

## MONTHLY REPORT

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**Abbreviations and symbols**

<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	Data unknown, not to be published or not meaningful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 round- ing.	

## Commentaries

### Economic conditions

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#### Economy as a whole

Overall economic activity slowed down perceptibly following an exceptionally good start to 2008. Real GDP in the second quarter was down by a seasonally and calendar-adjusted 0.5% on the preceding three-month period, compared with an increase of 1.3% in the previous quarter. After adjustment for calendar effects, however, economic output was still 1.7% up on the figure for the corresponding period last year. The quarter-on-quarter decline was largely a technical reaction to the very high level of output that had been achieved earlier owing, not least, to various special factors. Adverse cyclical factors are, however, likely to have gained in significance towards the middle of the year.

*GDP in 2008  
Q2*

Private consumption showed a further decline in the second quarter despite a positive trend in the labour market and higher negotiated wages in this year's pay round. This was due mainly to the renewed surges in the cost of energy and persistently high food prices. The negative price climate led not only to a direct withdrawal of purchasing power, but also to continuing marked restraint in consumption. This was probably motivated by the concern about sustained losses in real income. The fact that the private saving ratio remained at the high prior-quarter level of 11.3% is consistent with this picture.

As expected, construction investment declined perceptibly in the second quarter after increasing very sharply at the beginning of

## Economic conditions in Germany \*

Seasonally adjusted

Period	Orders received (volume); 2000 = 100			
	Industry			Con- struction
	Total	Domestic	Foreign	
2007 Q4	136.0	116.1	160.9	80.9
2008 Q1	133.7	115.7	156.2	80.4
Q2	128.6	113.2	147.8	74.2
May	129.1	112.3	150.1	73.0
June	125.8	111.7	143.4	72.9
July	123.7	107.7	143.8	...
Output; 2000 = 100				
Period	Industry			Con- struction
	Total	of which		
		Inter- mediate goods	Capital goods	
2007 Q4	123.4	125.9	132.7	82.4
2008 Q1	125.3	128.2	135.3	88.5
Q2	123.3	126.2	133.9	81.2
May	122.3	126.0	131.5	82.5
June	122.9	125.4	133.7	80.5
July	120.4	124.6	128.7	78.9
Foreign trade; € billion				Memo item Current account balance € billion
Exports	Imports	Balance		
2007 Q4	248.79	194.42	54.37	49.82
2008 Q1	254.52	206.82	47.70	45.21
Q2	253.57	203.03	50.54	45.46
May	82.43	67.88	14.55	14.24
June	85.83	67.62	18.21	15.53
July	84.39	72.64	11.75	11.54
Labour market				
Period	Employ- ment	Vacancies	Un- employ- ment	Un- employ- ment rate in %
	Number in thousands			
2007 Q4	39,978	610	3,559	8.5
2008 Q1	40,186	582	3,389	8.1
Q2	40,267	565	3,293	7.9
June	40,283	567	3,260	7.8
July	40,320	559	3,240	7.7
Aug	...	557	3,200	7.6
Period	Import prices	Producer prices of industrial products	Con- struction prices <sup>1</sup>	Con- sumer prices
	2000 = 100			
2007 Q4	110.1	120.7	114.0	105.2
2008 Q1	112.3	122.6	115.3	105.8
Q2	115.7	125.6	116.6	106.6
June	118.2	126.9	.	107.0
July	118.5	129.4	.	107.3
Aug	...	128.8	.	107.2

\* Explanatory notes, see Statistical Section, X, and Statistical Supplement, Seasonally adjusted business statistics. — 1 Not seasonally adjusted.

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the year owing to the mild weather. Demand for machinery and equipment also eased in the second quarter following the marked build-up of capacity over the past two and a half years. Against a backdrop of exchange-rate-induced losses in earnings, surges in the cost of intermediate goods, and a sharp rise in wage costs, enterprises are being more cautious in making new acquisitions at present. While real exports of goods and services went down somewhat in the second quarter, the decline, given a reduction in inventory investment, was more pronounced in the case of imports.

The value of exports of goods was lower in July than in June, when a perceptible increase was recorded. This contrasted with a sharp rise in imports, which was due, not least, to the sharp price rise in the oil markets. The trade surplus went down by €6.4 billion to €11.8 billion. The surplus was also down in real terms.

*Foreign trade  
in July*

## Industry

Industrial output in July fell by a seasonally adjusted 2.0% on the month and was 0.3% down on the year. The way in which public holidays fell this year, with a comparatively large number of holidays in July, is likely to have generated some dampening effects in the reporting period, however. Furthermore, the decline in the production of motor vehicles, trailers and semi-trailers, at 6%, was particularly marked. This is a continuation of a development in this sector which had already begun in the second quarter following a sharp expansion in output at the start of

*Output*

the year. The other capital goods producers also incurred obvious losses in July.

*Orders received*

Orders received fell by a seasonally adjusted 1.7% in July, compared with a decline of 2.6% in June. While export orders – with the exception of a very small increase in May – started to pick up again somewhat (+0.8%) for the first time since November 2007, domestic orders recorded a sharp decline (3.6%). This mainly affected capital goods. Orders of motor vehicles, trailers and semi-trailers fell by as much as 11.4%. In addition to the high fuel prices, the debate about the reform of motor vehicle tax in Germany as well as the planned EU climate protection provisions are likely to have had a negative impact here.

### Construction

*Output and orders received*

Construction output fell by a seasonally adjusted 2.0% in July following what had been quite a sharp decline of 2.4% in June. At the end of the period under review, construction activity was down on the already low level of the previous year. General construction was affected less severely by the slowdown than civil engineering. Orders received in June remained at the depressed level of the previous month. One contributory factor in this was the reluctance of the public sector to place new orders; in the second quarter, public sector orders were 14% down on the first quarter.

### Labour market

The labour market situation has been tending to show further improvement. The seasonally adjusted number of persons in employment went up by 37,000 in July. The year-on-year rise was 1.4%. There was a very sharp growth in jobs subject to social security contributions. According to the estimates of the Federal Employment Agency, the increase in June was 2.2% compared with the same period last year. There was a distinct fall in the Ifo employment barometer, which reflects the situation in the production sector and in trade. There was also a further decline, albeit from a high level, in the number of job vacancies reported to the Federal Labour Agency.

*Employment*

Seasonally adjusted unemployment showed a marked fall to 3.20 million in August. The seasonally adjusted unemployment rate stood at 7.6%, compared with 7.7% in July. This represents a decline of 1.2 percentage points on the year. The number of unemployed persons receiving the basic allowance for job seekers has therefore fallen by around 100,000 since the beginning of the second quarter, compared with around 35,000 in the case of the statutory insurance scheme.

*Unemployment*

### Prices

Following the all-time high of US\$146<sup>3</sup>/<sub>4</sub> in the international crude oil markets on 11 July, prices initially fell sharply up to mid-August, at which point a barrel of Brent cost “just” US\$110<sup>1</sup>/<sub>2</sub>. This is likely to have been due, first, to a marked slowdown in the growth in

*International crude oil prices*

demand for oil in the industrial countries and to the expansion of production by the OPEC countries. Second, the short-term upward and downward fluctuations can also be seen as a sign of speculative exaggerations. This was followed by further supply-side risks for a time owing to the conflict in the Caucasus and the threat to the oil infrastructure in the Gulf of Mexico posed by hurricanes "Gustav" and "Ike". Given that the latter did not cause any major damage, the price went down to US\$93¾ at the end of the period under review. In the futures markets, a premium of US\$4¼ was charged for six-month deliveries; the figure for 18-month deliveries was US\$6¾.

*Import and  
producer prices*

Import prices in July showed a further sharp rise on the month at a seasonally adjusted 0.3%. At 9.3%, the year-on-year rate was 0.4 percentage point higher than in June. Excluding energy, the increase was 1.4%. The cost of domestically produced industrial goods in August was a seasonally adjusted 0.5% down on the month and 8.1% up on the year. Even if energy is excluded, there were distinct price increases on the year (3.4%).

*Consumer  
prices*

Seasonally adjusted consumer prices went down slightly in August after going up considerably in July. Fuel and heating oil became markedly cheaper, whereas the cost of gas and electricity increased. Seasonally adjusted food prices showed a comparatively sharp rise, while the prices of services went up only slightly. In the case of industrial goods, the longer survey period meant that some of the price rises which are usually recorded in Sep-

tember after the end of the summer sales were already effective in August. The year-on-year increase in the national consumer price index (CPI) fell from 3.3% to 3.1% in August. The corresponding figure for the Harmonised Index of Consumer Prices (HICP) was 3.3%, compared with 3.5% in July.

## Public finances<sup>1</sup>

### Statutory health insurance scheme

The statutory health insurance scheme recorded a small surplus in the second quarter of 2008. However, this constitutes a significant financial deterioration of almost €1 billion on the year. In the first quarter of 2008, the budgetary position was only just under €½ billion down on the figure for 2007. A rise in expenditure of 5% was accompanied by an overall increase in revenue of just over 2½%. Revenue from contributions rose by just over 3%. The total amount of income subject to contributions (basic wage total) increased by 2¾% and, at 14.87%, the average contribution rate was somewhat higher than last year (14.80%). The basic wage total fell short of gross wages and salaries (almost +4%) mainly as a result of the far slower increase in total pensions and the fact that growth in the number of employed persons has been offset by a decline in the recipients

*Significant  
financial  
deterioration  
in Q2*

<sup>1</sup> In the short report on public finances which regularly appears in the Monthly Report, the emphasis is on recent outturns. The quarterly Monthly Reports (published in February, May, August and November), by contrast, contain a detailed description of general government budget trends during the preceding quarter. For detailed statistical data on budgetary developments and public debt, see the statistical section of this report.



of unemployment benefit, for whom contributions are also paid. The Federal grant amounted to €1¼ billion, as in 2007.

*Strong expenditure growth*

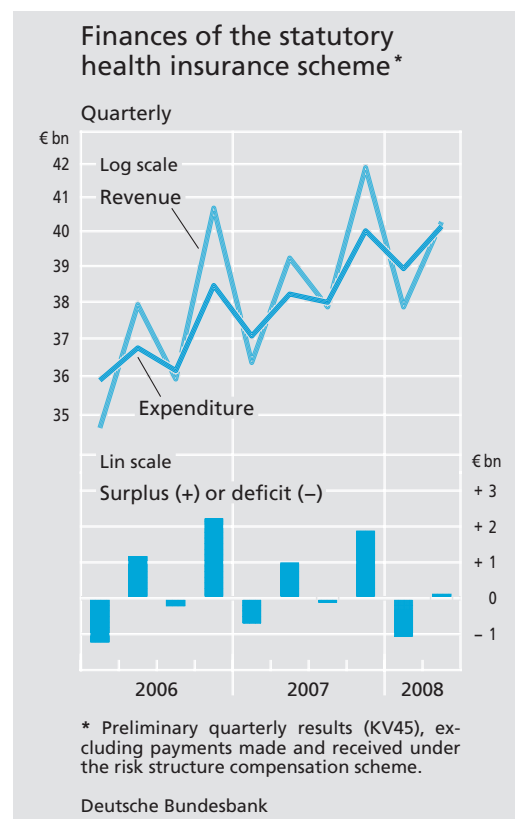
Spending on benefits rose by 5½% overall. At almost 4%, expenditure on hospital treatment, which alone accounts for one-third of the statutory health insurance budget, increased sharply again. Spending on pharmaceuticals went up by almost 7%, with the rise in the standard rate of VAT from 16% to 19% on 1 January 2007 now playing virtually no role in increasing expenditure. With an increase of almost 4½% or 9% respectively, outlays for outpatient treatment and sickness benefit also expanded significantly. Overall, spending on benefits grew at a much faster pace than revenue.

*Surplus not likely in 2008*

Owing to the ongoing favourable labour market situation, the relatively large negotiated wage increases and also the higher average contribution rate, the positive revenue trend is expected to continue into the second half of 2008. However, given the marked growth in expenditure, a surplus is highly unlikely in 2008. Although health insurance institutions' debts should have largely been eliminated and, in many cases, reserves should have already been built up again, the growing gap between the revenue base and spending on benefits is expected to put further pressure on the contribution rates and this could prove problematic.

*Considerably higher contribution rate expected for 2009*

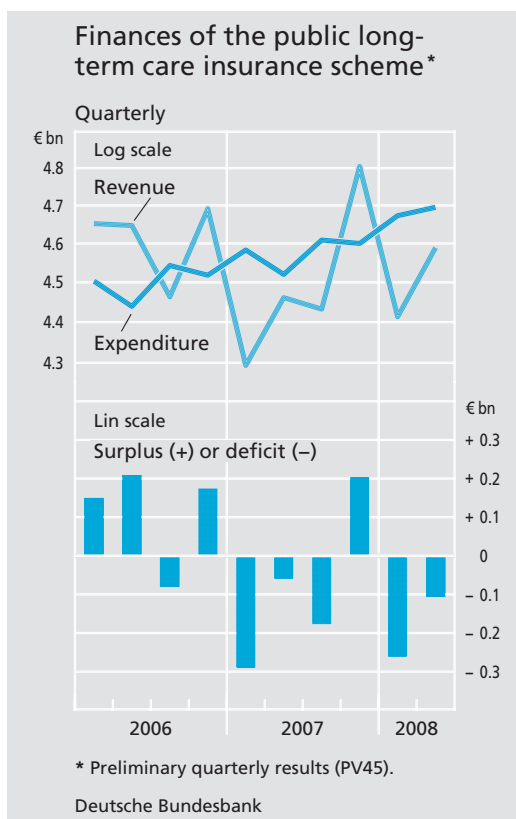
Furthermore, exceptional increases in expenditure are expected in 2009. In itself, the establishment of a health insurance fund on 1 January 2009 is hardly linked to any additional expenditure. However, there are new



arrangements for outpatient doctors' remuneration.<sup>2</sup> The agreement on the benchmarks for the remuneration of medical services, which was reached at the end of August, is likely to lead to additional expenditure of just over €2½ billion in 2009. Furthermore, a Federal Government legislative initiative envisages considerable additional financial resources for hospitals.<sup>3</sup> The planned increase

<sup>2</sup> Owing to budgeting, the price of a benefit has generally been determined up to now ex post. In the future, remuneration rates are to be determined ex ante, which means that extensions of the range of benefits provided will have a direct effect on the volume of expenditure. Possible spending growth is to be curbed by specifying standard benefit volumes. If these are exceeded, the remuneration rates are to be lowered progressively.

<sup>3</sup> Under the planned "Act establishing a regulatory framework for hospital financing" (*Gesetz zum ordnungspolitischen Rahmen der Krankenhausfinanzierung*), rises in personnel costs exceeding the basic wage trend, for example, will be reimbursed in part by the health insurance institutions.



in the Federal grant of €1.5 billion is not enough to offset the politically influenced cost increases. Consequently, the uniform contribution rate, which the Federal Government has to set by 1 November 2008, will have to be raised significantly above the current average rate of just over 14.9%. The uniform contribution rate initially aims to ensure that 100% of health insurance expenditure can be covered by the new health insurance fund. Future rate increases are envisaged only if there is a danger of the cover ratio falling below 95%.

### Public long-term care insurance scheme

The public long-term care insurance scheme recorded a small deficit in the second quarter of 2008, as it had done one year previously.

*Deficit at same level as in 2007*

While expenditure grew by nearly 4%, total revenue was almost 3% up on the year. As a result of the favourable employment trend and higher per capita earnings, employed persons' contributions rose by almost 4½%. By contrast, contribution payments made on behalf of recipients of unemployment benefit fell sharply again (-10%). Pensioners paid only just under 1% more to long-term care insurance institutions overall. On the expenditure side, the sharp increase in the funds required for non-financial benefits (+4½%) and slower growth in expenditure on financial benefits (+3%) continued. The deficit for the first six months of 2008 as a whole amounted to just over €¼ billion. At the end of June, the liquid reserves of the public long-term care insurance scheme amounted to just over €2¾ billion.

The nursing care reform entered into force on 1 July 2008 and the general contribution rate rose from 1.7% to 1.95% (plus, where applicable, the special contribution of 0.25% to be paid by the childless). The associated additional revenue will exceed the planned costly extension of benefits (notably, the dynamising of long-term care benefit rates<sup>4</sup> and additional benefits, eg for those suffering from dementia) in the coming years and will temporarily lead to surpluses as well as to a certain build-up of reserves. However, in the long term, it is foreseeable that the funda-

*Planned nursing care reform will not solve underlying funding problem*

<sup>4</sup> Following discretionary adjustments to the long-term care benefit rates planned for 1 July 2008, 1 January 2010 and 1 January 2012, the long-term care benefit rates are to be reviewed every three years from 2014 to establish whether they should be adjusted in line with cumulative price developments. If real wage and salary decreases occur, then benefit rates are to be adjusted at most in line with nominal increases in gross wages.

mental negatives in the public long-term care insurance scheme (declining number of contribution payers in employment, growing number of long-term care patients, and now also rising benefit rates) will far outweigh the additional revenue owing to rising per capita earnings. This means that contribution rates for this branch of the social security system are bound to rise in future.

## Securities markets

### Bond market

*Sales of debt securities*

Issuing activity in the German bond market increased slightly in July in comparison with June. Domestic bonds with a total value of €147.2 billion were issued in the German market, compared with €144.5 billion in June. After deducting redemptions and taking account of changes in issuers' holdings of their own bonds, net sales came to €11.3 billion, compared with €6.1 billion in the preceding month. The outstanding amount of foreign debt securities in the German market increased by €1.3 billion; on balance, this consisted exclusively of euro-denominated securities.

*Bank debt securities*

In the reporting month, German credit institutions alone saw inflows of new investible funds in the amount of €21.2 billion net from their bond market issues. Most activity was focused on the sale of other bank debt securities which can be structured especially flexibly (€21.2 billion). In addition, the outstanding volume of mortgage Pfandbriefe increased slightly (€2.0 billion), while paper

### Sales and purchases of debt securities

€ billion

Item	2007	2008	
	July	June	July
<b>Sales</b>			
Domestic debt securities <sup>1</sup>	1.3	6.1	11.3
<i>of which</i>			
Bank debt securities	8.4	- 3.2	21.2
Public debt securities	- 10.5	6.9	- 11.6
Foreign debt securities <sup>2</sup>	- 1.0	15.0	1.3
<b>Purchases</b>			
Residents	- 18.0	- 12.0	2.0
Credit institutions <sup>3</sup>	- 0.1	9.0	0.5
Non-banks <sup>4</sup>	- 17.9	- 21.0	1.5
<i>of which</i>			
Domestic debt securities	- 14.2	- 23.3	- 0.2
Non-residents <sup>2</sup>	18.3	33.0	10.6
<b>Total sales/purchases</b>	<b>0.2</b>	<b>21.1</b>	<b>12.6</b>

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

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issued by specialised credit institutions, some of which are guaranteed by the government, as well as public Pfandbriefe were redeemed on balance (€1.9 billion and €0.1 billion respectively).

Against the backdrop of a good cash balance situation, the public sector, by contrast, redeemed bond market liabilities to the net value of €11.6 billion in July. Central government reduced the outstanding volume of its own paper by €13.5 billion overall. This included the redemption of Treasury discount paper (Bubills) (€1.5 billion) and Federal savings notes (€0.1 billion); however, the repayment of a maturing large-volume ten-year bond issue worth €22.5 billion was the most significant factor. By contrast, central government issued thirty-year Federal bonds

*Public debt securities*

(Bunds), two-year Federal Treasury notes (Schätze) and five-year Federal notes (Bobls) worth a total of €10.3 billion and generated €0.2 billion through the first-time sale of “overnight bonds for private investors”. State governments raised €1.9 billion net in the capital market.

*Corporate bonds*

In the reporting month, German enterprises on balance preferred to incur long-term debt. They issued mainly bonds (€1.4 billion) while increasing the outstanding volume of short-term money market paper only slightly (€0.2 billion).

*Purchases of debt securities*

In July, debt securities were purchased on balance primarily by non-resident investors, who invested €10.6 billion in the German bond market. Domestic investors added German and foreign interest-bearing paper worth €2.0 billion to their portfolios. Of this amount, €1.5 billion was attributable to German non-banks and €0.5 billion to credit institutions.

### Equity market

*Sales and purchases of shares*

Issuing activity in the German equity market almost came to a standstill in July. New shares totalling only €0.2 billion were placed in the market; the majority of them were issued by listed enterprises. At the same time, the outstanding volume of foreign equities in the German market fell by approximately the same amount (€0.2 billion). German non-banks were the principal buyers (€7.0 billion), investing primarily in domestic equities (€5.6 billion). By contrast, in the reporting month, German credit institutions were predominant-

ly on the sellers’ side for both domestic and foreign equities (€3.0 billion). Foreign investors also sold German equities totalling €4.0 billion net.

### Mutual fund shares

In July, domestic mutual funds recorded a moderate inflow of €0.5 billion. Although investors withdrew capital (€0.3 billion) from mutual funds open to the general public and particularly from interest-bearing financial products (bond-based funds and money market funds), specialised funds reserved for institutional investors generated €1.4 billion. The assets managed by mixed funds in particular increased markedly (€9.2 billion), while mutual funds bought back shares in mixed securities-based funds worth a total of €7.6 billion. In July, resident non-banks were the sole purchasers of mutual fund shares (€3.1 billion), investing predominantly in German products (€2.8 billion). By contrast, German credit institutions and foreign investors sold share certificates for €1.8 billion net and €0.8 billion net respectively.

*Sales and purchases of mutual fund shares*

### Balance of payments

In July, the surplus on Germany’s current account – in unadjusted terms – fell to €11.8 billion and was thus down on the month by €7.1 billion. This was attributable mainly to a smaller trade surplus. There was also a rise in the deficit on invisible current transactions, which comprise services, income and current transfers.

*Current account*

## Foreign trade

According to provisional figures from the Federal Statistical Office, the foreign trade surplus in July decreased by €6.0 billion on the month to €13.9 billion. After adjustment for seasonal and calendar variations, it fell by €6.4 billion to €11.8 billion. The value of exports declined by 1.7% while the value of imports rose by 7.4%. Compared with the second-quarter average, seasonally adjusted nominal exports decreased slightly (-0.2%); in real terms, however, they recorded a greater decline. Imports rose by 7.3%; however, around one-third of this increase was caused by higher prices, especially for energy and other commodities.

## Invisibles

In July, the deficit on invisible current transactions grew to €1.3 billion compared with €0.3 billion in June. The expansion in the deficit on services by €0.8 billion to €2.6 billion, largely on account of the holidays, and the increase in net expenditure on current transfers by €0.6 billion to €2.7 billion both played a role in this development. By contrast, the income balance surplus increased to €4.0 billion, compared with €3.6 billion in the previous month.

 Portfolio  
investment

There were again net capital imports resulting from cross-border portfolio investment in July. However, at €6.7 billion, these were considerably lower than in June (€26.6 billion). The main reason for this decline was that non-resident investors purchased considerably fewer German securities (€5.8 billion) than in the previous month (€39.0 billion). Their net demand was for debt securities (€10.6 billion), primarily in the form of private sector bonds (€9.5 billion). By contrast, they dis-

 Major items of the balance  
of payments

€ billion			
Item	2007	2008	
	July r	June r	July
I Current account			
1 Foreign trade <sup>1</sup>			
Exports (fob)	81.3	88.3	87.1
Imports (cif)	63.2	68.4	73.2
Balance	+ 18.1	+ 19.9	+ 13.9
Memo item			
Seasonally adjusted figures			
Exports (fob)	80.6	85.8	84.4
Imports (cif)	63.9	67.6	72.6
2 Supplementary trade items <sup>2</sup>	- 0.9	- 0.7	- 0.8
3 Services			
Receipts	14.4	13.3	15.1
Expenditure	17.4	15.1	17.7
Balance	- 3.0	- 1.8	- 2.6
4 Income (net)	+ 4.0	+ 3.6	+ 4.0
5 Current transfers			
from non-residents	0.7	1.2	0.7
to non-residents	3.7	3.3	3.4
Balance	- 3.0	- 2.1	- 2.7
Balance on current account	+ 15.2	+ 18.9	+ 11.8
II Capital transfers (net) <sup>3</sup>	+ 0.4	- 0.0	- 0.1
III Financial account (net capital exports: -)			
1 Direct investment	- 8.3	- 16.5	- 11.4
German investment abroad	- 12.0	- 20.2	- 3.6
Foreign investment in Germany	+ 3.8	+ 3.7	- 7.8
2 Portfolio investment	+ 9.6	+ 26.6	+ 6.7
German investment abroad	- 1.0	- 12.4	+ 0.9
of which			
Shares	+ 3.2	+ 0.9	+ 1.6
Bonds and notes <sup>4</sup>	+ 0.1	- 10.3	+ 2.7
Foreign investment in Germany	+ 10.6	+ 39.0	+ 5.8
of which			
Shares	- 8.0	+ 9.3	- 3.9
Bonds and notes <sup>4</sup>	+ 12.3	+ 25.9	+ 6.7
3 Financial derivatives	- 8.4	- 0.4	- 4.9
4 Other investment <sup>5</sup>	+ 0.4	- 46.5	+ 9.5
Monetary financial institutions <sup>6</sup>	- 11.5	- 41.5	- 2.1
of which			
Short-term	- 10.4	- 11.2	+ 14.6
Enterprises and households	- 2.7	+ 9.1	- 12.9
General government	+ 17.4	- 9.4	+ 21.6
Bundesbank	- 2.8	- 4.7	+ 2.9
5 Change in the reserve assets at transaction values (increase: -) <sup>7</sup>	+ 0.1	- 0.7	+ 1.2
Balance on financial account <sup>8</sup>	- 6.5	- 37.5	+ 1.1
IV Errors and omissions	- 9.1	+ 18.7	- 12.8

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

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posed of shares (€3.9 billion) and mutual fund shares (€0.8 billion). In July, German investors reduced their foreign investment by €0.9 billion. Residents sold foreign shares (€1.6 billion) and mutual fund shares (€0.5 billion) and acquired debt securities issued by non-residents (€1.3 billion).

*Direct investment*

In the area of direct investment, there were net capital outflows in July (€11.4 billion, compared with €16.5 billion in June). This was due mainly to the withdrawal by foreign proprietors of €7.8 billion in funds from their German affiliates. These funds were largely repayments of loans previously granted by the foreign parent companies to their German subsidiaries. Foreign direct investment by German companies amounted to €3.6 billion in July.

In July, other statistically recorded investment comprising financial and trade credits (in as much as these do not constitute a part of direct investment) as well as bank deposits and other assets saw net inflows of €9.5 billion compared with outflows of €46.5 billion in the previous month. These were attributable to non-bank transactions (€8.7 billion). Capital imports by general government amounting to €21.6 billion – realised mainly through a reduction in short-term bank deposits abroad – were offset by capital exports by enterprises and households to the value of €12.9 billion. The banking system recorded inflows of €0.8 billion. While credit institutions experienced outflows of €2.1 billion, the Bundesbank registered inflows of €2.9 billion.

*Other investment by non-banks and ...*

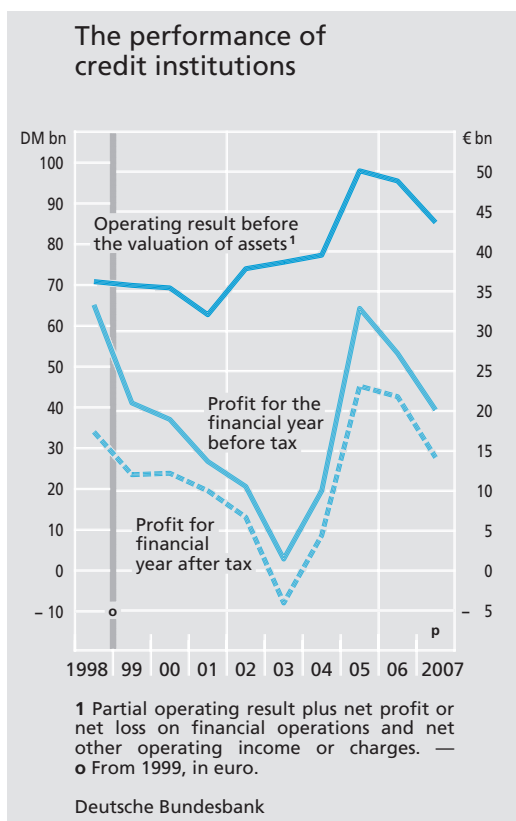
*... the banking system*

The Bundesbank's reserve assets declined – at transaction values – by €1.2 billion in July.

*Reserve assets*

## The performance of German credit institutions in 2007

The performance of German credit institutions in the financial year 2007 was shaped crucially by the financial market turbulence. This especially affected the group of special purpose banks, in which one institution carried out risk-shielding measures for its subsidiary. The financial market turmoil also clearly left its mark on the income statement of the Landesbanken, regional institutions of credit cooperatives, and big banks. By contrast, the performance of the regional banks, savings banks and credit cooperatives remained largely unaffected. In operational business, German banks as a whole benefited from a moderate increase in net interest received and, for almost all categories of banks, a rise in net commissions received. As in previous years, net interest received decreased only for the savings banks and credit cooperatives, who are both predominantly active in retail business, while their income from commission business continued to rise. On aggregate, however, a noticeable decline in the net result from own-account trading and from other operating income led to decreasing net income from operational business. The significant rise in valuation charges also posed an additional strain, leading to a fall in German banks' operating result in the reporting year.



## Net interest received

*Increase in net interest received ...*

In 2007, domestic credit institutions were once again able to increase their net interest received – ie the difference between interest income and expenses – by €2.4 billion to €91.5 billion. However, interest expenses went up by 22.0% to €327.4 billion and thus to a relatively greater degree than interest income (with a rise of 17.2% to €418.9 billion). The share of the interest result in operating income from net interest received and net commissions received as well as the result from own-account trading and net other operating income or charges increased by 4.7 percentage points to 72.9%. By contrast, the interest margin – calculated as net interest received in relation to the average balance sheet total – declined again, amounting to

1.12% in the reporting year, compared with 1.15% in 2006.

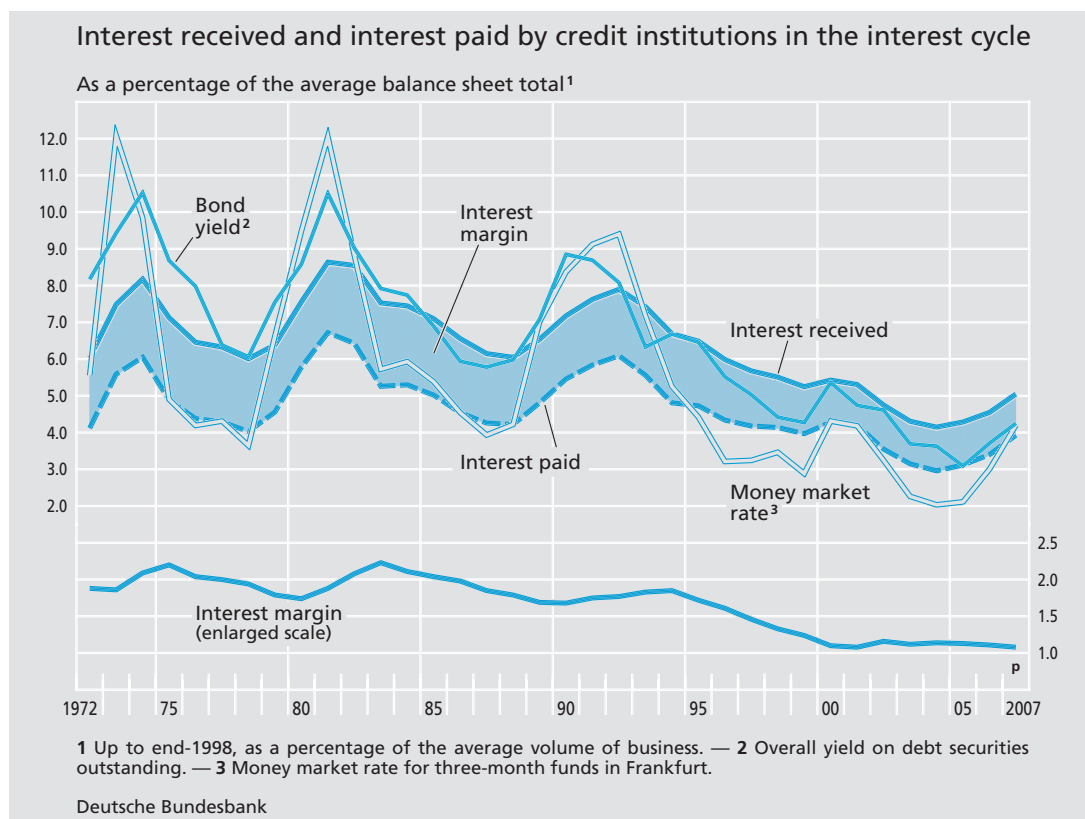
Among the individual categories of banks, it was especially the big banks that recorded a rise in net interest received. Their share of the total operating income therefore increased by 5.7 percentage points to 65.7% and was thus significantly above the average of the past ten years (57.1%). The banks more specialised in wholesale banking also reported a significant rise in net interest received. Landesbanken and regional institutions of credit cooperatives noticeably increased their net interest received. The category of regional banks also increased its net interest received last year, namely by 8.8%.

*... for big banks, Landesbanken and regional institutions of credit cooperatives ...*

By contrast, those categories of banks for which classical lending and deposit business is traditionally very important mostly had to accept another decline in net income from this area. In the case of credit cooperatives, net interest received declined by 3.6%, which was on a scale similar to the previous year. However, since other operating income decreased to a far greater degree, the share of interest business in operating income went up to 71.3%, compared with 65.2% in the previous year. The savings banks recorded an even more obvious year-on-year decline in their net interest received. It fell by 6.7% in the reporting year and was thus at its lowest level since 1993. The share of net interest received in operating income dropped by 2.6 percentage points to 75.1%, thus reaching its lowest level since 1968.

*... but not for savings banks and credit cooperatives*





## Net commissions received

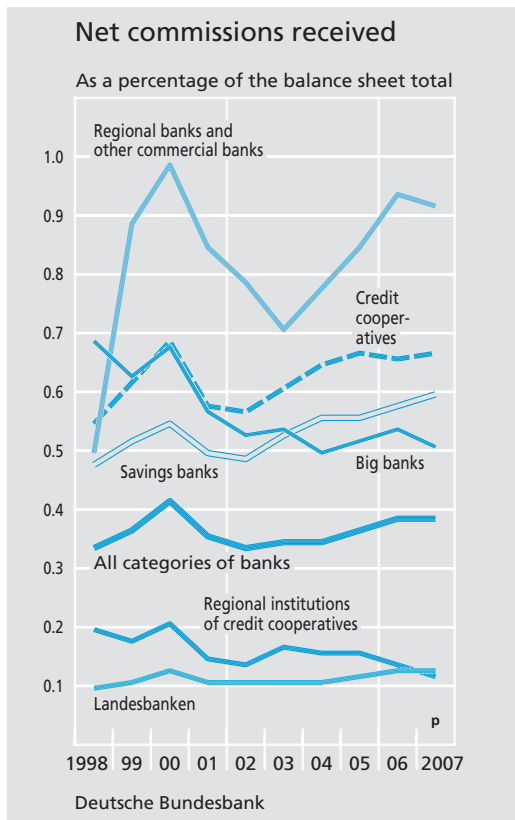
*Improvement  
in net  
commissions  
received*

German banks again boosted their net commissions received by 6.1% to €31.7 billion in 2007, after already achieving a very good result in the previous year. However, owing to the larger balance sheet, net commissions received as a percentage of the volume of business remained unchanged at 0.39%. The importance of net commissions received for the operational business of German credit institutions increased again perceptibly in the financial year 2007. The share of this item in operating income increased by 2.4 percentage points to 25.2%.

For the main part, the further improvement in net commissions received is likely to be due to the fact that the stock market climate was

still very positive in the first half of 2007. Overall, turnover in shares in the German stock markets rose by 45.3% in 2007. Except for the regional institutions of credit cooperatives, all categories of banks showed higher net commissions received – albeit to a varying extent. For example, commercial banks, in particular, increased their net commissions received by 7.6%, with big banks still accounting for the greatest part. However, a larger increase – in both percentage and absolute terms – was recorded by regional banks. In their case, the difference between commissions received and commissions paid went up by 12.7%. This increased the share of net commissions received in their operating income by 2.0 percentage points to 31.3%. By contrast, in the case of big banks, for which net commissions received traditionally make

*Higher net  
commissions  
received not  
only for  
commercial  
banks ...*



up a large part of the operating result, the share increased by only 1.1 percentage points to 30.5% in the reporting year.

As savings banks and credit cooperatives have been increasing their net commissions received since the beginning of the decade, this income component is now of some importance for them, too. Compared with the commercial banks, the continued growth for these two categories of banks was, however, rather moderate at 3.9% and 4.8% respectively. In the period under review, savings banks' net commissions received constituted 21.8% of operating income, compared with 20.3% in the previous year. For credit cooperatives, this ratio was 22.3% in the financial year 2007, which corresponds to a rise of 3.6 percentage points. The Landesbanken

... but for almost all categories of banks

also recorded a small growth in income from commission business, while the regional institutions of credit cooperatives sustained significant losses.

### Net profit or net loss on financial operations

In contrast to net commissions received, the overall net result from own-account trading was influenced less by the positive development in the stock markets in the first half of 2007. Instead, it was noticeably affected by write-offs and write-downs in the trading books in the wake of the financial market turbulence in the second half of the year. As a result, net income from German credit institutions' own-account trading decreased by €5.6 billion to -€1.1 billion in the financial year 2007.

Noticeable decrease in net profit on financial operations

In the reporting year, the big banks still recorded a surplus of €1.8 billion in own-account trading, even though write-offs and write-downs in their trading portfolio in the wake of the financial market turbulence led to a €1.2 billion decline in the net profit on financial operations. Thus, the share of own-account trading in operating income dropped by 3.4 percentage points to 4.7%. Landesbanken and regional institutions of credit cooperatives, whose financial operations generally also make a significant contribution to the profit, ended the financial year 2007 with losses in own-account trading, in fact: write-offs and write-downs in the wake of the financial market turbulence led to a decline of €0.9 billion to -€0.5 billion in the trading

Own-account trading, in fact, detrimental to profits of Landesbanken and regional institutions of credit cooperatives

## Relative significance of major income and cost items for individual categories of banks in 2007 \*

As a percentage of total surplus in operating business

Item	All categories of banks	Big banks	Regional banks	Landesbanken	Savings banks	Regional institutions of credit cooperatives	Credit cooperatives	Mortgage banks	Special purpose banks
Net interest received	72.9	65.7	67.9	91.6	75.1	112.7	71.3	85.2	78.3
Net commissions received	25.2	30.5	31.3	19.0	21.8	26.6	22.3	8.6	17.8
Net profit or net loss on financial operations	- 0.9	4.7	- 4.5	- 14.6	0.5	- 43.0	0.3	- 0.4	- 0.1
Net other operating income or charges	2.8	- 1.0	5.4	4.0	2.5	3.7	6.0	6.6	4.0
Total surplus in operating business	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
General administrative spending <i>of which</i>	- 65.0	- 68.1	- 61.2	- 61.3	- 69.5	- 89.1	- 70.5	- 36.0	- 38.3
Staff costs	- 35.5	- 36.8	- 28.6	- 31.7	- 40.7	- 49.2	- 42.1	- 17.1	- 21.7
Other administrative spending	- 29.4	- 31.2	- 32.6	- 29.6	- 28.8	- 39.9	- 28.3	- 18.9	- 16.6
Net income or net charges from the valuation of assets	- 18.7	- 7.5	- 10.3	- 17.9	- 15.6	- 40.6	- 14.6	- 28.4	- 176.6
Net other and extraordinary income or charges	0.0	16.7	- 12.1	- 14.1	- 1.4	- 3.7	0.5	- 27.1	- 13.1
<i>Memo item</i>									
Profit for the financial year before tax	16.3	41.1	16.3	6.7	13.5	- 33.4	15.5	8.5	- 127.9
Taxes on income and earnings	- 4.7	- 6.9	- 4.2	- 2.4	- 5.6	57.8	- 5.7	- 3.8	- 1.7
Profit for the financial year after tax	11.6	34.2	12.1	4.3	7.8	24.4	9.8	4.8	- 129.7

\* The figures should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year.

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result of regional institutions of credit cooperatives. In the case of the Landesbanken (according to the published annual reports), the valuation losses owing to the financial market turbulence as well as the losses arising from the stock trading of one institution contributed to a slump of €2.7 billion in the trading result to -€1.7 billion. Regional banks, for which own-account trading admittedly plays a rather subordinate role, also recorded a decline of their net profits on financial operations in the financial year 2007. By contrast, savings banks and credit cooperatives, for which the trading result is likewise of minor importance for operating income, were still able to benefit from slightly positive net income from own-account trading, even though it was somewhat lower than in the

previous year for these two categories of banks.

