	106.4	3.0	115.2	3.1	.	.
Apr	105.7	1.9	106.4	1.9	106.7	3.2	115.6	3.3	.	.
May	106.6	0.3	107.4	0.4	107.6	3.7	116.0	3.6	.	.
June	106.4	2.7	107.2	2.8	107.4	3.1	116.4	3.1	.	.
July	137.9	2.2	139.0	2.3	138.9	2.6	116.7	3.2	.	.
Aug	108.3	4.2	109.1	4.3	107.7	3.0	116.7	3.1	.	.
Sep	107.1	2.6	107.9	2.7	107.8	3.1	116.8	3.2	.	.

1 Current data are normally revised on account of additional reports. — 2 Excluding one-off payments and covenants (capital formation benefits, special payments, such as annual bonuses, holiday pay, Christmas bonuses

(13th monthly salary payment) and retirement provisions). — 3 Source: Federal Statistical Office; figures computed in August 2008.



**XI External sector**
**1 Major items of the balance of payments of the euro area \***

€ million

Item	2005 r	2006 r	2007 r	2007 r	2008				
				Q4	Q1	Q2	June	July	Aug
<b>A Current account</b>	+ 13,029	+ 8,540	+ 37,835	+ 10,601	- 8,552	- 24,448	+ 2,241	+ 1,115	- 7,908
1 Goods									
Exports (fob)	1,221,930	1,391,477	1,506,697	394,035	388,996	403,555	135,851	141,024	119,629
Imports (fob)	1,174,936	1,371,678	1,449,188	383,704	390,537	397,377	133,258	138,763	126,109
Balance	+ 46,994	+ 19,799	+ 57,510	+ 10,330	- 1,540	+ 6,178	+ 2,593	+ 2,261	- 6,480
2 Services									
Receipts	403,790	438,799	488,258	126,221	115,727	125,679	43,983	46,529	44,844
Expenditure	365,624	394,682	435,065	115,047	103,862	109,949	37,468	40,119	40,874
Balance	+ 38,166	+ 44,118	+ 53,194	+ 11,175	+ 11,866	+ 15,731	+ 6,515	+ 6,410	+ 3,970
3 Income	+ 1,401	+ 23,779	+ 11,149	+ 9,382	+ 7,991	- 29,249	- 2,649	- 104	+ 1,937
4 Current transfers									
Transfers from non-residents	85,214	88,668	89,017	26,585	26,414	21,680	7,721	4,641	4,347
Transfers to non-residents	158,747	167,828	173,038	46,871	53,282	38,790	11,939	12,093	11,681
Balance	- 73,531	- 79,158	- 84,019	- 20,286	- 26,868	- 17,108	- 4,218	- 7,452	- 7,334
<b>B Capital account</b>	+ 11,395	+ 9,335	+ 13,980	+ 5,219	+ 6,123	+ 3,005	+ 536	+ 923	+ 520
<b>C Financial account (net capital exports: -)</b>	+ 10,760	+ 137,755	+ 29,436	- 73,188	- 4,407	+ 87,168	+ 13,781	- 5,690	- 27,131
1 Direct investment	- 207,427	- 156,661	- 90,424	+ 25,000	- 107,142	- 49,174	- 19,615	- 12,260	- 11,610
By resident units abroad	- 359,755	- 415,566	- 455,315	- 101,891	- 151,577	- 24,935	- 30,423	- 25,560	- 15,113
By non-resident units in the euro area	+ 152,327	+ 258,906	+ 364,892	+ 126,891	+ 44,434	- 24,239	+ 10,808	+ 13,300	+ 3,503
2 Portfolio investment	+ 129,177	+ 290,367	+ 137,750	- 73,197	+ 73,822	+ 34,335	+ 40,984	- 8,848	- 13,901
By resident units abroad	- 414,436	- 533,854	- 440,551	- 99,105	- 69,378	- 137,625	- 20,729	- 19,216	- 18,633
Equity	- 134,246	- 153,195	- 81,068	- 20,018	+ 44,390	- 30,828	- 8,085	- 6,035	+ 7,121
Bonds and notes	- 263,408	- 313,126	- 283,300	- 61,059	- 39,213	- 96,006	- 15,749	- 1,322	- 13,321
Money market instruments	- 16,781	- 67,531	- 76,184	- 18,027	- 74,553	- 10,792	+ 3,105	- 11,859	- 12,433
By non-resident units in the euro area	+ 543,612	+ 824,220	+ 578,302	+ 25,908	+ 143,200	+ 171,960	+ 61,713	+ 10,369	+ 4,732
Equity	+ 255,505	+ 299,915	+ 96,048	- 31,373	+ 46,067	- 20,704	- 5,960	+ 5,235	- 8,703
Bonds and notes	+ 234,956	+ 521,619	+ 446,381	+ 78,597	+ 78,300	+ 171,843	+ 48,397	+ 1,072	+ 34,692
Money market instruments	+ 53,153	+ 2,685	+ 35,871	- 21,317	+ 18,833	+ 20,822	+ 19,276	+ 4,062	- 21,257
3 Financial derivatives	- 17,302	+ 3,043	- 53,889	- 19,108	- 20,972	- 9,096	+ 3,529	+ 2,023	- 5,784
4 Other investment	+ 88,645	+ 1,886	+ 41,085	- 10,597	+ 54,959	+ 111,109	- 11,647	+ 15,050	+ 1,768
Eurosystem	+ 5,332	+ 29,099	+ 69,445	+ 33,417	+ 12,009	+ 50,709	+ 8,736	- 617	+ 3,242
General government	+ 5,350	+ 9,114	+ 6,366	- 7,502	+ 3,869	- 6,780	- 709	+ 11,532	- 529
MFIs (excluding the Eurosystem)	+ 86,858	- 24,897	+ 80,777	- 5,671	+ 65,230	+ 79,881	- 21,244	+ 8,003	+ 172
Long-term	- 44,716	- 51,597	- 110,280	- 42,178	- 47,182	- 49,383	- 19,191	- 22,288	- 16,966
Short-term	+ 131,576	+ 26,696	+ 191,059	+ 36,508	+ 112,412	+ 129,265	- 2,052	+ 30,291	+ 17,138
Other sectors	- 8,896	- 11,430	- 115,501	- 30,839	- 26,148	- 12,703	+ 1,570	- 3,869	- 1,117
5 Reserve assets (Increase: -)	+ 17,669	- 879	- 5,153	+ 4,713	- 5,074	- 7	+ 529	- 1,655	+ 2,396
<b>D Errors and omissions</b>	- 35,186	- 155,628	- 81,250	+ 57,369	+ 6,836	- 65,724	- 16,558	+ 3,652	+ 34,519

\* Source: European Central Bank.