### Administrative spending

Domestic credit institutions' administrative spending, at €81.6 billion in the financial year 2007, was at much the same level as in 2006. Despite a small rise in the number of employees for the first time since 2000, German banks benefited from slightly declining staff costs. While other administrative spending – which mainly includes operating expenditure, expenditure on third-party services, and write-offs and write-downs of tangible fixed assets – went up by 4.1% to €37.0 billion, staff costs fell by 3.0% to €44.6 bil-

*Administrative spending largely stable overall*

**Structural data on German credit institutions \***

Category of banks	Number of institutions <sup>1</sup>			Number of branches <sup>1</sup>			Number of employees <sup>2</sup>		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
All categories of banks	2,088	2,042	2,012	41,362	38,490	37,976	672,500	662,200	662,650
Commercial banks	276	272	278	14,012	11,548	11,286	<sup>3</sup> 190,700	<sup>3</sup> 186,700	<sup>3</sup> 190,250
Big banks	5	5	5	11,446	8,879	8,568	.	.	.
Regional banks	183	176	174	2,495	2,596	2,628	.	.	.
Branches of foreign banks	88	91	99	71	76	90	.	.	.
Landesbanken	12	12	12	580	496	485	40,200	39,500	39,850
Savings banks	463	457	446	13,950	13,756	13,624	260,800	257,000	253,700
Regional institutions of credit cooperatives	2	2	2	11	11	11	4,950	4,900	4,900
Credit cooperatives	1,293	1,259	1,234	12,722	12,583	12,477	<sup>4</sup> 162,550	<sup>4</sup> 161,200	<sup>4</sup> 160,750
Mortgage banks	24	22	22	56	61	64	.	.	.
Special purpose banks	18	18	18	31	32	29	<sup>5</sup> 13,300	<sup>5</sup> 12,900	<sup>5</sup> 13,200
<i>Memo item</i>									
Building and loan associations	26	26	25	2,682	1,795	1,801	<sup>6</sup> 19,750	<sup>6</sup> 18,050	<sup>6</sup> 17,000

\* The figures for the most recent date should be regarded as provisional. — <sup>1</sup> Source: Bank office statistics, in Deutsche Bundesbank, Banking statistics, Statistical Supplement to the Monthly Report 1, p 104 (German edition). The term "credit institution" is used as in the Banking Act, resulting in divergences from data in "Balance sheet statistics" and "Statistics on the profit and loss account". — <sup>2</sup> Excluding Deutsche Bundesbank; sources: Data

provided by associations. Part-time employees are counted on a per capita basis. — <sup>3</sup> Employees in private banking, including mortgage banks established under private law. — <sup>4</sup> Only employees whose primary occupation is in banking. — <sup>5</sup> Employees in public mortgage banks (mortgage banks established under public law) and special purpose banks established under public law. — <sup>6</sup> Only office-based employees.

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lion, probably owing to declining variable and performance-related salary components.

financial year 2007, while other administrative spending increased.

*Especially staff costs ...*

Big banks' administrative spending decreased slightly by 0.5%, with the staff costs of this category of banks showing a decline while other administrative spending rose. The regional banks, however, recorded a rise in both staff costs and other administrative spending, which ultimately led to a noticeable 6.9% increase in their total administrative costs. By contrast, both the regional institutions of credit cooperatives and the Landesbanken lowered their total administrative spending in the reporting year 2007 by 8.7% and 5.2% respectively. Following a rise in staff costs in 2006, both categories of banks clearly reduced their staff costs again in the fi-

The banks active in retail business also recorded declining staff costs. However, in the case of the savings banks, the 3.0% fall in staff costs was more than offset by a 9.7% increase in other administrative spending, thus ultimately resulting in a 1.9% rise in overall administrative spending for this category of banks. In the case of the credit cooperatives, however, there was a fall not only in staff costs but also in other administrative spending, leading to an overall decline in administrative costs of 3.5%.

*... declining for almost all categories of banks*

## Net other operating income or charges

*Return to normal causes ...*

Having made an extremely positive contribution to profit in 2006, which was due to a one-off effect (corporation tax balances being shown as assets), net other operating income or charges returned to normal again in the reporting year. In 2007, it amounted to €3.5 billion, which was still slightly above the average of the years 2000 to 2005.

*... decline in net other operating income or charges*

After a sharp rise in 2006, particularly owing to the sale of participating interests, other operating income or charges of credit cooperatives went back down to its normal level in the financial year 2007 (€1.1 billion). The big banks, too, recorded a noticeable decline in other operating income or charges in the reporting year, whereas this item had boosted profits in 2006. According to the published annual reports, this was due mainly to the fact that, in the wake of the financial market turbulence, one big German bank recorded marked losses and write-downs on financial instruments in this income and charges category. In the case of the regional banks, however, net other income or charges had a positive effect on the operating result, even though this category of banks also had to cope with a slight decline here. For the Landesbanken, the extremely positive contribution made in the previous year was also followed by a noticeable return to normal in other operating income or charges from €1.0 billion to €0.5 billion. By contrast, net other operating income or charges of the regional institutions of credit cooperatives remained almost unchanged. Only the savings banks recorded a slight rise in this area.

## Cost/income ratios, by category of banks \*

As a percentage

Category of banks	General administrative spending in relation to ...		
	2005	2006	2007
... gross earnings <sup>1</sup>			
All categories of banks	67.9	68.5	66.2
Commercial banks	73.5	72.3	67.4
Big banks	80.8	77.2	70.7
Regional banks and other commercial banks	61.8	63.5	61.7
Branches of foreign banks	61.7	64.3	49.4
Landesbanken	59.7	62.5	55.4
Savings banks	67.1	67.2	71.7
Regional institutions of credit cooperatives	69.8	81.4	64.0
Credit cooperatives	73.6	76.6	75.2
Mortgage banks	37.1	39.6	38.3
Special purpose banks	36.4	38.3	39.8
... income from operating business <sup>2</sup>			
All categories of banks	61.0	62.3	65.0
Commercial banks	59.8	66.0	65.5
Big banks	60.5	69.0	68.1
Regional banks and other commercial banks	58.4	60.4	61.2
Branches of foreign banks	58.0	55.3	44.9
Landesbanken	59.3	53.6	61.3
Savings banks	66.0	65.8	69.5
Regional institutions of credit cooperatives	53.9	62.2	89.1
Credit cooperatives	70.0	64.3	70.5
Mortgage banks	35.2	38.9	36.0
Special purpose banks	35.2	35.3	38.3

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. — <sup>1</sup> Aggregate net interest and net commissions received. — <sup>2</sup> Gross earnings plus net profit or net loss on financial operations and net other operating income or charges.

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**Performance of the various categories of banks in 2006-07 \***

€ million

Category of banks	Operating result before valuation 1		Operating result 2		Profit for the financial year before tax 3	
	2006	2007	2006	2007	2006	2007
All categories of banks	49,207 (0.64)	43,999 (0.54)	35,207 (0.46)	20,484 (0.25)	27,597 (0.36)	20,506 (0.25)
Commercial banks	18,997 (0.73)	19,790 (0.67)	14,905 (0.57)	14,915 (0.51)	10,144 (0.39)	18,720 (0.64)
Big banks	11,425 (0.57)	11,887 (0.53)	9,352 (0.47)	9,081 (0.41)	7,520 (0.38)	15,290 (0.68)
Regional banks and other commercial banks	7,438 (1.27)	7,688 (1.14)	5,429 (0.93)	5,638 (0.84)	2,500 (0.43)	3,231 (0.48)
Branches of foreign banks	134 (0.68)	215 (0.94)	124 (0.63)	196 (0.86)	124 (0.63)	199 (0.87)
Landesbanken	6,626 (0.40)	4,576 (0.27)	7,999 (0.48)	2,461 (0.15)	6,014 (0.36)	788 (0.05)
Savings banks	9,884 (0.98)	8,513 (0.84)	4,638 (0.46)	4,156 (0.41)	4,421 (0.44)	3,755 (0.37)
Regional institutions of credit cooperatives	666 (0.28)	122 (0.05)	555 (0.24)	- 333 (- 0.13)	382 (0.16)	- 375 (- 0.15)
Credit cooperatives	7,503 (1.26)	5,474 (0.89)	3,254 (0.55)	2,772 (0.45)	3,614 (0.61)	2,870 (0.47)
Mortgage banks	2,524 (0.29)	2,809 (0.33)	1,457 (0.17)	1,565 (0.18)	568 (0.06)	375 (0.04)
Special purpose banks	3,007 (0.40)	2,715 (0.34)	2,399 (0.32)	- 5,052 (- 0.63)	2,454 (0.33)	- 5,627 (- 0.70)

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. Values in brackets are percentages of the average balance sheet total. — 1 Net interest and net commissions received less general administrative spend-

ing plus net profit or net loss on financial operations and net other operating income or charges. — 2 Operating result before the valuation of assets plus net income or net charges from the valuation of assets (other than financial fixed assets). — 3 Operating result plus net other and extraordinary income or charges.

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**Operating result before the valuation of assets**

*Declining operating result before valuation of assets*

In the financial year 2007, the operating result before the valuation of assets declined noticeably from €49.2 billion to €44.0 billion. Most categories of banks had to cope with a decline, but this was most pronounced for the Landesbanken and credit cooperatives. In the case of the credit cooperatives, the marked decline was due to a normalisation following the one-off effect of the previous year, while one institution's loss from own-account trading was a key factor in the weakening of the operating result in the case of the Landesbanken. By contrast, the improvement in net interest received at the big and regional banks was also reflected in a slight

increase in the operating result before the valuation of assets.

Relative to gross income, which is the sum of net interest received and net commissions received, German credit institutions were able to improve their cost/income ratio in 2007. The ratio of administrative spending to the sum of net interest received and net commissions received dropped by 2.3 percentage points to 66.2%. However, since the losses from own-account trading put a strain on operating income, and other operating income or charges remained well below the previous year's level, the cost/income ratio relative to total income from operational business increased by 2.7 percentage points to 65.0%. In the case of the big banks, however, the ratio of administrative spending to operating

*Cost/income ratio*

income also declined in the financial year 2007.

### Net income or net charges from the valuation of assets

*Burdens from financial market turbulence concentrated on a few categories of banks*

In 2007, German credit institutions' net charges from the valuation of loans, claims and securities increased sharply overall. At €23.5 billion, it was considerably up on the previous year's level of €14.0 billion,<sup>1</sup> although it failed to match the record high of 2002 (€31.2 billion). As a ratio of the balance sheet total, the net valuation charges of the German institutions amounted to 0.29% in 2007, compared with 0.18% in the previous year. However, the sharp rise in the overall aggregate was due mainly to a very sharp growth in valuation charges in the case of special purpose institutions, which went up from €0.6 billion in 2006 to €7.8 billion in the reporting year. This rise was very largely concentrated on a single bank and reflects its risk-shielding measures in favour of a subsidiary in connection with the financial market turbulence.<sup>2</sup> In addition, it was, in particular, also the Landesbanken<sup>3</sup> and the regional institutions of credit cooperatives that recorded a marked increase in their net valuation charges. The big banks also recorded a somewhat higher risk provisioning in the reporting year.<sup>4</sup> At the same time, the net valuation charges of the regional banks remained virtually unchanged. They were lower for savings banks and, especially, for credit cooperatives, although the latter had to cope with markedly higher valuation charges in 2006 than in previous years.

In 2007, a major part of the risk provisioning of German credit institutions is again likely to have been accounted for by domestic lending business, although the declining number of corporate insolvencies should have had an alleviating effect. Their decline by 15% to around 29,000 cases was the sharpest since 2003. The sum of claims likely to be associated with them also fell on roughly the same scale. Moreover, the 9% rise in consumer insolvencies to just over 105,000 was clearly below the earlier growth rates of more than 40% for the first time since the introduction of the Insolvency Code (*Insolvenzordnung*) of 1999. The increase in affected claims also more or less corresponded to the rise in consumer insolvencies.<sup>5</sup> The development in consumer insolvencies, however, is less significant for risk provisioning owing to the smaller percentage of loans to households in overall lending.

*Risk provisioning influenced less than usual by domestic lending business ...*

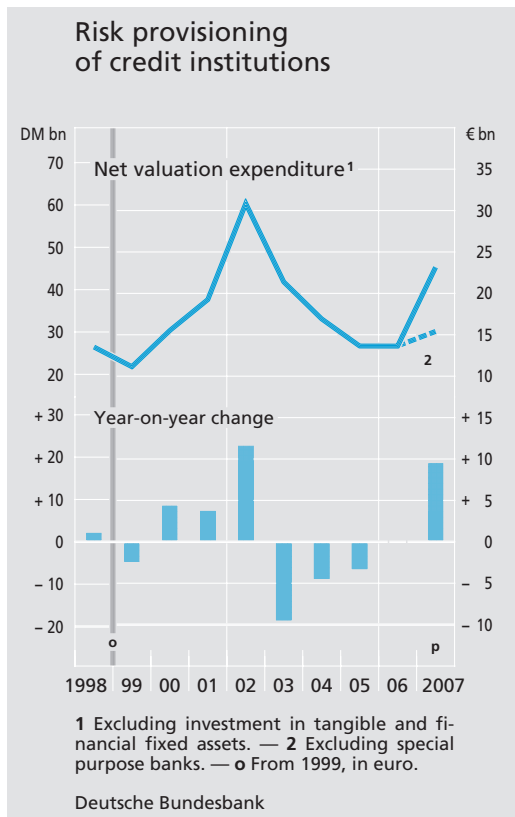
1 Within these items, the respective institutions had already made use of the cross-offsetting option permissible under section 340 (f) (3) of the German Commercial Code.

2 According to data from the published annual report.

3 The year-on-year increase was especially high, owing, among other things, to net valuation income of €1.4 billion shown in 2006. According to the published annual report, this net valuation income mainly resulted from the conversion of the undisclosed reserves contained in the net income or net charges from the valuation of assets pursuant to section 340 (f) of the German Commercial Code into disclosed reserves pursuant to section 340 (g), which are not reflected in a reduction of the annual surplus, but are part of the profit appropriation (accumulation of reserves).

4 The net income of the big banks was bolstered significantly by one institution that – according to data from its annual report – achieved a positive balance of €1.4 billion from the liquidation of loss provisions and contingency reserves and from realisation gains from sales of “non-strategic shareholding”. This institution simultaneously had to cope with considerable net charges from financial operations in connection with the financial market turbulence.

5 For more information on this and insolvencies in 2007 generally, see J Angele, *Insolvenzen 2007*, Statistisches Bundesamt, *Wirtschaft und Statistik*, 4/2008, pp 302-311.



... but noticeable impact of financial market turbulence

By contrast, the significant rise in net valuation charges is due mainly to the components of risk provisioning, which reflect the financial market turbulence. The further and very distinct rise in write-downs on fixed-interest securities, which are partly recorded here, from €3.1 billion in 2006 to €4.9 billion in the reporting year should be seen mainly against this background. According to some institutions, expansions of the issuers' credit spread necessitated extensive valuation adjustments for liquidity reserve paper. This was counteracted by the fact that some banks – according to data from published annual reports for 2007 – reduced contingency reserves (pursuant to section 340 (f) of the German Commercial Code) on a considerable scale, which are offset against valuation losses in the net valuation charges.

In view of the greatly increased net valuation charges of some institutions in connection with the financial market turbulence, the operating result after valuation was noticeably lower than before valuation and fell by 42% to €20.5 billion. However, a significant part of this decline was accounted for by the special purpose banks. Excluding these banks, the operating result fell by 22%.

*Declining operating result*

Apart from the special purpose banks, it was, in particular, the regional institutions of credit cooperatives and the Landesbanken that had to cope with a considerable decline in their operating result. In the case of the Landesbanken, however, this was due in part to the comparatively high result of the previous year. According to the published annual reports, one-off effects from the sale of shareholdings had been one key factor in achieving this result. Credit cooperatives and savings banks suffered noticeably smaller losses in the operating result, although the credit cooperatives had also benefited from one-off effects from the sale of shareholdings and the carrying of corporation tax balances as assets in the previous year; these effects distort the year-on-year comparison. The operating result of the big banks also declined slightly, while the regional banks recorded a small rise.

First, the data used in this article refer to the individual financial statements of the German banks, with some of the financial strains of the respective consolidated group not being taken into account. Second, valuation is in accordance with the German Commercial Code. In the case of some items, this results

*Differences in accounting*



## Breakdown of other and extraordinary income or charges \*

€ million

Item	2005	2006	2007
Balance of other and extraordinary income or charges	- 3,235	- 7,610	22
Income (total)	8,250	3,351	11,133
from value adjustments in respect of participating interests, shares in affiliated enterprises, and securities treated as fixed assets	4,975	2,307	8,968
from the release of special reserves	83	27	38
from loss transfers	56	71	44
Extraordinary income	3,136	946	2,083
Charges (total)	- 11,485	- 10,961	- 11,111
Write-offs and write-downs in respect of participating interests, shares in affiliated enterprises, and securities treated as fixed assets	- 711	- 2,593	- 3,914
Charges incurred through loss transfers	- 1,398	- 796	- 939
Transfers to special reserves	- 36	- 49	- 97
Extraordinary charges	- 4,688	- 2,656	- 1,274
Profits transferred from profit pooling, a profit transfer agreement or a partial profit transfer agreement	- 4,652	- 4,867	- 4,887

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations,

institutions in liquidation, and institutions with a truncated financial year.

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in a valuation that is less oriented to temporary market fluctuations. The higher losses and write-downs published for some German groups of institutions in connection with the financial market turbulence are typically based on more broadly defined balance sheets and other valuation standards (IFRS).

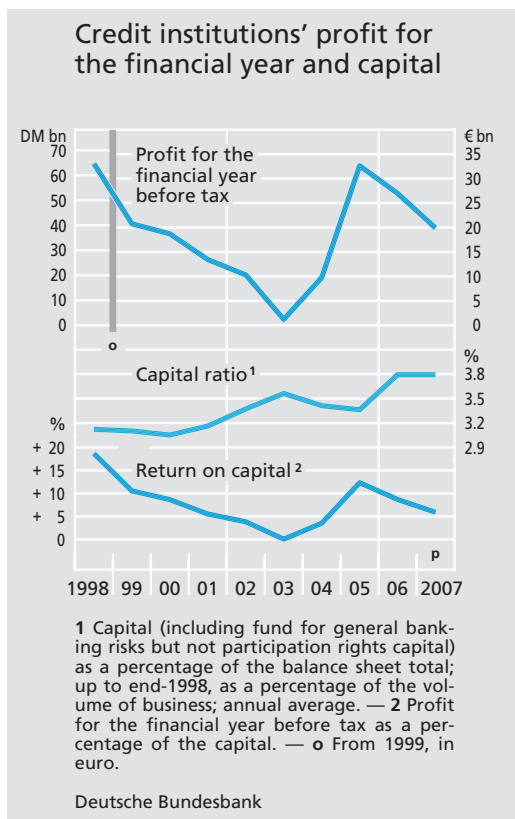
### Other and extraordinary income or charges

*Balance on "extraordinary account" neutral owing to one-off effect*

For the first time since 2002, the balance on the "extraordinary account" in the reporting year 2007 did not put a strain on the profit and loss accounts of German banks. For all categories of banks combined, the balance remained even, compared with -€7.6 billion in 2006. The positive result from financial in-

vestment business (€5.1 billion) was crucial for the marked improvement in the "extraordinary account". This was due almost solely to the sale of subsidiaries and branches by a single institution.<sup>6</sup> Moreover, the balance of extraordinary income and charges in the narrower sense (+€0.8 billion) boosted the figure, compared with an adverse effect (-€1.7 billion) in the previous year. The transferred profits had a detrimental effect on the result similar to that in the previous year. Furthermore, both loss transfers and net charges for transfers to the special item with an equity portion increased in the reporting year.

<sup>6</sup> According to figures from the published annual report of the bank concerned, this effect was concentrated on "income from write-ups in respect of participating interests, shares in affiliated enterprises, and securities treated as fixed assets" in the amount of €6.8 billion.



Minor changes for most categories of banks

The "extraordinary account" improved in 2007 mainly in the case of the commercial banks. This was due, above all, to the very positive contribution of one big bank owing to the above-mentioned individual transactions amounting to €6.8 billion. By comparison, however, the scale of the aggregated changes remained limited for the other categories of banks under consideration here. It was only the special purpose banks whose "extraordinary account" was subjected to a noticeably greater strain in 2007 than in the previous year; however, this burden was concentrated on only one institution and, according to the published annual report, was to be recorded under financial investment business in connection with the financial market turbulence. The regional institutions of the credit cooperatives were able to offset burdens in

the extraordinary account in the narrower sense as well as in the case of loss transfers with significant income from financial investment business.<sup>7</sup> At the same time, there were fewer burdens for the regional banks in the reporting year, which was due mainly to supporting effects from financial investment business as well as from the extraordinary account in the narrower sense.

### Profit for the financial year, taxes on income and earnings

The total profit for the financial year before tax reported by the German banking industry declined from €27.6 billion in 2006 to €20.5 billion in 2007. In line with this, the return on equity (before tax) also fell from 9.35% in 2006 to 6.56% in 2007. This primarily reflected the particular strains on one special purpose bank as a result of its risk-shielding measures in favour of a subsidiary bank. The markedly more favourable development of the "extraordinary account" compared with the previous year – sustained essentially, as mentioned above, by the significant positive contribution of one institution – meant that the decline, as an aggregate, was clearly less than for the operational result. All in all, most categories of banks recorded a decline in their profit for the financial year. In the case of the special purpose banks (-€5.6 billion compared with +€2.5 billion), the Landesbanken (€0.8 billion compared with €6.0 billion)

*Further decline in profit for the financial year*

<sup>7</sup> According to the published annual report, this was mainly due to one institution and its burden from a mortgage bank. This institution was also able to show income from participating interests.

### Return on capital of individual categories of banks \*

As a percentage

Category of banks	2003	2004	2005	2006	2007
All categories of banks	0.72 (- 1.45)	4.19 (1.93)	13.00 (9.19)	9.35 (7.51)	6.56 (4.65)
Commercial banks	- 6.24 (- 6.57)	- 0.42 (- 1.42)	21.82 (15.52)	11.23 (9.12)	19.13 (15.60)
<i>of which</i>					
Big banks <sup>1</sup>	- 12.85 (-11.99)	- 3.97 (- 3.56)	31.72 (23.12)	14.01 (12.27)	25.97 (21.64)
Regional banks and other commercial banks <sup>1</sup>	4.53 (2.25)	5.66 (2.16)	8.63 (5.43)	6.99 (4.43)	8.50 (6.33)
Landesbanken <sup>2</sup>	- 4.25 (- 5.17)	1.07 (- 0.83)	6.44 (5.56)	11.40 (9.73)	1.46 (0.94)
Savings banks	10.89 (4.00)	9.72 (5.03)	10.45 (5.60)	8.94 (4.95)	7.23 (4.20)
Regional institutions of credit cooperatives	0.66 (2.30)	2.91 (3.97)	5.25 (5.12)	4.49 (9.51)	- 4.03 (2.94)
Credit cooperatives	10.64 (5.24)	10.32 (5.26)	13.79 (9.00)	11.04 (8.51)	8.12 (5.12)
Mortgage banks	5.34 (3.70)	3.32 (1.39)	0.91 (- 0.87)	2.83 (1.85)	1.89 (1.06)

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. Profit for the financial year before tax (in brackets: after tax) as a percentage of the average capital as shown in the balance sheet (including the fund for general banking risks, but excluding participation

rights capital). — <sup>1</sup> From 2004, Deutsche Postbank AG reclassified from the category of "Regional banks and other commercial banks" to the category of "Big banks". — <sup>2</sup> From 2004, NRW.BANK reclassified from the category of "Landesbanken" to the category of "Special purpose banks".

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and the regional institutions of credit cooperatives (-€0.4 billion compared with +€0.4 billion), this was mainly the result of the dramatic increase in valuation charges in connection with the financial market turbulence. Commercial banks, by contrast, showed an increase in their profit for the financial year (from €10.1 billion to €18.7 billion). This principally reflects the above-mentioned income from sales of subsidiaries by a single institution in the amount of €6.8 billion. However, even after adjustment for the mentioned individual transactions, they still recorded a slight increase in their profit for the financial year.

is distorted by positive one-off effects owing to corporation tax balances being shown as assets in 2006. These effects were reflected in different items in the profit and loss accounts among the individual categories of banks.<sup>8</sup>

In the financial year 2007, income from liquidations from the "fund for general banking risks", on balance, improved the profit by €3.7 billion, although this was attributable solely to the liquidations in the amount of €5.1 billion by one special purpose bank.<sup>9</sup> The other institutions allocated a total of €1.4 billion to the fund with a detrimental impact on profits. In the previous year, the injections

*Further rise in aggregated balance sheet profit ...*

*Higher taxes but distorted year-on-year comparison*

Taxes on income and earnings went up from €5.4 billion to €6.0 billion in the reporting year. However, the year-on-year comparison

<sup>8</sup> In 2006, this income was either netted out with tax expenditure or recorded in the balance of other operating income and charges.

<sup>9</sup> Data from the published annual report.

*... but burden on accumulation of reserves despite considerable positive one-off effect*

had amounted to as much as €5.3 billion. On balance, €4.2 billion (2006: €6.0 billion) flowed to the accumulation of reserves and participation rights capital. However, this already includes the indirect effects of the aforementioned one-off effect in the case of the big banks; according to the published annual report, this bank alone booked €4.1 billion in "other revenue reserves" with a detrimental impact on profits. The losses carried forward reduced the balance sheet profit by €0.8 billion, compared with €0.5 billion in the previous year. Overall, the German banks show balance sheet profits of €13.2 billion in 2007, compared with €10.4 billion in 2006. However, this should not disguise the fact that the profitability of banks in Germany worsened significantly during 2007.

## Outlook

*Outlook for 2008*

In the current financial year, the negative repercussions of the financial market turbulence on the profitability of domestic credit institutions are likely to become more severe. A further strain on net income from the valuation of assets is to be expected, especially

for the big banks, the Landesbanken and the regional institutions of credit cooperatives. Moreover, the weak stock market environment and the small number of initial public offerings and corporate mergers are likely to have an adverse impact on net commissions received and the result from own-account trading. At the same time, the German banks should also benefit from the robust condition of the German economy. This is likely to continue to have a stabilising effect on risk provisioning and interest business. How far net interest received improves, given a continuing flat yield curve and higher short-term interest rates, remains to be seen, however. Against this background, it can be said that, at least in the case of the savings banks and the credit cooperatives, an increase in the structurally declining interest margin seems rather unlikely in the financial year 2008. On the cost side, declining administrative spending could have a slight alleviating effect for the domestic credit institutions as a whole. In particular, variable and performance-related staff costs are likely to decline in the current financial year. However, this will probably not radically alter the overall picture.

The tables accompanying this article are printed on pages 30 ff.



## Credit institutions' profit and loss accounts \*

Financial year	Interest business			Non-interest business			General administrative spending			Partial operating result (col 1 plus col 4 less col 7)
	Net interest received (col 2 less col 3)	Interest received (total) 1	Interest paid	Net commissions received (col 5 less col 6)	Commissions received	Commissions paid	Total (col 8 plus col 9)	Staff costs	Total other administrative spending 2	
	1	2	3	4	5	6	7	8	9	
	€ billion									
2000	76.9	369.9	293.1	28.1	33.8	5.7	77.7	42.0	35.7	27.3
2001	79.2	382.4	303.2	25.3	31.2	5.9	81.0	43.0	38.0	23.5
2002	85.6	344.5	258.9	24.3	30.2	5.9	78.3	41.6	36.7	31.6
2003	81.7	308.7	227.0	24.4	30.6	6.3	77.3	41.6	35.7	28.8
2004	85.0	303.6	218.6	25.3	32.0	6.8	75.8	41.2	34.6	34.5
2005	88.2	329.1	240.9	27.8	35.4	7.6	78.8	43.4	35.4	37.2
2006	89.1	357.5	268.3	29.9	38.4	8.6	81.5	46.0	35.5	37.5
2007	91.5	418.9	327.4	31.7	42.2	10.5	81.6	44.6	37.0	41.6
	Year-on-year percentage change 4									
2001	3.0	3.4	3.5	-9.8	-7.6	3.3	4.3	2.5	6.6	-13.8
2002	8.0	-9.9	-14.6	-4.0	-3.2	0.0	-3.3	-3.4	-3.3	34.2
2003	-4.5	-10.4	-12.3	0.4	1.7	7.2	-1.2	0.1	-2.5	-9.1
2004	4.0	-1.7	-3.7	3.8	4.5	7.4	-2.0	-0.9	-3.2	19.9
2005	3.9	8.4	10.2	9.9	10.4	12.0	4.0	5.4	2.4	7.9
2006	1.0	8.6	11.4	7.4	8.7	13.3	3.4	5.9	0.4	0.8
2007	2.7	17.2	22.0	6.1	9.8	22.6	0.1	-3.0	4.1	11.0
	As a percentage of the average balance sheet total									
2000	1.14	5.51	4.36	0.42	0.50	0.08	1.16	0.63	0.53	0.41
2001	1.12	5.39	4.28	0.36	0.44	0.08	1.14	0.61	0.54	0.33
2002	1.20	4.83	3.63	0.34	0.42	0.08	1.10	0.58	0.52	0.44
2003	1.16	4.39	3.23	0.35	0.44	0.09	1.10	0.59	0.51	0.41
2004	1.18	4.23	3.04	0.35	0.45	0.09	1.05	0.57	0.48	0.48
2005	1.17	4.37	3.20	0.37	0.47	0.10	1.05	0.58	0.47	0.49
2006	1.15	4.63	3.48	0.39	0.50	0.11	1.06	0.60	0.46	0.49
2007	1.12	5.13	4.01	0.39	0.52	0.13	1.00	0.55	0.45	0.51

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. — 1 Interest

received plus current income and profits transferred under profit pooling and profit transfer agreements. — 2 Including depreciation of and adjustments for tangible and intangible assets, but excluding

Net profit or net loss on financial operations	Net other operating income or charges	Net income or net charges from the valuation of assets (other than tangible or fixed assets)	Operating result (col 10 to col 13)	Net other and extraordinary income or charges	Profit for the financial year before tax (col 14 plus col 15)	Taxes on income and earnings	Profit or loss (-) for the financial year after tax (col 16 less col 17)	Memo item Balance sheet total as an annual average <sup>3</sup>	Financial year
11	12	13	14	15	16	17	18	19	
									€ billion
6.4	2.0	- 15.9	19.9	- 0.6	19.3	6.7	12.6	6,716.3	2000
5.4	3.5	- 19.6	12.8	1.2	14.1	3.7	10.4	7,090.8	2001
3.0	3.7	- 31.2	7.0	3.9	10.9	3.9	7.1	7,129.1	2002
6.4	3.8	- 21.8	17.3	- 15.5	1.8	5.5	- 3.7	7,038.2	2003
1.3	4.1	- 17.3	22.6	- 12.3	10.4	5.6	4.8	7,183.7	2004
11.4	1.9	- 14.0	36.5	- 3.2	33.2	9.7	23.5	7,524.7	2005
4.4	7.3	- 14.0	35.2	- 7.6	27.6	5.4	22.2	7,719.0	2006
- 1.1	3.5	- 23.5	20.5	0.0	20.5	6.0	14.5	8,158.9	2007
									Year-on-year percentage change <sup>4</sup>
- 16.7	73.0	23.5	- 35.6	.	- 27.3	- 45.6	- 17.5	5.6	2001
- 45.1	4.4	- 59.1	- 45.4	220.2	- 22.2	4.9	- 31.8	0.5	2002
118.6	3.1	30.3	146.1	.	- 84.7	42.9	.	- 1.3	2003
- 80.5	9.0	20.5	31.0	20.7	469.0	1.4	.	2.1	2004
806.3	- 53.9	18.9	61.5	73.6	221.2	75.0	391.6	4.8	2005
- 61.4	291.8	0.0	- 3.5	- 135.2	- 17.0	- 44.4	- 5.6	2.6	2006
.	- 51.9	- 68.0	- 41.8	.	- 25.7	10.0	- 34.4	5.7	2007
									As a percentage of the average balance sheet total
0.10	0.03	- 0.24	0.30	- 0.01	0.29	0.10	0.19	.	2000
0.08	0.05	- 0.28	0.18	0.02	0.20	0.05	0.15	.	2001
0.04	0.05	- 0.44	0.10	0.06	0.15	0.05	0.10	.	2002
0.09	0.05	- 0.31	0.25	- 0.22	0.03	0.08	- 0.05	.	2003
0.02	0.06	- 0.24	0.31	- 0.17	0.14	0.08	0.07	.	2004
0.15	0.02	- 0.19	0.48	- 0.04	0.44	0.13	0.31	.	2005
0.06	0.09	- 0.18	0.46	- 0.10	0.36	0.07	0.29	.	2006
- 0.01	0.04	- 0.29	0.25	0.00	0.25	0.07	0.18	.	2007

depreciation of and adjustments for assets leased ("broad" definition). — <sup>3</sup> Excluding the balance sheet total of the foreign branches of savings banks. From 2004, excluding the balance sheet

total of the foreign branches of regional institutions of credit cooperatives. — <sup>4</sup> Statistical changes have been eliminated.

Profit and loss accounts, by category of banks \*

€ million

Financial year	Number of reporting institutions	Interest business			Non-interest business			General administrative spending			Partial operating result (col 2 plus col 5 less col 8)
		Net interest received (col 3 less col 4)	Interest received 1	Interest paid	Net commissions received (col 6 less col 7)	Commissions received	Commissions paid	Total (col 9 plus col 10)	Staff costs	Total other administrative spending 2	
	1	2	3	4	5	6	7	8	9	10	11
All categories of banks											
2002	2,268	85,568	344,472	258,904	24,327	30,212	5,885	78,324	41,578	36,746	31,571
2003	2,128	81,709	308,742	227,033	24,356	30,645	6,289	77,296	41,585	35,711	28,769
2004	2,055	84,998	303,615	218,617	25,282	32,039	6,757	75,781	41,223	34,558	34,499
2005	1,988	88,211	329,082	240,871	27,797	35,351	7,554	78,806	43,445	35,361	37,202
2006	1,940	89,124	357,461	268,337	29,852	38,411	8,559	81,474	45,989	35,485	37,502
2007	1,903	91,503	418,923	327,420	31,683	42,177	10,494	81,554	44,602	36,952	41,632
Commercial banks											
2002	206	30,850	101,741	70,891	13,894	17,145	3,251	35,897	17,414	18,483	8,847
2003	193	26,334	85,993	59,659	13,250	16,612	3,362	34,451	17,024	17,427	5,133
2004	187	29,471	85,000	55,529	13,430	17,143	3,713	33,386	16,606	16,780	9,515
2005	179	32,585	102,082	69,497	15,370	19,375	4,005	35,259	17,889	17,370	12,696
2006	174	34,584	116,283	81,699	16,504	21,332	4,828	36,939	19,402	17,537	14,149
2007	173	38,061	140,332	102,271	17,758	24,202	6,444	37,622	19,454	18,168	18,197
Big banks 6											
2002	4	17,615	65,553	47,938	8,481	10,073	1,592	21,768	11,107	10,661	4,328
2003	4	13,035	52,461	39,426	8,223	10,191	1,968	20,992	10,957	10,035	266
2004	5	17,340	58,161	40,821	8,836	11,087	2,251	22,382	11,473	10,909	3,794
2005	5	19,419	73,595	54,176	10,076	12,189	2,113	23,846	12,564	11,282	5,649
2006	5	22,111	87,108	64,997	10,861	13,365	2,504	25,438	13,936	11,502	7,534
2007	5	24,454	104,238	79,784	11,365	14,634	3,269	25,321	13,709	11,612	10,498
Regional banks and other commercial banks 6											
2002	183	13,060	35,015	21,955	5,317	6,969	1,652	13,954	6,229	7,725	4,423
2003	170	13,134	32,665	19,531	4,885	6,272	1,387	13,279	5,990	7,289	4,740
2004	163	11,967	26,211	14,244	4,461	5,917	1,456	10,825	5,057	5,768	5,603
2005	155	13,050	27,930	14,880	5,133	7,020	1,887	11,242	5,247	5,995	6,941
2006	152	12,362	28,507	16,145	5,496	7,815	2,319	11,335	5,383	5,952	6,523
2007	151	13,451	35,119	21,668	6,195	9,363	3,168	12,126	5,658	6,468	7,520
Branches of foreign banks											
2002	19	175	1,173	998	96	103	7	175	78	97	96
2003	19	165	867	702	142	149	7	180	77	103	127
2004	19	164	628	464	133	139	6	179	76	103	118
2005	19	116	557	441	161	166	5	171	78	93	106
2006	17	111	668	557	147	152	5	166	83	83	92
2007	17	156	975	819	198	205	7	175	87	88	179
Landesbanken 7											
2002	14	9,743	76,744	67,001	1,794	2,963	1,169	7,210	3,579	3,631	4,327
2003	13	10,260	69,740	59,480	1,748	3,016	1,268	6,898	3,378	3,520	5,110
2004	12	9,886	66,634	56,748	1,718	3,010	1,292	6,660	3,342	3,318	4,944
2005	12	10,019	74,094	64,075	1,933	3,455	1,522	7,140	3,607	3,533	4,812
2006	12	10,030	81,578	71,548	2,206	3,784	1,578	7,646	4,204	3,442	4,590
2007	12	10,829	94,386	83,557	2,247	3,987	1,740	7,248	3,747	3,501	5,828

\* For footnotes 1-7, see pp 34-35.