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	Supplementary trade items 2	Services 3	Income	Current transfers		Total 4	of which Change in reserve assets at transaction value 5		
DM million											
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	- 28,696	+ 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	+ 424	+ 95,495	- 7,420	- 49,862	- 10,932	- 26,856	- 387	- 11,794	+ 6,032	+ 11,757	
2002	+ 42,976	+ 132,788	- 8,552	- 35,728	- 18,019	- 27,514	- 212	- 38,448	+ 2,065	- 4,316	
2003	+ 41,398	+ 129,921	- 11,142	- 34,497	- 15,067	- 27,817	+ 311	- 61,758	+ 445	+ 20,049	
2004	+ 102,889	+ 156,096	- 16,447	- 29,341	+ 20,431	- 27,849	+ 435	- 122,984	+ 1,470	+ 19,660	
2005	+ 116,606	+ 158,179	- 13,761	- 24,914	+ 25,687	- 28,585	- 1,248	- 130,725	+ 2,182	+ 15,367	
2006	+ 141,490	+ 159,048	- 12,722	- 15,556	+ 37,616	- 26,895	- 175	- 151,113	+ 2,934	+ 9,798	
2007 r	+ 180,779	+ 195,348	- 9,430	- 16,427	+ 41,966	- 30,678	+ 224	- 235,930	- 953	+ 54,927	
2005 Q4	+ 32,712	+ 33,619	- 3,968	- 3,005	+ 9,404	- 3,337	+ 56	- 36,044	+ 1,916	+ 3,276	
2006 Q1	+ 30,284	+ 39,564	- 3,709	- 4,921	+ 9,538	- 10,188	+ 152	- 38,743	+ 1,082	+ 8,307	
Q2	+ 30,345	+ 34,873	- 2,508	- 1,752	+ 4,645	- 4,913	+ 11	- 66,246	+ 367	+ 35,890	
Q3	+ 29,418	+ 38,718	- 2,974	- 9,386	+ 11,201	- 8,141	- 236	- 20,662	+ 844	- 8,519	
Q4	+ 51,443	+ 45,892	- 3,530	+ 503	+ 12,231	- 3,653	- 102	- 25,462	+ 642	- 25,879	
2007 Q1 r	+ 45,289	+ 48,239	- 2,521	- 2,509	+ 13,007	- 10,927	+ 157	- 52,857	+ 100	+ 7,411	
Q2 r	+ 40,579	+ 48,183	- 2,232	- 1,973	+ 1,473	- 4,873	+ 419	- 85,581	- 1,359	+ 44,583	
Q3 r	+ 41,842	+ 50,181	- 2,560	- 9,708	+ 12,969	- 9,040	+ 317	- 22,243	- 347	- 19,915	
Q4 r	+ 53,070	+ 48,745	- 2,116	- 2,238	+ 14,518	- 5,840	- 669	- 75,249	+ 653	+ 22,849	
2008 Q1	+ 48,339	+ 50,582	- 2,304	- 1,483	+ 13,075	- 11,530	+ 518	- 66,298	- 1,165	+ 17,441	
Q2	+ 41,976	+ 52,974	- 2,692	- 3,738	- 264	- 4,305	+ 322	- 81,405	- 889	+ 39,107	
Q3 p	+ 34,460	+ 39,313	- 2,176	- 7,804	+ 13,010	- 7,883	- 288	- 16,351	+ 1,630	- 17,820	
2006 Apr	+ 10,522	+ 10,772	- 472	- 431	+ 2,888	- 2,236	- 144	- 23,608	+ 1,475	+ 13,230	
May	+ 6,589	+ 12,079	- 1,224	- 936	+ 2,238	- 1,091	- 277	- 23,197	- 1,067	+ 16,885	
June	+ 13,234	+ 12,022	- 812	- 385	+ 3,995	- 1,586	+ 432	- 19,441	- 41	+ 5,775	
July	+ 9,181	+ 12,527	- 1,383	- 2,523	+ 3,510	- 2,949	- 215	+ 7,068	- 332	- 16,034	
Aug	+ 7,611	+ 10,943	- 607	- 3,862	+ 3,483	- 2,347	+ 149	- 9,889	+ 698	+ 2,129	
Sep	+ 12,626	+ 15,248	- 984	- 3,001	+ 4,208	- 2,845	- 170	- 17,841	+ 478	+ 5,385	
Oct	+ 15,484	+ 16,962	- 1,159	- 992	+ 3,913	- 3,239	+ 5	+ 437	+ 401	- 15,927	
Nov	+ 17,705	+ 18,133	- 1,239	- 539	+ 4,075	- 2,725	- 75	- 15,702	- 102	- 1,928	
Dec	+ 18,254	+ 10,798	- 1,132	+ 2,034	+ 4,243	+ 2,311	- 32	- 10,197	+ 342	- 8,025	
2007 Jan r	+ 14,206	+ 16,177	- 890	- 2,493	+ 3,320	- 1,909	+ 244	- 1	- 458	- 14,448	
Feb r	+ 10,992	+ 13,952	- 694	- 288	+ 4,606	- 6,584	+ 18	- 26,790	+ 566	+ 15,780	
Mar r	+ 20,091	+ 18,110	- 937	+ 272	+ 5,080	- 2,433	- 106	- 26,065	- 8	+ 6,079	
Apr r	+ 13,016	+ 14,818	- 557	- 206	+ 898	- 1,938	+ 190	- 19,468	- 1,215	+ 6,262	
May r	+ 9,728	+ 16,889	- 1,210	- 1,435	- 3,739	- 777	+ 298	- 29,993	- 657	+ 19,968	
June r	+ 17,835	+ 16,476	- 465	- 331	+ 4,313	- 2,158	- 69	- 36,120	+ 513	+ 18,353	
July r	+ 14,872	+ 17,780	- 945	- 2,978	+ 4,011	- 2,997	+ 377	- 6,478	+ 121	- 8,771	
Aug r	+ 9,958	+ 14,183	- 779	- 4,810	+ 4,332	- 2,968	- 50	+ 2,663	- 21	- 12,571	
Sep r	+ 17,012	+ 18,218	- 836	- 1,920	+ 4,625	- 3,075	- 10	- 18,429	- 447	+ 1,426	
Oct r	+ 15,229	+ 18,851	- 761	- 2,413	+ 4,617	- 5,066	- 9	- 29,798	+ 309	+ 14,578	
Nov r	+ 21,306	+ 19,423	- 694	- 345	+ 4,627	- 1,705	- 220	- 23,107	+ 339	+ 2,021	
Dec r	+ 16,535	+ 10,472	- 662	+ 520	+ 5,274	+ 931	- 440	- 22,345	+ 5	+ 6,250	
2008 Jan	+ 14,686	+ 17,118	- 896	- 1,113	+ 3,088	- 3,511	+ 446	- 4,110	- 311	- 11,022	
Feb	+ 16,104	+ 16,888	- 626	+ 274	+ 4,595	- 5,027	+ 217	- 31,946	- 349	+ 15,624	
Mar	+ 17,549	+ 16,575	- 781	- 645	+ 5,392	- 2,993	- 146	- 30,242	- 504	+ 12,839	
Apr	+ 15,453	+ 18,790	- 723	- 118	- 634	- 1,862	- 64	- 14,213	- 1,089	- 1,176	
May	+ 7,656	+ 14,282	- 1,245	- 1,846	- 3,199	- 336	+ 407	- 29,696	+ 913	+ 21,633	
June	+ 18,867	+ 19,902	- 724	- 1,775	+ 3,569	- 2,106	- 21	- 37,496	- 713	+ 18,650	
July	+ 11,894	+ 13,764	- 768	- 2,549	+ 4,082	- 2,635	- 123	+ 2,258	+ 1,225	- 14,029	
Aug	+ 7,533	+ 10,579	- 946	- 3,796	+ 4,275	- 2,579	- 46	- 7,724	- 82	+ 238	
Sep p	+ 15,033	+ 14,970	- 463	- 1,459	+ 4,653	- 2,668	- 119	- 10,885	+ 487	- 4,029	

1 Special trade according to the official foreign trade statistics: imports cif, exports fob. From January 2007 onwards, excluding supplies of goods for/after repair/maintenance, which, up to December 2006, were deducted via supplementary trade items. — 2 Inter alia warehouse transactions for

the account of residents and deduction of goods returned. — 3 Excluding the expenditure on freight and insurance included in the cif import figure. — 4 Financial account balance including change in reserve assets. Capital exports: -. — 5 Increase: -. —

XI External sector

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

€ million

Country / group of countries		2005	2006	2007 r	2008					
					Jan / Aug	May	Jun	Jul	Aug	Sep P
All countries 1	Exports	786,266	893,042	965,236	673,820	80,663	88,284	86,996	75,667	87,139
	Imports	628,087	733,994	769,887	545,922	66,381	68,382	73,232	65,088	72,169
	Balance	+ 158,179	+ 159,048	+ 195,348	+ 127,899	+ 14,282	+ 19,902	+ 13,764	+ 10,579	+ 14,970
I European countries	Exports	581,611	657,325	726,518	506,093	61,177	66,266	64,541	55,887	...
	Imports	443,508	512,568	541,650	391,634	48,152	49,385	52,748	45,110	...
	Balance	+ 138,103	+ 144,757	+ 184,867	+ 114,459	+ 13,025	+ 16,881	+ 11,793	+ 10,777	...
1 EU member states (27)	Exports	505,716	564,864	623,837	432,009	52,373	56,453	54,787	47,139	...
	Imports	371,136	423,731	449,691	321,901	39,674	41,168	42,404	37,067	...
	Balance	+ 134,580	+ 141,133	+ 174,147	+ 110,108	+ 12,699	+ 15,285	+ 12,382	+ 10,072	...
Euro-area (15) countries	Exports	343,843	377,640	413,076	284,400	34,422	37,162	35,887	29,934	...
	Imports	249,043	285,758	298,225	214,609	26,473	27,159	28,946	24,206	...
	Balance	+ 94,800	+ 91,882	+ 114,851	+ 69,791	+ 7,949	+ 10,002	+ 6,940	+ 5,728	...
of which										
Austria	Exports	43,305	49,512	52,813	35,972	4,397	4,683	4,520	4,106	...
	Imports	26,048	30,301	32,091	22,324	2,774	3,023	2,909	2,536	...
	Balance	+ 17,256	+ 19,211	+ 20,722	+ 13,649	+ 1,623	+ 1,660	+ 1,611	+ 1,569	...
Belgium and Luxembourg	Exports	47,512	51,141	55,397	38,613	4,536	4,969	4,912	4,482	...
	Imports	31,426	36,263	39,455	29,595	3,716	3,901	3,924	3,625	...
	Balance	+ 16,085	+ 14,878	+ 15,942	+ 9,018	+ 820	+ 1,069	+ 988	+ 857	...
France	Exports	79,039	85,006	91,665	65,005	7,586	8,718	8,060	6,523	...
	Imports	53,700	62,102	62,873	45,099	5,296	5,662	6,395	4,576	...
	Balance	+ 25,339	+ 22,904	+ 28,792	+ 19,906	+ 2,290	+ 3,055	+ 1,665	+ 1,947	...
Italy	Exports	53,855	59,348	64,499	43,267	5,365	5,808	5,630	3,888	...
	Imports	36,348	41,470	44,694	31,053	3,953	4,024	4,386	3,154	...
	Balance	+ 17,507	+ 17,878	+ 19,805	+ 12,214	+ 1,412	+ 1,784	+ 1,245	+ 733	...
Netherlands	Exports	49,033	56,531	62,948	44,501	5,325	5,719	5,627	5,349	...
	Imports	51,823	60,750	61,951	47,515	5,923	5,741	6,164	6,074	...
	Balance	- 2,789	- 4,219	+ 997	- 3,013	- 598	- 23	- 537	- 726	...
Spain	Exports	40,018	41,775	47,631	31,209	4,011	3,968	3,951	2,770	...
	Imports	18,070	19,832	20,687	14,878	1,963	1,874	1,905	1,346	...
	Balance	+ 21,948	+ 21,943	+ 26,944	+ 16,331	+ 2,048	+ 2,094	+ 2,046	+ 1,425	...
Other EU member states	Exports	161,873	187,224	210,762	147,609	17,951	19,292	18,900	17,205	...
	Imports	122,093	137,973	151,465	107,293	13,201	14,009	13,458	12,861	...
	Balance	+ 39,780	+ 49,251	+ 59,296	+ 40,316	+ 4,750	+ 5,283	+ 5,442	+ 4,344	...
of which										
United Kingdom	Exports	60,394	64,726	69,760	46,503	5,268	6,024	6,332	5,139	...
	Imports	39,069	40,832	41,966	29,629	3,537	4,009	3,582	3,636	...
	Balance	+ 21,325	+ 23,895	+ 27,794	+ 16,874	+ 1,731	+ 2,015	+ 2,750	+ 1,503	...
2 Other European countries	Exports	75,895	92,461	102,680	74,084	8,804	9,812	9,754	8,748	...
	Imports	72,372	88,837	91,960	69,733	8,478	8,216	10,343	8,043	...
	Balance	+ 3,523	+ 3,625	+ 10,721	+ 4,351	+ 326	+ 1,596	- 589	+ 705	...
of which										
Switzerland	Exports	29,629	34,782	36,373	25,753	3,113	3,295	3,280	2,915	...
	Imports	22,620	25,227	29,822	20,661	2,529	2,654	2,965	2,112	...
	Balance	+ 7,009	+ 9,556	+ 6,551	+ 5,092	+ 584	+ 641	+ 315	+ 803	...
II Non-European countries	Exports	203,229	234,139	237,139	166,490	19,395	21,916	22,164	19,604	...
	Imports	183,940	220,745	227,569	153,807	18,171	18,940	20,419	19,918	...
	Balance	+ 19,289	+ 13,393	+ 9,570	+ 12,683	+ 1,223	+ 2,976	+ 1,745	- 314	...
1 Africa	Exports	14,807	16,617	17,575	13,051	1,576	1,707	1,786	1,582	...
	Imports	13,762	16,734	16,457	14,556	1,834	1,789	1,891	2,166	...
	Balance	+ 1,045	- 117	+ 1,118	- 1,505	- 258	- 82	- 104	- 585	...
2 America	Exports	91,994	104,154	100,769	68,546	7,862	9,295	8,646	8,154	...
	Imports	58,574	72,163	71,276	47,889	5,802	6,167	6,528	5,854	...
	Balance	+ 33,420	+ 31,991	+ 29,493	+ 20,656	+ 2,060	+ 3,128	+ 2,118	+ 2,300	...
of which										
United States	Exports	69,299	77,991	73,327	48,182	5,195	6,664	5,898	5,478	...
	Imports	41,798	49,197	45,993	30,289	3,618	3,938	4,079	3,565	...
	Balance	+ 27,501	+ 28,795	+ 27,334	+ 17,893	+ 1,577	+ 2,726	+ 1,820	+ 1,913	...
3 Asia	Exports	90,498	106,991	111,691	79,840	9,367	10,266	10,993	9,240	...
	Imports	109,304	128,942	136,411	89,528	10,304	10,769	11,775	11,570	...
	Balance	- 18,805	- 21,951	- 24,721	- 9,687	- 936	- 503	- 783	- 2,331	...
of which										
Middle East	Exports	20,420	22,978	23,709	17,135	1,873	2,161	2,383	1,932	...
	Imports	5,077	6,295	6,444	5,408	601	737	932	725	...
	Balance	+ 15,343	+ 16,682	+ 17,265	+ 11,728	+ 1,272	+ 1,424	+ 1,451	+ 1,207	...
Japan	Exports	13,338	13,886	13,022	8,623	1,018	1,057	1,103	981	...
	Imports	21,772	24,016	24,381	15,344	1,732	1,867	1,790	1,805	...
	Balance	- 8,434	- 10,130	- 11,359	- 6,721	- 714	- 810	- 687	- 825	...
People's Republic of China 2	Exports	21,235	27,478	29,902	22,615	2,834	3,133	3,214	2,558	...
	Imports	40,845	49,958	56,417	37,067	4,243	4,423	5,115	5,118	...
	Balance	- 19,610	- 22,479	- 26,515	- 14,452	- 1,410	- 1,289	- 1,901	- 2,560	...
Emerging markets in South-East Asia 3	Exports	27,538	31,619	32,284	22,589	2,592	2,765	3,144	2,601	...
	Imports	31,520	36,113	35,357	21,478	2,573	2,490	2,540	2,739	...
	Balance	- 3,982	- 4,494	- 3,073	+ 1,111	+ 19	+ 276	+ 604	- 137	...
4 Oceania and polar regions	Exports	5,930	6,377	7,104	5,053	590	648	739	629	...
	Imports	2,301	2,906	3,425	1,834	232	215	225	328	...
	Balance	+ 3,629	+ 3,471	+ 3,679	+ 3,219	+ 358	+ 433	+ 514	+ 301	...

\* 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. Excluding repair and maintenance operations from January 2007 onwards. — 2 Excluding Hong Kong. — 3 Brunei Darussalam, Hong Kong, Indonesia, Malaysia, Philippines, Republic of Korea, Singapore, Taiwan and Thailand.

4 Services and income of the Federal Republic of Germany  
(balances)

€ million

Period	Services							Other services			Compensation of employees <sup>5</sup>	Investment income
	Total	Travel <sup>1</sup>	Transportation <sup>2</sup>	Financial services	Patents and licences	Government services <sup>3</sup>	Total	of which				
								Services of self-employed persons <sup>4</sup>	Construction and assembly work, repairs			
2003	- 34,497	- 37,332	+ 1,833	+ 1,421	- 747	+ 5,088	- 4,761	- 1,836	+ 1,476	- 1,182	- 13,885	
2004	- 29,341	- 35,302	+ 3,870	+ 1,328	- 260	+ 5,349	- 4,325	- 1,363	+ 986	- 989	+ 21,420	
2005	- 24,914	- 36,317	+ 6,245	+ 1,678	- 474	+ 3,688	+ 267	- 1,636	+ 3,076	- 1,376	+ 27,063	
2006	- 15,556	- 32,771	+ 5,015	+ 2,229	- 1,446	+ 3,680	+ 7,737	- 1,807	+ 3,715	- 956	+ 38,572	
2007	- 16,427	- 34,331	+ 6,265	+ 2,987	- 1,709	+ 3,211	+ 7,151	- 1,994	+ 2,365	- 602	+ 42,568	
2007 Q1	- 2,509	- 5,479	+ 1,243	+ 734	- 756	+ 770	+ 979	- 350	+ 425	+ 335	+ 12,672	
Q2	- 1,973	- 8,213	+ 1,753	+ 786	- 189	+ 872	+ 3,019	- 463	+ 694	- 151	+ 1,624	
Q3	- 9,708	- 14,645	+ 1,721	+ 664	- 399	+ 839	+ 2,113	- 453	+ 729	- 640	+ 13,608	
Q4	- 2,238	- 5,994	+ 1,548	+ 803	- 365	+ 730	+ 1,040	- 729	+ 518	- 147	+ 14,665	
2008 Q1	- 1,483	- 5,824	+ 1,582	+ 1,014	- 428	+ 794	+ 1,380	- 427	+ 326	+ 316	+ 12,759	
Q2	- 3,738	- 8,128	+ 1,903	+ 685	- 190	+ 912	+ 1,081	- 336	+ 439	- 196	- 67	
Q3	- 7,804	- 14,916	+ 2,133	+ 624	- 602	+ 892	+ 4,065	- 320	+ 719	- 654	+ 13,664	
2007 Nov	- 345	- 1,577	+ 488	+ 64	+ 193	+ 238	+ 250	- 251	+ 129	- 74	+ 4,701	
Dec	+ 520	- 1,169	+ 438	+ 534	- 95	+ 227	+ 585	- 284	+ 122	- 17	+ 5,291	
2008 Jan	- 1,113	- 1,518	+ 403	+ 423	- 253	+ 241	- 409	- 178	+ 56	+ 100	+ 2,988	
Feb	+ 274	- 1,578	+ 711	+ 376	+ 56	+ 255	+ 455	- 125	+ 81	+ 107	+ 4,488	
Mar	- 645	- 2,728	+ 468	+ 215	- 232	+ 299	+ 1,334	- 125	+ 189	+ 109	+ 5,284	
Apr	- 118	- 1,917	+ 685	+ 273	- 225	+ 327	+ 740	- 118	+ 113	- 70	- 564	
May	- 1,846	- 2,902	+ 562	+ 209	+ 13	+ 316	- 44	- 107	+ 67	- 58	- 3,141	
June	- 1,775	- 3,310	+ 656	+ 204	+ 22	+ 268	+ 385	- 110	+ 258	- 68	+ 3,637	
July	- 2,549	- 4,728	+ 823	+ 251	- 441	+ 316	+ 1,230	- 140	+ 189	- 209	+ 4,291	
Aug	- 3,796	- 5,775	+ 588	+ 101	- 39	+ 272	+ 1,058	- 78	+ 280	- 231	+ 4,506	
Sep	- 1,459	- 4,414	+ 723	+ 272	- 121	+ 305	+ 1,776	- 102	+ 251	- 214	+ 4,868	