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Net profit or net loss on financial operations	Net other operating income or charges	Net income or net charges from the valuation of assets (other than tangible or financial fixed assets)	Operating result (col 11 to col 14)	Net other and extraordinary income or charges	Profit for the financial year before tax (col 15 plus col 16)	Taxes on income and earnings <sup>3</sup>	Profit or loss (-) for the financial year after tax (col 17 less col 18)	Withdrawals from or transfers to (-) reserves and participation rights capital <sup>4</sup>	Balance sheet profit or loss (-) (col 19 plus col 20)	Memo item Average annual balance sheet total <sup>5</sup>	Financial year
12	13	14	15	16	17	18	19	20	21	22	
All categories of banks											
2,950	3,693	- 31,217	6,997	3,923	10,920	3,850	7,070	- 2,267	4,803	7,129,090	2002
6,449	3,808	- 21,751	17,275	- 15,452	1,823	5,505	- 3,682	7,270	3,588	7,038,224	2003
1,260	4,149	- 17,282	22,626	- 12,254	10,372	5,583	4,789	- 831	3,958	7,183,653	2004
11,421	1,861	- 14,007	36,477	- 3,235	33,242	9,744	23,498	- 14,395	9,103	7,524,722	2005
4,413	7,292	- 14,000	35,207	- 7,610	27,597	5,421	22,176	- 11,818	10,358	7,718,988	2006
- 1,143	3,510	- 23,515	20,484	22	20,506	5,963	14,545	- 1,342	13,203	8,158,884	2007
Commercial banks											
2,144	1,515	- 9,034	3,472	- 2,563	909	869	40	769	809	2,309,650	2002
5,363	1,633	- 7,345	4,784	- 10,472	- 5,688	302	- 5,990	5,661	- 329	2,251,587	2003
414	2,117	- 5,302	6,744	- 7,086	- 342	825	- 1,167	615	- 552	2,361,952	2004
10,542	472	- 3,906	19,804	- 1,856	17,948	5,180	12,768	- 8,592	4,176	2,563,063	2005
2,759	2,089	- 4,092	14,905	- 4,761	10,144	1,904	8,240	- 2,867	5,373	2,601,671	2006
885	708	- 4,875	14,915	3,805	18,720	3,452	15,268	- 5,778	9,490	2,935,195	2007
Big banks <sup>6</sup>											
2,074	- 225	- 6,119	58	- 1,989	- 1,931	96	- 2,027	2,889	862	1,601,526	2002
4,901	233	- 4,751	649	- 7,964	- 7,315	- 490	- 6,825	7,698	873	1,533,976	2003
619	907	- 2,947	2,373	- 4,440	- 2,067	- 218	- 1,849	3,337	1,488	1,764,080	2004
10,775	- 846	- 1,713	13,865	1,002	14,867	4,030	10,837	- 7,941	2,896	1,939,373	2005
2,971	920	- 2,073	9,352	- 1,832	7,520	936	6,584	- 2,807	3,777	1,995,918	2006
1,764	- 375	- 2,806	9,081	6,209	15,290	2,549	12,741	- 5,386	7,355	2,240,698	2007
Regional banks and other commercial banks <sup>6</sup>											
59	1,719	- 2,844	3,357	- 568	2,789	735	2,054	- 2,120	- 66	676,254	2002
451	1,382	- 2,566	4,007	- 2,506	1,501	754	747	- 2,035	- 1,288	689,268	2003
- 210	1,198	- 2,320	4,271	- 2,625	1,646	1,017	629	- 2,722	- 2,093	573,493	2004
- 249	1,316	- 2,197	5,811	- 2,853	2,958	1,098	1,860	- 651	1,209	602,538	2005
- 238	1,153	- 2,009	5,429	- 2,929	2,500	915	1,585	- 60	1,525	586,058	2006
- 900	1,068	- 2,050	5,638	- 2,407	3,231	825	2,406	- 392	2,014	671,668	2007
Branches of foreign banks											
11	21	- 71	57	- 6	51	38	13	0	13	31,870	2002
11	18	- 28	128	- 2	126	38	88	- 2	86	28,343	2003
5	12	- 35	100	- 21	79	26	53	0	53	24,379	2004
16	2	4	128	- 5	123	52	71	0	71	21,152	2005
26	16	- 10	124	0	124	53	71	0	71	19,695	2006
21	15	- 19	196	3	199	78	121	0	121	22,829	2007
Landesbanken <sup>7</sup>											
644	677	- 7,746	- 2,098	3,400	1,302	399	903	- 129	774	1,644,026	2002
345	639	- 3,754	2,340	- 4,573	- 2,233	482	- 2,715	3,619	904	1,639,615	2003
262	581	- 799	4,988	- 4,516	472	835	- 363	1,161	798	1,519,005	2004
241	- 148	- 782	4,123	- 1,093	3,030	413	2,617	- 1,715	902	1,581,453	2005
1,010	1,026	1,373	7,999	- 1,985	6,014	878	5,136	- 3,835	1,301	1,651,972	2006
- 1,726	474	- 2,115	2,461	- 1,673	788	283	507	400	907	1,668,143	2007

Profit and loss accounts, by category of banks \* (cont'd)

€ million

Financial year	Number of reporting institutions	Interest business			Non-interest business			General administrative spending			Partial operating result (col 2 plus col 5 less col 8)
		Net interest received (col 3 less col 4)	Interest received 1	Interest paid	Net commissions received (col 6 less col 7)	Commissions received	Commissions paid	Total (col 9 plus col 10)	Staff costs	Total other administrative spending 2	
1	2	3	4	5	6	7	8	9	10	11	
<b>Savings banks</b>											
2002	519	23,234	53,932	30,698	4,784	5,065	281	19,022	11,324	7,698	8,996
2003	489	23,504	50,962	27,458	5,180	5,495	315	19,349	11,725	7,624	9,335
2004	477	23,192	48,524	25,332	5,562	5,912	350	18,907	11,587	7,320	9,847
2005	463	22,926	47,328	24,402	5,621	5,996	375	19,146	11,841	7,305	9,401
2006	457	22,449	47,046	24,597	5,854	6,244	390	19,014	11,693	7,321	9,289
2007	446	20,948	48,989	28,041	6,083	6,493	410	19,369	11,338	8,031	7,662
<b>Regional institutions of credit cooperatives</b>											
2002	2	1,414	8,865	7,451	303	565	262	1,135	540	595	582
2003	2	936	6,972	6,036	343	629	286	1,103	523	580	176
2004	2	948	6,362	5,414	317	704	387	1,006	518	488	259
2005	2	1,037	6,698	5,661	359	795	436	974	543	431	422
2006	2	1,009	7,439	6,430	336	807	471	1,095	673	422	250
2007	2	1,265	9,043	7,778	298	799	501	1,000	552	448	563
<b>Credit cooperatives</b>											
2002	1,488	13,648	29,958	16,310	3,124	3,491	367	12,615	7,442	5,173	4,157
2003	1,392	13,987	28,514	14,527	3,401	3,802	401	12,915	7,619	5,296	4,473
2004	1,336	14,249	27,687	13,438	3,685	4,184	499	12,963	7,677	5,286	4,971
2005	1,292	14,230	27,287	13,057	3,886	4,499	613	13,333	8,013	5,320	4,783
2006	1,257	13,716	27,427	13,711	3,949	4,601	652	13,536	8,250	5,286	4,129
2007	1,232	13,218	29,301	16,083	4,138	4,809	671	13,054	7,805	5,249	4,302
<b>Mortgage banks</b>											
2002	25	3,695	49,868	46,173	-55	208	263	1,347	664	683	2,293
2003	25	3,795	44,657	40,862	-58	256	314	1,405	663	742	2,332
2004	25	3,847	42,398	38,551	-31	247	278	1,396	663	733	2,420
2005	24	3,933	42,930	38,997	-5	331	336	1,458	697	761	2,470
2006	22	3,774	46,761	42,987	285	603	318	1,606	808	798	2,453
2007	22	3,737	60,944	57,207	378	669	291	1,578	751	827	2,537
<b>Special purpose banks 7</b>											
2002	14	2,984	23,364	20,380	483	775	292	1,098	615	483	2,369
2003	14	2,893	21,904	19,011	492	835	343	1,175	653	522	2,210
2004	16	3,405	27,010	23,605	601	839	238	1,463	830	633	2,543
2005	16	3,481	28,663	25,182	633	900	267	1,496	855	641	2,618
2006	16	3,562	30,927	27,365	718	1,040	322	1,638	959	679	2,642
2007	16	3,445	35,928	32,483	781	1,218	437	1,683	955	728	2,543
<b>Memo item: Banks majority-owned by foreign banks 8</b>											
2002	49	3,430	15,964	12,534	1,186	1,929	743	3,381	1,486	1,895	1,235
2003	45	3,521	14,921	11,400	1,425	1,818	393	3,325	1,443	1,882	1,621
2004	42	3,931	15,124	11,193	1,724	2,167	443	3,534	1,473	2,061	2,121
2005	41	8,216	29,491	21,275	3,389	4,246	857	7,291	3,416	3,875	4,314
2006	44	8,678	32,318	23,640	3,694	4,867	1,173	7,672	3,711	3,961	4,700
2007	42	10,190	39,607	29,417	4,035	5,723	1,688	8,114	3,927	4,187	6,111

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. — 1 Interest received plus current income and profits transferred under profit pooling and profit transfer agreements. — 2 Including depreciation

of and adjustments for tangible and intangible assets, but excluding depreciation of and adjustments for assets leased ("broad" definition). — 3 In part, including taxes paid by legally dependent building and loan associations affiliated to Landesbanken. — 4 Including profit or loss brought forward and withdrawals from or transfers to the fund for general

Net profit or net loss on financial operations	Net other operating income or charges	Net income or net charges from the valuation of assets (other than tangible or financial fixed assets)	Operating result (col 11 to col 14)	Net other and extraordinary income or charges	Profit for the financial year before tax (col 15 plus col 16)	Taxes on income and earnings <sup>3</sup>	Profit or loss (-) for the financial year after tax (col 17 less col 18)	Withdrawals from or transfers to (-) reserves and participation rights capital <sup>4</sup>	Balance sheet profit or loss (-) (col 19 plus col 20)	Memo item: Average annual balance sheet total <sup>5</sup>	Financial year
12	13	14	15	16	17	18	19	20	21	22	
Savings banks											
- 43	615	- 6,927	2,641	786	3,427	1,471	1,956	- 676	1,280	975,490	2002
215	256	- 5,247	4,559	197	4,756	3,011	1,745	- 580	1,165	980,622	2003
159	206	- 5,883	4,329	71	4,400	2,122	2,278	- 885	1,393	985,944	2004
180	299	- 4,947	4,933	- 6	4,927	2,285	2,642	- 1,125	1,517	995,377	2005
176	419	- 5,246	4,638	- 217	4,421	1,973	2,448	- 855	1,593	1,007,033	2006
150	701	- 4,357	4,156	- 401	3,755	1,575	2,180	- 823	1,357	1,019,129	2007
Regional institutions of credit cooperatives											
234	209	- 905	120	189	309	- 27	336	- 259	77	213,520	2002
370	98	- 514	130	- 81	49	- 123	172	- 93	79	203,899	2003
376	57	- 321	371	- 151	220	- 80	300	- 202	98	194,244	2004
405	7	- 180	654	- 248	406	10	396	- 223	173	219,881	2005
403	13	- 111	555	- 173	382	- 428	810	- 589	221	233,847	2006
- 482	41	- 455	- 333	- 42	- 375	- 649	274	- 38	236	254,397	2007
Credit cooperatives											
- 28	503	- 3,687	945	1,572	2,517	801	1,716	- 768	948	548,026	2002
138	1,027	- 3,095	2,543	380	2,923	1,484	1,439	- 440	999	556,946	2003
40	904	- 3,042	2,873	104	2,977	1,458	1,519	- 437	1,082	567,674	2004
51	891	- 2,999	2,726	1,430	4,156	1,444	2,712	- 1,519	1,193	578,641	2005
57	3,317	- 4,249	3,254	360	3,614	829	2,785	- 1,556	1,229	595,576	2006
52	1,120	- 2,702	2,772	98	2,870	1,061	1,809	- 601	1,208	614,428	2007
Mortgage banks											
5	138	- 1,843	593	692	1,285	247	1,038	- 331	707	929,571	2002
2	- 26	- 1,110	1,198	- 368	830	255	575	14	589	877,381	2003
1	169	- 1,625	965	- 399	566	328	238	587	825	875,035	2004
3	206	- 1,128	1,551	- 1,391	160	313	- 153	906	753	879,136	2005
6	65	- 1,067	1,457	- 889	568	196	372	- 119	253	878,310	2006
- 17	289	- 1,244	1,565	- 1,190	375	165	210	- 625	- 415	859,798	2007
Special purpose banks <sup>7</sup>											
- 6	36	- 1,075	1,324	- 153	1,171	90	1,081	- 873	208	508,807	2002
16	181	- 686	1,721	- 535	1,186	94	1,092	- 911	181	528,174	2003
8	115	- 310	2,356	- 277	2,079	95	1,984	- 1,670	314	679,799	2004
- 1	134	- 65	2,686	- 71	2,615	99	2,516	- 2,127	389	707,171	2005
2	363	- 608	2,399	55	2,454	69	2,385	- 1,997	388	750,579	2006
- 5	177	- 7,767	- 5,052	- 575	- 5,627	76	- 5,703	6,123	420	807,794	2007
Memo item: Banks majority-owned by foreign banks <sup>8</sup>											
108	561	- 632	1,272	- 18	1,254	449	805	- 310	495	284,168	2002
287	292	- 799	1,401	- 837	564	274	290	390	680	291,782	2003
- 85	262	- 612	1,686	- 874	812	494	318	206	524	313,299	2004
345	167	- 1,962	2,864	- 783	2,081	721	1,360	- 537	823	649,254	2005
325	188	- 1,852	3,361	- 1,287	2,074	517	1,557	- 511	1,046	679,356	2006
- 541	421	- 2,203	3,788	5,916	9,704	770	8,934	- 3,885	5,049	766,323	2007

banking risks. — <sup>5</sup> Excluding the balance sheet total of the foreign branches of savings banks. From 2004, excluding the balance sheet total of the foreign branches of regional institutions of credit cooperatives. — <sup>6</sup> From 2004, Deutsche Postbank AG reclassified from the category of "Regional banks and other commercial banks" to the category of "Big banks". —

<sup>7</sup> From 2004, NRW.BANK, reclassified from the category of "Landesbanken" to the category of "Special purpose banks". — <sup>8</sup> Separate presentation of the (legally independent) credit institutions majority-owned by foreign banks and included in the categories "Big banks", "Regional banks and other commercial banks" and "Mortgage banks".

## Credit institutions' charge and income items \*

€ million

Financial year	Number of reporting institutions	Charges					Gross loss on transactions in goods and subsidiary transactions	General administrative spending					Other administrative spending 1
		Total	Interest paid	Commissions paid	Net loss on financial operations	Total		Staff costs			Social security costs and costs relating to pensions and other benefits		
								Total	Wages and salaries	Total		of which Pensions	
1999	2,897	356,241	245,041	4,299	536	0	64,625	38,436	29,766	8,670	3,529	26,189	
2000	2,636	412,264	293,052	5,698	370	0	71,853	41,997	32,772	9,225	3,843	29,856	
2001	2,423	430,361	303,185	5,887	831	0	75,237	43,031	33,766	9,265	3,899	32,206	
2002	2,268	400,045	258,904	5,885	884	0	72,472	41,578	32,514	9,064	3,489	30,894	
2003	2,128	364,797	227,033	6,289	354	0	71,901	41,585	32,088	9,497	3,946	30,316	
2004	2,055	346,700	218,617	6,757	898	0	70,989	41,223	31,626	9,597	4,028	29,766	
2005	1,988	372,968	240,871	7,554	637	0	74,459	43,445	33,278	10,167	4,562	31,014	
2006	1,940	398,054	268,337	8,559	495	0	77,597	45,989	35,250	10,739	5,007	31,608	
2007	1,903	472,967	327,420	10,494	4,478	0	77,804	44,602	35,092	9,510	3,850	33,202	

Financial year	Income									
	Total	Interest received			Current income				Profits transferred under profit pooling and profit transfer agreements	Commissions received
		Total	from lending and money market transactions	from debt securities and Debt Register claims	Total	from shares and other variable yield securities	from participating interests 3	from shares in affiliated enterprises		
1999	368,638	309,151	258,300	50,851	12,550	6,631	1,426	4,493	1,163	26,760
2000	424,841	351,570	290,904	60,666	16,994	7,951	2,219	6,824	1,382	33,793
2001	440,741	363,138	298,110	65,028	17,379	9,849	2,169	5,361	1,897	31,236
2002	407,115	323,949	266,031	57,918	17,446	7,226	1,835	8,385	3,077	30,212
2003	361,115	294,244	243,578	50,666	10,975	6,503	1,220	3,252	3,523	30,645
2004	351,489	285,732	235,855	49,877	14,666	9,631	1,212	3,823	3,217	32,039
2005	396,466	306,745	252,604	54,141	17,000	12,365	1,250	3,385	5,337	35,351
2006	420,230	332,763	274,104	58,659	18,807	14,105	1,230	3,472	5,891	38,411
2007	487,510	390,030	318,664	71,366	23,964	17,995	1,933	4,036	4,929	42,177

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. — 1 Spending

item does not include depreciation of and adjustments for tangible and intangible assets, shown net of depreciation of assets leased ("narrow" definition). All other tables are based on a broad definition

Deutsche Bundesbank

Value adjustments in respect of tangible and intangible assets		Other operating charges	Value adjustments in respect of loans and advances, and provisions for contingent liabilities and for commitments	Value adjustments in respect of participating interests, shares in affiliated enterprises and securities treated as fixed assets	Charges incurred through loss transfers	Transfers to special reserves	Extraordinary charges	Taxes on income and earnings 2	Other taxes	Profits transferred under profit pooling and profit transfer agreements	Financial year
Total	of which Assets leased										
5,972	405	3,130	15,512	551	518	4,335	1,655	8,988	192	887	1999
6,243	423	4,280	17,902	1,747	751	59	2,271	6,747	179	1,112	2000
5,975	167	4,237	22,327	1,827	2,785	113	2,221	3,672	215	1,849	2001
5,995	143	4,288	34,213	3,412	4,550	64	2,102	3,850	185	3,241	2002
5,520	125	5,404	23,325	7,480	2,861	63	5,264	5,505	169	3,629	2003
4,904	112	3,763	19,439	1,352	1,427	37	8,893	5,583	176	3,865	2004
4,347	0	5,752	17,917	711	1,398	36	4,688	9,744	202	4,652	2005
3,894	17	4,719	17,880	2,593	796	49	2,656	5,421	191	4,867	2006
3,756	6	5,381	26,400	3,914	939	97	1,274	5,963	160	4,887	2007

Net profit on financial operations	Gross profit on transactions in goods and subsidiary transactions	Value re-adjustments in respect of loans and advances, and provisions for contingent liabilities and for commitments	Value re-adjustments in respect of participating interests, shares in affiliated enterprises and securities treated as fixed assets	Other operating income		Income from the release of special reserves	Extraordinary income	Income from loss transfers	Financial year
				Total	of which from leasing business				
4,123	221	4,001	3,110	5,954	522	163	1,333	109	1999
6,819	201	2,016	2,329	6,727	536	1,840	1,025	145	2000
6,201	183	2,711	5,787	7,976	247	1,502	2,378	353	2001
3,834	170	2,996	12,040	8,139	243	889	3,586	777	2002
6,803	165	1,574	2,188	9,341	220	450	1,111	96	2003
2,158	160	2,157	1,070	8,040	239	49	1,716	485	2004
12,058	161	3,910	4,975	7,654	55	83	3,136	56	2005
4,908	172	3,880	2,307	12,047	34	27	946	71	2006
3,335	174	2,885	8,968	8,883	19	38	2,083	44	2007

of "other administrative spending". — 2 In part, including taxes paid by legally dependent building and loan associations affiliated to

Landesbanken. — 3 Including amounts paid up on cooperative society shares.

### Major components of credit institutions' profit and loss accounts, by category of banks \*

As a percentage of the average balance sheet total °

Financial year	All categories of banks	Commercial banks			Landesbanken 2	Savings banks	Regional institutions of credit cooperatives	Credit cooperatives	Mortgage banks	Special purpose banks 2
		Total	of which							
			Big banks 1	Regional banks and other commercial banks 1						
<b>Interest received (total) 3</b>										
2001	5.39	5.12	4.91	5.68	5.47	5.75	4.91	5.76	5.73	4.95
2002	4.83	4.41	4.09	5.18	4.67	5.53	4.15	5.47	5.36	4.59
2003	4.39	3.82	3.42	4.74	4.25	5.20	3.42	5.12	5.09	4.15
2004	4.23	3.60	3.30	4.57	4.39	4.92	3.28	4.88	4.85	3.97
2005	4.37	3.98	3.79	4.64	4.69	4.75	3.05	4.72	4.88	4.05
2006	4.63	4.47	4.36	4.86	4.94	4.67	3.18	4.61	5.32	4.12
2007	5.13	4.78	4.65	5.23	5.66	4.81	3.55	4.77	7.09	4.45
<b>Interest paid</b>										
2001	4.28	3.97	4.02	3.85	4.88	3.47	4.29	3.36	5.30	4.43
2002	3.63	3.07	2.99	3.25	4.08	3.15	3.49	2.98	4.97	4.01
2003	3.23	2.65	2.57	2.83	3.63	2.80	2.96	2.61	4.66	3.60
2004	3.04	2.35	2.31	2.48	3.74	2.57	2.79	2.37	4.41	3.47
2005	3.20	2.71	2.79	2.47	4.05	2.45	2.57	2.26	4.44	3.56
2006	3.48	3.14	3.26	2.75	4.33	2.44	2.75	2.30	4.89	3.65
2007	4.01	3.48	3.56	3.23	5.01	2.75	3.06	2.62	6.65	4.02
<b>Excess of interest received over interest paid = net interest received (interest margin)</b>										
2001	1.12	1.15	0.89	1.83	0.60	2.28	0.62	2.41	0.43	0.53
2002	1.20	1.34	1.10	1.93	0.59	2.38	0.66	2.49	0.40	0.59
2003	1.16	1.17	0.85	1.91	0.63	2.40	0.46	2.51	0.43	0.55
2004	1.18	1.25	0.98	2.09	0.65	2.35	0.49	2.51	0.44	0.50
2005	1.17	1.27	1.00	2.17	0.63	2.30	0.47	2.46	0.45	0.49
2006	1.15	1.33	1.11	2.11	0.61	2.23	0.43	2.30	0.43	0.47
2007	1.12	1.30	1.09	2.00	0.65	2.06	0.50	2.15	0.43	0.43
<b>Excess of commissions received over commissions paid = net commissions received</b>										
2001	0.36	0.64	0.57	0.85	0.11	0.50	0.15	0.58	-0.01	0.05
2002	0.34	0.60	0.53	0.79	0.11	0.49	0.14	0.57	-0.01	0.09
2003	0.35	0.59	0.54	0.71	0.11	0.53	0.17	0.61	-0.01	0.09
2004	0.35	0.57	0.50	0.78	0.11	0.56	0.16	0.65	0.00	0.09
2005	0.37	0.60	0.52	0.85	0.12	0.56	0.16	0.67	0.00	0.09
2006	0.39	0.63	0.54	0.94	0.13	0.58	0.14	0.66	0.03	0.10
2007	0.39	0.61	0.51	0.92	0.13	0.60	0.12	0.67	0.04	0.10

\* The figures for the most recent date should be regarded as provisional. Excluding building and loan associations, institutions in liquidation, and institutions with a truncated financial year. — ° Excluding the balance sheet total of the foreign

branches of savings banks. From 2004, excluding the balance sheet total of the foreign branches of regional institutions of credit cooperatives. — For footnotes 1-3 see p 39.

Major components of credit institutions' profit and loss accounts,  
by category of banks \* (cont'd)

As a percentage of the average balance sheet total °

Financial year	All categories of banks	Commercial banks			Landesbanken 2	Savings banks	Regional institutions of credit cooperatives	Credit cooperatives	Mortgage banks	Special purpose banks 2
		Total	of which							
			Big banks 1	Regional banks and other commercial banks 1						
General administrative spending										
2001	1.14	1.65	1.48	2.12	0.45	1.97	0.55	2.36	0.15	0.18
2002	1.10	1.55	1.36	2.06	0.44	1.95	0.53	2.30	0.14	0.22
2003	1.10	1.53	1.37	1.93	0.42	1.97	0.54	2.32	0.16	0.22
2004	1.05	1.41	1.27	1.89	0.44	1.92	0.52	2.28	0.16	0.22
2005	1.05	1.38	1.23	1.87	0.45	1.92	0.44	2.30	0.17	0.21
2006	1.06	1.42	1.27	1.93	0.46	1.89	0.47	2.27	0.18	0.22
2007	1.00	1.28	1.13	1.81	0.43	1.90	0.39	2.12	0.18	0.21
Partial operating result										
2001	0.33	0.15	-0.02	0.56	0.25	0.81	0.22	0.63	0.27	0.39
2002	0.44	0.38	0.27	0.65	0.26	0.92	0.27	0.76	0.25	0.47
2003	0.41	0.23	0.02	0.69	0.31	0.95	0.09	0.80	0.27	0.42
2004	0.48	0.40	0.22	0.98	0.33	1.00	0.13	0.88	0.28	0.37
2005	0.49	0.50	0.29	1.15	0.30	0.94	0.19	0.83	0.28	0.37
2006	0.49	0.54	0.38	1.11	0.28	0.92	0.11	0.69	0.28	0.35
2007	0.51	0.62	0.47	1.12	0.35	0.75	0.22	0.70	0.30	0.31
Net profit or net loss on financial operations										
2001	0.08	0.20	0.30	-0.03	0.04	0.00	0.06	-0.01	0.00	0.00
2002	0.04	0.09	0.13	0.01	0.04	0.00	0.11	-0.01	0.00	0.00
2003	0.09	0.24	0.32	0.07	0.02	0.02	0.18	0.02	0.00	0.00
2004	0.02	0.02	0.04	-0.04	0.02	0.02	0.19	0.01	0.00	0.00
2005	0.15	0.41	0.56	-0.04	0.02	0.02	0.18	0.01	0.00	0.00
2006	0.06	0.11	0.15	-0.04	0.06	0.02	0.17	0.01	0.00	0.00
2007	-0.01	0.03	0.08	-0.13	-0.10	0.01	-0.19	0.01	0.00	0.00
Net income or net charges from the valuation of assets										
2001	-0.28	-0.26	-0.24	-0.33	-0.20	-0.52	-0.32	-0.50	-0.12	-0.15
2002	-0.44	-0.39	-0.38	-0.42	-0.47	-0.71	-0.42	-0.67	-0.20	-0.21
2003	-0.31	-0.33	-0.31	-0.37	-0.23	-0.54	-0.25	-0.56	-0.13	-0.13
2004	-0.24	-0.22	-0.17	-0.40	-0.05	-0.60	-0.17	-0.54	-0.19	-0.05
2005	-0.19	-0.15	-0.09	-0.36	-0.05	-0.50	-0.08	-0.52	-0.13	-0.01
2006	-0.18	-0.16	-0.10	-0.34	0.08	-0.52	-0.05	-0.71	-0.12	-0.08
2007	-0.29	-0.17	-0.13	-0.31	-0.13	-0.43	-0.18	-0.44	-0.14	-0.96

For footnotes \*, °, see p 38. — 1 From 2004, Deutsche Postbank AG reclassified from the category of "Regional banks and other commercial banks" to the category of "Big banks". — 2 From 2004, NRW.BANK reclassified from the category of "Landesban-

ken" to the category of "Special purpose banks". — 3 Interest received plus current income and profits transferred under profit pooling and profit transfer agreements.

**Major components of credit institutions' profit and loss accounts,  
by category of banks \* (cont'd)**

As a percentage of the average balance sheet total °

Financial year	All categories of banks	Commercial banks			Landesbanken 2	Savings banks	Regional institutions of credit cooperatives	Credit cooperatives	Mortgage banks	Special purpose banks 2
		Total	of which							
			Big banks 1	Regional banks and other commercial banks 1						
<b>Operating result</b>										
2001	0.18	0.14	0.05	0.36	0.14	0.32	0.01	0.22	0.18	0.27
2002	0.10	0.15	0.00	0.50	-0.13	0.27	0.06	0.17	0.06	0.26
2003	0.25	0.21	0.04	0.58	0.14	0.46	0.06	0.46	0.14	0.33
2004	0.31	0.29	0.13	0.74	0.33	0.44	0.19	0.51	0.11	0.35
2005	0.48	0.77	0.71	0.96	0.26	0.50	0.30	0.47	0.18	0.38
2006	0.46	0.57	0.47	0.93	0.48	0.46	0.24	0.55	0.17	0.32
2007	0.25	0.51	0.41	0.84	0.15	0.41	-0.13	0.45	0.18	-0.63
<b>Net other and extraordinary income or charges</b>										
2001	0.02	0.04	0.13	-0.18	-0.03	0.06	0.12	0.14	-0.05	-0.07
2002	0.06	-0.11	-0.12	-0.08	0.21	0.08	0.09	0.29	0.07	-0.03
2003	-0.22	-0.47	-0.52	-0.36	-0.28	0.02	-0.04	0.07	-0.04	-0.10
2004	-0.17	-0.30	-0.25	-0.46	-0.30	0.01	-0.08	0.02	-0.05	-0.04
2005	-0.04	-0.07	0.05	-0.47	-0.07	0.00	-0.11	0.25	-0.16	-0.01
2006	-0.10	-0.18	-0.09	-0.50	-0.12	-0.02	-0.07	0.06	-0.10	0.01
2007	0.00	0.13	0.28	-0.36	-0.10	-0.04	-0.02	0.02	-0.14	-0.07
<b>Profit for the financial year before tax</b>										
2001	0.20	0.18	0.18	0.18	0.11	0.38	0.13	0.35	0.13	0.20
2002	0.15	0.04	-0.12	0.41	0.08	0.35	0.14	0.46	0.14	0.23
2003	0.03	-0.25	-0.48	0.22	-0.14	0.48	0.02	0.52	0.09	0.22
2004	0.14	-0.01	-0.12	0.29	0.03	0.45	0.11	0.52	0.06	0.31
2005	0.44	0.70	0.77	0.49	0.19	0.49	0.18	0.72	0.02	0.37
2006	0.36	0.39	0.38	0.43	0.36	0.44	0.16	0.61	0.06	0.33
2007	0.25	0.64	0.68	0.48	0.05	0.37	-0.15	0.47	0.04	-0.70
<b>Profit for the financial year after tax</b>										
2001	0.15	0.16	0.21	0.05	0.10	0.21	0.08	0.21	0.09	0.18
2002	0.10	0.00	-0.13	0.30	0.05	0.20	0.16	0.31	0.11	0.21
2003	-0.05	-0.27	-0.44	0.11	-0.17	0.18	0.08	0.26	0.07	0.21
2004	0.07	-0.05	-0.10	0.11	-0.02	0.23	0.15	0.27	0.03	0.29
2005	0.31	0.50	0.56	0.31	0.17	0.27	0.18	0.47	-0.02	0.36
2006	0.29	0.32	0.33	0.27	0.31	0.24	0.35	0.47	0.04	0.32
2007	0.18	0.52	0.57	0.36	0.03	0.21	0.11	0.29	0.02	-0.71

For footnotes \*, °, see p 38. — For footnotes 1-2, see p 39.



## Monetary growth and its determinants in recent years

To detect medium to long-term inflationary risks early, the Eurosystem undertakes a complex monetary analysis which centres on M3, as the growth of this monetary aggregate is particularly closely linked to consumer price inflation. Precise knowledge of the factors driving monetary dynamics is therefore especially valuable for assessing future price risks.

Monetary growth has many possible causes. The components and counterparts of the money stock consequently need to be analysed carefully in the context of the consolidated balance sheet of the banking sector. In the euro area, a strong rise in loans to the private sector has dominated for years. This has also manifested itself in the relatively high explanatory power of housing price developments in the money demand estimate for annual M3 growth. In addition, vector autoregressive (VAR) analyses show that monetary growth in the past two-and-a-half years has also tended to have been boosted by higher short-term interest rates, since they have made the M3 components that are remunerated at close to market rates more attractive. These expansionary effects of interest rate policy on M3, however, are quantitatively relatively small and temporary. In the long run, interest rate hikes dampen monetary growth.

## Monetary growth in the context of the consolidated balance sheet

*Monetary variables: good indicators of longer-term inflationary risks*

In the Eurosystem's stability-oriented monetary policy strategy, monetary analysis forms the basis for assessing longer-term price risks.<sup>1</sup> In this context, the Eurosystem has been using a whole range of analytical methodologies for quite some time now.<sup>2</sup> These include *inter alia* monetary inflation forecasts in which the average inflation rate over a given period is predicted on the basis of monetary variables. Such forecasts are noticeably more accurate than forecasts which do not include monetary variables, particularly over time periods of more than two years.<sup>3</sup>

*No mechanistic monetary-based inflation forecasts*

It is generally evident that indicator models based on the growth of broad money, ie M3, are particularly well suited to detecting future longer-term inflationary risks early.<sup>4</sup> However, short-term influences can temporarily distort the information value of monetary data for future price developments. These may include not only purely statistical distortions such as those caused by end-of-month, end-of-quarter or end-of-year effects, but also somewhat longer-lasting factors. Although the associated changes in the money stock may well have economic causes, they need not necessarily have any lasting price effects. Monetary growth therefore must not be employed mechanistically in the monetary policy decision-making process. Rather, it is imperative that the "underlying monetary dynamics", which are especially closely related to longer-term inflation developments, be identified.

In seeking to determine these underlying monetary dynamics, monetary analysis, in a first step, examines the various sources of money creation. It is a good idea to base this on the consolidated balance sheet of the banking (or, to be precise, the MFI) sector.<sup>5</sup> Such an analysis focuses particularly on loans to domestic enterprises and individuals, developments which have traditionally made a prominent contribution to monetary growth in the euro area and are also generally closely related to the private sector's aggregate expenditure. Focusing too much on this counterpart, however, would be overly simplistic. As a case in point, the Bundesbank discovered back in the 1980s and early 1990s that major shifts in international exchange rates meant that the only way to assess the underlying monetary dynamics in Germany meaningfully was to look not only at private

*Loans to private sector most important source of money creation in euro area*

<sup>1</sup> For information on how monetary analysis fits into the Eurosystem's monetary policy strategy, see Deutsche Bundesbank, Ten years of monetary policy cooperation in the Eurosystem, Monthly Report, April 2008, p 15 ff.

<sup>2</sup> A comprehensive overview of new developments in the Eurosystem's monetary analysis framework is provided in B Fischer, M Lenza, H Pill and L Reichlin, Money and Monetary Policy: The ECB Experience 1999-2006, in A Beyer and L Reichlin (eds), The Role of Money – Money and Monetary Policy in the Twenty-First Century, Proceedings of the Fourth ECB Central Banking Conference, 9-10 November 2006, ECB, Frankfurt am Main, pp 102-175.

<sup>3</sup> See M Scharnagl and C Schumacher, Reconsidering the role of monetary indicators for euro area inflation from a Bayesian perspective using group inclusion probabilities, Deutsche Bundesbank Research Centre, Discussion Paper, Series 1, Economic Studies, No 09/2007.

<sup>4</sup> See B Hofmann (2008), Do Monetary Indicators Lead Euro Area Inflation?, ECB Working Paper No 867.

<sup>5</sup> Monetary financial institutions (MFIs), the sector that creates money in the euro area, include not only banks but also money market funds. The consolidated balance sheet of the MFI sector compares M3 and its components with the MFIs' other balance sheet items (especially loans to domestic non-banks and foreign borrowers, securities portfolios and MFIs' longer-term liabilities), with pure interbank assets and liabilities netted against one another ("consolidated"). The consolidated balance sheet thus represents MFIs' business with domestic non-banks and non-residents.

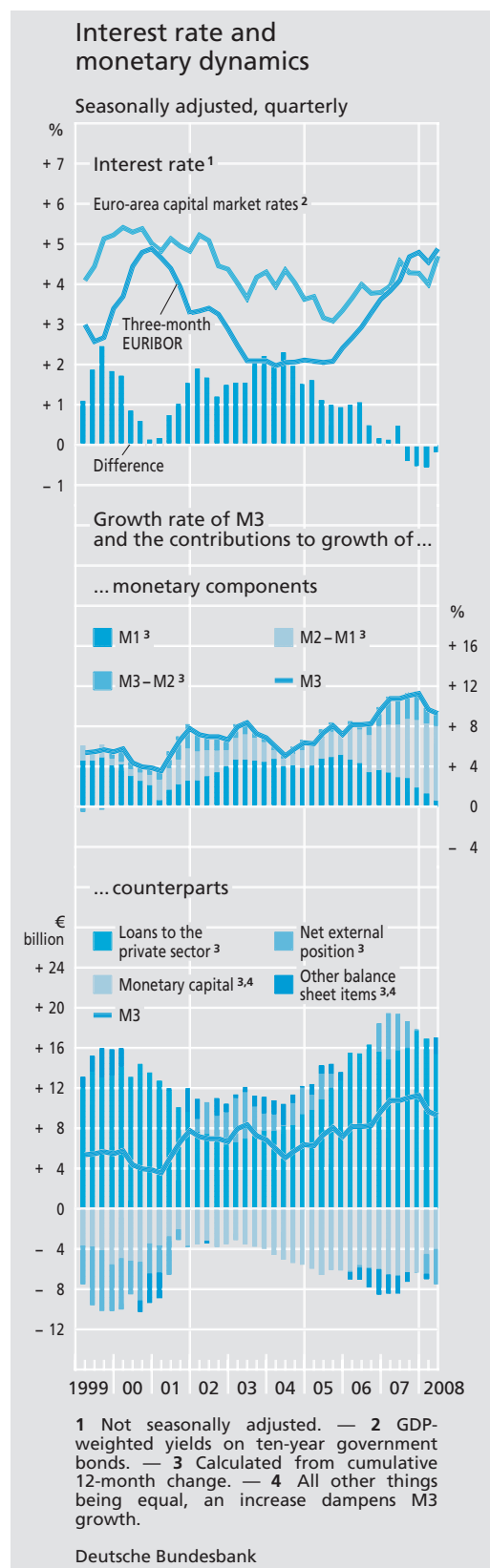
loans but also at banks' net external asset position and trends in monetary capital formation at banks. In periods when the D-Mark was appreciating sharply, foreign borrowers repaid their obligations to domestic enterprises more quickly. At the same time, it became more attractive for residents increasingly to borrow abroad to meet their financing requirements rather than to take up loans with domestic banks. During such periods, therefore, moderate domestic credit growth was generally accompanied by large inflows of funds from abroad and thus by a sharp rise in German banks' net external assets. The domestic banking sector's total lending business was, during these periods, a much better indicator of trends in monetary growth than lending alone – at least while domestic monetary capital formation showed no striking changes.<sup>6</sup> The same was also temporarily true of the euro area as a whole when strong inflows of funds from abroad noticeably boosted M3 growth in the 2001-03 and 2006-07 periods.<sup>7</sup>

*Periods of unusual portfolio shifts*

The money stock is also affected by shifts between short-term and longer-term bank liabilities, ie shifts between the money stock and what is known as monetary capital. Such shifts between the various types of bank deposits and credit institutions' securitised liabilities (money market paper and long-term

<sup>6</sup> See J Reischle (2001), The role of the analysis of the consolidated balance sheet of the banking sector in the context of the Bundesbank's monetary targeting strategy prior to Stage Three, in H-J Klöckers and C Willeke (eds), Monetary analysis: Tools and applications, ECB, Frankfurt am Main, pp 165-185.

<sup>7</sup> See European Central Bank, The external dimension of monetary analysis, Monthly Bulletin, August 2008, pp 71-84.



bank debt securities) within an interest rate cycle are quite normal; if the yield curve steepens, the longer-term bank liabilities contained in monetary capital become more attractive, whereas if the yield curve is flat or even inverted, investors prefer more liquid vehicles for investing with banks. However, irrespective of the prevailing interest rate situation, unusual portfolio shifts in favour of money stock components always present particular challenges when interpreting monetary data. Experience has shown that this is particularly common in times of high financial market uncertainty, such as in the 2001-03 period, when a lengthy slide in stock prices combined with geopolitical tensions had put a visible damper on investors' willingness to invest in the longer term. As a result, not only did monetary capital formation take place at a slower pace during this period, but domestic enterprises and individuals also sold large volumes of securities to non-resident investors. The proceeds were invested in liquid M3 components at domestic banks. The effect of these large inflows of funds from abroad on the consolidated balance sheet of the banking system was a strong rise in the banking system's net external assets. The price risks generated by money created in this fashion are usually lower than, for instance, money created by borrowing.

*Limits of  
monetary  
analysis geared  
to consolidated  
balance sheet*

On the whole, the analysis of the consolidated balance sheet reveals key information on the sources of money creation which can be used to assess inflationary risks. Price risks usually vary depending on whether dynamic monetary growth is caused by strong credit expansion or extensive portfolio shifts as a re-

sult of uncertainty. However, econometric methods are needed in order to clearly identify the underlying economic causes of the developments in the balance sheet counterparts to the money stock. Only then can the contribution made by, for instance, interest rates, income levels or geopolitical risks to monetary growth be assessed. Generally, money demand estimations are the basis on which the monetary growth rate is decomposed into its macroeconomic determinants.

### Analysing monetary growth using money demand functions

Money demand functions usually cite transactions motives and general portfolio considerations as reasons why non-banks hold money. In traditional specifications, nominal gross domestic product (GDP, which measures the total volume of transactions in an economy) and capital market rates or other measures of the opportunity costs of holding money are the decisive macroeconomic explanatory factors. In addition, account is taken of the fact that, in the short run, deviations from the longer-term relationship may occur; these are, however, remedied by means of an adjustment process. Money demand approaches simultaneously capture these short-run dynamics and the long-run relationship using an error correction approach.<sup>8</sup>

*Information  
value of money  
demand  
estimations*

<sup>8</sup> See A Calza, D Gerdesmeier and J Levy (2001), Euro Area Money Demand: Measuring the Opportunity Costs Appropriately, IMF Working Paper No 01/179 or G Coenen and J-L Vega (2001), The Demand for M3 in the Euro Area, Journal of Applied Econometrics, No 16(6), pp 727-748.

*Signs of instability in traditional money demand equations*

Since 2001, such econometric analyses of money demand in the euro area have increasingly been detecting signs that the hitherto stable long-run relationships between money, income and interest rates no longer exist in the same form as before. These standard money demand models are certainly unable to come up with a satisfactory explanation for the continued strong growth of money in recent years.

*Money demand estimations which make allowances for uncertainty...*

In relatively recent studies on money demand, the weaknesses of the standard specification of the demand for money in explaining current monetary trends have led to the inclusion of additional explanatory factors. For the 2001-04 period, the traditional approaches have been amended to include variables which are intended to reflect the degree of macroeconomic uncertainty and thus represent the risk involved in investing in alternative forms of finance such as fixed-interest securities or stocks.<sup>9</sup> These approaches have been very successful in capturing the pronounced portfolio shifts of households from stocks into safe, liquid investment vehicles in the aftermath of the global stock market slump of 2001 and during the period of high geopolitical uncertainty. However, they do not provide a satisfactory explanation for the strong rise in the money stock since mid-2004.

*... or differences in yields*

In an alternative approach, holding money is seen as part of a more complex portfolio decision. This approach seeks to explain the holding of money not through portfolio shifts caused by uncertainty but rather as a yield-driven investment decision.<sup>10</sup> To this end, it

takes into account not only GDP but also domestic and foreign capital market and stock market yields. While this approach effectively explains the strong rise in M3 in 2006 and 2007, which was also reflected in high inflows of funds from abroad in the consolidated balance sheet, for earlier periods it records implausibly large residuals from the long-run money demand.

However, these extensions fail to come to grips with another key cause of the strong rise in the money stock over the past four years: they do not take sufficient account of the fact that, since mid-2004, borrowing in the euro area has accelerated significantly, which was largely the result of booming housing markets in many euro-area countries. Including housing variables in the demand for money can help bridge the gap between money creation and money holding. A lasting rise in the holding of money is caused by the fact that money holding is influenced not only by the substitution relationship between money and other forms of investment but also the complementarity between monetary components and other asset variables. Increases in total wealth will typically induce the private sector to hold a larger stock of money.

*Money and assets*

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<sup>9</sup> See C Greiber and W Lemke, Money Demand and Macroeconomic Uncertainty, Deutsche Bundesbank Research Centre, Discussion Paper, Series 1, Economic Studies, No 26/2005, and K Carstensen (2003), Is European Money Demand Still Stable?, Institute for World Economics, Working Paper No 1179, Kiel.