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	Total	Public <sup>1</sup>				Private <sup>1</sup>		
		Total	International organisations <sup>2</sup>		Other current transfers <sup>3</sup>	Total	Workers' remittances	Other current transfers
			Total	of which European Communities				
2003	- 27,817	- 17,791	- 14,962	- 13,265	- 2,829	- 10,026	- 3,332	- 6,694
2004	- 27,849	- 16,694	- 14,249	- 12,672	- 2,444	- 11,156	- 3,180	- 7,976
2005	- 28,585	- 17,609	- 16,266	- 14,689	- 1,343	- 10,976	- 2,926	- 8,050
2006	- 26,895	- 14,443	- 14,912	- 13,384	+ 469	- 12,452	- 2,927	- 9,525
2007	- 30,678	- 16,138	- 18,569	- 16,910	+ 2,432	- 14,541	- 3,005	- 11,536
2007 Q1	- 10,927	- 7,665	- 7,136	- 6,533	- 529	- 3,261	- 751	- 2,510
Q2	- 4,873	- 88	- 3,768	- 3,353	+ 3,680	- 4,785	- 751	- 4,034
Q3	- 9,040	- 5,720	- 5,509	- 5,213	- 211	- 3,320	- 751	- 2,568
Q4	- 5,840	- 2,665	- 2,156	- 1,810	- 508	- 3,175	- 751	- 2,424
2008 Q1	- 11,530	- 8,469	- 8,281	- 7,653	- 189	- 3,061	- 756	- 2,305
Q2	- 4,305	- 789	- 4,771	- 4,308	+ 3,981	- 3,515	- 756	- 2,759
Q3	- 7,883	- 4,830	- 4,420	- 3,999	- 410	- 3,052	- 756	- 2,296
2007 Nov	- 1,705	- 797	- 503	- 408	- 295	- 908	- 250	- 657
Dec	+ 931	+ 1,995	+ 1,934	+ 2,061	+ 61	- 1,064	- 250	- 813
2008 Jan	- 3,511	- 2,468	- 2,502	- 2,282	+ 34	- 1,043	- 252	- 791
Feb	- 5,027	- 3,985	- 3,653	- 3,342	- 332	- 1,042	- 252	- 790
Mar	- 2,993	- 2,017	- 2,126	- 2,029	+ 110	- 976	- 252	- 724
Apr	- 1,862	- 710	- 2,202	- 2,037	+ 1,492	- 1,152	- 252	- 900
May	- 336	+ 970	- 1,211	- 1,174	+ 2,181	- 1,306	- 252	- 1,054
June	- 2,106	- 1,049	- 1,357	- 1,097	+ 309	- 1,057	- 252	- 805
July	- 2,635	- 1,569	- 1,442	- 1,250	- 127	- 1,067	- 252	- 815
Aug	- 2,579	- 1,607	- 1,393	- 1,265	- 214	- 972	- 252	- 720
Sep	- 2,668	- 1,654	- 1,585	- 1,484	- 69	- 1,014	- 252	- 762

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.

6 Capital transfers  
(balances)

€ million

Period	Total <sup>4</sup>	Public <sup>1</sup>	Private <sup>1</sup>
2004	+ 435	- 1,095	+ 1,529
2005	- 1,248	- 3,419	+ 2,172
2006	- 175	- 1,924	+ 1,749
2007	+ 224	- 2,037	+ 2,261
2007 Q1	+ 157	- 292	+ 448
Q2	+ 419	- 328	+ 747
Q3	+ 317	- 323	+ 640
Q4	- 669	- 1,095	+ 426
2008 Q1	+ 518	- 271	+ 789
Q2	+ 322	- 363	+ 684
Q3	- 288	- 365	+ 77
2007 Nov	- 220	- 498	+ 277
Dec	- 440	- 487	+ 47
2008 Jan	+ 446	- 107	+ 553
Feb	+ 217	- 84	+ 302
Mar	- 146	- 80	- 65
Apr	- 64	- 122	+ 58
May	+ 407	- 111	+ 518
June	- 21	- 130	+ 109
July	- 123	- 148	+ 26
Aug	- 46	- 103	+ 57
Sep	- 119	- 113	- 6

**XI External sector**
**7 Financial account of the Federal Republic of Germany**

€ million

Item	2005	2006	2007	2007		2008			July	Aug	Sep
				Q4	Q1	Q2	Q3				
<b>I Net German investment abroad (Increase/capital exports: -)</b>	- 392,981	- 451,654	- 661,282	- 129,960	- 212,742	- 77,432	- 63,070	+ 12,914	- 15,728	- 60,256	
<b>1 Direct investment 1</b>	- 55,384	- 75,489	- 124,123	- 43,525	- 41,466	- 36,343	- 11,671	- 3,132	- 3,132	- 5,407	
Equity capital	- 24,715	- 56,876	- 47,152	- 23,674	- 15,833	- 22,619	- 7,752	- 3,787	- 1,571	- 2,394	
Reinvested earnings 2	- 19,039	- 24,252	- 30,193	- 8,725	- 9,012	- 6,902	- 11,093	- 3,274	- 3,797	- 4,022	
Other capital transactions of German direct investors	- 11,630	+ 5,638	- 46,778	- 11,126	- 16,622	- 6,822	+ 7,174	+ 3,929	+ 2,235	+ 1,009	
<b>2 Portfolio investment</b>	- 204,948	- 161,339	- 133,334	- 9,579	- 31,580	- 17,001	+ 17,807	- 1,047	+ 727	+ 18,126	
Shares 3	- 19,948	+ 6,982	+ 22,739	+ 6,713	+ 11,548	+ 12,411	+ 1,227	+ 1,889	- 824	+ 163	
Mutual fund shares 4	- 43,538	- 23,440	- 41,705	- 9,770	- 10,618	- 5,165	- 1,504	+ 542	- 1,129	- 918	
Bonds and notes 5	- 136,384	- 137,243	- 95,817	- 391	- 22,866	- 21,868	+ 12,327	+ 1,401	+ 752	+ 10,174	
Money market instruments	- 5,078	- 7,639	- 18,551	- 6,131	- 9,645	- 2,379	+ 5,756	- 4,880	+ 1,929	+ 8,707	
<b>3 Financial derivatives 6</b>	- 9,040	- 6,515	- 71,216	- 27,238	- 18,660	- 15,102	+ 3,020	- 4,934	- 1,426	+ 9,380	
<b>4 Other investment</b>	- 125,792	- 211,244	- 331,657	- 50,271	- 119,870	- 8,097	- 73,855	+ 20,802	- 11,816	- 82,841	
MFIs 7,8	- 85,773	- 207,632	- 224,809	- 10,426	- 79,555	+ 2,517	- 64,301	+ 7,491	+ 5,156	- 76,947	
Long-term	- 69,969	- 71,591	- 96,773	- 24,860	- 25,280	- 48,416	- 51,309	- 15,972	- 11,140	- 24,196	
Short-term	- 15,804	- 136,041	- 128,036	+ 14,435	- 54,275	+ 50,934	- 12,992	+ 23,463	+ 16,296	- 52,752	
Enterprises and households	- 21,118	- 29,169	- 49,497	- 12,237	- 23,029	+ 4,143	- 16,629	- 5,400	- 730	- 10,499	
Long-term	- 12,093	- 24,395	- 46,867	- 15,790	- 4,693	- 4,632	- 8,446	- 4,653	- 1,377	- 2,417	
Short-term 7	- 9,025	- 4,774	- 2,629	+ 3,553	- 18,335	+ 8,775	- 8,183	- 748	+ 647	- 8,083	
General government	+ 3,172	+ 1,068	+ 8,373	- 4,020	- 1,322	- 6,235	+ 11,496	+ 17,416	- 2,397	- 3,523	
Long-term	+ 7,711	+ 7,497	+ 257	+ 703	- 367	- 237	- 77	- 18	- 66	+ 6	
Short-term 7	- 4,539	- 6,428	+ 8,117	- 4,723	- 955	- 5,997	+ 11,573	+ 17,434	- 2,332	- 3,529	
Bundesbank	- 22,073	+ 24,488	- 65,724	- 23,588	- 15,963	- 8,523	- 4,422	+ 1,294	- 13,845	+ 8,128	
<b>5 Change in reserve assets at   transaction values (Increase:-)</b>	+ 2,182	+ 2,934	- 953	+ 653	- 1,165	- 889	+ 1,630	+ 1,225	- 82	+ 487	
<b>II Net foreign investment in Germany (Increase/capital imports: +)</b>	+ 262,256	+ 300,540	+ 425,352	+ 54,711	+ 146,444	- 3,973	+ 46,718	- 10,656	+ 8,004	+ 49,371	
<b>1 Direct investment 1</b>	+ 33,747	+ 43,977	+ 37,856	+ 4,067	+ 2,683	+ 5,899	+ 1,408	- 7,048	+ 1,636	+ 6,820	
Equity capital	+ 26,760	+ 25,297	+ 23,519	- 273	+ 2,340	+ 2,545	+ 283	- 160	- 27	+ 471	
Reinvested earnings 2	+ 1,797	+ 3,897	+ 6,167	+ 2,287	+ 4,648	+ 2,042	+ 1,831	- 567	+ 552	+ 1,847	
Other capital transactions of foreign direct investors	+ 5,190	+ 14,783	+ 8,170	+ 2,053	- 4,305	+ 1,312	- 706	- 6,320	+ 1,111	+ 4,503	
<b>2 Portfolio investment</b>	+ 174,012	+ 151,028	+ 267,893	+ 94,636	+ 7,729	+ 12,549	+ 21,153	+ 7,672	+ 10,979	+ 2,502	
Shares 3	+ 11,821	+ 20,715	+ 6,216	+ 7,515	- 25,789	- 46,089	- 12,364	- 4,433	- 5,815	- 2,116	
Mutual fund shares	+ 6,013	+ 8,381	+ 3,685	+ 519	- 1,459	+ 533	- 2,044	- 917	- 409	- 718	
Bonds and notes 5	+ 159,293	+ 124,745	+ 207,841	+ 70,317	+ 18,192	+ 47,511	+ 22,703	+ 8,811	+ 9,543	+ 4,348	
Money market instruments	- 3,115	- 2,813	+ 50,151	+ 16,285	+ 16,784	+ 10,594	+ 12,858	+ 4,211	+ 7,659	+ 987	
<b>3 Other investment</b>	+ 54,497	+ 105,536	+ 119,603	- 43,992	+ 136,032	- 22,421	+ 24,157	- 11,281	- 4,611	+ 40,049	
MFIs 7,8	+ 22,456	+ 60,515	+ 73,217	- 45,045	+ 97,752	- 30,290	+ 27,957	- 9,616	- 4,624	+ 42,197	
Long-term	- 9,830	- 11,881	- 14,197	- 11,148	- 2,883	+ 598	+ 8,003	- 711	+ 1,484	+ 7,230	
Short-term	+ 32,286	+ 72,397	+ 87,413	- 33,897	+ 100,635	- 30,888	+ 19,954	- 8,905	- 6,108	+ 34,967	
Enterprises and households	+ 30,568	+ 46,486	+ 36,865	+ 1,006	+ 21,656	+ 4,582	- 8,455	- 7,431	+ 3,252	- 4,275	
Long-term	+ 17,953	+ 27,526	+ 17,260	+ 6,838	+ 9,165	+ 456	+ 534	+ 907	- 10	- 363	
Short-term 7	+ 12,615	+ 18,961	+ 19,605	- 5,832	+ 12,491	+ 4,126	- 8,989	- 8,338	+ 3,261	- 3,912	
General government	+ 3,578	- 179	- 1,827	- 8,007	+ 7,491	+ 4,693	+ 1,682	+ 4,189	- 4,594	+ 2,087	
Long-term	+ 2,648	+ 862	- 1,551	+ 46	- 878	- 200	- 142	- 0	- 111	- 31	
Short-term 7	+ 929	- 1,040	- 276	- 8,054	+ 8,369	+ 4,893	+ 1,824	+ 4,189	- 4,483	+ 2,118	
Bundesbank	- 2,105	- 1,287	+ 11,349	+ 8,054	+ 9,133	- 1,406	+ 2,973	+ 1,578	+ 1,355	+ 40	
<b>III Financial account balance 9 (Net capital exports: -)</b>	- 130,725	- 151,113	- 235,930	- 75,249	- 66,298	- 81,405	- 16,351	+ 2,258	- 7,724	- 10,885	

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.

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				Loans and other claims on non- residents 3	Total	Liabilities arising from external trans- actions 4	Liabilities arising from liquidity Treasury discount paper		
		Total	Gold	Foreign currency balances 1	Reserve position in the Inter- national Monetary Fund and special drawing rights					Claims on the ECB 2 (net)	
1	2	3	4	5	6	7	8	9	10	11	
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 Eurosistem (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					
		Total	Gold and gold receivables	Reserve position in the Inter- national Monetary Fund and special drawing rights	Foreign currency reserves						
1	2	3	4	5	6	7	8	9	10		
1999 Jan 4	95,316	93,940	29,312	8,461	56,167	140	1,225	11	8,169	87,146	
1999	141,958	93,039	32,287	8,332	52,420	9,162	39,746	11	6,179	135,779	
2000	100,762	93,815	32,676	7,762	53,377	313	6,620	14	6,592	94,170	
2001	76,147	93,215	35,005	8,721	49,489	312	17,385	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	
2006	104,389	84,765	53,114	3,011	28,640	350	18,344	931	4,819	99,570	
2007	179,492	92,545	62,433	2,418	27,694	350	84,064	2,534	16,005	163,488	
2007 May	125,859	86,364	53,675	2,671	30,018	350	38,242	903	7,005	118,854	
June	116,754	84,846	52,809	2,666	29,370	350	30,616	942	6,137	110,617	
July	120,334	85,125	53,446	2,594	29,085	350	33,606	1,253	6,325	114,009	
Aug	144,630	85,469	53,554	2,594	29,321	350	57,148	1,664	6,257	138,373	
Sep	151,300	88,592	57,168	2,530	28,894	350	60,480	1,879	8,013	143,288	
Oct	171,237	90,168	59,549	2,475	28,144	350	78,473	2,246	10,159	161,077	
Nov	177,674	89,233	59,157	2,426	27,651	350	85,625	2,466	13,068	164,606	
Dec	179,492	92,545	62,433	2,418	27,694	350	84,064	2,534	16,005	163,488	
2008 Jan	208,663	99,028	68,255	2,398	28,376	350	106,706	2,580	21,032	187,632	
Feb	226,761	100,879	70,196	2,378	28,306	350	122,924	2,608	22,382	204,379	
Mar	198,070	95,103	65,126	2,335	27,642	350	100,029	2,588	24,919	173,151	
Apr	198,225	92,633	61,352	2,345	28,935	350	102,683	2,559	25,586	172,639	
May	200,042	92,387	62,311	2,518	27,558	350	104,777	2,528	24,450	175,592	
June	206,618	95,220	64,930	2,495	27,796	350	108,553	2,495	23,498	183,120	
July	203,949	93,722	64,108	2,468	27,146	350	107,259	2,617	25,121	178,827	
Aug	217,137	93,048	62,296	2,539	28,213	350	121,103	2,636	26,641	190,496	
Sep	215,889	99,936	68,808	2,623	28,504	350	112,975	2,628	26,756	189,133	
Oct	183,398	97,415	62,655	2,773	31,987	350	83,214	2,419	38,598	144,801	