<sup>10</sup> See R A De Santis, C Favero and B Roffia (2008), Euro area money demand and international portfolio allocation, ECB Working Paper No 926.

## Decomposition of the annual growth rate of M3 into its determinants

Percentage points

Item	2006				2007				2008	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Real GDP	0.55	0.59	0.69	0.80	0.83	0.91	0.94	0.86	0.86	0.78
GDP deflator	1.98	1.99	1.96	1.71	2.11	2.19	2.21	2.23	2.12	2.42
Long-term interest rate	0.77	0.59	0.27	-0.06	-0.16	-0.24	-0.32	-0.40	-0.53	-0.51
Housing prices	2.99	2.93	2.86	2.75	2.64	2.53	2.42	2.25	1.91	1.47
Fundamentals	6.29	6.10	5.79	5.20	5.43	5.39	5.26	4.94	4.37	4.16
Shocks 1	1.65	2.61	2.35	4.06	4.96	5.21	6.25	7.08	6.54	5.79
M3 2	7.94	8.71	8.14	9.26	10.38	10.60	11.51	12.02	10.91	9.95

1 Calculated as the deviation of the M3 growth rate explained by fundamentals from the official annual M3

growth rate. — 2 Calculated on the basis of quarterly averages for the seasonally adjusted M3 index series.

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*Housing variables as explanatory factors for money demand*

In standard money demand studies, GDP is not only a transactions variable but also a proxy for total wealth. However, there are now many signs that GDP is not satisfactory as an approximation of total wealth. This is especially true of the post-2001 period, when assets and incomes started to diverge noticeably owing to the boom in housing prices in some euro-area countries and the highly volatile stock markets. A recent study by Greiber and Setzer (2007) cites, among other things, trends in euro-area housing prices and housing wealth to explain the strong monetary growth over the past few years.<sup>11</sup> Strong growth in housing prices in the euro area will probably have had a key impact on banks' lending behaviour, since higher housing prices improve real estate owners' collateral and thus give them easier access to loans. If

these effects are taken into account, a stable long-run money demand relationship can be established for both the euro area and the United States. The reverse also appears to hold, namely that an expansionary monetary policy promotes the development of the housing market by improving financing conditions and thereby boosting demand for real estate.

In principle, money demand studies can also be used to gain an idea of the importance specific explanatory factors have for monetary developments. The table on this page

*Decomposition of the components of M3 growth ...*

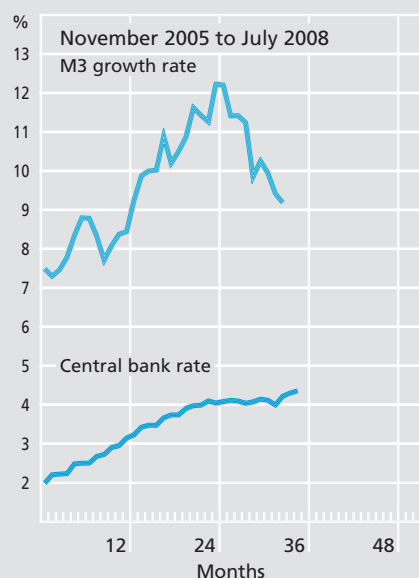
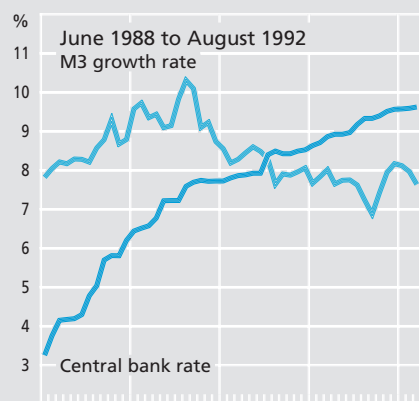
<sup>11</sup> See C Greiber and R Setzer, Money and Housing – Evidence for the euro area and the US, Deutsche Bundesbank Research Centre, Discussion paper, Series 1, Economic Studies, No 12/2007. For a brief description of this study, see Deutsche Bundesbank, The relationship between monetary developments and the real estate market, Monthly Report, July 2007, pp 13-24.

uses the money demand equation developed by Greiber and Setzer (2007) to decompose the annual M3 growth rate into its driving factors. According to this, the house price developments of the past few years explain up to 3 percentage points of the annual M3 growth rate. Despite a noticeable cooling in housing price growth, they recently still contributed 1½ percentage points to M3 growth. In addition, price trends (as measured by the GDP deflator) made a significant contribution to monetary growth, namely 2½ percentage points in the second quarter of 2008, while, other things being equal, long-term interest rates dampened monetary growth.

... leaves scope  
for additional  
explanatory  
factors

When decomposing M3 growth, it also becomes evident, however, that current monetary developments cannot be fully explained even when housing prices are taken into consideration. From mid-2006 to the end of 2007, the percentage of the monetary growth rate that can be explained by non-fundamental factors ("shocks") has increased continuously. Though the recent slight weakening of the monetary dynamics has resulted in this percentage falling back again somewhat since the beginning of the year, the above-mentioned fundamental factors currently still explain less than 50% of total annual M3 growth. This can probably be attributed in part to a strong increase in leveraged mergers and acquisitions, of which the macroeconomic factors observed for this analysis take no account, as well as the substantial yield-driven inflows of funds from abroad referred to above.

### M3 growth rates and central bank rates\*



\* For the period prior to 1999, the securities repurchase rate of the Deutsche Bundesbank is used to approximate the central bank rate; from 1999, the interest rate on main refinancing operations (from July 2000 the minimum bid rate) is used.

Deutsche Bundesbank

Note that the fact that high monetary growth can be explained using a money demand function does not necessarily mean that it is not associated with inflationary risks. If, for instance, an economy's production capacity is overstretched and/or interest rates are exceptionally low, this may explain strong monetary growth, but it is still associated with high price risks for the economy.

### Econometric analysis of the relationship between the Eurosystem's interest rate policy and monetary growth

*Interest rate hikes and monetary growth correlated*

Essentially, the strong monetary growth may also have been encouraged by the ongoing rise in short-term interest rates. Monetary growth accelerated in line with the rate hikes passed by the ECB Governing Council from the end of 2005. These rate hikes resulted in a flatter term structure and rendered short-term investments more attractive compared with longer-term exposures. Historically, monetary dynamics during the current period of rising interest rates displays the most parallels with monetary growth during the period of interest rate increases from June 1988 to August 1992. Then as now, strong growth in M3 went hand in hand with central bank rate hikes. The fact that periods of rising interest rates need not necessarily be accompanied by higher monetary growth is evident from the period from October 1999 to December 2000, when the interest rate rose and monetary growth weakened.

Looking at the developments of the past three years, the correlation observed between

money market rates and trends in the money stock could also reflect the fact that increasing inflation risks as a result of strong monetary growth prompted the monetary authorities to tighten monetary policy incrementally.

A comprehensive econometric analysis of the effects of interest rate changes on the money stock must not, *a priori*, dismiss any of these possible correlations and causal relationships. This is easier to achieve using a vector autoregressive (VAR) model than under simple regression approaches and is one reason why VAR models are now a standard instrument in the empirical analysis of the dynamic effects of monetary policy shocks. One characteristic of VAR models is that, as far as possible, all the explanatory variables used are themselves explained by this approach. Looking at the issue in hand, this means that both the effects of interest rate changes on the other variables and the determinants of the rate move itself are captured simultaneously. Another reason why VAR models are applied widely is that they allow the dynamic response of macroeconomic variables to a one-off change in the decisive variables (the so-called impulse) to be simulated and illustrated using what are known as impulse response functions. An impulse or shock is defined as the unexpected part of a monetary policy measure (central bank rate change), which economic agents have therefore not taken into consideration in their plans.

The impulse response functions estimated using the VAR model show that the money stock (here measured by M3) initially rises in response to a one-off increase of 50 basis

*VAR model as standard instrument for analysing monetary policy transmission*

*Monetary adjustment dynamics ...*



## Specification of the VAR model

In keeping with the standard specification of the money demand function, the model contains the following endogenous variables: nominal M3, real gross domestic product (GDP) as a measure of the real transaction volume in the goods markets, the GDP deflator which proxies the general price level in the economy as a whole, the nominal three-month money market rate as a control variable for the own rate of return on M3, the nominal interest rate on ten-year euro-area government bonds as a measure of the opportunity costs of holding money, and real household housing wealth, which – among other things – proxies the volume of transactions carried out by non-banks in asset markets.<sup>1</sup> In addition, the VAR specification is enlarged to include two exogenous variables: the nominal US three-month rate for Treasury bills, which represents external monetary influences, and the commodity price index, which is an indicator of external inflationary pressure.<sup>2</sup> All variables are modelled in levels.<sup>3</sup> The analyses are based on quarterly data and are performed for the period from the fourth quarter of 1986 to the second quarter of 2007.<sup>4</sup> The shocks to the system are identified by means of a Cholesky decomposition, which

1 Household housing wealth is included on the basis of the findings in C Greiber & R Setzer, *Money and Housing – Evidence for the Euro Area and the US*, Deutsche Bundesbank Discussion Paper Series 1, No 12/2007, who find a close relationship between housing wealth/prices and monetary developments over the past few years. — 2 The inclusion of commodity prices is based on ideas presented by C A Sims (1992), *Interpreting the Macroeconomic Time Series Facts: The Effects of Monetary Policy*, *European Economic Review* 36 (5), pp 975-1000, and C A Sims & T Zha (1995), *Does Monetary Policy Generate Recessions?*, Yale University. In these studies, the authors point out that commodity prices represent a key indicator of inflationary pressure, to which the central bank reacts by raising interest rates. If commodity prices were not included, the fact that commodity prices are positively correlated with both the rate

implies that shocks affect the economy in a preordained chronological way. It may therefore be assumed that the shocks to the GDP deflator, real household housing wealth, the short-term and long-term interest rate and nominal M3 do not affect real GDP contemporaneously, but in a deferred manner. By contrast, M3 is allowed to respond to shocks to all other system variables instantaneously.

The impulse responses generated by our VAR model are robust to different orderings of the endogenous variables: simulations of alternative recursive structures of the economic shocks have no net overall impact on the pattern of the impulse responses. The estimates, moreover, show patterns of impulse responses which are plausible and largely consistent over time even if the sample length and the beginning and endpoints are shifted. The initially positive reaction of nominal M3 to a contractionary interest rate shock is stronger if the quarterly data for the first half of 2007 are included; this is compatible with the observed pronounced comovement of interest rates and the acceleration of monetary growth during this phase.

of inflation and the short-term interest rate would cause the price level to react positively to the (fuzzily identified) monetary policy shock. This is known as the “price puzzle”. — 3 For more on this topic, see the arguments presented by C A Sims, J H Stock & M W Watson (1990), *Inference in Linear Time Series Models with Some Unit Roots*, *Econometrica* 58, pp 113-144. — 4 The starting point was set at 1986 in order, among other things, to pay due regard to findings in the literature that some key macroeconomic time series underwent a structural break in the mid-1980s (see eg A McCallum & F Smets (2007), *Real wages and monetary transmission in the euro area*, Kiel Working Papers No 1360, and F Altissimo, M Ehrmann & F Smets (2006), *Inflation persistence and price-setting behaviour in the euro area*, ECB Occasional Paper Series No 46).

points in short-term interest rates, before moving to the expected downward trend from the fifth quarter onwards and, in the long run, converging towards the zero line, which describes the situation the variables would be in had there been no shock.<sup>12</sup> This initially positive response of the nominal money stock to a rate hike can be explained by temporary portfolio shifts. Higher short-term interest rates at first render the short-term investments contained in M3 more attractive than longer-term exposures, leading to a temporary increase in the money stock. The medium-term decline in the money stock then reflects, as generally expected, the fall in demand for credit and the concomitant drop in the creation of money.

*... and other  
macroeconomic  
variables'  
response to an  
interest rate  
shock*

Real GDP initially drops in response to an interest rate shock, bottoms out after some five quarters, but then converges towards zero after approximately ten quarters, demonstrating that the effect of monetary policy on real growth is neutral in the long term. Overall, the impulse response function of real GDP displays a "J"-shaped curve, which is consistent with the results of past analyses.

Interest rates' response curve is also consistent with expectations. The short-term interest rate initially reflects its own positive shock and falls continuously in the first six quarters. It then stagnates below the zero line for some time before gradually converging back towards zero.

Following a contractionary interest rate shock, the long-term rate initially rises, but then drops after approximately two quarters

before bottoming out in the fifth quarter and moving back to the zero line in the long term. The initial rise in the long-term interest rate can be explained by the expectations hypothesis regarding the term structure, which holds that long-term interest rates essentially represent an average of expected future short-term interest rates. The subsequent decline can presumably be attributed to the dampening effect that the contractionary interest rate shock has on the economy. A comparison of the long-term and the short-term interest rate movements shows that a central bank rate hike also affects the term structure. Initially, the short-term interest rate rises more than the long-term rate, which triggers the portfolio restructuring mentioned above.

Real housing wealth declines in response to a contractionary interest rate impulse, in an overall "U"-shaped pattern. The impulse response function of real housing wealth therefore backs up both theoretical expectations (higher short-term rates make refinancing more expensive, tending to lead to lower housing demand and lower housing prices) and the results of other analyses.<sup>13</sup>

The GDP deflator initially rises in response to a contractionary interest rate shock and does not start to fall until approximately the fifth

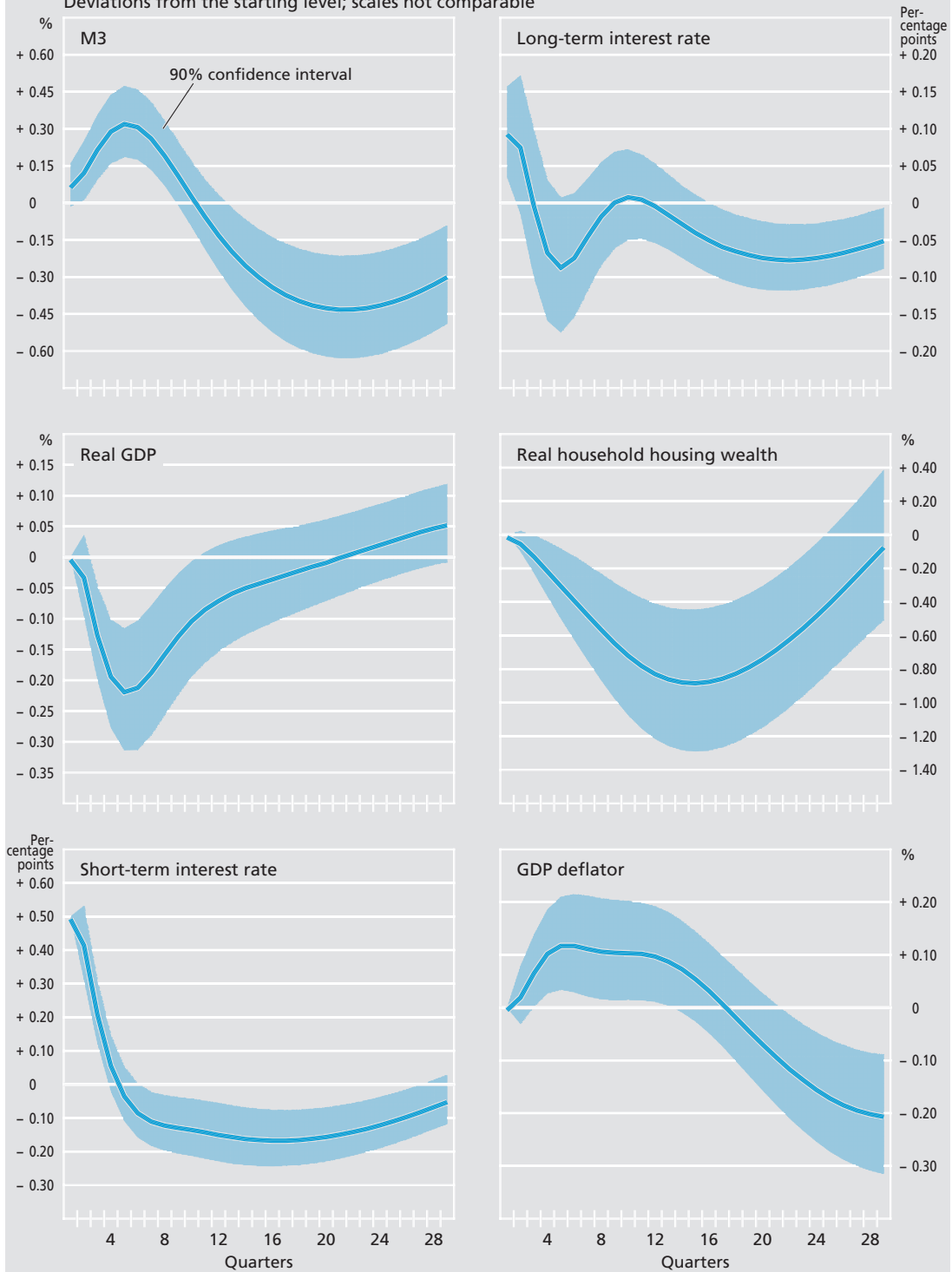
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<sup>12</sup> The corresponding 90% confidence bands were calculated using 2000 standard bootstrap replications. For a more detailed description and discussion of the results of the approaches described in the following, see B Blaes, *Analysing monetary policy transmission in the euro area – evidence from VARs and FAVARs*, Deutsche Bundesbank Research Centre, Discussion Paper, Series 1, Economic Studies, forthcoming.

<sup>13</sup> See C Greiber and R Setzer (2007), *op cit*.

VAR: the impulse response functions of selected indicators\*

Deviations from the starting level; scales not comparable



\* Responses to a simulated one-off 50 bp increase in the short-term interest rate in a vector autoregressive (VAR) model.

quarter.<sup>14</sup> In the long term, monetary policy displays the expected negative response to the price level. M3 and the price level therefore display fairly similar reactions to a shock to short-term interest rates.

*Interest rate hikes boost monetary growth only temporarily*

The resulting impulse response functions therefore largely confirm the theoretically derived expectations about the qualitative effects of monetary policy. In terms of monetary growth, which is of particular interest here, the results suggest that the money stock initially increases in response to a contractionary interest rate shock (a one-off rate hike) and only displays the anticipated downward trend in the medium to long term. However, this initial stimulating effect of monetary policy on the money stock should not be overestimated. At their peak, the interest rate hikes carried out from December 2005 contributed less than 1¼ percentage points to the monetary growth of recently just under 9½%. Of late, the interest rate rises of the past have already been dampening monetary growth slightly.

In the recent debate on the analysis of the monetary transmission process, it has increasingly been noted that both central banks and financial market players have much more information at their disposal when making decisions than is reflected in standard VAR models. The scientific literature on this topic points out that the omission of variables that are relevant for central banks' decision-making process in the VAR approach may result in a distorted estimate of the non-systematic component of monetary policy, potentially calling into question the conclu-

sions of the VAR model.<sup>15</sup> In addition, the literature notes that representing the underlying dynamics of some fundamental macroeconomic variables (eg inflation) using only one indicator is insufficient if its meaningfulness is impaired by measurement errors or other statistical problems.<sup>16</sup> In view of these considerations, the robustness of the results derived using the VAR model will, in the following, be verified against a broader analytical framework, particularly in terms of the dynamic structure of monetary developments.

This is effected with the aid of a factor augmented vector autoregressive (FAVAR) approach. The FAVAR model represents a modification of the VAR model in which selected variables are replaced by so-called "factors", which are extracted from a large dataset beforehand using factor analysis techniques. The advantage of the FAVAR model over parsimonious VAR model variants is that all potentially relevant variables can be taken into consideration at once. Therefore, the FAVAR model largely avoids distorted estimates as a result of neglected information (omitted vari-

*Modification of VAR model using factors*

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<sup>14</sup> The literature attempts to provide a theoretical explanation for the GDP deflator's initially positive response to a contractionary interest rate shock (see literature on the cost channel of monetary transmission, eg E Gaiotti and A Secchi (2006), Is There a Cost Channel of Monetary Policy Transmission? An Investigation into the Pricing Behavior of 2000 Firms, *Journal of Money, Credit and Banking* 38, pp 2013-2037).

<sup>15</sup> See B S Bernanke, J Boivin and P Elias (2005), Measuring the Effects of Monetary Policy: A Factor-Augmented Vector Autoregressive (FAVAR) Approach, *The Quarterly Journal of Economics* 120 (1), pp 387-422.

<sup>16</sup> See also J Boivin and D Giannoni (2006), DSGE Models in a Data-Rich Environment, NBER Working Paper No 12772, and J Boivin, M Giannoni and B Mojon (2008), Macroeconomic Dynamics in the Euro Area, NBER Macroeconomics Annual 2008. As euro-area data were synthetically aggregated up until 1999, the measurement error problem will probably be even more important here.

able bias).<sup>17</sup> The FAVAR model consequently permits a large number of additional variables – including, for example, the components and counterparts of the money stock – to be included in the estimate and their response to monetary measures to be analysed. This allows further insights into the reasons why the money stock initially responds positively to a restrictive interest rate shock.

*Analysis including all potentially relevant variables*

The estimates are based on a dataset comprising 65 macroeconomic time series for the euro area and were carried out for the observation period from the fourth quarter of 1986 to the fourth quarter of 2006. The body of data was provided by the European Central Bank's area-wide model database (AWM data) and reflects a broad range of economic activity in the euro area.<sup>18</sup> Given the motivation for this study, we have added a few monetary variables (M1, M2, M3, M3 corrected, monetary capital, MFI loans and global money).<sup>19</sup>

*FAVAR model results largely confirm VAR results*

The results are largely in line with expectations regarding the qualitative effects of monetary policy.<sup>20</sup> They therefore confirm the results of the VAR approach outlined above. Interestingly, there are no temporary positive price reactions using the FAVAR model. This outcome consequently supports the objection raised by several authors<sup>21</sup> that using a single indicator to represent inflation dynamics – this was the GDP deflator in the small VAR model version used above – may be insufficient.<sup>22</sup>

As with the VAR model, nominal M3 initially rises (albeit with weak statistical significance)

in response to a one-off positive impulse to the short-term interest rate before showing the expected falling pattern from roughly the fifth quarter and trending towards the zero line in the long run. This confirms the result of the VAR approach. Comparing the reaction of M3 with the impulse response function for the M3 series corrected for portfolio restructuring in the years 2001 to 2003, it is evident that the initial upward response of nominal M3 is probably largely based on portfolio reallocations. The greater attractiveness of short-term investments as a result of the interest rate hike temporarily resulted in a noticeable increase in liquidity. The impulse response function for M1 provides more evidence for this idea: the liquid, non-interest-bearing (cash) or low-interest (overnight deposits) monetary assets contained in M1 initially react negatively to a one-off interest rate shock, thus raising the opportunity costs of holding cash, though the medium to long-term effect proves not to be significant.

*Monetary dynamics under the FAVAR approach*

<sup>17</sup> The quality of the estimate depends on how well the extracted factors summarise the available information (ie the data set).

<sup>18</sup> For a detailed description of AWM data, see G Fagan, J Henry and R Mestre (2001), An Area-Wide Model (AWM) for the Euro Area, ECB Working Paper No 42.

<sup>19</sup> All time series (with the exception of interest rates) were logarithmised and, where necessary, differentiated to maintain the stationary pattern. As the time series' different scales could impair factor extraction, all series were also standardised to mean zero and variance one.

<sup>20</sup> See B Blaes, *op cit* for more details on the specifications and results.

<sup>21</sup> See, for example, C A Sims (1992), *op cit*.

<sup>22</sup> Besides the GDP deflator, the FAVAR model also takes into account other price indicators such as HICP, the consumption deflator, the global GDP deflator and the gross investment deflator.

## The FAVAR model of monetary policy transmission

The fundamental idea of the FAVAR approach rests in merging the large amount of macroeconomic data into a small number of variables (also known as factors) and then in using them for analytical purposes in a VAR model.<sup>1</sup> With these ideas in mind, let it be assumed in the following that the  $(N \times 1)$  vector of macroeconomic time series  $X_t$  can be represented as a linear combination of the  $(K \times 1)$  vector of unobserved vectors  $F_t$  ( $K$  relatively small,  $K \ll N$ ) and an observed factor  $R_t$ , which represents the interest rate variable, such that

$$(1) \quad X_t = \Lambda^f F_t + \Lambda^r R_t + e_t,$$

where  $\Lambda^f$  is a  $(N \times K)$  matrix of factor coefficients (factor loadings).  $\Lambda^r$  is the  $(N \times 1)$  vector with the coefficients of the observed factor  $R_t$ , and  $e_t$  is the  $(N \times 1)$  vector of error terms with mean zero and which are possibly serially and mutually weakly correlated. Equation (1) implies that the dynamics of each individual time series in the vector  $X_t$  are driven by the common factors  $(F_t, R_t)$  and an idiosyncratic component  $e_t$ , though  $e_t$  can also contain measurement error.

It is additionally assumed that the common factors  $(F_t, R_t)$  show the following dynamic process,

$$(2) \quad \Phi(L) \begin{bmatrix} F_t \\ R_t \end{bmatrix} = v_t,$$

where  $\Phi(L) = I - \Phi_1 L - \dots - \Phi_d L^d$  is the matrix of the lag polynomials of order  $d$ . The error term  $v_t$  is mean zero with covariance matrix  $\Omega_v$ . Equation (2) represents the VAR model in  $(F_t, R_t)$ .

The FAVAR model used here is estimated in a two-step procedure. The first step is to identify the factors, the second to estimate the VAR model. The relevant monetary policy shock is identified using a Cholesky decomposition under the assumption that the monetary policy shock has only a lagged impact on the unobserved factors  $F_t$ .

In the first step of the analysis,  $K$  common factors  $\hat{C}(F_t, R_t)$  are estimated from all available time series  $X_t$ .<sup>2</sup> For now, the fact that the short-term interest rate  $R_t$ , in keeping with the assumption, represents an observed factor shall be disregarded. Since each and every linear combination which underlies the estimated principal components  $\hat{C}(F_t, R_t)$  now also contains the observed factor  $R_t$ , it is not possible to clearly identify the policy shock recursively. Therefore, the next step is to adjust the estimated factors  $\hat{C}(F_t, R_t)$  for the influence of the observed factor  $R_t$ . To this end, a

distinction is made between the variables that do not react in the same quarter to the policy shock and the variables that may react contemporaneously to a policy shock; a vector  $\hat{F}_t^S$  of the principal components is subsequently extracted from the former category. Since these factors, by definition, are not contemporaneously correlated with the observed factor  $R_t$ , the impact of the observed factor  $R_t$  can be calculated without bias using the following multiple regression,

$$(3) \quad \hat{C}(F_t, R_t) = b_S \hat{F}_t^S + b_R R_t + \varepsilon_t,$$

where  $b_S$  is the coefficient matrix of the unobserved factors,  $b_R$  the coefficient vector of the observed factor and  $\varepsilon_t$  a vector of the random variables with mean zero and covariance matrix  $\Omega_\varepsilon$ . The unobserved factors  $\hat{F}_t^S$  can be calculated by subtracting the (quantitative) effect of the observed factor  $R_t$  estimated in equation (3) from  $\hat{C}(F_t, R_t)$ . The VAR model in  $\hat{F}_t^S$  and  $R_t$  can then be estimated consistently and the policy shock can be clearly identified recursively with the selected ordering of the factors ( $R_t$  as the last element of the monetary transmission chain).

In this study, the number of factors is determined on the basis of a selective comparison of VAR model quality characteristics. In the preferred specification, eight factors are extracted, accounting together for around 80% of the total variance in the data studied. The estimate of the FAVAR model in equation (2), using the identified factors, is then obtained as

$$(2') \quad \Phi(L) \begin{bmatrix} \hat{F}_t^S \\ R_t \end{bmatrix} = v_t,$$

with  $\Phi(L) = I - \Phi_1 L - \Phi_2 L^2$  as the matrix of the second-order lag polynomials and  $\hat{F}_t^S = (\hat{F}_{1t}^S \hat{F}_{2t}^S \hat{F}_{3t}^S \hat{F}_{4t}^S \hat{F}_{5t}^S \hat{F}_{6t}^S \hat{F}_{7t}^S)$ .

The impulse response functions for the relevant variables in  $X_t$  can be calculated as follows,

$$(4) \quad IAF_X^h = \sum_{f=1}^7 \hat{\Lambda}^f \hat{I} \hat{A} F_f^h + \hat{\Lambda}^r \hat{I} \hat{A} F_R^h,$$

where  $\hat{\Lambda}^f$  ( $f = 1, \dots, 7$ ) and  $\hat{\Lambda}^r$  indicate the factor coefficients estimated according to equation (1),  $\hat{I} \hat{A} F_f^h$  and  $\hat{I} \hat{A} F_R^h$  and are the impulse response functions of the factors calculated on the basis of the FAVAR model in equation (2') and  $h$  indicates the observation horizon (28 quarters). The corresponding 68-percent confidence bands for the impulse responses are calculated using the standard bootstrap procedure with 1000 replications of equations (1), (2') and (4).<sup>3</sup>

1 The following ideas are based on B S Bernanke, J Boivin and P Elias (2005), Measuring the Effects of Monetary Policy: A Factor-Augmented Vector Autoregressive (FAVAR) Approach, The Quarterly Journal of Economics 120 (1), pp 387-422. — 2 The factors are estimated with the aid of the static principal components method presented by J H Stock and M W Watson (2002), Macroeconomic Forecasting Using Diffusion Indexes, Journal of Business and Economic

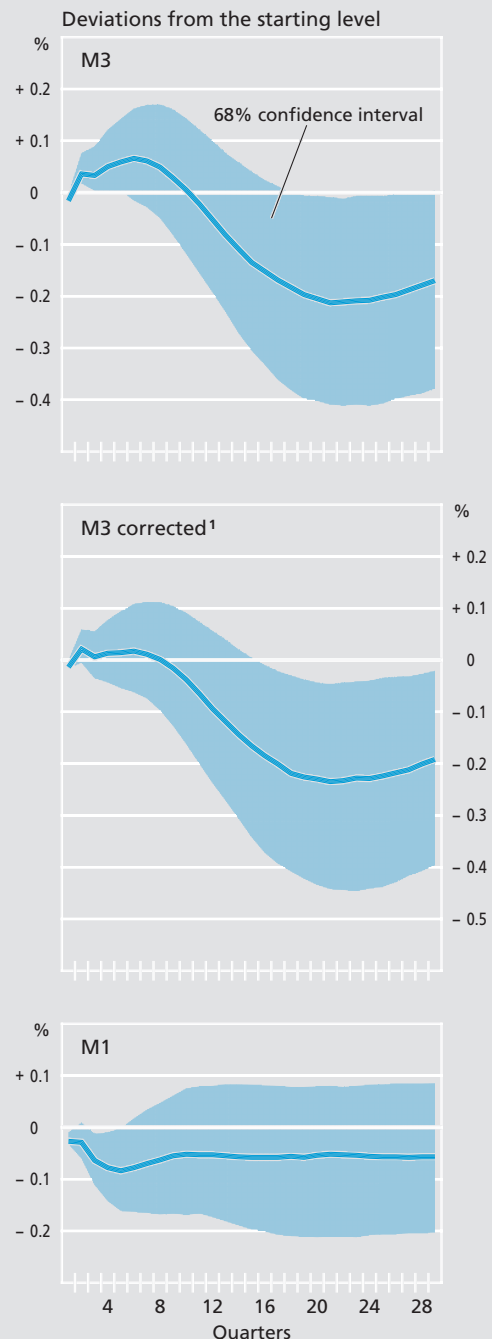
Statistics 20 (2), pp 147-162. — 3 Note that it is quite commonplace in the FAVAR model literature to set the confidence bands at 68% (see G Lagana & A Mountford (2005), Measuring Monetary Policy in the UK: A Factor-Augmented Vector Autoregression Model Approach, Manchester School 73 (51), pp 77-98; J Boivin & M Giannoni (2008), Global Forces and Monetary Policy Effectiveness, NBER Working Paper Series No 13736).

## Conclusion

Overall, monetary growth is determined by numerous factors whose importance may vary over time. An analysis based on the MFI sector's consolidated balance sheet helps ascertain whether the increase in the money stock in terms of the balance sheet counterparts is the result more of a corresponding increase in banks' asset business or is associated with a particularly weak longer-term propensity to invest with credit institutions (monetary capital formation) on the part of non-banks. Both sources of money creation have been shaping monetary trends since the introduction of the euro. From 2001 to 2003, uncertainty resulted in extensive portfolio restructuring; since mid-2004, credit-driven monetary growth has dominated. Distinguishing such causes has implications for monetary policy. Whereas portfolio restructuring as a result of uncertainty is likely to have a lesser impact on consumer prices, a largely credit-driven increase in the money stock is greater cause for concern about stability.

What contribution macroeconomic fundamentals such as income and the interest rate situation actually make to monetary growth can only be established on the basis of empirical research. Recent studies have shown, for example, that housing variables have, in the past few years, become important for explaining money demand. However, even this approach can currently only account for around 50% of monetary growth. Nevertheless, the long-term correlation appears to be

### FAVAR: the impulse response functions of selected indicators\*



\* Responses to a simulated one-off 50 bp increase in the short-term interest rate in a factor augmented vector autoregressive (FAVAR) model. — 1 M3 corrected for the effect of portfolio shifts caused by uncertainty.

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masked by temporary and constantly changing short-term influences.

Among other things, the VAR model shows that the effects of interest rate changes on monetary trends display alternating signs. Interest rate increases initially promote monetary growth, but exert a dampening influence in the longer term. One important explanation for this dynamic monetary response could be that broad monetary aggregates temporarily benefit from a flatter (or even in-

verted) term structure before the more restrictive monetary policy dampens bank lending in the longer term, in turn strengthening monetary capital formation. The temporary effect of an interest rate increase in upping the money stock should therefore not be overrated. For example, the rate hikes carried out since December 2005 boosted monetary growth by no more than 1¼ percentage points at their peak. Recently, the interest rate rises of the past have already been dampening monetary growth slightly.



## Liquidity risk management at credit institutions

The growth of the interbank market and rapid expansion of the markets for innovative financial instruments have resulted in a sharp increase in the market-based funding of credit institutions. This trend has increased the banking industry's dependence on the functioning and liquidity of these markets. This places greater demands on banks' internal liquidity risk management systems, for instance in terms of further developing their risk management methods and processes using liquidity risk stress tests. The forthcoming publication of the Basel Committee on Banking Supervision's revised liquidity principles underscores the heightened significance of liquidity risk management, also from a regulatory perspective.

With the liberalisation clause of the Liquidity Regulation, German prudential legislation already sanctions internal liquidity measurement and management processes for prudential reporting purposes. Together with the qualitative provisions of the Minimum Requirements for Risk Management (*Mindestanforderungen an das Risikomanagement* or MaRisk), it promotes the further development of internal liquidity risk management, taking into account changes to refinancing conditions.

## Concept and importance of liquidity and liquidity risks

*Greater use of money and capital markets as source of finance*

Over the last two decades, banks have increasingly used the financial markets as a means of financing long-term assets such as loans. Both the interbank market, in which banks provide each other with funds, and the markets for innovative financial instruments such as repurchase agreements, securitisation and credit derivatives – which expanded rapidly until the US subprime crisis – have increasingly complemented traditional sources of finance such as savings deposits at larger credit institutions. At the same time, the effective maturities of financing instruments have shortened in relation to the deposit business with its traditionally high share of core deposits.

*Increased funding liquidity risk*

The above trend has increased the funding liquidity risk. This term is used to describe the risk of being unable to raise short-term funds on an ongoing basis or only being able to do so at elevated market prices. It therefore comprises a cash flow and an earnings component.

### Importance of market liquidity

*Growing importance of market liquidity*

At the same time, the importance of market liquidity as a further dimension of the liquidity concept has grown. Market liquidity refers to a feature of (financial) markets, which allows assets (eg loans, securities etc) to be sold at any time without affecting asset prices. It is usually determined by four key factors. The tightness of the market, which is measured using the bid-ask spread, determines the cost

of unwinding a position at short notice. The depth of the market assesses which transaction volume can be realised immediately without affecting prices. Resiliency describes the speed at which market prices return to equilibrium after a major transaction. The notion of immediacy is defined as the time between the launch of a market transaction and its final completion.

All four of the above factors provide information on the direct and indirect costs of market usage. These transaction costs are determined endogenously by the supply and demand behaviour of market participants. If demand meets supply, even for relatively large trading volumes, transaction costs are low and the market is considered liquid.

*Transaction costs as a key determinant of market liquidity*

Information asymmetries and uncertainty are particularly important for transaction costs and thus market liquidity. In the presence of asymmetric information, less well-informed market participants tend to be more reserved and, in extreme cases, stay away from the market. Information asymmetries coupled with uncertainty can therefore increase transaction costs and have negative effects on market liquidity. Increasing market-based funding of banks creates a correlation between funding liquidity and market liquidity since a reduction in market liquidity can adversely impact funding liquidity. Particularly when transaction costs increase and market liquidity falls in stress situations, the funding of banks can become more expensive, requiring changes to the funding structure. The resulting changes in demand for funds can, in turn, affect market liquidity.

*The existence of information asymmetries can have negative effects on market and funding liquidity*

## Refinancing sources for selected categories of banks

The absolute and relative importance of the various refinancing sources for the individual banking groups has changed, in some cases significantly, in recent years.

In the period under review, 1990 to 2008, deposits/loans from non-banks lost their role as the most important source of funding for the big banks, while the importance of bank deposits increased. Since 2001, both refinancing sources have contributed roughly a third to the total refinancing volume. Over the same period, big banks also stepped up their use of the repo market, while there was no significant change in the use of debt securities.<sup>1</sup>

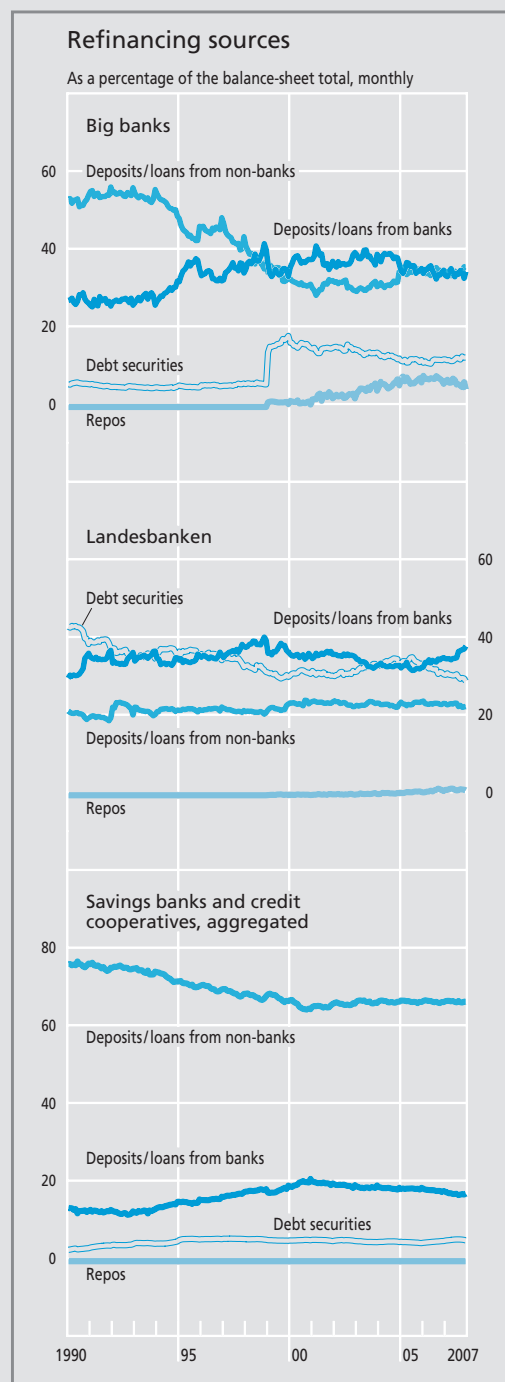
Looking at Landesbanken in the period under review, debt securities were replaced as the most important source of refinancing by deposits/loans from banks, which ranked second, initially well ahead of non-bank deposits, as measured by balance-sheet total. More recently, the percentage of deposits/loans from banks was almost on a par with that of the big banks. The percentage of deposits/loans from non-banks in refinancing is significantly lower for Landesbanken than for the big banks because of their business model. Refinancing using repo transactions is of only secondary importance for them.

Unlike the big banks and the Landesbanken, savings banks and credit cooperatives are still primarily funded by deposits/loans from non-banks. By contrast, debt securities and/or repo transactions have only a secondary role to play, if any.

Overall, market-based refinancing sources are of much greater significance to big banks and Landesbanken than to savings banks and credit cooperatives. The liquidity of the relevant markets and thus market liquidity risk is therefore likely to have a much greater impact on the refinancing activities of big banks and Landesbanken than on those of savings banks and credit cooperatives.

<sup>1</sup> The sharp increase in the percentage of debt securities in the big banks' balance-sheet total in January 1999 can be

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attributed to an extension of the circle of big banks for which data are collated.