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

XI External sector

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
<b>All countries</b>														
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
2006	450,228	117,723	332,505	190,300	142,205	134,057	8,148	624,790	95,019	529,771	408,907	120,864	79,900	40,964
2007 r	509,178	162,654	346,524	196,178	150,346	139,842	10,504	650,966	111,543	539,423	404,904	134,519	82,979	51,540
2008 Apr r	553,381	179,680	373,701	213,526	160,175	148,817	11,358	680,249	135,582	544,667	404,150	140,517	83,879	56,638
May r	552,107	177,607	374,500	213,653	160,847	149,190	11,657	680,972	139,955	541,017	400,044	140,973	83,577	57,396
June r	552,273	172,123	380,150	216,188	163,962	151,862	12,100	687,627	133,306	554,321	412,375	141,946	84,694	57,252
July r	556,795	176,186	380,609	218,651	161,958	149,371	12,587	677,506	133,482	544,024	402,097	141,927	83,552	58,375
Aug r	552,304	178,909	373,395	215,419	157,976	145,087	12,889	681,101	138,299	542,802	403,628	139,174	79,978	59,196
Sep	570,137	187,851	382,286	220,865	161,421	148,632	12,789	690,940	134,102	556,838	413,475	143,363	84,366	58,997
<b>Industrial countries <sup>1</sup></b>														
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
2006	396,649	115,269	281,380	174,784	106,596	100,541	6,055	570,675	93,560	477,115	389,770	87,345	66,210	21,135
2007 r	452,354	160,666	291,688	180,564	111,124	103,104	8,020	590,245	110,291	479,954	384,024	95,930	69,347	26,583
2008 Apr r	492,766	177,421	315,345	196,945	118,400	109,800	8,600	617,739	134,281	483,458	382,619	100,839	71,939	28,900
May r	491,042	175,110	315,932	196,670	119,262	110,522	8,740	617,870	138,617	479,253	378,259	100,994	71,618	29,376
June r	489,798	170,246	319,552	198,450	121,102	112,148	8,954	622,900	131,517	491,383	390,549	100,834	71,634	29,200
July r	493,311	174,228	319,083	200,983	118,100	108,963	9,137	612,069	131,703	480,366	380,338	100,028	70,271	29,757
Aug r	488,485	176,892	311,593	197,508	114,085	104,823	9,262	614,038	136,373	477,665	381,356	96,309	66,373	29,936
Sep	506,059	185,780	320,279	202,262	118,017	108,683	9,334	624,055	132,135	491,920	390,709	101,211	71,092	30,119
<b>EU member states <sup>1</sup></b>														
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
2006	308,720	108,982	199,738	121,929	77,809	72,902	4,907	479,025	86,343	392,682	332,871	59,811	45,202	14,609
2007 r	364,105	154,644	209,461	127,080	82,381	75,942	6,439	489,234	105,022	384,212	318,769	65,443	46,262	19,181
2008 Apr r	407,896	170,710	237,186	147,751	89,435	82,566	6,869	511,232	127,196	384,036	313,299	70,737	49,701	21,036
May r	405,889	168,391	237,498	147,195	90,303	83,319	6,984	519,574	131,121	388,453	317,304	71,149	49,838	21,311
June r	404,440	164,146	240,294	148,685	91,609	84,377	7,232	514,009	123,956	390,053	318,938	71,115	49,924	21,191
July r	407,328	167,743	239,585	150,327	89,258	81,875	7,383	510,345	124,330	386,015	315,107	70,908	48,950	21,958
Aug r	403,578	170,568	233,010	147,510	85,500	78,046	7,454	512,333	129,032	383,301	315,354	67,947	45,735	22,212
Sep	415,503	178,460	237,043	147,933	89,110	81,541	7,569	522,690	124,994	397,696	325,316	72,380	49,872	22,508
<b>of which: Euro-area member states <sup>2</sup></b>														
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
2006	207,868	77,056	130,812	79,901	50,911	47,614	3,297	369,648	38,878	330,770	292,178	38,592	28,340	10,252
2007 r	251,718	118,112	133,606	79,745	53,861	49,537	4,324	367,318	56,632	310,686	269,095	41,591	28,964	12,627
2008 Apr r	280,388	126,384	154,004	95,441	58,563	53,841	4,722	395,439	72,777	322,662	277,622	45,040	31,246	13,794
May r	283,666	128,565	155,101	95,934	59,167	54,332	4,835	397,142	74,904	322,238	277,676	44,562	30,548	14,014
June r	284,794	126,467	158,327	99,152	59,175	54,377	4,798	393,766	72,334	321,432	276,325	45,107	31,121	13,986
July r	286,500	129,962	156,538	99,028	57,510	52,553	4,957	393,124	71,844	321,280	276,316	44,964	30,840	14,124
Aug r	285,323	134,009	151,314	96,234	55,080	50,068	5,012	393,104	73,815	319,289	276,868	42,421	28,031	14,390
Sep	294,035	141,436	152,599	95,011	57,588	52,605	4,983	402,288	70,589	331,699	285,640	46,059	31,417	14,642
<b>Emerging economies and developing countries <sup>3</sup></b>														
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
2006	53,579	2,454	51,125	15,516	35,609	33,516	2,093	54,115	1,459	52,656	19,137	33,519	13,690	19,829
2007	56,824	1,988	54,836	15,614	39,222	36,738	2,484	60,721	1,252	59,469	20,880	38,589	13,632	24,957
2008 Apr	60,615	2,259	58,356	16,581	41,775	39,017	2,758	62,510	1,301	61,209	21,531	39,678	11,940	27,738
May	61,065	2,497	58,568	16,983	41,585	38,668	2,917	63,102	1,338	61,764	21,785	39,979	11,959	28,020
June	62,475	1,877	60,598	17,738	42,860	39,714	3,146	64,727	1,789	62,938	21,826	41,112	13,060	28,052
July	63,484	1,958	61,526	17,668	43,858	40,408	3,450	65,437	1,779	63,658	21,759	41,899	13,281	28,618
Aug	63,819	2,017	61,802	17,911	43,891	40,264	3,627	67,063	1,926	65,137	22,272	42,865	13,605	29,260
Sep	64,078	2,071	62,007	18,603	43,404	39,949	3,455	66,885	1,967	64,918	22,766	42,152	13,274	28,878

\* 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 XI.7. — 1 From

May 2004, including Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia; from January 2007, including Bulgaria and Romania. — 2 From January 2007, including Slovenia; from January 2008, including Cyprus and Malta. — 3 All countries that are not regarded as industrial countries.



11 ECB euro reference exchange rates of selected currencies \*

EUR 1 = currency units ...

Yearly or monthly average	Australia AUD	Canada CAD	China CNY 1	Denmark DKK	Japan JPY	Norway NOK	Sweden SEK	Switzerland CHF	United Kingdom GBP	United States USD
1999	1.6523	1.5840	.	7.4355	121.32	8.3104	8.8075	1.6003	0.65874	1.0658
2000	1.5889	1.3706	<sup>2</sup> 7.6168	7.4538	99.47	8.1129	8.4452	1.5579	0.60948	0.9236
2001	1.7319	1.3864	7.4131	7.4521	108.68	8.0484	9.2551	1.5105	0.62187	0.8956
2002	1.7376	1.4838	7.8265	7.4305	118.06	7.5086	9.1611	1.4670	0.62883	0.9456
2003	1.7379	1.5817	9.3626	7.4307	130.97	8.0033	9.1242	1.5212	0.69199	1.1312
2004	1.6905	1.6167	10.2967	7.4399	134.44	8.3697	9.1243	1.5438	0.67866	1.2439
2005	1.6320	1.5087	10.1955	7.4518	136.85	8.0092	9.2822	1.5483	0.68380	1.2441
2006	1.6668	1.4237	10.0096	7.4591	146.02	8.0472	9.2544	1.5729	0.68173	1.2556
2007	1.6348	1.4678	10.4178	7.4506	161.25	8.0165	9.2501	1.6427	0.68434	1.3705
2006 Nov	1.6684	1.4635	10.1286	7.4564	151.11	8.2446	9.1008	1.5922	0.67397	1.2881
2006 Dec	1.6814	1.5212	10.3356	7.4549	154.82	8.1575	9.0377	1.5969	0.67286	1.3213
2007 Jan	1.6602	1.5285	10.1238	7.4539	156.56	8.2780	9.0795	1.6155	0.66341	1.2999
2007 Feb	1.6708	1.5309	10.1326	7.4541	157.60	8.0876	9.1896	1.6212	0.66800	1.3074
2007 Mar	1.6704	1.5472	10.2467	7.4494	155.24	8.1340	9.2992	1.6124	0.68021	1.3242
2007 Apr	1.6336	1.5334	10.4400	7.4530	160.68	8.1194	9.2372	1.6375	0.67934	1.3516
2007 May	1.6378	1.4796	10.3689	7.4519	163.22	8.1394	9.2061	1.6506	0.68136	1.3511
2007 June	1.5930	1.4293	10.2415	7.4452	164.55	8.0590	9.3290	1.6543	0.67562	1.3419
2007 July	1.5809	1.4417	10.3899	7.4410	166.76	7.9380	9.1842	1.6567	0.67440	1.3716
2007 Aug	1.6442	1.4420	10.3162	7.4429	159.05	7.9735	9.3231	1.6383	0.67766	1.3622
2007 Sep	1.6445	1.4273	10.4533	7.4506	159.82	7.8306	9.2835	1.6475	0.68887	1.3896
2007 Oct	1.5837	1.3891	10.6741	7.4534	164.95	7.6963	9.1735	1.6706	0.69614	1.4227
2007 Nov	1.6373	1.4163	10.8957	7.4543	162.89	7.9519	9.2889	1.6485	0.70896	1.4684
2007 Dec	1.6703	1.4620	10.7404	7.4599	163.55	8.0117	9.4319	1.6592	0.72064	1.4570
2008 Jan	1.6694	1.4862	10.6568	7.4505	158.68	7.9566	9.4314	1.6203	0.74725	1.4718
2008 Feb	1.6156	1.4740	10.5682	7.4540	157.97	7.9480	9.3642	1.6080	0.75094	1.4748
2008 Mar	1.6763	1.5519	10.9833	7.4561	156.59	7.9717	9.4020	1.5720	0.77494	1.5527
2008 Apr	1.6933	1.5965	11.0237	7.4603	161.56	7.9629	9.3699	1.5964	0.79487	1.5751
2008 May	1.6382	1.5530	10.8462	7.4609	162.31	7.8648	9.3106	1.6247	0.79209	1.5557
2008 June	1.6343	1.5803	10.7287	7.4586	166.26	7.9915	9.3739	1.6139	0.79152	1.5553
2008 July	1.6386	1.5974	10.7809	7.4599	168.45	8.0487	9.4566	1.6193	0.79308	1.5770
2008 Aug	1.6961	1.5765	10.2609	7.4595	163.63	7.9723	9.3984	1.6212	0.79279	1.4975
2008 Sep	1.7543	1.5201	9.8252	7.4583	153.20	8.1566	9.5637	1.5942	0.79924	1.4370
2008 Oct	1.9345	1.5646	9.1071	7.4545	133.52	8.5928	9.8506	1.5194	0.78668	1.3322

\* Calculated from daily values; for additional euro reference exchange rates, see Statistical Supplement 5, Exchange rate statistics. — 1 Up to March 2005, ECB indicative rates. — 2 Average from 13 January to 29 December 2000.

12 Irrevocable euro conversion rates in Stage III of European Economic and Monetary Union

As of	Country	Currency	ISO currency code	Euro 1 = currency units ...
1999 January 1	Austria	Austrian schilling	ATS	13.7603
	Belgium	Belgian franc	BEF	40.3399
	Finland	Finnish markka	FIM	5.94573
	France	French franc	FRF	6.55957
	Germany	Deutsche Mark	DEM	1.95583
	Ireland	Irish pound	IEP	0.787564
	Italy	Italian lira	ITL	1,936.27
	Luxembourg	Luxembourg franc	LUF	40.3399
	Netherlands	Dutch guilder	NLG	2.20371
	Portugal	Portuguese escudo	PTE	200.482
	Spain	Spanish peseta	ESP	166.386
2001 January 1	Greece	Greek drachma	GRD	340.750
2007 January 1	Slovenia	Tolar	SIT	239.640
2008 January 1	Cyprus	Cyprus pound	CYP	0.585274
	Malta	Maltese lira	MTL	0.429300
2009 January 1	Slovakia	Slovak koruna	SKK	30.1260

XI External sector

13 Effective exchange rates of the Euro and indicators of the German economy's price competitiveness \*

1999 Q1 = 100

Zeit	Effective exchange rate of the Euro				Indicators of the German economy's price competitiveness								
	EER-22 1				EER-42 2		Based on the deflators of total sales 3				Based on consumer price indices		
	Nominal	In real terms based on consumer price indices	In real terms based on the deflators of gross domestic product 3	In real terms based on unit labour costs of national economy 3	Nominal	In real terms based on consumer price indices	22 selected industrial countries 4			36 countries 5 6	22 selected industrial countries 4	36 countries 5	56 countries 7
							Total	Euro-area countries	Non-euro-area countries				
1999	96.2	96.0	95.9	96.5	96.5	95.8	97.7	99.5	95.6	97.7	98.1	98.0	97.6
2000	87.0	86.4	85.8	85.5	87.9	85.8	91.5	97.0	85.1	91.0	92.8	91.8	90.8
2001	87.7	87.1	86.6	85.1	90.4	87.1	91.2	95.8	85.8	90.4	92.9	91.4	90.8
2002	90.1	90.4	89.7	88.0	94.9	91.0	92.0	95.0	88.4	91.0	93.6	92.0	91.9
2003	100.6	101.4	100.4	99.0	106.8	101.9	95.5	94.1	97.4	94.9	97.3	96.6	96.9
2004	104.4	105.1	103.4	102.9	111.2	105.7	96.0	93.0	100.0	95.3	98.8	98.2	98.6
2005	103.3	104.2	102.0	101.4	109.7	103.7	94.8	91.5	99.1	93.5	98.9	97.4	97.3
2006	103.6	104.6	101.9	100.9	110.0	103.4	93.9	90.0	99.1	92.4	99.1	97.2	96.8
2007	107.7	108.3	105.8	103.9	114.2	106.6	95.3	89.3	103.6 p	93.5	101.7	99.2	98.6
2005 Jan	106.2	106.9			113.2	107.1					99.8	98.7	99.1
2005 Feb	105.4	106.2			112.2	106.2	96.4	92.2	102.0	95.1	99.5	98.3	98.5
2005 Mar	106.2	107.0	104.7	104.2	113.1	107.0					99.9	98.6	98.9
2005 Apr	105.3	106.0			112.2	105.9					99.3	98.1	98.3
2005 May	104.3	105.2	102.5	102.0	110.9	104.8	94.9	91.6	99.4	93.8	99.1	97.9	97.8
2005 June	101.6	102.7			107.9	102.2					98.1	96.7	96.4
2005 July	102.2	103.1			108.2	102.3					98.3	96.8	96.4
2005 Aug	102.7	103.6	101.0	100.1	108.9	103.0	94.2	91.3	98.1	93.0	98.7	97.1	96.9
2005 Sep	102.1	103.0			108.4	102.5					98.7	97.0	96.8
2005 Oct	101.8	102.8			107.9	102.0					98.4	96.8	96.4
2005 Nov	101.1	102.1	100.0	99.3	107.0	101.0	93.5	90.9	97.0	92.2	98.2	96.4	95.9
2005 Dec	101.2	102.2			107.1	101.1					98.4	96.5	95.9
2006 Jan	101.8	102.7			107.7	101.4					98.4	96.5	95.9
2006 Feb	101.2	102.1	100.0	99.4	106.8	100.6	93.4	90.2	97.5	91.9	98.2	96.2	95.4
2006 Mar	101.9	103.0			107.6	101.4					98.4	96.4	95.7
2006 Apr	103.0	104.1			108.8	102.5					98.9	97.0	96.3
2006 May	104.0	104.9	102.1	101.6	110.5	103.9	94.1	90.1	99.4	92.6	99.1	97.3	97.0
2006 June	104.2	105.2			111.1	104.5					99.2	97.6	97.4
2006 July	104.5	105.5			111.3	104.6					99.3	97.7	97.4
2006 Aug	104.6	105.4	102.6	101.9	111.3	104.5	94.0	89.9	99.5	92.6	99.2	97.5	97.2
2006 Sep	104.4	105.2			111.1	104.2					99.0	97.2	97.0
2006 Oct	103.9	104.8			110.4	103.8					99.2	97.3	96.9
2006 Nov	104.5	105.4	102.7	100.6	111.2	104.3	94.1	89.7	100.1	92.5	99.8	97.6	97.3
2006 Dec	105.6	106.3			112.3	105.2					100.2	98.1	97.7
2007 Jan	104.9	105.7			111.5	104.4					100.3	98.1	97.6
2007 Feb	105.4	106.2	103.7	101.7	111.9	104.7	94.8	89.8	101.6	93.0	100.6	98.3	97.8
2007 Mar	106.1	106.8			112.8	105.4					100.7	98.4	98.0
2007 Apr	107.2	107.9			113.7	106.3					101.4	99.0	98.6
2007 May	107.3	107.9	105.3	103.6	113.6	106.1	95.3	89.6	103.3	93.5	101.5	99.0	98.4
2007 June	106.9	107.6			113.2	105.7					101.4	98.8	98.1
2007 July	107.6	108.1			113.9	106.3					101.8	99.1	98.5
2007 Aug	107.1	107.6	105.9	103.8	113.7	106.0	95.2	89.1	103.5 p	93.4	101.4	98.8	98.3
2007 Sep	108.2	108.8			114.8	107.0					102.1	99.4	98.9
2007 Oct	109.4	110.1			115.8	108.0					102.6	99.8	99.1
2007 Nov	111.0	111.7	108.4	106.3	117.6	109.6	96.0	88.7	106.2 p	93.9	103.7	100.9	100.3
2007 Dec	111.2	111.7			117.6	109.4					103.5	100.5	99.9
2008 Jan	112.0	112.3			118.3	109.9					103.6	100.6	99.9
2008 Feb	111.8	111.9	110.8	108.7	118.2	109.5	96.4	88.3	107.9 p	94.3	103.6	100.3	99.7
2008 Mar	114.6	115.0			121.5	112.8					104.6	101.5	101.2
2008 Apr	116.0	116.1			123.1	113.8					105.0	101.7	101.3
2008 May	115.5	115.5	113.8	112.3	122.4	113.0	97.4	88.1	110.8 p	95.1	104.9	101.4	100.9
2008 June	115.4	115.4			122.4	112.9					104.8	101.2	100.7
2008 July	115.8	115.5			122.8	113.0					105.1	101.2	100.7
2008 Aug	113.5	113.2	...	...	120.0	110.3	p	96.3 p	87.6 p	108.6 p	93.7	104.0	99.3
2008 Sep	111.6	111.2			118.3	108.6					102.9	99.3	98.6
2008 Oct	107.6	107.2			115.0	105.5					100.5	97.3	96.9