*Contagion effects through correlation between market and funding liquidity risks*

Stress situations can lead to contagion effects between market participants due to the correlations described above. From a financial stability perspective, it should be noted that in a tense market environment, the individual and collective rationality of market participants' behaviour may diverge. For example, a bank's individual decision to exit the market in a stress situation would negatively affect market liquidity and, as a result, the remaining market participants' funding liquidity. From a collective perspective, however, market liquidity would increase if this bank remained in the market, thus alleviating the effects of the stress situation for all market participants.

*Liquidity management rules*

Ensuring adequate liquidity for payment purposes at all times is of the utmost importance to banks. Even in the early days of the banking industry, liquidity-oriented rules such as the "golden rule of banking" were developed. This rule stipulated that the size and maturity of the long-term loans issued should not exceed the size and maturity of the associated long-term refinancing assets or deposits. Nowadays, banks use not only the standardised approach of the Liquidity Regulation<sup>1</sup> prescribed by the banking supervisors, they also use own methods to measure and manage liquidity such as cash-flow-based gap analysis or, in some cases, stochastic model approaches based on the value-at-risk concept.

*Gap analysis as a tool for measuring and monitoring liquidity risk*

In gap analysis, cumulative contractual and expected cash inflows and cash outflows are compared to identify future liquidity surpluses or deficits. To this end, the cash flows relevant

to a bank's liquidity position are first identified. Examples of relevant cash inflows include the receipt of due loan receivables, the receipt of deposits and the sale of assets. Examples of relevant cash outflows include the draw-down of standby credit extended to other market participants, payment obligations from derivative transactions and the withdrawal of deposits. When identifying relevant cash flows, a distinction is made between contractually agreed, certain and uncertain payments.

Based on a specific starting point, all of the cash inflows and cash outflows which are deemed relevant are assigned to maturity bands. The granularity of maturity band structures differs greatly among banks due to their different business structures. Assignment to a maturity band is based on contractual maturity, provided there is one and it appears economically reasonable, for example, when repaying time deposits received. If roll-over assumptions are needed for the maturity calculation, as in the case of savings or sight deposits, the size and time of cash flows are usually based on statistical assessments or expert opinions. There is a liquidity gap if expected cash outflows exceed expected cash inflows in one or more of the maturity bands.

To cover liquidity gaps, the value of the liquidity reserve, ie the amount of additional liquidity available, which is defined individually by each bank, is calculated for the relevant ma-

*Bank-specific definitions of the liquidity reserve*

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<sup>1</sup> For details of the standardised approach of the Liquidity Regulation (*Liquiditätsverordnung*), see the section "National regulation and international discussion of liquidity risks", pp 66.

## Liquidity management lessons to be learned from the financial market turmoil of 2007-08

Banks that fund themselves largely through institutional investors and the capital markets were particularly hard hit by the financial market turbulence of 2007-08. Mainly for these banks, the following preliminary liquidity risk management lessons can be drawn from the market turmoil.

During the financial market turbulence, banks were faced with a simultaneous disruption of important funding markets (in particular the unsecured interbank market, securitisation markets as well as currency swap markets and the repo market), and, above all, they had difficulty accessing longer-term funding. Even in the run-up to the crisis, several banks regarded the extent, gravity and duration of the market disruption as too unrealistic to include the respective assumptions in their liquidity risk scenarios. These experiences should be reflected in the assumptions on which future liquidity risk stress tests are based. The market disruption demonstrates that risk measurement systems should, as a general rule, be adaptive rather than static in nature.

The endogeneity of liquidity risks proved a distinguishing feature of the turmoil. Banks mistrusted one another as they had virtually no information on their business partners' exposure to the subprime mortgage segment. At the same time, banks were uncertain as to what cash outflows they themselves would face in future. As a consequence, they hoarded liquidity and were particularly adverse to providing longer-term liquidity in the interbank market. The simultaneous increase in liquidity requirements in connection with securitisation transactions also resulted in second-round effects. These effects in turn led to an increase in the correlation between the interbank and the credit markets and thus further exacerbated the situation. These observations suggest that endogeneity should be better reflected in future stress tests, for example by modelling other market players' patterns of behaviour.

Because of information asymmetries in terms of banks' exposure to the subprime mortgage segment, the reputation of an institution was of critical importance in the financial market turmoil of 2007-08. In this context, (timely) communication, mainly with investors and rating agencies, proved crucial. At the same time, it became apparent that reputa-

tional risks, which emerged during the recent turmoil for instance when accessing credit lines or marginal lending facilities, should be included in liquidity risk management and in contingency plans. Furthermore, unexpected demand for market funding without being an established market player may also expose banks to reputational risks.

In addition, during the financial market turmoil, several banks had to meet, in some cases considerable, off-balance-sheet obligations resulting from transactions in structured products. These included, for example, liquidity facilities which banks had extended to conduits or other financing vehicles. To avoid jeopardising their reputation, banks were willing to provide liquidity even if they were not legally obliged to do so. Since such facilities had, in the past, been drawn on and/or voluntarily provided in exceptional cases at best, a lot of banks had not adequately reflected this in their liquidity risk stress tests. However, the turmoil demonstrated that off-balance-sheet obligations can prove material. It therefore appears appropriate to incorporate a liquidity risk charge in the pricing of structured products in the future and to take greater account of them in liquidity risk management.

In a crisis of international dimensions, difficulties may also emerge in cross-border liquidity transfers (eg lower volumes in the currency swap markets, delays, higher costs). Liquidity risk stress tests should therefore take into account such restrictions. At the same time, the observed spill-over effects underscored the importance of conducting liquidity risk stress tests at group level.

Besides these lessons, which relate mainly to the design of liquidity risk stress tests and contingency plans, there are also lessons to be learned for liquidity management in general. At several banks, the disruptions uncovered shortcomings for instance in internal and external communication on liquidity risk. In addition, a lack of coordination between operative units, treasury, risk controlling and top management hampered liquidity management under emergency conditions in some instances. Finally, the market turmoil underscored the importance of an adequate internal incentive system to promote the prudential use of the scarce resource that is liquidity.

turity bands. The liquidity reserve usually comprises short-term, liquid assets, the use of standby credits received and collateralised re-funding via the repo market. For securities on the asset side, haircuts are normally applied to the market price. In the case of collateralised refinancing, for instance, the haircuts are often based on the haircuts applied by the European Central Bank.

*Liquidity management using limits*

Banks usually define, within their gap analysis, limits for the balance or the ratio between the liquidity reserve and liquidity gap for liquidity management purposes. Countermeasures are initiated when the limit is approached or exceeded by a certain amount depending on what has been agreed.

### Stochastic model concepts

Besides gap analyses, the literature also suggests stochastic model concepts such as liquidity at risk (LAR) or liquidity value at risk (LVAR) for liquidity management.

*LAR measures the risk of a shortfall in net cash flows*

LAR is the term used to describe the shortfall in net cash flows which, with a given probability, will not be exceeded in the course of one business day. The respective confidence level is determined on the basis of the bank's risk tolerance and set individually by the credit institution (eg 95% in the case of normal business operations). LAR is used to determine the amount of liquidity credit institutions should maintain to cover their daily payment obligations. In terms of underlying concept, LAR is similar to value at risk for market risks; however, it relates to the distribution of autonomous net payment outflows<sup>2</sup> rather

than loss distribution. Therefore, it bears no relation to either the profit and loss account or the management of equity. Crucially, risk values outside the sample can also be estimated via LAR using extreme value statistics. These extreme values are factored into calculations since credit institutions usually make conservative assumptions when calculating the liquidity reserve for daily business to minimise the liquidity risk.

LVAR describes the value at risk caused by unexpectedly high refinancing costs and which, with a given probability, will not be exceeded. Contrary to LAR, LVAR determines structural liquidity risk and therefore refers to asset level. As a result, the effect of liquidity risk on profit and loss, and potentially also on capital requirements, can be determined.

*LVAR measures the risk of higher refunding costs*

The vast majority of credit institutions that use their own methods to measure and manage liquidity do so on the basis of gap analyses or other comparatively simple procedures in terms of underlying concept.<sup>3</sup> Stochastic models are still used by only a few institutions; however, the percentage of – in particular, larger – credit institutions which use stochastic models has increased in the last two to three years. There are also indications that individual groups of banks are developing their own approaches to funding matrices

*Gap analysis commonly used as a methodological basis for liquidity risk management*

<sup>2</sup> Autonomous payments are defined as payments which cannot be influenced by liquidity management.

<sup>3</sup> The simpler procedures include the analysis of balance sheet stocks as of a specific cut-off date. However, this fails to take into account future payment flows and their uncertainty as well as off-balance-sheet obligations. The stock approach is also very common. This calls for a minimum stock of liquid assets (mostly defined as a percentage of short-term liabilities) to be held at all times.

and plan to use these for internal liquidity management.<sup>4</sup>

### Liquidity risk stress tests

*Estimating the consequences of critical developments using liquidity risk stress tests*

Credit institutions measure and manage their liquidity not only in normal business operations, but also in case of potential liquidity crises. Stress tests are an important liquidity risk measurement and management tool for determining the effects of stress situations quickly and preparing suitable countermeasures. As such, carrying out stress tests and having the ensuing contingency funding plans in place as well as updating both stress tests and contingency funding plans to reflect the latest developments are a central task of risk management.

To date, advanced stress tests for liquidity risks are less widespread at credit institutions than stress tests for market and credit risks. Smaller institutions, in contrast, perform simpler scenario analyses which are often based on balance sheet ratios.

*External versus internal scenarios*

Depending on the type of trigger event, stress scenarios can be subdivided into external and internal scenarios. External scenarios include market-related liquidity shocks such as the drying-up of liquidity in individual markets; a typical internal scenario is the downgrading of an institution's own rating. Credit institutions calculate an average of two to three stress tests for liquidity risks, mostly in the form of rating downgrades and market crisis scenarios. The scenario design varies among banks according to their business focus.

Furthermore, a distinction is made between historical and hypothetical scenarios depending on whether the database for the analyses draws on historical values, values derived from a model or heuristic values. Unlike market and credit risks, for which the time series tend to be longer, there is a limited amount of historical data available for measuring liquidity risks. For example, prior to the latest bout of turbulence, liquidity facilities were not simultaneously drawn upon to such a large degree. If no meaningful data are available, stress tests are performed primarily on the basis of hypothetical scenarios.

*Historical versus hypothetical scenarios*

Stress tests are carried out on the basis of sensitivity or scenario analyses. While sensitivity analyses test the dependence on a selected risk factor, scenario analyses simultaneously examine the effects of several risk factors on liquidity. The analyses take into account assumptions regarding the duration of the shock and the time required for suitable countermeasures. Once the scenario is developed, institutions check whether there is enough liquidity potential to cover any liquidity gaps. The parameters used in the individual assumptions, eg for the availability of unsecured refinancing funds in a stress situation, are primarily based on experience or on expert estimates.

*Sensitivity versus scenario analyses*

In liquidity risk stress tests, institutions primarily focus on the cash flow level, while the effects on returns, eg higher refinancing costs, are largely not accounted for. Following the recent developments on the financial mar-

*Focus on effects at cash flow level*

<sup>4</sup> See N Moch, Liquiditätsrisikomanagement in Kreditinstituten, EUL Verlag, p 105.

## Deutsche Bundesbank's quantitative survey of liquidity risk stress tests

In addition to stress test analyses based on the prudential reporting data provided under the Liquidity Regulation (*Liquiditätsverordnung*), the Bundesbank also collects data from selected banks on the impact of various liquidity risk scenarios. The participating banks use their internal liquidity risk measurement and management processes to calculate the impact of negative events on their liquidity position. The results include the qualitative documentation of the scenarios used and assumptions made.

This year's survey reveals that the participating institutions employ very similar methods for their liquidity risk stress tests. Gap analyses are used to compare the outflows of funds in a stress event with the inflows of funds that can be generated in such an event or the liquidity buffer. Thematically, the stress tests also reflect similar events such as a rating downgrade or market crises. However, there are large differences in the concrete scenario description, the assumptions made, the ratios calculated and the internal reporting of the stress test results. In case of a rating downgrade, the stress tests differ, for one, in terms of the assumed severity of the downgrade (from one notch to three notches); for another, different assumptions are made in terms of the impact the stress event will have on funding.

Market crisis scenarios and rating downgrades were modelled as stress scenarios most frequently; there is a fine line between an institution-specific (idiosyncratic) and a market-related scenario, ie market

crisis scenarios generally also include idiosyncratic elements. A number of institutions regard a decline in securities prices as a market crisis scenario (focus on the asset side), while others primarily look at restrictions in access to essential funding sources (focus on the liability side).

Combined scenarios, which simulate strong effects on both the asset and the liability side – for example a financial market crisis combined with a rating downgrade – have been studied less frequently to date; refinements are currently underway here.

As the financial market turmoil has been ongoing for nearly a year now, institutions are increasingly looking at a longer time horizon in their stress tests. Currently, most institutions observe a time horizon of six months to a year in stress testing.

The survey shows that there is a high degree of heterogeneity in terms of the design of different banks' liquidity risk stress tests. One reason is that the banks under observation act very differently depending on their business focus and therefore make different assumptions in terms of cash inflows and outflows in a stress event. Differences in scenarios and assumptions as a result of different business models are therefore justified. This diversity limits the comparability of the various banks' stress test results, but does have the advantage of reducing the danger of stability-jeopardising herding behaviour by banks.



kets, however, some institutions intend to incorporate these aspects, too. Other institutions deliberately focus their stress tests on cash flows alone because they consider the primary goal of liquidity risk stress tests to be the safeguarding of short-term operating liquidity and not the analysis of medium-term or long-term effects.

*Use of stress test results to set limits*

Banks incorporate the results of the stress tests in their daily liquidity risk management, eg in the limits they set, in different ways. If a stress test exceeds the predetermined limits, stark automatism with regard to the countermeasures to be taken is usually avoided in favour of reacting flexibly and quickly depending on the situation. Potential responses in the event of an emergency and their organisational framework are provided for in contingency funding plans, among other things.

### Contingency funding plans

*Strategies for handling liquidity crises*

In recent years, almost all banks have developed a contingency funding plan which, according to the recommendations of the Basel Committee on Banking Supervision, should present a "strategy for handling liquidity crises and include procedures for making up cash flow shortfalls in emergency situations".<sup>5</sup> Such contingency funding plans normally apply to an entire banking group, but individual institutions within a banking group can also have their own contingency funding plans.

There are significant differences between banks' contingency funding plans with regard

to the level of detail and stringency of provisions. This is a result of the different preferences concerning the degree of flexibility decision-makers should have in an emergency situation. In some banks, contingency funding plans have a prescriptive character, while in others, they simply present a number of potential measures. In the event of an emergency, they normally define responsibilities and a decision-making committee which is then responsible for liquidity management. This committee generally consists of members of the treasury and trading departments, although the management of the bank is always involved either directly or indirectly. Contingency funding plans often define events which trigger the setting in motion of the contingency funding plan, such as changes in customer behaviour (eg withdrawal of sight deposits), in the money market (eg changes in short-term interest rates) or in the financial markets (eg changes in spreads for medium-term refinancing instruments). Other banks intentionally do not include an explicit definition of incendiary events and decide whether to activate the plan on a case-by-case basis.

Often contingency funding plans divide an emergency into several escalation levels, eg in the form of a traffic light system: "green" is normal, "yellow" deteriorating business and refinancing conditions and "red" a threatening limitation of the liquidity situation. The number of levels varies from institution to institution, as do the criteria which determine

*Clear differences in the design of contingency funding plans*

*Emergencies divided into escalation levels*

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<sup>5</sup> See Basel Committee on Banking Supervision, Sound Practices for Managing Liquidity in Banking Organisations, p 14.

the transition to the next level. Such criteria can include, for instance, poor stress test results or an increase in refunding costs. Normally, specific liquidity management measures, different responsibilities and different communication strategies are defined for the various escalation levels.

*Earnings and reputation influence choice of measures in the event of an emergency*

Liquidity management measures at the various escalation levels can serve to generate liquidity, eg from the sale of liquid and less liquid assets, additional open market transactions with central banks, the issue of debt securities, securitisations or the utilisation of standby credits received from other credit institutions. Also, liquidity-saving measures such as no longer purchasing illiquid assets or placing restrictions on the issue of new loans are possible. Earnings and reputation are often the decisive factors when it comes to deciding the order in which the various refunding options are realised. The contingency funding plan often ensures that, in the event of an emergency, the legal and operational prerequisites necessary for initiating the respective measures are met. Some contingency funding plans address internal and external communication, eg with banks' management, supervisory bodies, supervisory authorities, investors and rating agencies. In addition to allocating responsibility for communications, they also contain information on the timing and contents of communications and what form they should take.

*Regular tests ensure that contingency funding plans work*

Regular tests can be conducted to ensure that a contingency funding plan functions as smoothly as possible in the event of an emergency. These tests often relate to operational

aspects such as the ad-hoc convening of an emergency committee, checking the telephone numbers of the individuals deemed responsible or checking whether the necessary legal and operational preparations have been made.

If banks initiated their contingency funding plans during the financial market turbulence of 2007/2008, they did so mostly at a relatively low escalation level. In such cases, the contingency funding plans proved useful since valuable time was saved as a result of potential measures and responsibilities having been defined in advance.

## National regulation and international discussion of liquidity risks

### Provisions of the Liquidity Regulation (*Liquiditätsverordnung*)

The Liquidity Regulation, which entered into force on 1 January 2007, sets forth the national prudential reporting regulations for banks. The standardised approach of the Liquidity Regulation is, in essence, a continuation of the regulations of the previously applicable Principle II, while the liberalisation clause allows for the use of internal procedures.

*Liquidity Regulation as national reporting regulations*

Using the standardised approach, institutions report their expected payment inflows and outflows from specific balance-sheet and off-balance-sheet asset and liability positions according to their residual maturity or call probability, as determined by the supervisors, in

*The standardised approach of the Liquidity Regulation*

four maturity bands. They also recognise listed securities and covered debt securities as well as assets eligible as central bank collateral as highly liquid assets in the shortest maturity band and thus as funds (irrespective of the residual maturities). Highly liquid assets therefore act as a buffer for settling payment obligations at any time. The result is liquidity surpluses or deficits for all four maturity bands.

*Calculating the regulatory liquidity ratio*

An institution's liquidity is deemed sufficient when the funds available for the coming month (first maturity band) – calculated from the relevant reporting date – at least cover the payment obligations for that period. The regulatory liquidity ratio is the ratio of funds to payment obligations and must amount to at least one.

*Information value of the standardised approach depends on an institution's size and complexity*

The prudential reporting regulations of the Liquidity Regulation give supervisors regular insight into banks' liquidity situation. Using the standardised approach, however, institution-specific factors are not taken into account. It is therefore a pragmatic compromise in which certain conceptual deficits are accepted in return for methodical simplicity and comparability. With the increasing size of business, higher complexity of transactions and increasing volatility of payment flows, the standardised approach becomes less meaningful for calculating an institution's actual liquidity risk.

With the "liberalisation clause" (section 10 of the Liquidity Regulation), banks can, for the purpose of prudential reporting, use liquidity risk figures which have already been calcu-

#### Requirements of liquidity models (section 10 (3) of the Liquidity Regulation)

Overarching requirements, which must be reviewed regularly

- The institution's internal procedures must be based on its specific situation, the type and complexity of its business and its size
- There must be adequate ongoing calculation and monitoring of the institution's liquidity risk
- There must be a more in-depth and appropriate description of the liquidity situation than when the standard approach is applied
- The internal procedure must convey information about expected short-term net outflows of funds, the possibility of unsecured borrowing and the effect of stress scenarios

Further requirements for approval

- Appropriate quantitative ceilings (limits) for liquidity risks, in consideration of stress scenarios, must be set
- The institution must identify ratios in its internal procedure to depict the risk of insufficient liquidity
- There must be documentation of what levels these ratios must reach for the institution to deem itself exposed to a noteworthy, medium or high risk of insufficient liquidity
- There must be documentation of the measures the institution will take when the ratios hit one of the specified risk levels
- The internal procedure and the limit system must be used for internal liquidity risk management and in the institution's corporate governance procedures

Deutsche Bundesbank

*Liberalisation clause allows for bank-internal liquidity models instead of the standardised approach*

lated in their internal liquidity risk management procedures. The liberalisation clause allows banks, under certain circumstances, to use their own liquidity models<sup>6</sup> instead of the standardised approach. If the eligibility criteria of section 10 of the Liquidity Regulation are met, the institution receives written confirmation of the suitability of its internal liquidity model within the meaning of the Liquidity Regulation from the BaFin on the basis of an examination carried out by the Deutsche Bundesbank in accordance with section 44 (1) sentence 2 of the German Banking Act (*Kreditwesengesetz*).

*Liberalisation clause has benefits for both banks ...*

The model alternative of section 10 of the Liquidity Regulation is an option which does not contain any method-related provisions. The requirements of the Liquidity Regulation are formulated in an open way to allow for flexibility with regard to banks' internal model design. Institutions are therefore given the opportunity to create consistency between internal bank risk management and prudential reporting requirements and, in doing so, avoid double calculations and reduce overall administrative outlay. Another advantage for institutions is the possibility of having a liquidity risk measurement and management process approved at institutional or financial holding group level. The liberalisation clause allows supervisors, in turn, to analyse internal liquidity risk management processes and the liquidity situation of an institution in greater detail.

*... and banking supervisors*

To meet the challenges for both institutions and banking supervisors resulting from the high degree of flexibility, an exhaustive ex-

change of ideas and information was held when the Liquidity Regulation came into effect, both among banking supervisors as well as with institutions and associations. An examination concept and examination guidelines were developed internally by a working group of supervisors (Bundesbank and BaFin). Furthermore, various documents were published to foster the process of approving internal liquidity risk models.<sup>7</sup>

### Liquidity risk in the MaRisk

Irrespective of whether an institution opts for the intentionally simple standardised approach or for the liberalisation clause, which takes individual conditions into account to a greater extent, it must fulfil the quality-oriented Minimum Requirements for Risk Management (MaRisk). These provide concrete detail on section 25a of the German Banking Act and should, as principle-based requirements, also be applied according to the principle of proportionality.

*In addition to the Liquidity Regulation, the MaRisk also apply*

The MaRisk classify liquidity risk as one of the types of risk which is usually significant for an institution. Liquidity risks are basically subject to the general requirements for organisation-

*General liquidity management requirements of MaRisk*

<sup>6</sup> A liquidity model in this context does not necessarily imply a stochastic model. In addition to risk measurement, the emphasis lies on risk management and integrating the model into company-wide risk management. The Liquidity Regulation uses the term "internal liquidity risk measurement and management procedures".

<sup>7</sup> For a notice on the application and approval procedure describing approval procedures and listing documentation requirements, see [http://www.bundesbank.de/bankenaufsicht/bankenaufsicht\\_liquiditaet\\_merkblatt.en.php](http://www.bundesbank.de/bankenaufsicht/bankenaufsicht_liquiditaet_merkblatt.en.php). The study conducted jointly by the Bundesbank and BaFin illustrates the liquidity risk management practices of selected German credit institutions (see [http://www.bundesbank.de/bankenaufsicht/bankenaufsicht\\_liquiditaet\\_risiko.en.php](http://www.bundesbank.de/bankenaufsicht/bankenaufsicht_liquiditaet_risiko.en.php)).

al and operational structure and must be incorporated in an appropriate manner in the bank's internal risk management and controlling processes. Liquidity risks must also be included in management's risk strategy, but need not necessarily be taken into account in the risk-bearing capacity analysis. Institutions must justify their non-incorporation and are not exempt from complying with the other MaRisk requirements.

*Special liquidity risk management requirements of the MaRisk*

As well as these general risk management provisions, the MaRisk also contain special liquidity risk management requirements: the requirement that liquidity for payment purposes must be ensured at all times incorporates the legal provision of section 11 of the German Banking Act, according to which institutions must invest their funds in such a way as to ensure that "sufficient liquidity for payment purposes is guaranteed at all times". The asset and capital structure must be diversified to avoid unilateral dependencies, for example, on certain refinancing channels. To be able to cover liquidity needs, institutions must pay particular attention to asset liquidity. This requires that institutions deal with the characteristics of the products and markets relevant to them.

*Presenting the current and future liquidity situation, including scenario analyses*

As part of their liquidity risk management processes, institutions must prepare a liquidity overview which shows both the current liquidity situation and expectations for the future. The regular scenario analyses are particularly important for liquidity risk management. To be able to assess the liquidity situation, even when conditions deteriorate, institutions must take it upon themselves to de-

velop appropriate scenarios. Potential liquidity squeezes can be identified in this way and taken into consideration in the risk management process.

An institution-specific and scenario-specific catalogue of measures which contains liquidity sources in the event of a liquidity squeeze and takes into account any shortfall in payment inflows must also be compiled. The organisational units or persons responsible for initiating and carrying out liquidity-generating measures as well as the design of communication channels and authority to issue instructions must be defined. Finally, the MaRisk require that management receive regular reports on the liquidity situation.

*Catalogue of measures in preparation for emergency situations ...*

*... and regular reports to management*

### International regulation

At international level, there are major differences between supervisory systems for monitoring liquidity risk; purely qualitative and principles-oriented prudential requirements exist alongside predominantly quantitative supervisory regimes based, for example, on liquidity ratios.<sup>8</sup> Given the increasing complexity of institutions' business structures, innovative products and a modernised payment infrastructure, liquidity risk has attracted more attention from international bodies in recent years. Supervisory and industry<sup>9</sup> initiatives

*Heterogeneous international supervisory environment*

<sup>8</sup> For related analyses, see Liquidity Risk: Management and Supervisory Challenges, February 2008; CEBS: First Part of CEBS' Technical Advice on Liquidity Risk Management, August 2007.

<sup>9</sup> The Institute of International Finance's (IIF) "Principles of Liquidity Risk Management" of March 2007 represent a much-publicised contribution by the banking industry to the discussion regarding the appropriate treatment of liquidity risks at cross-border banks.

have addressed, amongst others, the question of how the relative lack of international harmonisation impacts the efficiency of both regulation and banks' internal liquidity risk management processes, particularly at cross-border institutions.

*Work of the  
Basel  
Committee*

Against this backdrop and owing to the recent financial market turbulence, the Basel Committee on Banking Supervision has resolved to develop new international principles for the management and prudential treatment of liquidity risks in the banking sector. This intention is supported explicitly in the recommendations of the Financial Stability Forum (FSF).<sup>10</sup>

*Modernising  
and expanding  
the liquidity  
principles*

In June 2008, the Basel Committee published and released for consultation a corresponding draft entitled "Principles for Sound Liquidity Risk Management and Supervision". The new framework aims to modernise and expand the "Sound Practices for Managing Liquidity in Banking Organisations" from 2000 and takes into account the Basel Committee's recommendation of a more principles-oriented approach to banking supervision regulations. The final version should be available by the end of September this year.

*Amendments  
to the new  
liquidity  
principles*

The following amendments to the status quo are particularly relevant for the banking industry and supervisory bodies.

- Definition of risk tolerance by management, taking into consideration business policy and the relevance of the institution in the financial system
  - Demand for an appropriate liquidity cushion, for example in the form of high-quality liquid assets
  - Greater gearing of liquidity management and regulation to stress and emergency situations, eg through stress tests with suitably conservative stress scenarios
  - Consideration of liquidity costs and risks in the overall bank management process
  - Addressing the intraday liquidity risk when participating directly and indirectly in payment and settlement systems (intraday liquidity management)
  - Emphasis on adequate collateral management to determine the amount of collateral effectively available
  - Organisational requirements for liquidity management in banking groups to ensure the group-wide availability of liquid funds or refinancing sources
  - Recommendations on regular disclosure with a view to informing market participants of banks' liquidity management more effectively
- Systematic listing of all potential sources of liquidity risk (including off-balance-sheet transactions) and risk limitation techniques (eg limit systems, early warning indicators)

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<sup>10</sup> "Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience" of 7 April 2008.

- Clear expansion of the role of banking supervisors, with greater emphasis now placed on prudential information extraction, intervention in the event of non-compliance with principles and cross-border as well as inter-institutional cooperation

*Proposed amendment to the Banking Directive*

Since the Basel Committee and the FSF expect the new liquidity principles to be implemented carefully and monitored regularly, the European Commission has already proposed a corresponding amendment to the provisions of Annex V of the Banking Directive.

*The CEBS's liquidity management and supervision recommendations*

To coincide with the new liquidity principles of the Basel Committee, in compliance with a consultation assignment from the European Commission, the Committee of European Banking Supervisors (CEBS) published a consultation paper at European level containing recommendations for liquidity risk management and supervision at financial institutions.<sup>11</sup> The content of the CEBS recommendations is based largely on the principles of the Basel framework. The CEBS places more emphasis than the Basel Committee on the fact that these recommendations also apply to smaller banks and investment companies in accordance with the guiding principle of

proportional applicability. The CEBS recommendations differ fundamentally from the Basel principles in that they explicitly take into account the possibility of prudential recognition of an institution's internal liquidity risk measurement and management processes and thus go beyond the proposals of the Basel Committee. Ultimately, this approach means that important elements of the German liquidity provisions have been incorporated in the CEBS recommendations for institutions.

All in all, banking supervision in Germany, with its updated liquidity regulations which apply to both small and medium-sized banks and cross-border institutions, is well positioned in the European and international discussion. In addition to existing individual bilateral agreements, international and European supervisory bodies are also aiming to intensify cross-border cooperation in the area of liquidity supervision. The work of the Basel Committee and the CEBS is therefore expected to continue, with a view to making more progress on the convergence of liquidity regimes.

*National implementation of new liquidity principles and next steps at international level*

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<sup>11</sup> "Second Part of CEBS's Technical Advice to the European Commission on Liquidity Risk Management", 17 June 2008.





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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		
2006 Nov	6.6	8.8	9.3	9.3	8.7	11.9	8.5	3.33	3.60	3.8
Dec	7.6	9.4	9.9	9.8	8.2	11.5	8.5	3.50	3.68	3.9
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	11.0	11.1	8.6	11.5	9.4	3.96	4.15	4.6
July	6.9	10.5	11.7	11.4	8.7	11.5	9.3	4.06	4.22	4.6
Aug	6.6	10.5	11.5	11.5	8.8	11.7	9.3	4.05	4.54	4.4
Sep	6.1	10.2	11.3	11.7	8.7	11.6	8.9	4.03	4.74	4.3
Oct	6.4	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	4.0	10.1	11.5	11.8	10.1	12.8	8.9	3.88	4.85	4.3
2008 Jan	4.4	10.4	11.5	11.4	10.1	12.8	9.0	4.02	4.48	4.2
Feb	3.7	10.6	11.3	10.9	9.9	12.7	7.8	4.03	4.36	4.1
Mar	2.8	9.7	9.9	10.5	9.8	12.3	6.5	4.09	4.60	4.1
Apr	2.4	10.3	10.3	10.1	9.9	12.1	6.4	3.99	4.78	4.3
May	2.3	10.1	10.0	10.0	9.5	12.0	6.4	4.01	4.86	4.4
June	1.4	9.4	9.5	9.6	9.1	11.2	5.7	4.01	4.94	4.8
July	0.5	9.3	9.3	...	9.2	11.1	5.2	4.19	4.96	4.7
Aug	...	...	...	...	...	...	...	4.30	4.97	4.5

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								
2006 Nov	+	3,410	+	7,467	-	10,678	-	13,401	+	55,130	-	51,791	-	615	1.2881	104.5	105.4
Dec	+	13,543	+	3,624	-	22,903	-	20,944	+	17,334	-	17,405	-	1,888	1.3213	105.6	106.3
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	107.8
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	107.7
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	-	18,011	-	9,059	+	22,881	-	51,932	+	33,805	+	47,414	-	6,406	1.4718	112.0	112.3
Feb	+	7,627	+	4,703	-	8,416	-	22,425	+	16,349	-	6,964	+	4,624	1.4748	111.8	111.9
Mar	-	4,806	+	1,426	+	4,716	-	30,478	+	8,283	+	30,202	-	3,291	1.5527	114.6	115.0
Apr	-	7,359	+	4,245	+	18,207	-	22,444	-	17,880	+	61,888	-	3,357	1.5751	116.0	116.1
May	-	19,592	-	3,272	+	45,285	-	8,774	-	7,349	+	58,656	+	2,750	1.5557	115.5	115.5
June	-	1,042	+	1,949	+	15,731	-	22,002	+	58,927	-	21,687	+	493	1.5553	115.4	115.4
July	...	...	...	...	...	...	...	...	...	...	...	...	...	1.5770	115.8	115.5	
Aug	...	...	...	...	...	...	...	...	...	...	...	...	...	1.4975	113.5	113.2	

\* 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	6.0	0.6
2006	2.8	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	4.9	1.5
2007 Q1	3.2	4.0	3.4	5.0	2.1	4.4	8.7	2.1
Q2	2.6	3.3	2.5	4.9	1.6	4.1	5.9	1.8
Q3	2.6	2.4	2.4	4.1	2.4	3.9	4.0	1.8
Q4	2.1	1.7	1.6	4.1	2.5	3.6	5.5	0.3
2008 Q1	2.1	1.7	1.8	2.3	1.7	3.6	- 1.5	0.2
Q2	1.4	2.0	3.1	2.8	1.6	3.5	...	0.0
<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	1.0	0.5	5.1	2.4
2007	3.4	2.6	6.1	4.4	1.2	2.2	7.2	- 0.2
2007 Q1	3.9	3.8	7.0	3.8	0.5	3.5	13.6	1.2
Q2	2.8	2.6	5.9	3.7	- 0.1	0.7	- 1.0	0.7
Q3	3.9	3.2	6.2	3.8	2.3	2.4	7.5	1.0
Q4	2.9	1.1	5.6	6.1	2.4	2.2	9.9	- 3.4
2008 Q1	2.5	3.1	5.0	3.6	1.8	- 2.8	3.2	- 1.2
Q2	0.9	1.2	8p 2.7	2.4	- 0.1	- 1.5	p 4.3	- 1.2
<b>Capacity utilisation in industry <sup>3</sup></b>								
2005	81.2	79.4	82.9	84.9	83.2	72.1	74.2	76.4
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
2007 Q2	84.6	83.2	88.2	86.9	86.2	76.9	77.1	78.9
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	82.9	82.1	86.2	84.3	86.1	76.2	...	75.6
<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 Feb	7.2	7.0	7.6	6.3	7.6	7.8	5.0	6.5
Mar	7.2	7.0	7.5	6.3	7.6	7.8	5.3	6.5
Apr	7.3	7.0	7.5	6.2	7.5	...	5.4	...
May	7.3	6.9	7.5	6.3	7.5	...	5.5	...
June	7.3	7.0	7.4	6.3	7.5	...	5.7	...
July	7.3	7.1	7.3	6.3	7.3	...	5.9	...
<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	<sup>5</sup> 2.1	1.8	2.3	1.6	1.6	3.0	2.9	2.0
2008 Mar	<sup>6</sup> 3.6	4.4	3.3	3.6	3.5	4.4	3.7	3.6
Apr	3.3	4.1	2.6	3.3	3.4	4.4	3.3	3.6
May	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	<sup>p</sup> 3.8	5.4	3.3	4.6	3.5	4.8	3.2	4.2
<b>General government financial balance <sup>7</sup></b>								
2005	- 2.6	- 2.3	- 3.3	2.9	- 2.9	- 5.1	1.6	- 4.2
2006	- 1.3	0.3	- 1.5	4.1	- 2.4	- 2.6	3.0	- 3.4
2007	- 0.6	- 0.2	0.1	5.3	- 2.7	- 2.8	0.3	- 1.9
<b>General government debt <sup>7</sup></b>								
2005	70.2	92.1	67.8	41.3	66.4	98.0	27.4	105.8
2006	68.5	88.2	67.6	39.2	63.6	95.3	25.1	106.5
2007	66.3	84.9	65.1	35.4	64.2	94.5	25.4	104.0

Sources: National data, European Commission, Eurostat, European Central Bank. Latest data are partly based on press reports and are provisional. — <sup>1</sup> Annual percentage change; GDP of Greece, Portugal and the euro area calculated from seasonally adjusted data. — <sup>2</sup> Manufacturing, mining and

energy; adjusted for working-day variations. — <sup>3</sup> Manufacturing, in %; seasonally adjusted; data are collected in January, April, July and October. — <sup>4</sup> Standardised, as a percentage of the civilian labour force; force; seasonally adjusted. — <sup>5</sup> Including Slovenia from 2007 onwards. —

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>								
5.0	3.5	2.1	2.9	0.9	4.1	3.6	3.9	2005
6.1	3.1	3.4	3.4	1.4	5.7	3.9	4.1	2006
4.5	3.7	3.5	3.1	1.9	6.1	3.7	4.4	2007
7.0	3.9	2.8	3.8	2.0	7.2	3.9	4.5	2007 Q1
4.3	3.2	2.9	3.2	1.9	6.0	3.6	4.2	Q2
3.3	4.0	4.0	2.7	1.8	6.4	3.6	4.6	Q3
3.1	3.7	4.1	2.6	1.9	4.7	3.6	4.4	Q4
3.1	3.4	3.3	2.8	0.9	5.4	2.8	4.1	2008 Q1
...	3.2	2.8	2.0	0.7	5.5	1.6	3.9	Q2
<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	7.3	2.8	6.5	3.9	0.7	2006
0.3	-	2.3	4.9	1.8	6.2	1.9	3.1	2007
2.4	-	3.7	6.8	4.2	9.0	4.2	1.7	2007 Q1
2.2	-	0.0	5.6	1.5	7.4	2.5	2.2	Q2
- 2.9	-	4.7	4.5	1.3	5.9	1.1	3.9	Q3
- 0.7	-	8.4	3.2	0.0	3.0	- 0.2	4.4	Q4
- 1.9	-	5.5	4.5	- 2.8	2.6	- 0.5	4.2	2008 Q1
p 3.0	-	4.4	p 3.4	- 2.7	1.9	- 5.1	4.1	Q2
<b>Capacity utilisation in industry <sup>3</sup></b>								
82.3	72.8	82.0	81.7	80.0	82.2	80.2	72.6	2005
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
88.8	87.4	83.3	85.5	81.7	86.2	81.3	69.8	2007 Q2
86.5	78.7	83.8	85.2	84.3	85.9	81.4	69.2	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
<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	3.9	2007
4.0	5.8	2.9	4.1	7.5	4.7	9.4	3.7	2008 Feb
4.0	5.7	2.9	4.1	7.5	4.6	9.6	3.7	Mar
4.1	5.7	2.9	4.2	7.5	4.3	10.0	3.7	Apr
4.1	5.8	2.8	4.2	7.6	4.3	10.4	3.5	May
4.1	5.8	2.7	4.1	7.6	4.2	10.7	3.6	June
4.2	5.7	2.6	4.2	7.5	4.2	11.0	3.7	July
<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
4.4	4.3	1.9	3.5	3.1	6.6	4.6	4.4	2008 Mar
4.3	4.1	1.7	3.4	2.5	6.2	4.2	4.3	Apr
4.8	4.1	2.1	3.7	2.8	6.2	4.7	4.6	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	p 3.0	p 3.6	3.1	6.0	4.9	5.1	Aug
<b>General government financial balance <sup>7</sup></b>								
- 0.1	- 3.0	- 0.3	- 1.5	- 6.1	- 1.5	1.0	- 2.4	2005
1.3	- 2.5	0.5	- 1.5	- 3.9	- 1.2	1.8	- 1.2	2006
2.9	- 1.8	0.4	- 0.5	- 2.6	- 0.1	2.2	3.3	2007
<b>General government debt <sup>7</sup></b>								
6.1	70.4	52.3	63.5	63.6	27.5	43.0	69.1	2005
6.6	64.2	47.9	61.8	64.7	27.2	39.7	64.8	2006
6.8	62.6	45.4	59.1	63.6	24.1	36.2	59.8	2007

<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). The results of the revised national accounts of August 2008 for Germany concerning

deficit and GDP, which are already reported, are not yet included in the calculation of the aggregate. — <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 second 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) 2	Capital and reserves 3
		Total	of which Securities	Total	of which Securities								
2006 Dec	- 8.9	43.9	1.6	- 52.8	- 58.6	81.3	51.5	- 29.8	50.5	24.1	2.1	18.6	5.7
2007 Jan	116.3	99.2	10.4	17.2	21.0	- 24.2	142.7	166.8	17.1	4.0	1.9	7.8	3.4
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	90.7	14.4	16.7	- 0.2	21.2	- 23.4
June	97.5	115.4	- 4.7	- 17.9	- 17.5	55.7	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	123.4	125.6	67.6	- 2.2	- 13.1	- 47.9	- 136.8	- 88.9	86.0	51.1	0.4	1.7	32.9
2008 Jan	127.8	109.6	19.2	18.1	14.6	- 18.5	236.2	254.7	21.3	- 3.2	- 1.8	10.8	11.9
Feb	57.7	64.5	2.5	- 6.7	2.8	- 13.9	85.4	99.3	- 6.9	- 7.8	- 1.1	- 0.4	2.4
Mar	150.9	137.6	26.5	13.3	6.6	- 51.0	- 60.4	- 9.4	20.7	3.9	- 2.3	9.6	9.5
Apr	186.6	163.1	82.2	23.5	11.3	- 73.0	82.9	155.9	24.0	3.7	- 1.6	15.7	6.1
May	85.0	84.0	17.1	1.0	8.6	- 70.1	- 20.7	49.4	14.5	13.6	- 1.7	10.3	- 7.6
June	45.1	38.9	- 28.0	6.2	- 6.0	14.7	- 134.6	- 149.4	50.1	8.3	- 0.9	18.9	23.8
July	108.9	111.4	44.9	- 2.5	0.7	- 6.0	28.9	34.9	20.3	- 0.8	- 0.7	0.7	21.1

#### (b) German contribution

Period	I Lending to non-banks (non-MFIs) in the euro area					II Net claims on non-euro-area residents			III Monetary capital formation at monetary financial institutions (MFIs) in the euro area				
	Total	Enterprises and households		General government		Total	Claims on non-euro-area residents	Liabilities to non-euro-area residents	Total	Deposits with an agreed maturity of over 2 years	Deposits at agreed notice of over 3 months	Debt securities with maturities of over 2 years (net) 2	Capital and reserves 3
		Total	of which Securities	Total	of which Securities								
2006 Dec	- 40.7	- 22.9	4.2	- 17.8	- 14.9	43.0	25.4	- 17.6	5.2	3.9	2.0	- 0.0	- 0.7
2007 Jan	36.3	25.6	12.0	10.7	12.2	- 11.2	17.8	29.0	18.7	- 0.2	1.8	5.8	11.3
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	- 1.2	- 32.5	- 31.4	3.6	- 0.3	- 0.8	0.7	4.0
July	10.1	14.0	2.8	- 3.8	- 3.8	- 0.3	- 6.8	- 6.4	5.8	- 0.4	- 0.5	- 0.2	6.9

\* 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 circu- lation	Overnight deposits 5							
- 36.5	- 109.1	-	167.5	201.5	139.8	20.7	119.2	47.7	13.9	- 12.8	- 21.6	0.4	2006 Dec	
11.2	58.7	-	5.2	- 59.9	- 83.4	- 17.0	- 66.4	23.1	0.4	14.2	28.5	22.4	2007 Jan	
19.0	- 1.3	-	35.4	7.4	- 6.5	3.1	- 9.5	25.1	- 11.3	6.6	10.8	10.6	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	0.7	Apr	
25.9	- 3.1	-	79.3	48.2	20.9	2.9	18.1	31.0	- 3.7	3.5	16.0	11.6	May	
21.2	- 26.4	-	74.8	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	-	7.3	- 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	- 70.8	-	109.1	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	- 7.4	2008 Jan	
20.3	5.1	-	25.4	27.7	- 47.3	5.6	- 52.9	77.6	- 2.7	7.1	11.9	- 21.3	Feb	
11.0	- 3.9	-	72.1	78.2	54.1	4.2	50.0	18.4	5.6	- 0.5	- 2.4	- 3.3	Mar	
- 2.3	2.8	-	89.0	77.9	- 16.3	8.5	- 24.8	96.0	- 1.8	14.9	10.4	- 14.1	Apr	
- 24.0	- 63.3	-	87.6	58.8	29.5	4.4	25.1	33.4	- 4.1	4.4	3.9	20.5	May	
37.1	- 48.7	-	21.3	45.9	43.7	6.4	37.3	5.9	- 3.7	- 3.0	- 23.1	1.5	June	
- 30.3	76.7	-	36.1	25.5	- 64.3	6.6	- 70.9	99.8	- 10.0	2.8	8.2	- 0.4	July	

(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 circu- lation	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						
- 2.9	- 11.7	- 2.0	5.4	11.8	4.3	15.7	3.1	- 10.5	- 0.2	- 0.6	2006 Dec			
- 1.9	0.1	1.1	4.3	8.3	- 1.1	2.7	- 6.2	8.0	0.2	4.7	2007 Jan			
0.2	- 12.3	1.1	0.7	5.1	- 0.6	4.2	- 3.9	4.7	- 0.7	1.5	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	5.0	0.2	2.0	1.1	- 22.4	35.6	- 5.1	- 5.8	- 0.1	1.2	July			

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).

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

End of year/month	Total assets or liabilities	Assets									Claims on non- euro-area residents	Other assets
		Lending to non-banks (non-MFIs) in the euro area										
		Total	Enterprises and 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 June	18,712.2	12,574.4	10,172.0	8,783.0	602.4	786.6	2,402.4	829.3	1,573.1	4,192.7	1,945.1	
July	18,838.8	12,649.5	10,264.5	8,857.7	614.5	792.3	2,385.0	826.3	1,558.7	4,284.2	1,905.1	
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	14,390.0	11,996.9	10,160.4	951.8	884.7	2,393.2	973.9	1,419.2	5,246.2	2,694.6	
2008 Jan	22,834.4	14,589.4	12,158.0	10,300.4	963.9	893.7	2,431.4	980.5	1,451.0	5,489.7	2,755.3	
Feb	22,977.2	14,638.8	12,214.4	10,356.8	985.1	872.5	2,424.4	970.8	1,453.6	5,529.8	2,808.6	
Mar	23,001.0	14,763.5	12,334.4	10,457.0	1,006.3	871.2	2,429.0	977.4	1,451.7	5,357.1	2,880.5	
Apr	23,185.7	14,943.1	12,494.0	10,533.7	1,034.1	926.2	2,449.1	989.8	1,459.3	5,450.8	2,791.9	
May	23,375.8	15,021.4	12,575.8	10,598.6	1,058.4	918.7	2,445.7	982.1	1,463.6	5,436.6	2,917.8	
June	23,308.8	15,044.8	12,598.4	10,659.7	1,077.7	861.0	2,446.4	994.2	1,452.2	5,275.4	2,988.6	
July	23,300.7	15,152.6	12,705.9	10,723.6	1,103.3	879.0	2,446.8	991.0	1,455.8	5,313.9	2,834.2	
<b>German contribution (€ billion)</b>												
2006 June	4,844.8	3,486.3	2,760.6	2,347.5	103.3	309.8	725.7	426.5	299.2	1,183.7	174.8	
July	4,829.6	3,481.0	2,755.7	2,342.0	103.9	309.7	725.3	428.3	297.0	1,174.3	174.3	
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	3,592.3	2,959.4	2,503.6	162.1	293.7	632.9	380.0	252.9	1,394.5	252.8	

\* 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								End of year/month
			Total	Overnight	With agreed maturities of			At agreed notice of 6			
					up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months		
Euro area (€ billion) 1											
553.7	7,494.2	7,031.0	7,094.4	2,860.6	1,038.9	104.5	1,579.1	1,419.3	91.9	2006 June	
562.7	7,478.0	7,025.8	7,091.9	2,827.7	1,059.6	107.6	1,588.3	1,415.6	93.1	July	
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	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	8,992.3	8,471.2	8,542.5	3,001.1	1,919.0	208.5	1,794.8	1,508.2	111.1	Apr	
645.7	9,037.5	8,534.6	8,600.8	3,026.2	1,942.9	209.0	1,808.6	1,504.5	109.6	May	
652.1	9,117.5	8,574.6	8,636.7	3,058.2	1,936.0	215.9	1,816.6	1,501.1	108.9	June	
658.7	9,107.4	8,587.7	8,661.8	2,992.0	2,027.9	225.2	1,816.2	1,492.1	108.4	July	
German contribution (€ billion)											
149.5	2,381.2	2,310.1	2,255.7	727.5	205.4	18.9	707.8	507.5	88.6	2006 June	
152.1	2,376.3	2,306.2	2,251.2	718.5	209.9	19.4	710.2	503.6	89.7	July	
151.1	2,382.7	2,308.9	2,254.5	712.8	218.4	19.9	713.1	499.1	91.2	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	

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 June	207.4	192.4	106.7	59.0	1.3	21.5	3.4	0.4	245.1	241.4	616.4	2,455.3	1,864.0
July	194.3	191.8	106.2	59.3	1.2	21.4	3.2	0.4	250.5	246.7	627.3	2,469.7	1,872.3
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	636.8	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	2,060.7
May	199.8	222.6	117.1	77.8	2.6	22.5	2.3	0.4	285.2	280.4	702.3	2,750.5	2,082.6
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	2,088.3
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	2,089.0
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	2,146.1
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	2,207.3
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	2,210.6
Feb	189.2	255.2	122.2	94.4	4.0	24.6	1.7	8.3	314.4	310.0	749.9	2,824.3	2,189.8
Mar	200.0	248.7	118.7	90.9	5.0	24.3	1.7	8.1	314.0	309.9	742.2	2,828.0	2,212.8
Apr	197.7	252.1	119.1	93.7	5.2	24.6	1.7	7.9	329.0	322.9	752.0	2,830.9	2,209.4
May	174.1	262.7	121.0	102.7	5.3	24.5	1.6	7.6	333.4	327.3	755.8	2,862.6	2,239.5
June	211.1	269.7	124.6	105.9	5.8	24.4	1.6	7.4	330.3	324.5	733.1	2,876.8	2,256.8
July	180.9	264.7	118.8	107.0	5.7	24.4	1.6	7.2	333.2	329.0	742.7	2,876.9	2,254.3
<b>German contribution (€ billion)</b>													
2006 June	42.7	82.9	22.8	38.0	0.9	18.9	1.9	0.4	35.7	35.7	31.2	893.5	663.3
July	43.7	81.4	22.0	37.7	0.8	18.7	1.8	0.4	30.1	30.1	30.5	895.0	662.6
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	841.9	619.3

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

5 Excluding liabilities arising from securities issued. — 6 After deduction of inter-MFI participations. — 7 The German contributions to the Eurosystem's monetary aggregates should on no account be interpreted as national monetary aggregates and are therefore not comparable with the erstwhile German money stocks M1, M2 or M3. — 8 including DM banknotes still in circulation (see also footnote 4 on p 10\*). — 9 For the German contribution, the difference between the volume of euro banknotes actually issued



## 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	0.2	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
<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

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

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

II Overall monetary survey in the euro area

Flows

Liquidity-providing factors					Liquidity-absorbing factors					Credit institutions' current account balances (including minimum reserves) <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	-	- 0.0	+ 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
<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

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 Jan 4	3 1,285.8	3 201.7	3 138.0	9.1	3 128.8	3 41.7	14.7	14.7	-
11	1,311.1	201.7	140.6	9.1	131.5	38.7	14.5	14.5	-
18	1,350.8	201.7	141.0	9.1	131.8	36.9	14.7	14.7	-
25	1,337.5	201.6	140.0	9.1	130.9	36.4	16.2	16.2	-
Feb 1	1,330.9	201.5	143.0	9.1	133.9	34.5	14.5	14.5	-
8	1,328.3	201.4	140.8	9.1	131.7	37.0	15.0	15.0	-
15	1,348.1	201.4	140.7	9.1	131.6	30.3	14.6	14.6	-
22	1,338.9	201.3	139.3	9.1	130.2	30.7	14.3	14.3	-
29	1,338.8	201.3	137.9	9.1	128.8	24.7	14.6	14.6	-
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	-
2008 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	-
July 4	3 1,404.9	3 209.0	3 137.6	9.3	3 128.3	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	-
<b>Deutsche Bundesbank</b>									
2006 Oct	366.4	52.3	33.2	3.1	30.1	-	0.3	0.3	-
Nov	359.2	52.3	33.3	3.1	30.1	-	0.3	0.3	-
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	-

\* 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>											
397.5	128.5	268.5	-	-	0.6	-	26.2	98.2	38.7	<sup>3</sup> 329.0	2008 Jan 4
420.2	151.5	268.5	-	-	0.2	0.0	27.0	97.3	38.7	332.3	11
459.0	190.5	268.5	-	-	0.0	0.0	30.3	96.7	38.7	331.8	18
444.5	175.5	268.5	-	-	0.5	0.0	28.6	98.1	38.7	333.5	25
436.0	167.5	268.5	-	-	0.0	0.0	30.7	99.3	38.6	332.7	Feb 1
430.4	161.5	268.5	-	-	0.4	0.0	30.6	100.7	38.6	333.7	8
456.0	187.5	268.5	-	-	-	0.0	31.0	102.0	38.6	333.4	15
446.5	178.0	268.5	-	-	0.0	0.0	31.4	104.8	38.6	331.9	22
451.5	183.0	268.5	-	-	-	0.0	30.8	106.1	38.6	333.3	29
447.0	178.5	268.5	-	-	0.0	0.0	31.2	107.5	38.6	329.1	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	2008 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	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
<b>Deutsche Bundesbank</b>											
243.3	164.0	79.3	-	-	0.0	-	3.0	-	4.4	29.9	2006 Oct
232.0	155.2	76.7	-	-	0.0	-	3.0	-	4.4	34.0	Nov
256.3	173.9	82.3	-	-	0.1	-	3.0	-	4.4	24.8	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

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 Jan 4	5 1,285.8	670.8	144.2	143.7	0.6	—	—	0.0	0.3	—	57.6	50.1	7.5
11	1,311.1	659.4	181.3	180.6	0.7	—	—	0.0	0.3	—	55.0	47.1	7.9
18	1,350.8	653.2	231.1	230.8	0.2	—	—	0.0	0.3	—	47.1	38.8	8.3
25	1,337.5	649.5	193.2	192.7	0.5	—	—	0.0	0.3	—	72.0	64.1	7.9
Feb 1	1,330.9	652.6	199.2	198.5	0.5	—	—	0.3	0.3	—	55.1	47.8	7.2
8	1,328.3	653.4	197.2	196.5	0.4	—	—	0.4	0.3	—	52.1	45.1	7.0
15	1,348.1	653.0	222.9	222.3	0.2	—	—	0.4	0.3	—	52.6	45.5	7.1
22	1,338.9	650.6	205.8	205.1	0.2	—	—	0.4	0.2	—	66.3	58.9	7.4
29	1,338.8	654.0	195.6	194.9	0.2	—	—	0.6	0.2	—	80.7	73.1	7.6
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
2008 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
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
<b>Deutsche Bundesbank</b>													
2006 Oct	366.4	161.8	48.0	47.8	0.2	—	—	—	—	—	0.5	0.0	0.5
Nov	359.2	162.8	39.2	39.2	0.0	—	—	—	—	—	0.4	0.1	0.4
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

\* 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>															
45.6	1.6	5	17.6	5	17.6	—	5.3	5	123.7	—	5	147.7	71.4	2008 Jan	4
45.6	1.1		18.8		18.8	—	5.3		126.8	—		147.7	69.7		11
48.6	1.4		18.5		18.5	—	5.3		127.9	—		147.7	69.7		18
51.0	1.2		18.0		18.0	—	5.3		129.7	—		147.7	69.7		25
48.8	1.3		19.3		19.3	—	5.3		131.7	—		147.7	69.7	Feb	1
48.7	1.0		19.7		19.7	—	5.3		133.3	—		147.7	69.7		8
42.0	1.2		19.6		19.6	—	5.3		133.4	—		147.7	70.2		15
41.4	1.1		18.6		18.6	—	5.3		131.5	—		147.7	70.5		22
34.4	0.8		18.6		18.6	—	5.3		130.9	—		147.7	70.6		29
35.4	0.9		18.8		18.8	—	5.3		131.0	—		147.7	70.6	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	2008 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	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
<b>Deutsche Bundesbank</b>															
3.7	0.0		1.3		1.3	—	1.4		11.9			86.5	46.4	2006 Oct	
3.9	0.0		1.4		1.4	—	1.4		12.4			86.3	46.4		Nov
3.7	0.0		1.1		1.1	—	1.4		13.0			84.3	45.9		Dec
3.8	0.0		1.6		1.6	—	1.4		12.9			85.5	45.9	2007 Jan	
3.7	0.0		1.2		1.2	—	1.4		13.5			86.5	45.9		Feb
3.8	0.0		1.3		1.3	—	1.4		10.1			87.5	47.4		Mar
3.8	0.0		2.5		2.5	—	1.4		10.0			87.5	47.4		Apr
4.0	0.0		3.0		3.0	—	1.4		10.8			90.4	47.4		May
3.8	0.0		2.3		2.3	—	1.4		12.4			91.6	44.9		June
4.1	0.0		2.2		2.2	—	1.4		11.6			92.1	44.9		July
4.1	0.0		2.2		2.2	—	1.4		12.6			94.4	44.9		Aug
5.4	0.0		2.6		2.6	—	1.3		13.6			96.1	49.5		Sep
7.9	0.0		2.3		2.3	—	1.3		13.0			97.5	49.5		Oct
11.1	0.0		2.0		2.0	—	1.3		14.1			98.6	49.5		Nov
14.0	0.0		2.0		2.0	—	1.3	5	13.1		5	99.5	55.0		Dec
18.4	0.0		2.6		2.6	—	1.3		13.3			100.2	55.0	2008 Jan	
19.4	0.0		3.0		3.0	—	1.3		14.1			102.4	55.0		Feb
21.7	0.0		3.3		3.3	—	1.3		10.7			103.7	58.1		Mar
21.2	0.0		4.3		4.3	—	1.3		10.2			104.1	58.1		Apr
21.2	0.0		3.2		3.2	—	1.3		11.3			106.3	58.1		May
19.6	0.0		3.9		3.9	—	1.3		12.5			107.2	57.4		June
22.1	0.0		3.0		3.0	—	1.3		12.2			107.4	57.4		July
24.0	0.0		2.4		2.4	—	1.3		13.1			109.8	57.4		Aug

bank-note issue". The remaining 92 % of the value of the euro banknote in circulation is also allocated to the NCBs on a monthly basis, and each NCB shows in its balance sheet the share of the euro banknotes issued which corresponds to its paid-up share in the ECB's capital. The difference between the value of the euro banknotes allocated to the NCB according to

the aforementioned accounting regime and the value of euro banknotes put into circulation is also disclosed as an "Intra-Eurosystem claim/ liability related to banknote issue". — 3 For the Deutsche Bundesbank: including DM banknotes still in circulation. — 4 Source: ECB. — 5 Changes are due mainly to revaluations at the end of the quarter.

IV Banks

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

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

Period	Balance sheet total	Cash in hand	Lending to banks (MFIs) in the euro area						Lending to non-banks (non-MFIs) in the					
			Total	to banks in the home country			to banks in other member states			Total	to non-banks in the home country			
				Total	Loans	Secur- ities issued by banks	Total	Loans	Secur- ities issued by banks		Total	Total	Enterprises and house- holds	
												Total	Loans	
<b>End of year or month</b>														
1999	5,678.5	17.2	1,836.9	1,635.0	1,081.4	553.6	201.9	161.8	40.1	3,127.4	2,958.6	2,326.4	2,093.4	
2000	6,083.9	16.1	1,977.4	1,724.2	1,108.9	615.3	253.2	184.5	68.6	3,249.9	3,062.6	2,445.7	2,186.6	
2001	6,303.1	14.6	2,069.7	1,775.5	1,140.6	634.9	294.2	219.8	74.4	3,317.1	3,084.9	2,497.1	2,235.7	
2002	6,394.2	17.9	2,118.0	1,769.1	1,164.3	604.9	348.9	271.7	77.2	3,340.2	3,092.2	2,505.8	2,240.8	
2003	6,432.0	17.3	2,111.5	1,732.0	1,116.8	615.3	379.5	287.7	91.8	3,333.2	3,083.1	2,497.4	2,241.2	
2004	6,617.4	15.1	2,174.3	1,750.2	1,122.9	627.3	424.2	306.3	117.9	3,358.7	3,083.4	2,479.7	2,223.8	
2005	6,859.4	15.3	2,276.0	1,762.5	1,148.4	614.1	513.5	356.3	157.2	3,407.6	3,085.2	2,504.6	2,226.3	
2006	7,154.4	16.4	2,314.4	1,718.6	1,138.6	580.0	595.8	376.8	219.0	3,462.1	3,085.5	2,536.1	2,241.9	
2007	7,592.4	17.8	2,523.4	1,847.9	1,290.4	557.5	675.4	421.6	253.8	3,487.3	3,061.8	2,556.0	2,288.8	
2006 Oct	7,080.1	14.4	2,278.7	1,697.5	1,108.1	589.4	581.2	376.3	204.9	3,496.5	3,119.2	2,563.0	2,272.3	
Nov	7,141.2	13.6	2,293.7	1,712.4	1,126.3	586.2	581.3	365.9	215.3	3,506.4	3,123.3	2,560.4	2,268.4	
Dec	7,154.4	16.4	2,314.4	1,718.6	1,138.6	580.0	595.8	376.8	219.0	3,462.1	3,085.5	2,536.1	2,241.9	
2007 Jan	7,192.4	13.3	2,308.2	1,711.1	1,138.1	573.0	597.1	378.2	218.9	3,496.9	3,109.2	2,554.6	2,252.7	
Feb	7,230.9	13.4	2,332.2	1,717.7	1,146.7	570.9	614.5	386.6	227.9	3,487.3	3,096.0	2,547.2	2,256.2	
Mar	7,288.3	13.5	2,364.4	1,749.8	1,180.5	569.3	614.6	378.3	236.3	3,496.5	3,100.8	2,555.8	2,261.3	
Apr	7,357.2	14.4	2,379.0	1,736.7	1,167.0	569.7	642.3	406.1	236.2	3,525.9	3,128.3	2,580.7	2,256.9	
May	7,389.3	14.7	2,398.4	1,744.1	1,167.2	576.9	654.3	414.7	239.6	3,511.9	3,106.1	2,558.9	2,253.1	
June	7,381.7	14.2	2,396.3	1,724.1	1,156.2	567.9	672.3	423.8	248.5	3,484.4	3,071.9	2,538.0	2,261.7	
July	7,371.2	13.9	2,373.0	1,708.4	1,146.0	562.5	664.6	415.4	249.2	3,489.7	3,080.8	2,541.9	2,265.9	
Aug	7,417.4	14.1	2,405.9	1,735.3	1,178.1	557.2	670.5	419.3	251.2	3,485.8	3,071.6	2,544.4	2,271.6	
Sep	7,500.9	14.4	2,438.4	1,756.8	1,201.2	555.6	681.5	429.9	251.7	3,493.0	3,074.0	2,552.6	2,278.5	
Oct	7,500.5	14.5	2,453.6	1,770.9	1,208.5	562.4	682.7	430.2	252.5	3,485.7	3,058.5	2,543.7	2,278.4	
Nov	7,553.6	14.1	2,489.4	1,791.5	1,226.5	565.1	697.9	443.9	253.9	3,482.3	3,057.5	2,544.1	2,279.6	
Dec	7,592.4	17.8	2,523.4	1,847.9	1,290.4	557.5	675.4	421.6	253.8	3,487.3	3,061.8	2,556.0	2,288.8	
2008 Jan	7,574.1	14.1	2,506.6	1,798.8	1,240.4	558.5	707.8	454.1	253.7	3,530.9	3,084.8	2,585.0	2,297.3	
Feb	7,596.6	13.6	2,512.7	1,806.7	1,250.0	556.7	706.0	450.6	255.5	3,521.3	3,079.8	2,577.1	2,306.5	
Mar	7,641.7	14.2	2,516.2	1,818.8	1,262.4	556.4	697.4	442.9	254.5	3,561.3	3,095.9	2,593.5	2,316.4	
Apr	7,725.9	13.9	2,520.4	1,824.8	1,264.1	560.7	695.6	445.9	249.7	3,609.6	3,145.8	2,632.0	2,323.2	
May	7,729.1	14.1	2,540.8	1,844.9	1,274.1	570.9	695.8	436.6	259.3	3,596.2	3,130.8	2,620.8	2,326.7	
June	7,688.7	13.8	2,556.9	1,855.1	1,281.7	573.3	701.8	436.9	265.0	3,576.9	3,098.7	2,604.6	2,333.7	
July	7,685.2	14.2	2,542.3	1,843.7	1,272.9	570.8	698.6	430.6	268.1	3,587.8	3,110.1	2,616.3	2,341.6	
<b>Changes <sup>1</sup></b>														
2000	401.5	- 1.2	143.0	91.7	28.1	63.6	51.4	22.8	28.6	123.2	105.4	116.8	89.5	
2001	244.9	- 1.4	91.0	50.7	30.3	20.5	40.3	34.5	5.8	55.1	23.9	50.4	48.1	
2002	165.7	3.3	63.6	6.5	23.7	- 17.1	57.1	51.9	5.2	34.1	15.7	16.5	10.4	
2003	83.5	- 0.6	- 20.2	- 49.0	- 47.5	- 1.5	28.8	15.7	13.1	29.6	23.0	22.2	26.4	
2004	207.5	- 2.1	68.9	22.5	9.5	13.1	46.3	15.8	30.5	44.1	17.5	- 0.4	- 1.2	
2005	197.2	0.1	101.8	13.2	25.7	- 12.5	88.6	50.5	38.1	59.7	14.2	37.2	15.5	
2006	349.0	1.1	76.2	- 2.4	25.2	- 27.6	78.6	17.3	61.3	56.0	1.5	32.5	13.3	
2007	509.7	1.5	210.1	132.5	153.3	- 20.8	77.6	41.6	36.0	54.1	- 1.0	38.6	53.1	
2006 Nov	75.6	- 0.8	15.3	15.1	18.2	- 3.0	0.2	- 10.3	10.5	12.6	6.1	- 0.6	- 1.9	
Dec	13.9	2.8	21.3	6.6	12.9	- 6.4	14.7	10.9	3.8	- 40.7	- 34.3	- 21.0	- 23.5	
2007 Jan	33.9	- 3.1	- 6.5	- 6.0	- 0.5	- 5.5	- 0.5	- 0.4	- 0.1	36.3	26.8	21.3	9.8	
Feb	46.3	0.1	23.7	6.7	8.7	- 1.9	17.0	8.4	8.7	- 7.0	- 11.6	- 5.9	4.8	
Mar	61.6	0.1	32.3	32.2	33.8	- 1.6	0.1	- 8.3	8.4	10.4	5.8	9.6	5.8	
Apr	77.8	0.9	13.0	- 14.6	- 14.0	- 0.6	27.6	27.6	- 0.0	32.6	29.9	27.2	- 3.2	
May	28.0	0.3	19.0	7.4	0.2	7.2	11.6	8.2	3.4	- 13.9	- 22.3	- 21.9	- 3.7	
June	- 6.0	- 0.5	- 1.0	- 19.0	- 9.9	- 9.0	18.0	9.0	9.0	- 27.5	- 34.3	- 21.0	8.1	
July	- 4.4	- 0.3	- 23.3	- 15.0	- 9.5	- 5.4	- 8.3	- 8.8	0.5	7.2	10.4	5.5	4.4	
Aug	42.1	0.2	32.8	26.9	32.2	- 5.3	5.9	3.9	2.0	- 3.9	- 9.3	2.4	5.8	
Sep	101.2	0.3	32.9	21.7	23.1	- 1.4	11.2	10.5	0.7	10.3	4.6	10.3	8.9	
Oct	26.7	0.2	16.8	14.7	7.2	7.5	2.1	0.4	1.8	5.7	- 5.9	- 2.6	1.0	
Nov	63.1	- 0.4	35.9	20.7	18.0	2.7	15.3	13.7	1.6	- 1.9	- 0.2	1.2	1.9	
Dec	39.4	3.7	34.3	56.7	64.0	- 7.3	- 22.4	- 22.5	0.2	5.8	4.9	12.5	9.6	
2008 Jan	- 31.3	- 3.7	- 33.0	- 63.9	- 65.9	2.0	30.9	31.6	- 0.7	35.9	26.2	32.1	10.5	
Feb	33.0	- 0.5	6.4	8.0	9.6	- 1.6	- 1.6	- 3.5	1.9	- 7.9	- 4.1	- 6.9	10.1	
Mar	66.1	0.6	3.9	12.3	12.5	- 0.1	- 8.4	- 7.7	- 0.7	44.0	18.4	18.3	11.7	
Apr	81.6	- 0.3	5.4	8.0	2.8	5.2	- 2.6	2.2	- 4.8	49.9	50.6	39.1	7.3	
May	5.2	0.2	22.9	20.5	10.2	10.2	2.5	- 7.1	9.6	- 12.8	- 14.3	- 10.6	4.0	
June	- 25.4	- 0.4	23.5	14.5	7.6	6.8	9.0	3.3	5.8	- 16.9	- 30.6	- 14.8	7.8	
July	11.8	0.4	1.3	4.4	4.6	- 0.2	- 3.1	- 6.3	3.2	10.4	11.2	11.6	7.7	

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

IV Banks

euro area										Claims on non-euro-area residents		Other assets	Period	
									to non-banks in other member states		Total			of which Loans
General government			Secur-ities 2	Total	Enterprises and households		General government							
Secur-ities	Total	Loans			Total	Total	of which Loans	Total	Loans	Secur-ities	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	
290.7	556.2	392.6	163.6	377.3	224.3	89.2	153.0	26.1	126.9	1,118.3	893.3	172.2	2006 Oct	
292.0	562.9	393.2	169.8	383.2	229.9	88.8	153.2	26.1	127.2	1,148.4	916.9	179.0	Nov	
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	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	
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	
1.3	6.8	0.5	6.2	6.5	6.1	0.1	0.4	0.0	0.4	42.2	34.7	6.2	2006 Nov	
2.5	- 13.3	- 2.9	- 10.4	- 6.4	- 1.9	- 3.6	- 4.5	0.0	- 4.5	25.8	19.0	4.8	Dec	
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	- 0.4	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	- 0.8	2.6	3.7	- 3.4	- 0.3	- 3.2	- 3.2	- 1.7	2.8	July	

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 Oct	7,080.1	1,586.2	1,303.4	282.8	2,388.6	2,280.6	715.3	980.2	286.7	585.0	490.5	61.8	12.4
Nov	7,141.2	1,618.6	1,320.5	298.1	2,423.1	2,310.9	742.3	987.1	293.7	581.4	484.3	63.8	13.0
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	7,685.2	1,759.5	1,448.9	310.6	2,675.9	2,557.0	746.2	1,283.0	563.6	527.9	425.6	81.7	27.3
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
2006 Nov	75.6	34.6	17.9	16.7	35.2	30.9	27.5	7.0	7.1	- 3.5	- 6.1	2.2	0.6
Dec	13.9	19.1	28.2	- 9.1	26.1	30.7	3.4	22.2	16.5	5.1	3.1	- 1.8	0.9
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	11.8	8.3	13.0	- 4.7	5.1	5.5	- 22.6	33.6	33.5	- 5.6	- 5.1	1.8	0.3

\* 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). —

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			Total	of which domestic central governments			Total	of which with maturities of up to 2 years <sup>3</sup>	Total	of which with maturities of up to 2 years <sup>3</sup>
<b>End of year or month</b>													
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
47.1	9.9	2.3	1.9	46.3	43.4	32.1	32.0	1,644.6	134.3	663.9	389.1	343.6	2006 Oct
48.6	10.1	2.3	1.8	48.4	43.7	27.5	32.0	1,641.7	137.5	653.0	391.7	353.6	Nov
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	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	1,644.3	221.7	674.8	444.1	405.0	July
<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
1.6	0.2	- 0.0	- 0.0	2.1	0.3	- 4.5	- 0.0	3.1	3.3	- 3.2	3.5	6.9	2006 Nov
- 2.7	- 0.8	0.0	0.0	- 2.9	- 1.8	- 10.5	0.0	- 4.6	- 1.2	- 14.8	- 2.0	0.5	Dec
- 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	- 4.4	- 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	4.7	5.4	- 4.4	2.0	2.1	July

<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 Feb	2,018	7,650.4	65.7	3,158.8	2,302.1	811.3	3,927.4	570.0	2,614.6	1.7	713.9	160.7	337.7
Mar	2,021	7,696.0	84.0	3,162.3	2,306.2	808.1	3,949.1	582.2	2,611.0	1.6	732.3	161.7	338.9
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
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
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
July	2,008	7,741.9	55.4	3,221.9	2,324.5	827.4	3,948.3	566.3	2,656.9	1.4	702.8	160.2	356.1
<b>Commercial banks <sup>5</sup></b>													
2008 June	268	2,313.5	34.3	959.6	810.7	132.6	1,100.3	299.8	611.6	0.7	180.4	74.8	144.5
July	270	2,335.0	20.3	976.8	829.5	131.9	1,106.1	304.6	613.4	0.7	180.0	79.1	152.7
<b>Big banks <sup>6</sup></b>													
2008 June	5	1,431.9	20.7	625.5	535.1	79.1	608.1	179.6	293.6	0.6	128.8	68.1	109.4
July	5	1,453.0	9.8	645.9	555.5	80.0	612.8	185.5	294.4	0.5	127.2	72.4	112.2
<b>Regional banks and other commercial banks</b>													
2008 June	162	710.5	10.7	246.1	190.5	50.6	418.5	89.3	276.2	0.1	50.7	6.1	29.1
July	163	712.0	8.7	243.3	188.1	50.2	420.3	89.2	277.8	0.1	51.0	6.2	33.5
<b>Branches of foreign banks</b>													
2008 June	101	171.2	2.8	88.0	85.1	2.9	73.7	30.9	41.8	0.0	0.8	0.6	6.0
July	102	170.0	1.9	87.6	85.9	1.7	73.0	29.9	41.1	0.0	1.8	0.6	6.9
<b>Landesbanken</b>													
2008 June	11	1,600.4	2.4	850.5	629.4	194.4	662.1	112.6	423.8	0.2	112.6	28.5	56.9
July	10	1,576.1	2.7	825.6	603.5	192.1	662.4	114.4	426.1	0.1	110.1	28.2	57.1
<b>Savings banks</b>													
2008 June	442	1,041.0	16.5	264.9	120.0	136.1	720.6	63.1	558.1	0.4	99.0	19.8	19.3
July	438	1,043.3	18.0	265.4	117.9	138.2	721.4	61.4	561.9	0.4	97.6	19.8	18.7
<b>Regional institutions of credit cooperatives</b>													
2008 June	2	270.4	1.3	170.8	113.9	54.9	73.0	21.5	19.0	0.0	31.8	13.9	11.4
July	2	268.1	0.2	169.1	113.2	53.7	72.4	21.5	19.0	0.0	31.6	13.9	12.4
<b>Credit cooperatives</b>													
2008 June	1,228	636.4	12.5	173.2	79.0	87.9	420.1	36.6	333.9	0.2	49.2	10.8	19.8
July	1,225	638.1	12.7	174.0	78.4	89.0	420.6	35.7	335.6	0.2	48.8	10.8	20.0
<b>Mortgage banks</b>													
2008 June	21	809.6	0.7	249.7	139.4	107.8	534.0	15.9	379.4	-	137.8	1.2	23.9
July	21	806.6	1.0	250.5	141.1	107.0	531.1	15.9	377.6	-	136.8	1.2	22.7
<b>Building and loan associations</b>													
2008 June	25	191.1	0.1	56.6	42.0	14.4	119.5	1.4	106.8	.	11.3	0.3	14.6
July	25	191.1	0.1	56.6	42.1	13.8	120.0	1.4	107.4	.	11.2	0.3	14.1
<b>Special purpose banks</b>													
2008 June	17	882.5	0.8	501.9	397.7	101.5	310.9	9.3	215.1	-	86.4	7.3	61.6
July	17	883.6	0.3	503.7	398.8	101.7	314.2	11.4	216.0	-	86.7	6.9	58.5
<b>Memo item: Foreign banks <sup>7</sup></b>													
2008 June	146	855.3	11.1	355.0	282.1	64.1	448.9	98.6	275.4	0.2	72.7	6.4	33.9
July	147	840.1	9.3	343.3	271.6	63.2	445.6	96.2	275.3	0.2	72.2	6.4	35.6
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>													
2008 June	45	684.2	8.3	267.0	197.1	61.2	375.2	67.7	233.6	0.2	71.9	5.8	27.9
July	45	670.1	7.4	255.6	185.6	61.5	372.6	66.3	234.1	0.2	70.5	5.8	28.7

\* 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>	Capital including published reserves, participation rights capital, funds for general banking risks	Other liabilities	End of month
Total	of which		Total	of which				Savings deposits <sup>3</sup>		Bank savings bonds				
	Sight deposits	Time deposits		Sight deposits	Time deposits <sup>1</sup>	Memo item Liabilities arising from repos <sup>2</sup>	Total	of which At three months' notice						
				for up to and including 1 year	for more than 1 year <sup>1</sup>									
<b>All categories of banks</b>														
2,182.7	339.6	1,843.1	2,932.3	879.0	563.5	798.6	145.8	556.0	445.3	135.1	1,707.1	355.4	472.8	2008 Feb
2,224.2	372.4	1,851.8	2,929.6	886.8	558.7	796.9	140.8	552.3	443.7	134.9	1,705.3	363.4	473.5	Mar
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	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
2,195.0	321.3	1,873.6	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
<b>Commercial banks <sup>5</sup></b>														
821.0	200.0	621.0	953.9	420.2	267.9	140.7	84.4	105.3	83.5	19.8	258.3	113.0	167.3	2008 June
813.0	188.4	624.6	970.0	418.3	285.8	141.5	97.4	104.6	82.2	19.9	261.3	116.9	173.7	July
<b>Big banks <sup>6</sup></b>														
521.5	136.6	384.9	536.4	215.6	163.9	86.5	76.1	62.6	59.2	7.8	198.4	71.4	104.1	2008 June
517.9	130.9	386.9	554.4	217.2	180.5	86.9	88.5	61.9	58.3	7.9	202.0	74.7	104.1	July
<b>Regional banks and other commercial banks</b>														
175.6	38.4	137.2	383.4	185.0	95.9	48.0	8.1	42.7	24.3	11.9	59.9	36.3	55.3	2008 June
172.0	34.0	138.0	381.4	181.6	97.1	48.3	8.4	42.7	23.9	11.8	59.4	36.9	62.2	July
<b>Branches of foreign banks</b>														
123.9	25.0	98.9	34.0	19.5	8.1	6.3	0.2	0.0	0.0	0.1	0.0	5.2	8.0	2008 June
123.1	23.4	99.7	34.2	19.5	8.1	6.4	0.4	0.0	0.0	0.1	0.0	5.2	7.4	July
<b>Landesbanken</b>														
575.1	79.5	495.6	414.7	82.4	116.2	201.0	49.5	13.6	13.3	1.4	477.9	62.9	69.9	2008 June
552.3	56.1	496.2	411.5	62.2	133.0	201.3	46.9	13.5	13.1	1.5	479.0	63.3	70.0	July
<b>Savings banks</b>														
209.3	22.6	186.8	677.7	222.6	82.6	14.1	-	268.4	207.6	90.0	46.9	55.9	51.3	2008 June
209.0	22.6	186.4	679.7	222.6	85.7	14.3	-	265.8	205.4	91.3	46.8	56.1	51.8	July
<b>Regional institutions of credit cooperatives</b>														
140.1	27.7	112.4	51.3	13.5	18.4	18.0	5.8	-	-	1.5	52.7	11.0	15.3	2008 June
138.3	24.1	114.1	48.5	9.8	19.5	17.8	4.4	-	-	1.5	53.5	10.9	16.9	July
<b>Credit cooperatives</b>														
92.9	7.9	85.0	436.7	147.9	79.5	28.9	-	153.6	131.5	26.8	38.3	38.5	30.0	2008 June
93.8	7.4	86.4	437.0	148.2	81.2	29.0	-	151.5	130.1	27.1	38.6	38.6	30.1	July
<b>Mortgage banks</b>														
173.1	9.1	164.0	193.7	3.3	12.5	177.0	-	0.6	0.6	0.3	392.0	22.5	28.3	2008 June
173.9	4.6	169.3	194.2	2.9	12.8	177.6	-	0.5	0.5	0.3	389.3	22.5	26.7	July
<b>Building and loan associations</b>														
25.7	2.9	22.7	127.7	0.4	1.7	124.9	-	0.3	0.3	0.4	6.9	7.3	23.6	2008 June
27.7	3.1	24.6	126.6	0.3	1.7	123.9	-	0.3	0.3	0.4	6.2	7.3	23.3	July
<b>Special purpose banks</b>														
180.7	15.8	164.9	104.6	4.1	4.6	95.7	0.1	-	-	0.2	452.6	46.4	98.3	2008 June
187.0	14.9	172.2	105.9	4.8	5.9	95.0	-	-	-	0.2	451.6	45.5	93.5	July
<b>Memo item: Foreign banks <sup>7</sup></b>														
307.5	79.5	228.0	338.3	158.9	89.9	67.1	15.8	15.1	14.8	7.4	110.3	40.2	59.0	2008 June
293.8	67.6	226.2	339.7	156.8	93.3	67.2	18.1	14.9	14.6	7.5	109.2	43.7	53.8	July
<b>of which: Banks majority-owned by foreign banks <sup>8</sup></b>														
183.6	54.5	129.2	304.3	139.4	81.8	60.8	15.6	15.0	14.8	7.3	110.3	34.9	51.0	2008 June
170.7	44.2	126.5	305.5	137.2	85.1	60.8	17.7	14.9	14.6	7.3	109.1	38.4	46.4	July

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.