\* The effective exchange rate corresponds to the weighted external value of the currency concerned. The method of calculating the indicators of the German economy's price competitiveness is consistent with the procedure used by the ECB to compute the effective exchange rates of the euro (see Monthly Report, November 2001, pp 51-65, May 2007, pp 32-37 and May 2008, p 40). For details of the methodology see ECB, Monthly Bulletin, September 2004, pp 69-72 as well as the ECB's Occasional Paper No 2, which can be downloaded from the ECB's website (www.ecb.int). A decline in the figures implies an increase in competitiveness. — 1 ECB calculations are based on the weighted averages of the changes in the bilateral exchange rates of the euro against the currencies of the following countries: Australia, Bulgaria, Canada, China, Czech Republic, Denmark, Estonia, Hong Kong, Hungary, Japan, Latvia, Lithuania, Norway, Poland, Romania, Singapore, Slovakia, South Korea, Sweden, Switzerland, United Kingdom and United States. The weights used in these calculations during the period

shown are based on the trade in manufactured goods between 1999 and 2001 and reflect third-market effects. Where price and wage indices were not available, estimates were used. — 2 ECB calculations. This group includes not only the countries belonging to the EER-22 group (see footnote 1) but also Algeria, Argentina, Brazil, Chile, Croatia, Iceland, India, Indonesia, Israel, Malaysia, Mexico, Morocco, New Zealand, Philippines, Russian Federation, South Africa, Taiwan, Thailand, Turkey and Venezuela. — 3 Annual and quarterly averages. — 4 Euro-area countries (from 2001 including Greece, from 2007 including Slovenia, from 2008 including Cyprus and Malta) as well as the non-euro-area countries (Canada, Denmark, Japan, Norway, Sweden, Switzerland, United Kingdom and United States). — 5 Euro-area countries and countries belonging to the EER-22 group. — 6 Owing to missing data for the deflator of total sales, China is not included in this calculation. — 7 Euro-area countries and countries belonging to the EER-42 group (see footnote 2).



## 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 Bundesbank's website.

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

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### Financial Stability Review

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### Monthly Report

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For information on the articles published between 1990 and 2007 see the index attached to the January 2008 *Monthly Report*.

## Monthly Report articles

### December 2007

- Outlook for the German economy: macroeconomic projections for 2008 and 2009
- German enterprises' profitability and financing in 2006
- The current status of banks' internal risk management and the assessment of capital adequacy under the Supervisory Review Process

### January 2008

- The microstructure approach to exchange rate theory
- Integrated sectoral and overall balance sheets for Germany

### February 2008

- The economic scene in Germany around the turn of 2007-08

### March 2008

- German balance of payments in 2007
- Macroeconomic effects of changes in real exchange rates

### April 2008

- Ten years of monetary policy cooperation in the Eurosystem
- Price and volume effects of VAT increase on 1 January 2007
- Outlook for Germany's statutory pension insurance scheme

### May 2008

- The economic scene in Germany in spring 2008

### June 2008

- Outlook for the German economy – macroeconomic projections for 2008 and 2009
- The market for federal state bonds

### July 2008

- Recent developments in the international financial system
- Development and application of DSGE models for the German economy

### August 2008

- The economic scene in Germany in summer 2008

### September 2008

- The performance of German credit institutions in 2007
- Monetary growth and its determinants in recent years
- Liquidity risk management at credit institutions

### October 2008

- Germany's international investment position since the beginning of monetary union: developments and structure
- Development of tax revenue in Germany and current tax policy issues
- Financing constraints and capital accumulation: microeconomic evidence

### November 2008

- The current economic situation in Germany

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

- 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 1996<sup>2</sup>

Europäische Organisationen und Gremien im Be-  
reich von Währung und Wirtschaft, May 1997<sup>2</sup>

Die Zahlungsbilanz der ehemaligen DDR 1975 bis  
1989, August 1999<sup>2</sup>

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 2003<sup>2</sup>

Die Europäische Union: Grundlagen und Politik-  
bereiche außerhalb der Wirtschafts- und Wäh-  
rungsunion, April 2005<sup>2</sup>

Die Deutsche Bundesbank – Aufgabenfelder,  
rechtlicher Rahmen, Geschichte, April 2006<sup>2</sup>

European economic and monetary union,  
September 2005

## Special Statistical Publications \*

- 1 Banking statistics guidelines and customer clas-  
sification, July 2003<sup>3</sup>

2 Bankenstatistik Kundensystematik Firmenver-  
zeichnisse, June 2008<sup>2</sup>

3 Aufbau der bankstatistischen Tabellen,  
January 2000<sup>2,4</sup>

4 Financial accounts for Germany 1991 to 2007,  
June 2008<sup>4</sup>

5 Extrapolated results from financial statements  
of German enterprises 1994 to 2003, March  
2006<sup>4</sup>

6 Ratios from financial statements of German  
enterprises 2004 to 2005, February 2008<sup>4</sup>

7 Erläuterungen zum Leistungsverzeichnis für die  
Zahlungsbilanz, February 2005<sup>2</sup>

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

9 Securities deposits,  
August 2005

10 Foreign direct investment stock statistics,  
April 2008<sup>1,4</sup>

11 Balance of payments by region,  
August 2007

12 Technologische Dienstleistungen in der Zah-  
lungsbilanz, June 2008<sup>2</sup>

\* Unless stated otherwise, these publications are avail-  
able on the Bundesbank's website in German and Eng-  
lish.

o Not available on the website.

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 website, updated at half-yearly  
intervals. Only the sections "Monthly Balance Sheet Sta-  
tistics", "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 Available on the website only.

## Discussion Papers\*

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### Series 1

#### Economic Studies

15/2008

Foreign (in)direct investment and corporate taxation

16/2008

The global dimension of inflation – evidence from factor-augmented Phillips curves

17/2008

Global business cycles: convergence or decoupling?

18/2008

Restrictive immigration policy in Germany: pains and gains foregone?

19/2008

International portfolios, capital accumulation and foreign assets dynamics

20/2008

Financial globalization and monetary policy

21/2008

Banking globalization, monetary transmission and the lending channel

22/2008

Financial exchange rates and international currency exposures

23/2008

Financial integration, specialization and systemic risk

24/2008

Sectoral differences in wage freezes and wage cuts: evidence from a new firm survey

### Series 2

#### Banking and Financial Studies

13/2008

Systematic bank risk in Brazil: an assessment of correlated market, credit, sovereign and inter-bank risk in an environment with stochastic volatilities and correlations

14/2008

Regulatory capital for market and credit risk interaction: is current regulation always conservative?

15/2008

The implications of latent technology regimes for competition and efficiency in banking

16/2008

The impact of downward rating momentum on credit portfolio risk

17/2008

Stress testing of real credit portfolios

18/2008

Real estate markets and bank distress

19/2008

Stochastic frontier analysis by means of maximum likelihood and the method of moments

#### Banking legislation

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

2 Gesetz über das Kreditwesen, January 2008<sup>2</sup>

2a Solvabilitäts- und Liquiditätsverordnung, February 2008<sup>2</sup>

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

For footnotes, see p 79\*.