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
1,973.1	197.3	1,775.7	205.8	48.6	516.1	353.3	31.5	321.8	162.8	-	4.7	2007 Feb
1,970.1	196.5	1,773.6	209.6	48.2	512.2	347.9	31.4	316.5	164.4	-	4.7	Mar
1,966.8	195.7	1,771.1	238.1	49.5	510.5	345.2	31.6	313.6	165.3	-	4.7	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
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
- 1.5	- 1.3	- 0.2	- 11.1	- 0.2	- 3.9	- 2.5	- 0.1	- 2.4	- 1.4	-	- 0.0	2007 Feb
- 2.9	- 0.5	- 2.4	+ 3.8	- 0.3	- 3.9	- 5.4	- 0.1	- 5.3	+ 1.5	-	- 0.0	Mar
- 3.5	- 0.8	- 2.7	+ 29.6	+ 1.3	- 1.7	- 2.7	+ 0.1	- 2.8	+ 1.0	-	+ 0.0	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

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.





											Lending to employees and other individuals		Lending to non-profit institutions		Period
Services sector (including the professions)				Memo items		Total	Housing loans	Other lending			Total	of which Housing loans			
Total	of which			Lending to self-employed persons 4	Lending to craft enterprises			Total	Instalment loans 5	Debit balances on wage, salary and pension accounts					
	Housing enterprises	Holding companies	Other real estate enterprises												
<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		
675.1	162.4	41.6	193.4	390.5	59.9	1,017.0	791.6	225.4	129.6	17.6	14.3	3.6	2007 June		
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	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	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	June		
													<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		
82.4	12.5	11.0	22.0	36.2	10.3	39.5	4.6	35.0	2.6	17.6	0.9	0.0	2007 June		
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	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	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	June		
													<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		
61.5	6.5	6.8	16.0	27.4	3.8	66.9	22.5	44.4	36.8	-	0.7	0.0	2007 June		
62.7	7.0	6.8	16.6	27.5	3.8	66.8	22.2	44.6	36.9	-	0.6	0.0	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	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	June		
													<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		
531.2	143.4	23.8	155.4	326.9	45.8	910.5	764.6	146.0	90.3	-	12.7	3.6	2007 June		
533.7	143.5	25.1	155.9	325.2	45.7	912.6	766.3	146.2	91.4	-	12.7	3.6	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	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	June		
<b>Change during quarter *</b>													<b>Lending, total</b>		
- 3.4	- 0.5	+ 1.2	- 2.0	- 2.1	+ 0.1	- 0.9	- 1.0	+ 0.1	+ 0.3	+ 0.7	- 0.3	- 0.1	2007 Q2		
+ 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	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	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	Q2		
													<b>Short-term lending</b>		
+ 0.2	- 0.0	+ 0.9	- 0.1	- 0.0	- 0.0	+ 0.7	+ 0.1	+ 0.6	- 0.0	+ 0.7	- 0.1	- 0.0	2007 Q2		
+ 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	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	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	-	Q2		
													<b>Medium-term lending</b>		
+ 0.2	- 0.0	+ 0.5	+ 0.3	- 0.1	+ 0.0	- 0.8	- 0.6	- 0.2	- 0.1	-	+ 0.0	- 0.0	2007 Q2		
+ 1.2	+ 0.6	+ 0.0	+ 0.6	+ 0.1	- 0.0	- 0.1	- 0.3	+ 0.1	+ 0.1	-	- 0.0	- 0.0	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	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	Q2		
													<b>Long-term lending</b>		
- 3.9	- 0.4	- 0.1	- 2.3	- 2.0	+ 0.1	- 0.8	- 0.6	- 0.2	+ 0.4	-	- 0.2	- 0.1	2007 Q2		
+ 2.8	+ 0.1	+ 0.8	+ 0.4	- 0.9	- 0.2	+ 1.0	+ 1.1	- 0.2	+ 1.1	-	+ 0.0	- 0.0	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	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	+ 0.1	+ 0.1	+ 1.1	+ 0.7	+ 0.4	+ 1.1	-	+ 0.0	+ 0.0	Q2		

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

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

€ billion

Period	Sight deposits						Time deposits 1,2						
	Deposits of domestic households and non-profit institutions, total	by creditor group					Domestic non-profit institutions	by creditor group					
		Domestic households						Domestic households					
		Total	Total	Self-employed persons	Employees	Other individuals		Total	Total	Self-employed persons	Employees	Other individuals	
	End of year or month *												
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 Feb	1,459.1	480.9	465.2	82.9	315.7	66.5	15.7	335.6	311.0	42.5	241.8	26.7	
Mar	1,461.9	483.0	467.5	80.6	319.6	67.2	15.5	339.8	314.3	42.7	244.3	27.3	
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	318.5	66.7	14.6	362.3	335.5	47.1	257.3	31.1	
	Changes *												
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 Feb	+ 2.4	+ 1.8	+ 1.1	- 0.6	+ 1.5	+ 0.2	+ 0.7	+ 2.8	+ 2.4	- 0.1	+ 1.9	+ 0.5	
Mar	+ 2.8	+ 2.1	+ 2.3	- 2.3	+ 3.9	+ 0.7	- 0.2	+ 4.2	+ 3.3	+ 0.2	+ 2.5	+ 0.6	
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	- 1.4	- 0.4	- 0.6	+ 7.0	+ 7.4	+ 1.9	+ 4.2	+ 1.3	

\* 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 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			
	End of year or month *														
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 Feb	149.6	37.1	1.4	2.6	33.1	0.0	7.0	24.8	4.5	10.0	10.2	0.1	17.7		
Mar	150.0	37.6	1.5	3.8	32.2	0.0	6.8	25.7	4.8	9.7	11.2	0.1	17.6		
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		
	Changes *														
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 Feb	- 0.4	- 0.3	- 0.1	- 0.2	+ 0.0	-	+ 0.1	- 1.9	- 0.9	- 1.0	+ 0.0	-	- 0.0		
Mar	+ 0.6	+ 0.7	+ 0.1	+ 1.3	- 0.7	+ 0.0	- 0.2	+ 1.0	+ 0.3	- 0.3	+ 0.9	- 0.0	- 0.1		
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		

\* 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	
24.6	177.6	158.0	15.8	142.2	542.3	534.7	7.6	100.3	0.3	8.9	–	2008 Feb	
25.5	181.6	158.2	15.9	142.3	538.6	531.0	7.6	100.5	0.3	8.8	–	Mar	
25.3	188.0	157.8	16.3	141.5	534.6	527.1	7.5	101.6	0.3	8.8	–	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	
<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	
+ 0.4	+ 2.5	+ 0.2	+ 0.6	– 0.4	– 2.9	– 2.9	– 0.0	+ 0.7	– 0.0	– 0.1	–	2008 Feb	
+ 0.9	+ 4.0	+ 0.2	+ 0.1	+ 0.0	– 3.7	– 3.7	– 0.0	+ 0.2	– 0.0	– 0.1	–	Mar	
– 0.2	+ 6.4	– 0.4	+ 0.4	– 0.8	– 4.0	– 3.9	– 0.1	+ 1.1	– 0.0	– 0.1	–	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	

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
36.9	11.0	20.0	3.6	2.4	0.3	50.8	8.1	33.6	8.8	0.3	0.0	2008 Feb
37.0	10.7	20.3	3.6	2.3	0.2	49.6	7.5	32.9	8.9	0.3	0.0	Mar
36.8	10.5	20.4	3.7	2.3	0.2	49.5	7.0	33.1	9.1	0.3	0.0	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
<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
+ 3.1	+ 1.3	+ 1.7	+ 0.1	– 0.0	–	– 1.3	– 0.4	– 1.3	+ 0.3	– 0.0	–	2008 Feb
+ 0.1	– 0.2	+ 0.3	+ 0.0	– 0.1	– 0.0	– 1.1	– 0.5	– 0.7	+ 0.1	– 0.0	–	Mar
– 0.2	– 0.2	+ 0.0	+ 0.0	– 0.1	–	– 0.1	– 0.5	+ 0.2	+ 0.1	+ 0.0	–	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

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

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

IV Banks

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

€ billion

Period	Savings deposits <sup>1</sup>								Memo item Interest credited on savings deposits	Bank savings bonds, <sup>3</sup> sold to			
	of residents						of non-residents			non-banks, total	domestic non-banks		foreign non-banks
	Total	Total	at three months' notice		at more than three months' notice		Total	of which At three months' notice			Total	of which With maturities of more than 2 years	
			Total	of which Special savings facilities <sup>2</sup>	Total	of which Special savings facilities <sup>2</sup>							
End of year or month *													
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 Mar	552.3	543.8	437.6	348.8	106.3	99.0	8.4	6.1	0.4	134.9	121.8	62.3	13.1
Apr	548.2	539.8	434.9	347.2	104.9	97.6	8.4	6.1	0.3	136.2	122.8	61.9	13.4
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
Changes *													
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 Mar	- 3.7	- 3.7	- 1.6	- 1.0	- 2.1	- 2.1	- 0.0	+ 0.0	.	- 0.3	+ 0.0	- 0.6	- 0.3
Apr	- 4.1	- 4.1	- 2.7	- 1.6	- 1.4	- 1.3	- 0.0	- 0.0	.	+ 1.3	+ 1.1	- 0.5	+ 0.3
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

\* 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						Total	of which with maturities of			negotiable debt securities		
		Floating rate bonds <sup>1</sup>	Zero coupon bonds <sup>1,2</sup>	Foreign currency bonds <sup>3,4</sup>	Certifi- cates of deposit	with maturities of			up to and including 1 year	more than 1 year including 2 years	more than 2 years			
						up to and including 1 year	more than 1 year including 2 years						more than 2 years	
End of year or month *														
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 Mar	1,651.9	372.0	53.5	298.3	62.3	122.8	147.9	1,381.2	1.9	0.2	1.1	0.6	53.4	1.4
Apr	1,654.8	388.0	54.3	304.0	57.4	119.3	156.1	1,379.4	1.9	0.2	1.1	0.6	53.3	1.4
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
Changes *														
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 Mar	- 2.1	- 2.6	- 1.4	- 6.7	+ 6.9	+ 6.6	- 0.6	- 8.2	- 0.0	+ 0.0	- 0.0	+ 0.0	- 0.2	- 0.0
Apr	+ 3.3	- 1.3	+ 0.8	+ 5.7	- 4.9	- 3.5	+ 8.2	- 1.4	- 0.0	+ 0.0	+ 0.0	- 0.0	- 0.1	+ 0.0
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

\* 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 May	25	191.0	42.8	0.0	14.0	28.1	67.9	11.6	11.7	0.2	24.9	122.3	5.9	7.0	7.3	7.5
June	25	191.1	42.0	0.0	14.6	28.3	68.2	11.7	11.3	0.2	25.4	121.8	5.9	6.9	7.3	7.8
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
<b>Private building and loan associations</b>																
2008 May	15	138.9	27.8	0.0	9.0	18.0	52.1	10.8	7.1	0.2	20.0	81.0	5.7	7.0	4.7	4.8
June	15	139.3	27.3	0.0	9.6	18.1	52.5	10.8	6.7	0.2	20.6	80.7	5.7	6.9	4.7	5.0
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
<b>Public building and loan associations</b>																
2008 May	10	52.1	15.0	0.0	5.0	10.2	15.7	0.9	4.6	0.1	4.9	41.2	0.2	-	2.6	2.7
June	10	51.8	14.8	0.0	5.0	10.3	15.6	0.9	4.6	0.1	4.9	41.0	0.2	-	2.6	2.8
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

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						
<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 May	1.9	0.0	0.5	4.2	3.1	3.6	1.9	0.4	0.8	0.3	0.9	10.7	7.8	0.8		0.0
June	2.0	0.1	0.6	4.5	3.1	4.0	1.9	0.3	0.9	0.3	1.2	10.8	7.7	0.9	2.0	0.0
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
<b>Private building and loan associations</b>																
2008 May	1.2	0.0	0.3	3.0	2.0	2.6	1.3	0.3	0.5	0.3	0.7	6.5	4.0	0.6		0.0
June	1.3	0.0	0.3	3.1	2.0	2.9	1.3	0.2	0.5	0.2	1.0	6.6	4.0	0.6	1.4	0.0
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
<b>Public building and loan associations</b>																
2008 May	0.7	0.0	0.3	1.3	1.0	1.0	0.6	0.1	0.3	0.1	0.2	4.2	3.7	0.3		0.0
June	0.7	0.0	0.3	1.4	1.1	1.1	0.6	0.1	0.3	0.1	0.2	4.2	3.7	0.3	0.7	0.0
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

\* 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".







## 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 Jan	10,106.7	202.1	0.5	201.6	202.4	0.8	0.0
Feb	10,253.8	205.1	0.5	204.6	205.3	0.7	0.0
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 r	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 p,8	10,691.7	213.8	0.5	213.3	214.0	0.7	...
Sep p	...	...	...	214.8	...	...	...
<b>Of which: Germany (€ million)</b>							
2008 Jan	2,382,218	47,644	197	47,448	47,658	210	0
Feb	2,426,935	48,539	197	48,342	48,569	227	1
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 p	2,518,226	50,365	193	50,171	...	...	...

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

% per annum

Applicable from	Base rate as per Discount Rate Transition Act <sup>2</sup>	Applicable from	Base rate as per Civil Code <sup>3</sup>
1999 Jan 1	2.50	2002 Jan 1	2.57
May 1	1.95	July 1	2.47
2000 Jan 1	2.68	2003 Jan 1	1.97
May 1	3.42	July 1	1.22
Sep 1	4.26	2004 Jan 1	1.14
2001 Sep 1	3.62	July 1	1.13
2002 Jan to Apr 3	2.71	2005 Jan 1	1.21
		July 1	1.17
		2006 Jan 1	1.37
		July 1	1.95
		2007 Jan 1	2.70
		July 1	3.19
		2008 Jan 1	3.32
		July 1	3.19

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

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

3 Eurosystem monetary policy operations allotted through tenders \*

Date of settlement	Bid amount	Allotment amount	Fixed rate tenders		Variable rate tenders		Running for ... days
			Fixed rate	% per annum	Minimum bid rate	Marginal rate <sup>1</sup>	
<b>Main refinancing operations</b>							
2008 Aug 6	241,886	160,000	—	4.25	4.38	4.41	7
Aug 13	233,394	176,000	—	4.25	4.37	4.40	7
Aug 20	228,735	151,000	—	4.25	4.38	4.40	7
Aug 27	226,453	167,000	—	4.25	4.39	4.42	7
Sep 3	226,254	160,000	—	4.25	4.39	4.41	7
Sep 10	223,273	176,500	—	4.25	4.39	4.41	7
Sep 17	328,662	150,000	—	4.25	4.53	4.58	7
<b>Longer-term refinancing operations</b>							
2008 July 10	74,579	25,000	—	—	4.93	5.03	182
July 31	107,684	50,000	—	—	4.70	4.76	91
Aug 14	78,920	50,000	—	—	4.61	4.74	91
Aug 28	77,216	50,000	—	—	4.60	4.74	91
Sep 11	69,500	50,000	—	—	4.45	4.66	91

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 <sup>1</sup>				EURIBOR <sup>3</sup>						
	Overnight money		Three-month funds		EONIA <sup>2</sup>	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							
2008 Feb	4.01	3.95 – 4.12	4.33	4.27 – 4.38	4.03	4.12	4.18	4.36	4.36	4.35	4.35
Mar	4.08	3.98 – 4.26	4.57	4.33 – 4.74	4.09	4.19	4.30	4.60	4.59	4.59	4.59
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

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		
	with an agreed maturity of				with a maturity of						Housing loans				Consumer credit and other loans		
	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	
2007 Dec	3.95	3.03	4.33	4.17	5.54	4.75	5.00	8.97	7.13	6.22	6.08	5.57	5.28				
2008 Jan 3	3.98	3.06	4.27	4.21	5.62	4.75	5.01	8.99	7.15	6.24	6.06	5.55	5.27				
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				
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				
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				
May	4.13	3.06	4.43	4.26	5.62	4.85	5.05	9.08	7.22	6.27	6.09	5.59	5.32				
June	4.20	3.08	4.47	4.31	5.66	4.89	5.07	9.11	7.29	6.35	6.18	5.68	5.39				
July	4.31	3.06	4.58	4.36	5.77	4.93	5.11	9.22	7.31	6.40	6.26	5.77	5.44				

(b) New business +

Effective interest rate % per annum 1

Reporting period	Households' deposits						Non-financial corporations' deposits					
	Overnight	with an agreed maturity of			redeemable at notice of			Overnight	with an agreed maturity of			
		up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months	up to 1 year		over 1 year and up to 2 years	over 2 years		
2007 Dec	1.18	4.28	4.14	3.18	2.57	3.68	1.95	4.26	4.40	4.03	4.03	
2008 Jan 3	1.20	4.19	4.32	3.43	2.57	3.75	2.01	4.13	4.38	4.68	4.68	
Feb	1.21	4.10	4.18	3.22	2.65	3.77	2.01	4.07	4.18	4.36	4.36	
Mar	1.22	4.14	3.97	3.08	2.69	3.78	2.03	4.20	4.23	4.07	4.07	
Apr	1.22	4.28	4.16	3.14	2.72	3.81	2.05	4.27	4.56	4.62	4.62	
May	1.23	4.32	4.27	3.17	2.73	3.84	2.07	4.26	4.68	4.48	4.48	
June	1.24	4.43	4.62	3.28	2.74	3.88	2.06	4.28	4.72	4.01	4.01	
July	1.26	4.61	4.84	3.35	2.80	3.94	2.13	4.46	5.08	4.57	4.57	

Reporting period	Loans to households													
	Overdrafts	Consumer credit				Housing loans					Other loans			
		Total 2	with an initial rate fixation			Total 2	with an initial rate fixation				Total 2	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		over 10 years	floating rate or up to 1 year	over 1 year and up to 5 years	over 5 years				
2007 Dec	10.46	8.26	8.05	6.93	8.17	5.40	5.32	5.03	5.07	5.18	5.67	5.83	5.43	
2008 Jan 3	10.46	8.48	8.12	7.00	8.47	5.37	5.32	5.02	5.07	5.14	5.59	5.93	5.49	
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	7.01	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	10.64	8.81	8.77	7.15	8.57	5.67	5.66	5.25	5.21	5.31	6.08	6.20	5.77	

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	
2007 Dec	6.62	6.08	5.96	5.30	5.35	5.62	5.48	
2008 Jan 3	6.62	5.93	5.92	5.27	5.12	5.35	5.23	
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	6.27	5.49	5.44	5.77	5.51	

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, adminis-

tration, preparation of the documents, guarantees and credit insurance. — 3 Enlargement of the euro area on 1 January 2008 to include Cyprus and Malta.

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 July	3.66	184,931	2.55	187,763	3.98	99,560	4.29	22,518
Aug	3.77	194,424	2.54	187,298	4.12	106,493	4.29	22,603
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	4.42	22,114

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 July	5.85	5,643	4.48	27,778	5.12	926,457	10.17	69,915	5.55	66,991	6.10	316,380
Aug	5.89	5,676	4.50	27,649	5.12	927,312	10.19	67,464	5.56	67,238	6.10	316,776
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	6.22	5,519	4.76	25,305	5.06	924,213	10.48	66,689	5.73	65,203	6.20	313,985

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 July	6.00	161,742	5.35	112,568	5.04	503,967
Aug	6.02	161,502	5.30	114,577	5.06	508,115
Sep	6.15	167,064	5.17	116,463	5.10	509,124
Oct	6.11	165,273	5.24	119,193	5.13	511,668
Nov	6.12	168,960	5.25	120,527	5.13	514,169
Dec	6.22	175,804	5.39	122,714	5.17	517,706
2008 Jan	6.15	176,696	5.35	124,708	5.15	519,188
Feb	6.04	181,249	5.30	125,577	5.15	523,115
Mar	6.17	185,006	5.32	126,463	5.14	523,232
Apr	6.18	183,319	5.37	127,193	5.15	526,831
May	6.20	183,855	5.42	128,527	5.16	530,746
June	6.24	188,257	5.47	129,714	5.20	531,783
July	6.30	187,096	5.58	130,708	5.22	534,012

\* 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 July	1.77	475,744	3.84	49,733	4.28	2,928	3.25	1,619	2.33	456,327	3.40	105,360
Aug	1.85	479,145	3.94	53,951	4.29	2,424	3.23	2,175	2.38	452,446	3.47	105,719
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	480,214	4.43	62,011	4.97	3,507	3.24	1,324	2.57	426,345	3.95	102,337

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	Effective interest rate 1 % pa	Volume 7 € million
2007 July	2.33	174,104	4.01	61,305	4.42	742	4.83	1,864		
Aug	2.34	174,373	4.07	67,761	4.51	808	4.36	728		
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		

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 July	8.03	6.31	1,352	5.93	5,248	9.06	3,332	5.22	18,606	5.77	1,697	5.44	3,442
Aug	7.90	6.44	1,003	5.96	4,003	8.67	3,376	5.04	23,231	5.89	1,346	5.43	2,895
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	10,021	6.19	1,227	5.68	2,802

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 July	11.76	44,782	5.33	5.69	2,745	5.37	2,484	5.14	6,855	5.16	5,229
Aug	11.85	43,748	5.37	5.93	2,220	5.36	2,207	5.18	5,578	5.16	4,883
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	5.46	6.18	2,701	5.43	2,829	5.21	6,747	5.28	5,113

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 July	6.96	68,935	6.08	8,903	5.75	1,555	5.38	3,056	
Aug	7.05	64,559	6.26	8,510	5.83	1,110	5.41	2,393	
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	5.49	1,840	

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 July	5.12	44,655	5.17	3,937	5.24	7,317	
Aug	5.21	44,384	5.55	3,737	5.27	7,867	
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	90,558	5.97	3,511	5.66	6,703	

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

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

VII Capital market

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

Debt securities												
Period	Sales = total purchases	Sales					Purchases					
		Domestic debt securities 1					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 May	36,625	14,559	3,984	1,067	9,508	22,066	7,707	18,595	– 10,888	–	28,918	
June	21,059	6,081	– 3,179	2,374	6,886	14,978	– 11,982	8,971	– 20,953	–	33,041	
July	12,561	11,277	21,196	1,683	– 11,602	1,284	1,994	502	1,492	–	10,567	

Shares									
Period	Sales = total purchases	Sales			Purchases				
		Domestic shares 8	Foreign shares 9		Residents				Non-residents 12
					Total 10	Credit institutions 5,11	Non-banks 6		
DM million									
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 May	– 1,693	301	– 1,994	9,547	– 10,981	20,528	–	11,240	
June	517	803	– 286	8,311	– 28,075	19,764	–	8,828	
July	12	173	– 161	4,018	– 2,956	6,974	–	4,006	

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

funds. — 7 Net purchases or net sales (–) of domestic debt securities by non-residents; transaction values. — 8 Excluding shares of public limited investment companies; at issue prices. — 9 Net purchases or net sales (–) of foreign shares (including direct investment) by residents; transaction values. — 10 Domestic and foreign shares. — 11 Up to end-1998, excluding syndicated shares. — 12 Net purchases or net sales (–) of domestic shares (including direct investment) by non-residents; transaction values. — The figures for the most recent date are provisional; revisions are not specially marked.



VII Capital market

2 Sales of debt securities issued by residents \*

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

Period	Bank debt securities 1							Corporate bonds 2	Public debt securities 3	Memo item Foreign DM/euro bonds issued by German- managed syndicates
	Total	Total	Mortgage Pfandbriefe	Public Pfandbriefe	Debt securities issued by special purpose credit institutions	Other bank debt securities				
<b>Gross sales 4</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 Apr	93,569	76,596	5,729	8,448	34,095	28,324	1,770	15,202	–	
May	111,564	86,735	1,744	10,542	34,162	40,287	2,526	22,304	–	
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	–	
<b>of which: Debt securities with maturities of more than four years 5</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 Apr	17,304	14,378	776	2,131	5,910	5,562	1,274	1,652	–	
May	47,199	31,809	430	6,610	6,717	18,052	1,759	13,631	–	
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	–	
<b>Net sales 6</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 Apr	–	3,000	–	2,278	–	1,622	–	7,068	–	
May	–	21,643	–	820	–	6,345	–	14,903	–	
June	–	9,954	–	522	–	4,725	–	10	–	
July	–	11,347	–	1,077	–	1,611	–	583	–	

\* 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>								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	Public debt securities	
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 May	3,145,109	1,877,750	139,094	422,091	488,329	828,235	99,761	1,167,598	74,207
June	3,155,063	1,886,136	138,602	417,357	494,586	835,591	101,319	1,167,608	68,681
July	3,166,410	1,896,653	139,679	416,471	492,975	847,528	102,731	1,167,025	63,135
Breakdown by remaining period to maturity <sup>2</sup>									
	Position at end-July 2008								
less than 2	1,232,232	852,001	57,705	203,245	213,918	377,134	18,910	361,320	38,563
2 to less than 4	679,364	429,817	40,659	113,996	99,630	175,532	23,368	226,180	8,583
4 to less than 6	435,980	240,446	25,765	55,924	62,227	96,530	16,409	179,124	7,839
6 to less than 8	341,175	190,301	11,133	20,866	30,260	128,041	14,611	136,262	2,534
8 to less than 10	171,868	63,183	3,876	13,696	25,979	19,632	3,114	105,570	1,935
10 to less than 15	61,523	40,157	517	4,426	27,285	7,930	1,711	19,653	894
15 to less than 20	53,840	13,510	24	2,130	7,753	3,603	1,318	39,012	1,704
20 and more	190,430	67,237	-	2,190	25,922	39,127	23,290	99,902	1,084

\* 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 <sup>2</sup>			
			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	3 <sup>3</sup> 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	-	322	-	10,806	-	1,584	851,001
2004	164,802	-	2,669	3,960	1,566	276	-	220	-	1,760	-	2,286	887,217
2005	163,071	-	1,733	2,470	1,040	694	-	1,443	-	3,060	-	1,703	1,058,532
2006	163,764	-	695	2,670	3,347	604	-	1,868	-	1,256	-	3,761	1,279,638
2007	164,560	-	799	3,164	1,322	200	-	682	-	1,847	-	1,636	1,481,930
2008 May	165,823	-	821	95	47	36	-	767	-	34	-	91	1,308,146
June	165,994	-	171	162	135	2	-	10	-	24	-	115	1,195,093
July	166,006	-	12	119	171	8	-	-	-	70	-	95	1,207,195

\* 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 organ-  
ised 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			Memo item Foreign DM/euro bonds issued by German- managed syndicates 1,5	Debt securities		Shares		
	Total	Total	Listed Federal securities		Total	With a residual maturity of more than 9 and including 10 years 4	With a residual maturity of more than 9 and including 10 years	Corporate bonds		German bond index (REX)	iBoxx € Germany price index	CDAX share price index	German share index (DAX)	
			Total	With a residual maturity of more than 9 and including 10 years 4										
% per annum											Average daily rate	End-1998 = 100	End-1987 = 100	End-1987 = 1000
1996	5.6	5.6	5.6	6.2	5.5	6.4	5.8	5.8	110.37	.	217.47	2,888.69		
1997	5.1	5.1	5.1	5.6	5.0	5.9	5.2	5.5	111.01	.	301.47	4,249.69		
1998	4.5	4.4	4.4	4.6	4.5	4.9	5.0	5.3	118.18	100.00	343.64	5,002.39		
1999	4.3	4.3	4.3	4.5	4.3	4.9	5.0	5.4	110.60	92.52	445.95	6,958.14		
2000	5.4	5.3	5.2	5.3	5.6	5.8	6.2	6.3	112.48	94.11	396.59	6,433.61		
2001	4.8	4.7	4.7	4.8	4.9	5.3	5.9	6.2	113.12	94.16	319.38	5,160.10		
2002	4.7	4.6	4.6	4.8	4.7	5.1	6.0	5.6	117.56	97.80	188.46	2,892.63		
2003	3.7	3.8	3.8	4.1	3.7	4.3	5.0	4.5	117.36	97.09	252.48	3,965.16		
2004	3.7	3.7	3.7	4.0	3.6	4.2	4.0	4.0	120.19	99.89	268.32	4,256.08		
2005	3.1	3.2	3.2	3.4	3.1	3.5	3.7	3.2	120.92	101.09	335.59	5,408.26		
2006	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 May	4.4	4.3	4.3	4.2	4.6	4.7	5.9	4.8	115.30	93.62	414.20	7,096.79		
June	4.8	4.7	4.6	4.5	5.1	5.1	6.3	5.2	113.93	92.62	375.78	6,418.32		
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		

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 pur- chases	Domestic mutual funds 1 (sales receipts)							Foreign funds 4	Residents						Non-resi- dents 5
		Total	Mutual funds open to the general public				Special- ised funds	Total		Credit institutions including building and loan associations 2		Non-banks 3				
			Money market funds	Secur- ities- based funds	Open- end real estate funds	of which				of which Foreign mutual fund shares	of which Foreign mutual fund shares					
Total	Total	Money market funds	Secur- ities- based funds	Open- end real estate funds	Special- ised funds	Foreign funds 4	Total	Total	of which Foreign mutual fund shares	Total	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 May	9,925	4,829	2,164	- 988	1,014	138	2,664	5,096	9,650	- 772	- 619	10,422	5,715	275		
June	- 8,528	- 6,928	- 4,967	- 653	- 6,079	401	- 1,960	- 1,600	- 5,216	- 3,201	- 706	- 2,015	- 894	- 3,312		
July	489	1,029	- 346	- 545	- 1,591	1,227	1,375	- 540	1,327	- 1,767	- 879	3,094	339	- 838		

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
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Households <sup>1</sup></b>											
<b>I Acquisition of financial assets</b>											
Currency and deposits	43.9	42.5	85.9	12.2	1.3	19.6	8.9	22.1	16.5	38.4	7.0
Money market paper	0.1	1.0	- 0.3	0.3	0.4	0.2	0.1	- 0.1	- 0.1	- 0.1	- 0.1
Bonds	16.7	37.1	- 42.1	5.5	19.2	- 10.0	6.8	- 17.6	- 9.5	- 21.7	11.3
Shares	- 4.0	- 5.0	- 16.5	- 2.0	- 1.0	- 1.0	- 1.0	- 1.0	- 2.5	- 12.0	- 1.0
Other equity	3.0	2.9	2.9	0.8	0.7	0.8	0.8	0.7	0.8	0.7	0.8
Mutual funds shares	17.7	- 7.0	25.5	1.1	- 8.2	0.3	11.4	9.9	- 4.5	8.7	10.9
Claims on insurance corporations <sup>2</sup>	59.3	55.0	53.8	12.1	13.5	14.0	15.2	12.4	13.8	12.4	15.0
Short-term claims	2.7	3.0	2.9	0.7	0.8	0.7	0.8	0.7	0.7	0.7	0.7
Longer-term claims	56.6	52.1	50.9	11.3	12.7	13.3	14.4	11.7	13.1	11.7	14.3
Claims from company pension commitments	7.3	10.3	10.8	2.5	2.6	2.7	2.6	2.7	2.7	2.7	3.0
Other claims <sup>3</sup>	- 6.2	- 4.9	- 4.8	- 1.3	- 1.2	- 1.2	- 1.2	- 1.2	- 1.2	- 1.1	- 1.2
<b>Total</b>	<b>137.7</b>	<b>132.0</b>	<b>115.2</b>	<b>31.2</b>	<b>27.2</b>	<b>25.3</b>	<b>43.5</b>	<b>27.9</b>	<b>15.9</b>	<b>27.8</b>	<b>45.5</b>
<b>II Financing</b>											
Loans	- 3.4	- 7.2	- 19.0	1.4	6.0	- 6.2	- 10.1	- 1.1	- 4.5	- 3.4	- 9.8
Short-term loans	- 5.1	- 5.4	- 1.2	- 0.3	- 0.2	- 2.6	- 2.0	0.7	- 0.9	1.0	- 0.7
Longer-term loans	1.7	- 1.7	- 17.8	1.6	6.1	- 3.6	- 8.0	- 1.8	- 3.6	- 4.4	- 9.0
Other liabilities	- 2.6	0.4	0.7	0.3	- 0.1	0.0	0.1	0.2	0.2	0.2	- 0.2
<b>Total</b>	<b>- 6.0</b>	<b>- 6.8</b>	<b>- 18.3</b>	<b>1.7</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>Corporations</b>											
<b>I Acquisition of financial assets</b>											
Currency and deposits	41.7	27.8	61.2	6.2	7.4	15.8	16.2	6.8	11.9	26.3	4.9
Money market paper	2.6	9.6	- 22.2	- 0.1	3.3	1.9	3.9	- 1.0	- 12.5	- 12.5	13.8
Bonds	- 17.9	- 27.1	- 131.8	15.8	- 26.9	- 3.3	- 22.8	- 9.6	- 49.0	- 50.5	- 32.5
Financial derivatives	3.8	1.5	37.9	- 1.7	1.3	0.7	5.1	4.8	13.7	14.3	10.0
Shares	10.6	- 7.6	79.0	24.0	13.9	- 36.8	1.6	43.6	19.7	14.1	31.7
Other equity	- 5.5	34.0	19.7	8.5	15.1	10.1	5.0	1.1	15.3	- 1.7	13.3
Mutual funds shares	4.9	- 8.1	- 3.1	- 0.4	- 6.0	0.0	- 1.5	- 5.3	2.0	1.8	- 3.7
Loans	45.6	18.8	- 13.2	7.8	- 7.4	28.9	- 19.8	12.9	0.6	- 6.9	- 20.5
Short-term loans	38.3	11.0	- 16.2	7.8	- 7.7	23.2	- 19.6	7.6	- 2.8	- 1.4	- 26.3
Longer-term loans	7.2	7.8	3.0	- 0.0	0.4	5.7	- 0.2	5.3	3.4	- 5.5	5.8
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	- 9.3	47.2	128.5	2.0	9.8	5.6	25.2	- 4.4	25.5	82.2	20.4
<b>Total</b>	<b>78.0</b>	<b>97.7</b>	<b>157.4</b>	<b>62.5</b>	<b>10.9</b>	<b>23.3</b>	<b>13.3</b>	<b>49.1</b>	<b>27.6</b>	<b>67.4</b>	<b>37.9</b>
<b>II Financing</b>											
Money market paper	- 6.9	1.8	18.2	3.2	- 3.8	- 4.1	6.1	4.1	- 0.5	8.5	10.3
Bonds	10.1	15.6	- 3.7	6.3	8.0	- 2.4	- 1.8	- 1.0	0.8	- 1.7	0.9
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	6.0	4.7	6.8	2.5	2.8	0.3	1.9	2.6	0.8	1.5	0.9
Other equity	1.2	22.6	18.9	1.8	8.6	10.4	6.0	1.2	6.9	4.8	5.7
Loans	1.0	55.2	48.4	23.6	11.5	39.3	- 4.5	13.3	12.3	27.2	- 5.9
Short-term loans	2.5	26.3	24.3	7.1	8.4	16.3	- 2.6	11.3	4.1	6.3	- 2.1
Longer-term loans	- 1.5	28.9	24.0	16.5	3.1	22.9	- 7.1	2.0	8.2	20.9	- 3.9
Claims from company pension commitments	5.5	8.2	8.2	2.1	2.1	2.0	2.1	2.1	2.1	2.0	2.1
Other liabilities	6.0	- 6.8	11.1	- 5.7	- 3.0	- 7.4	14.5	- 3.6	- 0.9	1.0	10.2
<b>Total</b>	<b>22.9</b>	<b>101.3</b>	<b>107.8</b>	<b>33.7</b>	<b>26.1</b>	<b>38.1</b>	<b>24.4</b>	<b>18.7</b>	<b>21.4</b>	<b>43.4</b>	<b>24.1</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
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Households 1</b>											
<b>I Financial assets</b>											
Currency and deposits	1,492.3	1,534.8	1,620.8	1,513.9	1,515.2	1,534.8	1,543.7	1,565.8	1,582.4	1,620.8	1,627.8
Money market paper	1.0	2.0	1.7	1.5	1.8	2.0	2.0	1.9	1.8	1.7	1.6
Bonds	321.1	361.1	330.8	351.1	354.0	361.1	373.0	343.8	346.7	330.8	341.7
Shares	319.6	368.3	393.3	335.8	344.3	368.3	395.0	411.5	394.5	393.3	340.1
Other equity	216.1	225.5	205.4	212.1	215.7	225.5	211.5	210.4	208.5	205.4	197.9
Mutual funds shares	513.4	514.4	545.1	507.0	506.0	514.4	524.3	543.1	538.7	545.1	533.4
Claims on insurance corporations 2	1,053.2	1,107.8	1,164.6	1,080.6	1,094.0	1,107.8	1,122.9	1,135.2	1,149.0	1,164.6	1,179.6
Short-term claims	77.6	80.6	82.6	79.1	79.9	80.6	81.3	82.1	82.8	82.6	83.3
Longer-term claims	975.6	1,027.2	1,082.0	1,001.5	1,014.1	1,027.2	1,041.5	1,053.2	1,066.2	1,082.0	1,096.3
Claims from company pension commitments	240.5	250.8	261.6	245.6	248.1	250.8	253.4	256.1	258.8	261.6	264.5
Other claims 3	51.6	46.7	40.3	49.2	48.0	46.7	45.5	44.3	43.0	40.3	39.1
<b>Total</b>	<b>4,208.9</b>	<b>4,411.5</b>	<b>4,563.6</b>	<b>4,296.8</b>	<b>4,327.1</b>	<b>4,411.5</b>	<b>4,471.4</b>	<b>4,512.2</b>	<b>4,523.4</b>	<b>4,563.6</b>	<b>4,525.6</b>
<b>II Liabilities</b>											
Loans	1,555.9	1,556.1	1,537.6	1,557.6	1,562.8	1,556.1	1,546.7	1,545.6	1,541.0	1,537.6	1,526.5
Short-term loans	85.6	80.2	78.9	82.9	82.8	80.2	78.5	79.2	77.9	78.9	78.1
Longer-term loans	1,470.3	1,475.9	1,458.7	1,474.7	1,480.0	1,475.9	1,468.2	1,466.4	1,463.1	1,458.7	1,448.4
Other liabilities	12.8	9.6	9.2	11.4	11.0	9.6	10.9	10.9	10.8	9.2	9.4
<b>Total</b>	<b>1,568.7</b>	<b>1,565.8</b>	<b>1,546.8</b>	<b>1,569.0</b>	<b>1,573.8</b>	<b>1,565.8</b>	<b>1,557.6</b>	<b>1,556.5</b>	<b>1,551.8</b>	<b>1,546.8</b>	<b>1,536.0</b>
<b>Corporations</b>											
<b>I Financial assets</b>											
Currency and deposits	396.1	438.7	507.9	424.6	443.3	438.7	474.4	474.8	492.7	507.9	531.9
Money market paper	31.1	36.2	32.4	31.7	35.4	36.2	41.4	44.1	28.9	32.4	32.8
Bonds	136.4	109.1	29.3	140.6	107.2	109.1	87.8	75.5	29.2	29.3	16.8
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	825.6	972.4	1,165.0	893.7	940.4	972.4	1,050.3	1,137.0	1,115.1	1,165.0	1,057.2
Other equity	276.0	319.3	305.9	277.9	296.8	319.3	303.3	301.8	313.2	305.9	306.9
Mutual funds shares	110.5	106.5	109.5	108.5	106.6	106.5	108.2	104.9	107.6	109.5	103.9
Loans	126.1	147.5	149.2	127.8	118.5	147.5	132.9	147.7	147.9	149.2	129.8
Short-term loans	91.1	107.3	108.7	90.8	83.1	107.3	96.9	107.6	104.2	108.7	85.7
Longer-term loans	35.0	40.3	40.4	37.0	35.4	40.3	36.0	40.2	43.7	40.4	44.2
Claims on insurance corporations 2	41.4	42.8	44.2	42.1	42.5	42.8	43.2	43.6	44.0	44.2	44.6
Short-term claims	41.4	42.8	44.2	42.1	42.5	42.8	43.2	43.6	44.0	44.2	44.6
Longer-term claims	.	.	.	.	.	.	.	.	.	.	.
Other claims	399.5	446.4	501.6	419.1	428.6	446.4	464.0	468.7	488.2	501.6	522.3
<b>Total</b>	<b>2,342.8</b>	<b>2,619.0</b>	<b>2,845.0</b>	<b>2,466.0</b>	<b>2,519.2</b>	<b>2,619.0</b>	<b>2,705.6</b>	<b>2,798.1</b>	<b>2,766.9</b>	<b>2,845.0</b>	<b>2,746.3</b>
<b>II Liabilities</b>											
Money market paper	17.1	18.9	37.1	26.8	23.0	18.9	25.0	29.1	28.6	37.1	47.4
Bonds	89.6	93.7	92.5	93.8	94.7	93.7	92.4	89.5	93.0	92.5	96.1
Financial derivatives	.	.	.	.	.	.	.	.	.	.	.
Shares	1,137.4	1,359.8	1,620.6	1,230.9	1,251.8	1,359.8	1,439.5	1,597.1	1,600.6	1,620.6	1,369.3
Other equity	600.6	623.2	642.1	604.2	612.8	623.2	629.2	630.4	637.3	642.1	647.8
Loans	1,270.1	1,338.6	1,402.8	1,304.0	1,325.0	1,338.6	1,347.8	1,368.4	1,384.7	1,402.8	1,420.5
Short-term loans	334.5	360.7	391.2	336.3	347.8	360.7	364.7	380.8	384.7	391.2	384.5
Longer-term loans	935.6	977.9	1,011.6	967.7	977.2	977.9	983.1	987.6	1,000.0	1,011.6	1,036.0
Claims from company pension commitments	206.1	214.2	222.4	210.2	212.2	214.2	216.3	218.3	220.4	222.4	224.4
Other liabilities	356.6	381.2	429.8	363.9	365.9	381.2	391.9	404.0	418.2	429.8	435.0
<b>Total</b>	<b>3,677.4</b>	<b>4,029.6</b>	<b>4,447.4</b>	<b>3,833.6</b>	<b>3,885.4</b>	<b>4,029.6</b>	<b>4,142.1</b>	<b>4,336.8</b>	<b>4,382.8</b>	<b>4,447.4</b>	<b>4,240.5</b>

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

## 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				
Deficit / surplus <sup>1</sup>										
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	+ 3.4	- 18.7	+ 3.4	+ 8.3	+ 10.4	+ 0.1	- 0.8	+ 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	+ 4.2	- 10.2	+ 3.7	+ 4.0	+ 6.7	+ 0.4	- 0.9	+ 0.3	+ 0.3	+ 0.6
H2 p	- 1.1	- 8.7	- 0.4	+ 4.3	+ 3.7	- 0.1	- 0.7	- 0.0	+ 0.3	+ 0.3
2008 H1 pe	+ 6.7	- 8.9	+ 3.5	+ 6.8	+ 5.3	+ 0.5	- 0.7	+ 0.3	+ 0.6	+ 0.4
Debt level <sup>2</sup>										
										End of year or quarter
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 pe	1,576.3	976.1	493.2	120.3	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 pe	1,573.7	973.0	492.7	121.4	1.4	66.9	41.4	21.0	5.2	0.1
Q2 pe	1,592.5	995.7	488.9	121.4	1.5	67.0	41.9	20.6	5.1	0.1
Q3 pe	1,571.3	975.5	489.2	119.9	1.6	65.4	40.6	20.4	5.0	0.1
Q4 pe	1,576.3	976.1	493.2	120.3	1.6	65.1	40.3	20.4	5.0	0.1
2008 Q1 pe	1,580.8	987.8	486.5	119.6	1.6	64.8	40.5	19.9	4.9	0.1

Source: Federal Statistical Office and Bundesbank calculations. — 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 / surplus according to the national accounts. — 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				
€ billion												
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	1,064.7	576.3	399.9	88.6	1,061.6	596.7	168.0	67.4	35.6	194.0	+ 3.1	988.2
as a percentage of GDP												
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	43.9	23.8	16.5	3.7	43.8	24.6	6.9	2.8	1.5	8.0	+ 0.1	40.8
Percentage growth rates												
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	+ 4.8	+ 8.6	+ 0.0	+ 3.0	+ 0.9	- 0.2	+ 0.3	+ 3.2	+ 9.2	+ 2.6	.	+ 4.9

Source: Federal Statistical Office. — \* Figures in accordance with ESA 1995. 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 1									Social security funds 2			General government, total			
	Revenue			Expenditure						Deficit / surplus	Revenue 6	Expenditure	Deficit / surplus	Revenue	Expenditure	Deficit / surplus
	Total 4	of which		Total 4	of which 3											
		Taxes	Financial transactions 5		Personnel expenditure	Current grants	Interest	Fixed asset formation	Financial transactions 5							
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	589.0	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	644.1	538.2	17.7	643.5	181.4	250.6	66.1	34.1	9.6	+ 0.6	475.1	465.7	+ 9.4	1,024.8	1,014.7	+ 10.1
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	160.2	130.9	3.0	164.7	43.7	65.5	24.7	5.3	2.0	- 4.5	114.1	119.4	- 5.3	250.5	260.3	- 9.9

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 2,3			Local government 3		
	Revenue 1	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

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	...	122,931	66,952	51,585	4,394	...	...	...	5,324	
2007 July	..	34,938	18,886	14,638	1,414	..	..	..	1,841	
2008 July	..	36,741	20,245	15,472	1,023	..	..	..	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	Total <sup>1</sup>	Joint taxes						Local business tax transfers <sup>6</sup>	Central government taxes <sup>7</sup>	State government taxes <sup>7</sup>	EU customs duties	Memo item Local government share in joint taxes		
		Income taxes <sup>2</sup>				Turnover taxes <sup>5</sup>								
		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
2007 July	36,965	12,958	11,506	- 489	- 46	1,987	14,005	10,489	3,516	1,269	6,431	1,961	342	2,027
2008 July	39,050	14,795	12,557	109	- 223	2,353	14,261	10,513	3,748	1,227	6,540	1,911	316	2,309

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	...	...	...
2007 July	3,247	1,272	788	526	317	175	106	836	577	321	228	.	.	.
2008 July	3,179	1,209	860	554	461	163	114	791	503	399	218	.	.	.

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

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	-

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 P	18,023	17,862	18,344	2,469	8,827	4,034	859	892	-	321
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	

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 <sup>e</sup>
		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	307,212	574,300
2005	1,489,029	4,440	518,500	488	313,101	652,500
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	308,606	673,000
Q2	1,525,012	4,440	528,500	485	320,187	671,400
Q3	1,540,523	4,440	519,300	485	331,898	684,400
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	308,533	732,800
Q4	1,540,381	4,440	457,000	476	313,065	765,400
2008 Q1 P	1,541,759	4,440	471,800	475	305,744	759,300

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

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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	Direct lending by credit institutions 4	Loans from non-banks		Old debt		
								Social security funds	Other 4	arising from German reunification 5,6	Equalisation claims 6	Other 7
<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	66	7,845	97
2003	1,358,137	36,022	246,414	153,611	12,810	471,115	396,832	341	34,163	33	6,711	86
2004	1,430,582	35,722	279,796	168,958	10,817	495,547	379,984	430	53,672	2	5,572	82
2005	1,489,029	36,945	310,044	174,423	11,055	521,801	366,978	488	62,765	2	4,443	86
2006	1,533,697	37,834	320,288	179,940	10,199	552,028	356,514	480	71,889	2	4,443	81
2007 Q1	1,538,621	38,627	323,595	166,620	10,276	560,413	367,059	480	67,027	2	4,443	80
Q2	1,556,684	38,577	326,230	175,567	10,114	567,582	362,911	480	70,700	2	4,443	79
Q3	1,535,253	39,550	324,981	162,292	10,344	569,273	354,554	480	69,258	2	4,443	77
Q4	1,540,381	39,510	329,108	177,394	10,287	574,512	329,588	476	74,988	2	4,443	75
2008 Q1 p	1,541,759	39,467	325,481	173,295	9,885	579,072	336,845	475	72,726	2	4,443	70
<b>Central government</b> 8,9,10												
2002	725,443	30,227	78,584	127,484	17,898	422,558	39,517	0	1,167	66	7,845	97
2003	767,713	35,235	87,538	143,425	12,810	436,181	38,146	223	7,326	33	6,711	85
2004	812,123	34,440	95,638	159,272	10,817	460,380	34,835	333	10,751	2	5,572	81
2005	886,254	36,098	108,899	174,371	11,055	510,866	29,318	408	10,710	2	4,443	85
2006	918,911	37,798	103,624	179,889	10,199	541,404	30,030	408	11,036	2	4,443	80
2007 Q1	923,511	38,622	102,508	166,569	10,276	549,886	39,620	408	11,100	2	4,443	79
Q2	945,531	38,497	103,219	175,516	10,114	557,055	45,104	408	11,096	2	4,443	79
Q3	939,321	37,725	102,103	162,292	10,344	568,917	41,833	408	11,177	2	4,443	77
Q4	939,988	37,385	102,083	177,394	10,287	574,156	22,829	408	10,928	2	4,443	74
2008 Q1	950,431	37,774	101,205	173,295	9,885	578,816	33,649	408	10,886	2	4,443	69
Q2	957,909	37,136	101,932	168,938	9,816	585,794	38,496	438	10,845	2	4,443	69
<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 Q1	483,084	5	221,087	.	.	.	211,039	2	50,950	.	.	1
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
<b>Local government</b> 11												
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 Q1	117,768	.	.	.	.	256	112,651	70	4,790	.	.	.
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	.	.	.
<b>Special funds</b> 8,9,10,12												
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 Q1	14,258	.	.	51	.	10,271	3,749	.	188	.	.	.
Q2	14,183	.	.	51	.	10,271	3,674	.	188	.	.	.
Q3	100	.	.	.	.	100	.	.	.	.	.	.
Q4	100	.	.	.	.	100	.	.	.	.	.	.
2008 Q1	.	.	.	.	.	.	.	.	.	.	.	.
Q2	.	.	.	.	.	.	.	.	.	.	.	.

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 Old liabilities arising from housing construction and liabilities arising from housing construction by the former GDR's armed forces and from housing construction in connection with the return of the troops of the former USSR stationed in eastern Germany to their home country. — 6 Excluding offsets against outstanding claims. — 7 Old debt mainly denominated in foreign currency, in accordance with the

London Debts Agreement; excluding debt securities in own portfolios. — 8 In contrast to the capital market statistics, the debt incurred through the joint issuance of Federal securities is recorded here under central government and its special funds in accordance with the agreed allocation ratios. — 9 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. — 10 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. — 11 Including debt of municipal special purpose associations. Data other than year-end figures have been estimated. — 12 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	126.2	129.3
2006 Nov	120.7	95.9	106.5	124.6	124.4	133.8	107.8	110.6	119.0	121.1	128.3	133.3
Dec	107.1	69.6	110.7	110.2	103.6	124.8	91.3	100.3	105.5	94.0	136.8	100.5
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	143.4
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	100.2
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	143.0
Dec	112.3	66.9	111.0	116.6	110.4	133.5	89.5	102.9	109.8	97.4	147.5	107.9
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	136.8
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	145.9
Apr +	7 118.6	7 84.2	102.3	123.6	128.0	133.6	94.1	101.5	118.0	125.3	130.7	137.1
May +	7 115.3	7 87.5	95.8	120.0	125.5	127.5	86.1	101.5	117.5	121.7	125.4	125.1
June +	7 120.5	7 92.3	89.7	126.5	129.5	139.6	94.4	101.8	119.0	126.5	141.7	134.8
July + p	7 117.7	7 94.4	92.8	122.5	128.1	130.9	84.5	102.8	120.6	115.6	132.0	123.3
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	+ 9.8	+ 7.6
2006 Nov	+ 7.0	+ 11.6	- 1.4	+ 7.6	+ 8.9	+ 9.0	+ 7.9	+ 1.6	+ 6.3	+ 8.5	+ 12.6	+ 1.7
Dec	+ 7.5	+ 14.9	- 4.2	+ 8.6	+ 10.9	+ 8.3	+ 12.0	+ 3.9	+ 6.5	+ 12.8	+ 6.4	+ 5.7
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	+ 13.8	+ 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	+ 7.6
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	+ 8.4
Sep	+ 6.0	- 1.5	+ 3.1	+ 7.0	+ 7.6	+ 7.8	+ 1.4	+ 5.3	+ 8.5	+ 3.1	+ 9.2	+ 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	+ 7.3
Dec	+ 4.9	- 3.9	+ 0.3	+ 5.8	+ 6.6	+ 7.0	- 2.0	+ 2.6	+ 4.1	+ 3.6	+ 7.8	+ 7.4
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	+ 1.7
Apr +	7 + 4.9	7 - 2.5	+ 5.5	+ 5.4	+ 5.6	+ 8.9	+ 4.4	- 3.1	- 3.1	+ 6.5	+ 11.1	+ 6.0
May +	7 + 1.1	7 - 0.6	+ 0.3	+ 1.4	+ 1.9	+ 3.1	- 4.4	- 3.1	- 3.9	+ 3.0	+ 4.2	- 2.9
June +	7 + 1.5	7 - 0.2	- 4.9	+ 2.2	+ 1.3	+ 4.6	- 0.2	- 0.9	+ 0.6	+ 4.3	+ 8.4	- 2.2
July + p	7 - 0.6	7 - 2.3	- 2.7	- 0.3	+ 0.3	- 0.2	- 5.8	- 1.4	- 2.0	- 1.4	+ 3.3	- 6.7

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 second quarter 2008 respectively for the third quarter 2008.

X Economic conditions in Germany

3 Orders received by industry \*

Adjusted for working-day variations ◦

Period	Industry		of which																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
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	2000=100	Annual percent-age change	2000=100	Annual percent-age change	2000=100	Annual percent-age change	2000=100	Annual percent-age change	2000=100	Annual percent-age change	2000=100	Annual percent-age change	2000=100	Annual percent-age change																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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2003	99.0	+ 0.8	97.8	+ 1.5	100.7	+ 1.2	95.6	- 3.4	90.4	- 5.5	98.8	- 2.2	2004	105.1	+ 6.2	105.0	+ 7.4	107.6	+ 6.9	95.1	- 0.5	89.3	- 1.2	98.7	- 0.1	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 July	135.6	+ 7.9	136.5	+ 6.4	140.8	+ 9.6	111.3	+ 4.8	98.0	+ 4.7	119.4	+ 4.8	Aug	125.1	+ 5.2	126.6	+ 6.4	127.2	+ 4.3	111.4	+ 4.9	92.0	+ 3.1	123.4	+ 5.7	Sep	138.7	+ 6.5	138.8	+ 5.9	143.5	+ 7.2	118.6	+ 5.5	110.4	+ 3.1	123.6	+ 6.8	Oct	143.8	+ 10.9	139.7	+ 3.9	152.0	+ 17.1	123.3	+ 8.6	128.0	+ 14.0	120.4	+ 5.3	Nov	148.2	+ 13.4	145.3	+ 7.8	158.8	+ 20.7	114.5	+ 0.7	109.3	- 1.4	117.8	+ 2.0	Dec	137.9	+ 11.7	124.0	+ 7.2	158.4	+ 16.0	99.3	+ 3.9	91.6	+ 5.2	104.0	+ 3.1	2008 Jan r	139.5	+ 8.2	139.5	+ 4.8	146.5	+ 11.9	111.4	+ 4.0	104.4	+ 5.1	115.6	+ 3.3	Feb r	140.6	+ 5.5	137.0	+ 4.4	149.3	+ 7.1	117.2	+ 2.2	101.6	+ 2.4	126.8	+ 2.0	Mar r	152.6	+ 5.1	151.1	+ 4.3	162.2	+ 7.0	119.2	- 0.7	111.9	+ 3.1	123.8	- 2.7	Apr r	137.3	+ 4.8	138.7	+ 4.1	144.0	+ 6.1	106.0	+ 0.9	103.3	+ 6.1	107.6	- 2.0	May r	135.1	+ 0.2	140.0	+ 3.2	139.1	- 1.3	102.6	- 4.0	97.4	- 3.4	105.9	- 4.3	June	136.3	- 7.3	140.5	- 0.9	140.6	- 12.8	105.5	- 1.5	102.6	+ 0.8	107.3	- 2.7	July p	132.3	- 2.4	138.2	+ 1.2	133.7	- 5.0	107.3	- 3.6	93.3	- 4.8	115.9	- 2.9	<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 July	121.7	+ 8.3	129.5	+ 6.7	122.7	+ 11.3	96.6	+ 4.0	89.7	+ 4.4	100.8	+ 3.7	Aug	113.2	+ 4.1	121.7	+ 5.8	110.4	+ 2.9	96.9	+ 2.4	83.7	+ 0.7	105.0	+ 3.2	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	+ 4.8	131.4	+ 3.9	124.2	+ 7.2	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5	Nov	128.9	+ 8.4	139.7	+ 9.7	127.2	+ 9.7	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 r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7
2007 July	135.6	+ 7.9	136.5	+ 6.4	140.8	+ 9.6	111.3	+ 4.8	98.0	+ 4.7	119.4	+ 4.8	Aug	125.1	+ 5.2	126.6	+ 6.4	127.2	+ 4.3	111.4	+ 4.9	92.0	+ 3.1	123.4	+ 5.7	Sep	138.7	+ 6.5	138.8	+ 5.9	143.5	+ 7.2	118.6	+ 5.5	110.4	+ 3.1	123.6	+ 6.8	Oct	143.8	+ 10.9	139.7	+ 3.9	152.0	+ 17.1	123.3	+ 8.6	128.0	+ 14.0	120.4	+ 5.3	Nov	148.2	+ 13.4	145.3	+ 7.8	158.8	+ 20.7	114.5	+ 0.7	109.3	- 1.4	117.8	+ 2.0	Dec	137.9	+ 11.7	124.0	+ 7.2	158.4	+ 16.0	99.3	+ 3.9	91.6	+ 5.2	104.0	+ 3.1	2008 Jan r	139.5	+ 8.2	139.5	+ 4.8	146.5	+ 11.9	111.4	+ 4.0	104.4	+ 5.1	115.6	+ 3.3	Feb r	140.6	+ 5.5	137.0	+ 4.4	149.3	+ 7.1	117.2	+ 2.2	101.6	+ 2.4	126.8	+ 2.0	Mar r	152.6	+ 5.1	151.1	+ 4.3	162.2	+ 7.0	119.2	- 0.7	111.9	+ 3.1	123.8	- 2.7	Apr r	137.3	+ 4.8	138.7	+ 4.1	144.0	+ 6.1	106.0	+ 0.9	103.3	+ 6.1	107.6	- 2.0	May r	135.1	+ 0.2	140.0	+ 3.2	139.1	- 1.3	102.6	- 4.0	97.4	- 3.4	105.9	- 4.3	June	136.3	- 7.3	140.5	- 0.9	140.6	- 12.8	105.5	- 1.5	102.6	+ 0.8	107.3	- 2.7	July p	132.3	- 2.4	138.2	+ 1.2	133.7	- 5.0	107.3	- 3.6	93.3	- 4.8	115.9	- 2.9	<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 July	121.7	+ 8.3	129.5	+ 6.7	122.7	+ 11.3	96.6	+ 4.0	89.7	+ 4.4	100.8	+ 3.7	Aug	113.2	+ 4.1	121.7	+ 5.8	110.4	+ 2.9	96.9	+ 2.4	83.7	+ 0.7	105.0	+ 3.2	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	+ 4.8	131.4	+ 3.9	124.2	+ 7.2	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5	Nov	128.9	+ 8.4	139.7	+ 9.7	127.2	+ 9.7	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 r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																	
2008 Jan r	139.5	+ 8.2	139.5	+ 4.8	146.5	+ 11.9	111.4	+ 4.0	104.4	+ 5.1	115.6	+ 3.3	Feb r	140.6	+ 5.5	137.0	+ 4.4	149.3	+ 7.1	117.2	+ 2.2	101.6	+ 2.4	126.8	+ 2.0	Mar r	152.6	+ 5.1	151.1	+ 4.3	162.2	+ 7.0	119.2	- 0.7	111.9	+ 3.1	123.8	- 2.7	Apr r	137.3	+ 4.8	138.7	+ 4.1	144.0	+ 6.1	106.0	+ 0.9	103.3	+ 6.1	107.6	- 2.0	May r	135.1	+ 0.2	140.0	+ 3.2	139.1	- 1.3	102.6	- 4.0	97.4	- 3.4	105.9	- 4.3	June	136.3	- 7.3	140.5	- 0.9	140.6	- 12.8	105.5	- 1.5	102.6	+ 0.8	107.3	- 2.7	July p	132.3	- 2.4	138.2	+ 1.2	133.7	- 5.0	107.3	- 3.6	93.3	- 4.8	115.9	- 2.9	<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 July	121.7	+ 8.3	129.5	+ 6.7	122.7	+ 11.3	96.6	+ 4.0	89.7	+ 4.4	100.8	+ 3.7	Aug	113.2	+ 4.1	121.7	+ 5.8	110.4	+ 2.9	96.9	+ 2.4	83.7	+ 0.7	105.0	+ 3.2	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	+ 4.8	131.4	+ 3.9	124.2	+ 7.2	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5	Nov	128.9	+ 8.4	139.7	+ 9.7	127.2	+ 9.7	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 r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																															
<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 July	121.7	+ 8.3	129.5	+ 6.7	122.7	+ 11.3	96.6	+ 4.0	89.7	+ 4.4	100.8	+ 3.7	Aug	113.2	+ 4.1	121.7	+ 5.8	110.4	+ 2.9	96.9	+ 2.4	83.7	+ 0.7	105.0	+ 3.2	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	+ 4.8	131.4	+ 3.9	124.2	+ 7.2	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5	Nov	128.9	+ 8.4	139.7	+ 9.7	127.2	+ 9.7	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 r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																									
2007 July	121.7	+ 8.3	129.5	+ 6.7	122.7	+ 11.3	96.6	+ 4.0	89.7	+ 4.4	100.8	+ 3.7	Aug	113.2	+ 4.1	121.7	+ 5.8	110.4	+ 2.9	96.9	+ 2.4	83.7	+ 0.7	105.0	+ 3.2	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	+ 4.8	131.4	+ 3.9	124.2	+ 7.2	103.9	+ 0.6	102.5	- 2.6	104.7	+ 2.5	Nov	128.9	+ 8.4	139.7	+ 9.7	127.2	+ 9.7	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 r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																																																																																										
2008 Jan r	119.7	+ 4.2	129.4	+ 4.5	117.7	+ 3.7	98.0	+ 4.6	97.3	+ 6.0	98.4	+ 3.7	Feb r	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 r	132.4	+ 3.5	140.8	+ 5.9	133.4	+ 2.5	105.9	- 0.7	103.9	+ 2.3	107.2	- 2.3	Apr r	122.8	+ 5.5	131.1	+ 5.6	124.9	+ 6.9	93.2	- 0.2	95.4	+ 7.3	91.8	- 4.5	May r	117.7	- 0.3	130.6	+ 2.3	114.8	- 2.0	88.9	- 4.1	88.2	- 1.3	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 p	117.9	- 3.1	131.3	+ 1.4	113.2	- 7.7	92.9	- 3.8	86.4	- 3.7	96.9	- 3.9	<b>from abroad</b>															2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																																																																																																																																																																								
<b>from abroad</b>																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
2003	104.4	+ 1.7	102.3	+ 3.2	105.1	+ 1.0	108.2	- 0.4	99.3	- 4.4	113.8	+ 2.2	2004	113.6	+ 8.8	112.2	+ 9.7	114.5	+ 8.9	112.6	+ 4.1	103.1	+ 3.8	118.5	+ 4.1	2005	124.8	+ 9.9	119.9	+ 6.9	128.5	+ 12.2	119.0	+ 5.7	105.0	+ 1.8	127.7	+ 7.8	2006	140.0	+ 12.2	137.3	+ 14.5	143.2	+ 11.4	129.4	+ 8.7	113.6	+ 8.2	139.3	+ 9.1	2007	159.2	+ 13.7	149.5	+ 8.9	167.3	+ 16.8	142.5	+ 10.1	124.6	+ 9.7	153.6	+ 10.3	2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
2007 July	152.9	+ 7.4	147.5	+ 6.1	157.5	+ 8.4	143.7	+ 6.1	116.1	+ 5.0	160.9	+ 6.5	Aug	139.9	+ 6.3	134.2	+ 7.2	142.7	+ 5.4	143.6	+ 9.0	110.3	+ 7.4	164.4	+ 9.7	Sep	161.1	+ 12.7	156.1	+ 8.2	166.0	+ 15.8	147.6	+ 8.5	129.2	+ 6.3	159.1	+ 9.8	Oct	168.3	+ 17.2	152.8	+ 3.9	177.7	+ 24.5	166.3	+ 22.2	184.1	+ 44.1	155.2	+ 9.8	Nov	172.3	+ 18.5	154.0	+ 5.2	187.9	+ 28.6	140.5	+ 2.4	124.3	+ 2.5	150.6	+ 2.4	Dec	165.4	+ 14.5	138.2	+ 7.5	187.5	+ 18.4	125.1	+ 10.7	110.4	+ 12.3	134.3	+ 9.9	2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
2008 Jan r	164.3	+ 12.3	155.4	+ 5.2	173.0	+ 17.8	140.9	+ 3.1	120.0	+ 3.8	153.9	+ 2.7	Feb r	165.0	+ 6.2	149.9	+ 2.0	176.0	+ 9.0	151.0	+ 2.2	115.5	- 0.3	173.2	+ 3.2	Mar r	177.9	+ 6.6	167.2	+ 2.3	188.7	+ 10.1	148.6	- 0.7	129.3	+ 4.6	160.7	- 3.2	Apr r	155.5	+ 4.2	150.6	+ 2.3	161.6	+ 5.6	134.2	+ 2.5	120.7	+ 4.1	142.6	+ 1.7	May r	156.9	+ 0.8	154.8	+ 4.5	161.6	- 0.7	133.0	- 3.9	117.7	- 6.4	142.6	- 2.5	June	153.9	- 12.8	151.7	- 3.9	158.2	- 18.0	132.8	- 4.7	121.9	- 1.9	139.6	- 6.2	July p	150.2	- 1.8	148.9	+ 0.9	152.7	- 3.0	139.0	- 3.3	108.4	- 6.6	158.1	- 1.7																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	

Source of the unadjusted figures: Federal Statistical Office. — \* Economic activities of the manufacturing sector, in particular excluding manufacture of food products, beverages, tobacco and refined petroleum products; results for specific operational segments; figures excluding value-added tax; 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 <sup>3</sup>	Public sector construction		Total	Housing construction	Industrial construction <sup>3</sup>	Public sector construction		Total	Housing construction <sup>4</sup>	Industrial construction <sup>3</sup>	Public sector construction	
	2000 = 100	Annual percentage change	2000 = 100	2000 = 100	2000 = 100	2000 = 100	Annual percentage change	2000 = 100	2000 = 100	2000 = 100	2000 = 100	Annual percentage change	2000 = 100	2000 = 100	
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 June	96.0	+ 2.8	66.5	103.2	106.2	102.2	+ 4.4	76.0	109.0	110.9	78.9	- 2.8	40.4	86.3	94.0
July	93.6	+ 6.8	60.0	103.4	103.5	100.8	+ 9.6	68.8	112.2	107.8	73.8	- 2.3	35.9	77.8	92.2
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	75.3	+ 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	74.0	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	77.4	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

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 <sup>3</sup>		
2003 = 100	Annual percentage change	Not adjusted	Price-adjusted	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Annual percentage change	2003 = 100	Not adjusted	Price-adjusted	Annual percentage change	2003 = 100	Annual percentage change	
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	103.7	- 1.1	- 2.2	106.0	- 0.7	110.4	+ 3.0	110.0	+ 1.8	105.7	- 0.1	104.3	- 2.1	- 3.4	105.9	- 5.4
2007 July	102.2	- 0.5	- 0.9	106.2	- 4.2	113.6	+ 5.8	105.5	+ 2.0	102.4	+ 5.5	104.8	- 1.2	- 2.1	114.1	- 1.2
Aug	100.4	- 1.0	- 1.9	102.7	- 1.0	107.7	+ 4.6	105.1	- 1.8	100.8	- 0.2	101.3	- 0.8	- 2.1	103.6	- 0.1
Sep	101.7	+ 0.6	- 0.4	101.2	+ 0.1	107.9	+ 5.3	121.4	+ 18.3	103.9	+ 1.2	103.2	- 0.3	- 1.8	106.5	- 3.4
Oct	107.5	- 0.7	- 2.3	107.7	+ 2.8	114.4	+ 4.0	124.7	+ 0.4	110.9	- 2.6	108.7	- 1.5	- 3.3	113.6	- 4.0
Nov	108.9	- 0.8	- 3.0	106.6	+ 0.6	114.7	+ 3.1	112.4	- 1.9	114.1	- 3.9	109.6	- 2.9	- 5.1	112.5	- 10.5
Dec	123.8	- 5.5	- 7.3	120.6	- 4.4	125.6	- 1.1	135.0	- 2.7	128.5	- 8.5	119.6	- 7.0	- 8.9	103.2	- 17.6
2008 Jan	97.6	+ 3.8	+ 1.5	99.7	+ 0.3	109.5	+ 6.5	94.1	+ 4.6	96.0	+ 2.5	96.3	+ 7.0	+ 4.5	91.7	+ 20.0
Feb	94.2	+ 3.1	+ 0.6	98.2	+ 0.7	104.8	+ 4.5	87.7	+ 8.1	92.2	+ 0.1	95.2	+ 5.4	+ 2.7	98.0	+ 13.2
Mar	106.9	+ 0.6	- 2.2	110.5	+ 1.5	111.6	+ 0.5	103.2	- 7.1	112.1	- 1.0	109.3	+ 1.1	- 1.7	116.7	+ 1.9
Apr	105.0	- 1.6	- 4.0	109.1	- 0.7	112.4	+ 1.8	112.5	- 11.3	106.0	- 1.1	106.9	- 0.8	- 3.3	112.7	+ 2.0
May	105.6	+ 4.0	+ 1.3	109.0	+ 1.8	108.3	- 0.6	119.2	+ 14.2	104.7	+ 3.4	107.6	+ 3.0	+ 0.3	111.2	- 2.9
June	100.9	+ 1.3	- 1.4	105.4	+ 1.4	109.5	+ 2.5	101.1	- 1.6	100.3	- 0.1	102.8	- 0.5	- 3.2	107.8	- 6.0
July	102.6	+ 0.4	- 2.7	105.0	- 1.1	112.4	- 1.1	106.9	+ 1.3	100.7	- 1.7	103.6	- 1.1	- 4.2	105.2	- 7.8

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

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			
	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	111.5	1.3	112.3	1.4	111.9	1.5	112.6	1.5	108.0	1.6
2007 Q1	102.5	0.6	103.1	0.8	103.2	1.3	111.7	1.3	101.6	1.5
Q2	104.5	1.8	105.2	1.9	103.8	1.4	112.2	1.4	105.0	1.8
Q3	114.4	1.5	115.2	1.7	114.8	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	2.7	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
2008 Jan	105.1	2.2	105.8	2.2	106.1	2.9	115.0	3.0	.	.
Feb	105.2	2.9	106.0	2.9	106.2	2.9	115.0	3.0	.	.
Mar	105.3	2.9	106.0	3.0	106.4	3.0	115.2	3.1	.	.
Apr	105.8	1.9	106.5	2.0	106.8	3.3	115.7	3.4	.	.
May	106.5	0.3	107.3	0.4	107.5	3.6	115.9	3.6	.	.
June	106.3	2.6	107.1	2.7	107.3	3.0	116.3	3.1	.	.
July	137.8	2.1	138.8	2.2	138.8	2.5	116.5	3.1	.	.

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

(13<sup>th</sup> 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	2006	2007	2007	2008				
				Q4	Q1	Q2	Apr	May	June
<b>A Current account</b>	+ 18,146	- 1,274	+ 26,568	+ 11,140	- 15,190	- 27,993	- 7,359	- 19,592	- 1,042
1 Goods									
Exports (fob)	1,220,263	1,391,214	1,504,373	393,177	387,146	402,175	137,977	128,397	135,801
Imports (fob)	1,171,985	1,372,001	1,448,810	383,445	390,076	399,253	133,732	131,669	133,852
Balance	+ 48,278	+ 19,212	+ 55,561	+ 9,731	- 2,930	+ 2,922	+ 4,245	- 3,272	+ 1,949
2 Services									
Receipts	405,887	437,048	492,170	125,218	114,857	122,135	39,903	40,038	42,194
Expenditure	368,541	394,759	441,282	114,925	104,200	110,812	36,873	35,957	37,982
Balance	+ 37,350	+ 42,291	+ 50,889	+ 10,294	+ 10,658	+ 11,324	+ 3,030	+ 4,081	+ 4,213
3 Income	+ 5,446	+ 15,093	+ 4,193	+ 11,597	+ 6,111	- 24,303	- 6,951	- 15,558	- 1,794
4 Current transfers									
Transfers from non-residents	85,849	89,178	90,148	27,127	25,868	20,513	7,508	6,845	6,160
Transfers to non-residents	158,776	167,049	174,221	47,607	54,897	38,447	15,190	11,688	11,569
Balance	- 72,927	- 77,873	- 84,075	- 20,480	- 29,027	- 17,935	- 7,683	- 4,843	- 5,409
<b>B Capital account</b>	+ 11,408	+ 9,208	+ 13,898	+ 5,589	+ 5,586	+ 2,118	+ 538	+ 1,765	- 185
<b>C Financial account (net capital exports: -)</b>	+ 9,235	+ 112,369	+ 96,246	- 80,509	+ 19,181	+ 79,223	+ 18,207	+ 45,285	+ 15,731
1 Direct investment	- 216,419	- 144,733	- 117,278	- 4,280	- 104,835	- 53,220	- 22,444	- 8,774	- 22,002
By resident units abroad	- 364,683	- 345,992	- 402,414	- 78,936	- 143,194	- 21,576	+ 18,796	- 10,114	- 30,258
By non-resident units in the euro area	+ 148,265	+ 201,260	+ 285,133	+ 74,655	+ 38,359	- 31,643	- 41,239	+ 1,340	+ 8,256
2 Portfolio investment	+ 131,391	+ 266,277	+ 235,820	- 62,278	+ 73,359	+ 72,687	- 3,729	+ 22,248	+ 54,168
By resident units abroad	- 412,624	- 535,878	- 426,600	- 98,724	- 46,477	- 90,207	- 31,124	- 53,708	- 5,375
Equity	- 134,235	- 152,984	- 52,951	- 17,636	+ 47,278	- 14,300	- 1,306	- 11,973	- 1,021
Bonds and notes	- 261,313	- 314,479	- 319,354	- 69,968	- 27,148	- 71,492	- 26,700	- 35,413	- 9,379
Money market instruments	- 17,078	- 68,418	- 54,294	- 11,119	- 66,607	- 4,416	- 3,118	- 6,322	+ 5,024
By non-resident units in the euro area	+ 544,015	+ 802,156	+ 662,417	+ 36,445	+ 119,836	+ 162,895	+ 27,395	+ 75,957	+ 59,543
Equity	+ 255,274	+ 302,397	+ 188,197	- 30,578	+ 45,514	+ 5,073	- 21,127	+ 18,529	+ 7,671
Bonds and notes	+ 235,580	+ 498,120	+ 421,078	+ 92,873	+ 68,033	+ 130,073	+ 28,539	+ 72,580	+ 28,954
Money market instruments	+ 53,160	+ 1,640	+ 53,147	- 25,848	+ 6,290	+ 27,749	+ 19,983	- 15,152	+ 22,918
3 Financial derivatives	- 18,196	+ 2,442	- 90,538	- 28,779	- 14,922	- 38,989	- 14,151	- 29,597	+ 4,759
4 Other investment	+ 94,460	- 10,329	+ 73,500	+ 9,961	+ 70,652	+ 98,857	+ 61,888	+ 58,656	- 21,687
Eurosystem	+ 5,333	+ 15,235	+ 38,994	+ 34,073	+ 12,009	+ 28,779	+ 6,498	+ 19,808	+ 2,473
General government	+ 2,545	+ 3,931	+ 9,822	- 3,001	+ 5,030	- 9,113	- 2,148	- 5,452	- 1,513
MFIs (excluding the Eurosystem)	+ 90,504	- 25,355	+ 78,846	- 6,315	+ 66,171	+ 81,600	+ 66,430	+ 35,538	- 20,368
Long-term	- 43,253	- 49,254	- 126,703	- 47,092	- 46,690	- 48,907	- 14,770	- 14,800	- 19,337
Short-term	+ 133,753	+ 23,895	+ 205,548	+ 40,775	+ 112,860	+ 130,508	+ 81,200	+ 50,338	- 1,030
Other sectors	- 3,919	- 4,137	- 54,160	- 14,794	- 12,557	- 2,407	- 8,891	+ 8,762	- 2,278
5 Reserve assets (Increase: -)	+ 17,998	- 1,288	- 5,251	+ 4,869	- 5,073	- 114	- 3,357	+ 2,750	+ 493
<b>D Errors and omissions</b>	- 38,789	- 120,302	- 136,715	+ 63,779	- 9,578	- 53,348	- 11,387	- 27,457	- 14,504

\* Source: European Central Bank.











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 Mar	121,457	86,120	54,820	2,624	28,675	350	33,958	1,029	5,158	116,299	
Apr	110,112	86,731	54,837	2,578	29,316	350	22,102	930	6,300	103,811	
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	

° 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.



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 Sep	1.6839	1.4203	10.0971	7.4601	148.99	8.2572	9.2665	1.5841	0.67511	1.2727
Oct	1.6733	1.4235	9.9651	7.4555	149.65	8.3960	9.2533	1.5898	0.67254	1.2611
Nov	1.6684	1.4635	10.1286	7.4564	151.11	8.2446	9.1008	1.5922	0.67397	1.2881
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
Feb	1.6708	1.5309	10.1326	7.4541	157.60	8.0876	9.1896	1.6212	0.66800	1.3074
Mar	1.6704	1.5472	10.2467	7.4494	155.24	8.1340	9.2992	1.6124	0.68021	1.3242
Apr	1.6336	1.5334	10.4400	7.4530	160.68	8.1194	9.2372	1.6375	0.67934	1.3516
May	1.6378	1.4796	10.3689	7.4519	163.22	8.1394	9.2061	1.6506	0.68136	1.3511
June	1.5930	1.4293	10.2415	7.4452	164.55	8.0590	9.3290	1.6543	0.67562	1.3419
July	1.5809	1.4417	10.3899	7.4410	166.76	7.9380	9.1842	1.6567	0.67440	1.3716
Aug	1.6442	1.4420	10.3162	7.4429	159.05	7.9735	9.3231	1.6383	0.67766	1.3622
Sep	1.6445	1.4273	10.4533	7.4506	159.82	7.8306	9.2835	1.6475	0.68887	1.3896
Oct	1.5837	1.3891	10.6741	7.4534	164.95	7.6963	9.1735	1.6706	0.69614	1.4227
Nov	1.6373	1.4163	10.8957	7.4543	162.89	7.9519	9.2889	1.6485	0.70896	1.4684
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
Feb	1.6156	1.4740	10.5682	7.4540	157.97	7.9480	9.3642	1.6080	0.75094	1.4748
Mar	1.6763	1.5519	10.9833	7.4561	156.59	7.9717	9.4020	1.5720	0.77494	1.5527
Apr	1.6933	1.5965	11.0237	7.4603	161.56	7.9629	9.3699	1.5964	0.79487	1.5751
May	1.6382	1.5530	10.8462	7.4609	162.31	7.8648	9.3106	1.6247	0.79209	1.5557
June	1.6343	1.5803	10.7287	7.4586	166.26	7.9915	9.3739	1.6139	0.79152	1.5553
July	1.6386	1.5974	10.7809	7.4599	168.45	8.0487	9.4566	1.6193	0.79308	1.5770
Aug	1.6961	1.5765	10.2609	7.4595	163.63	7.9723	9.3984	1.6212	0.79279	1.4975

\* 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



## 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

### October 2007

- Globalisation and monetary policy
- Advances in strengthening the economy's growth potential
- Reform of German budgetary rules
- TARGET2 – the new payment system for Europe

### November 2007

- The economic scene in Germany in autumn 2007

### 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

## 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 Bereich 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 Politikbereiche außerhalb der Wirtschafts- und Währungsunion, 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 classification, July 2003<sup>3</sup>

2 Bankenstatistik Kundensystematik Firmenverzeichnisse, 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 Federal 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 2008

12 Technologische Dienstleistungen in der Zahlungsbilanz, June 2008<sup>2</sup>

\* Unless stated otherwise, these publications are available on the Bundesbank's website in German and English.

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

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

<sup>2</sup> Available in German only.

<sup>3</sup> Solely available on the website, updated at half-yearly intervals. Only the sections "Monthly Balance Sheet Statistics", "External position" and "Customer classification" ("Overall survey on sectoral classification", "Survey on breakdown by industry or activity" and "Explanatory notes on the system of customer classification by industry or activity") are available in English.

<sup>4</sup> Available on the website only.

## Discussion Papers\*

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### Series 1

#### Economic Studies

06/2008

The German sub-national government bond market: evolution, yields and liquidity

07/2008

Integration of financial markets and national price levels: the role of exchange rate volatility

08/2008

Business cycle evidence on firm entry

09/2008

Panel estimation of state dependent adjustment when the target is unobserved

10/2008

Nonlinear oilprice dynamics – a tale of heterogeneous speculators?

11/2008

Financing constraints, firm level adjustment of capital and aggregate implications

12/2008

Sovereign bond market integration: the euro, trading platforms and globalization

13/2008

Great moderation at the firm level? Unconditional versus conditional output volatility

14/2008

How informative are macroeconomic risk forecasts? An examination of the Bank of England's Inflation forecasts

15/2008

Foreign (in)direct investment and corporate taxation

### Series 2

#### Banking and Financial Studies

12/2008

A value at risk analysis of credit default swaps

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

#### 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\*.