

Press release

28 August 2025

Monetary developments in the euro area: July 2025

- Annual growth rate of broad [monetary aggregate M3](#) stood at 3.4% in July 2025, after 3.3% in June 2025
- Annual growth rate of narrower [monetary aggregate M1](#), comprising currency in circulation and overnight deposits, increased to 5.0% in July from 4.7% in June (revised from 4.6%)
- Annual growth rate of [adjusted loans to households](#) increased to 2.4% in July from 2.2% in June
- Annual growth rate of [adjusted loans to non-financial corporations](#) stood at 2.8% in July, compared with 2.7% in June

Components of the broad monetary aggregate M3

The annual growth rate of the broad monetary aggregate M3 stood at 3.4% in July 2025, after 3.3% in June, averaging 3.5% in the three months up to July. The [components of M3](#) showed the following developments. The annual growth rate of the narrower aggregate M1, which comprises currency in circulation and overnight deposits, increased to 5.0% in July from 4.7% in June. The annual growth rate of short-term deposits other than overnight deposits (M2-M1) was -0.8% in July, compared with -1.0% in June. The annual growth rate of marketable instruments (M3-M2) decreased to 6.4% in July from 10.4% in June.

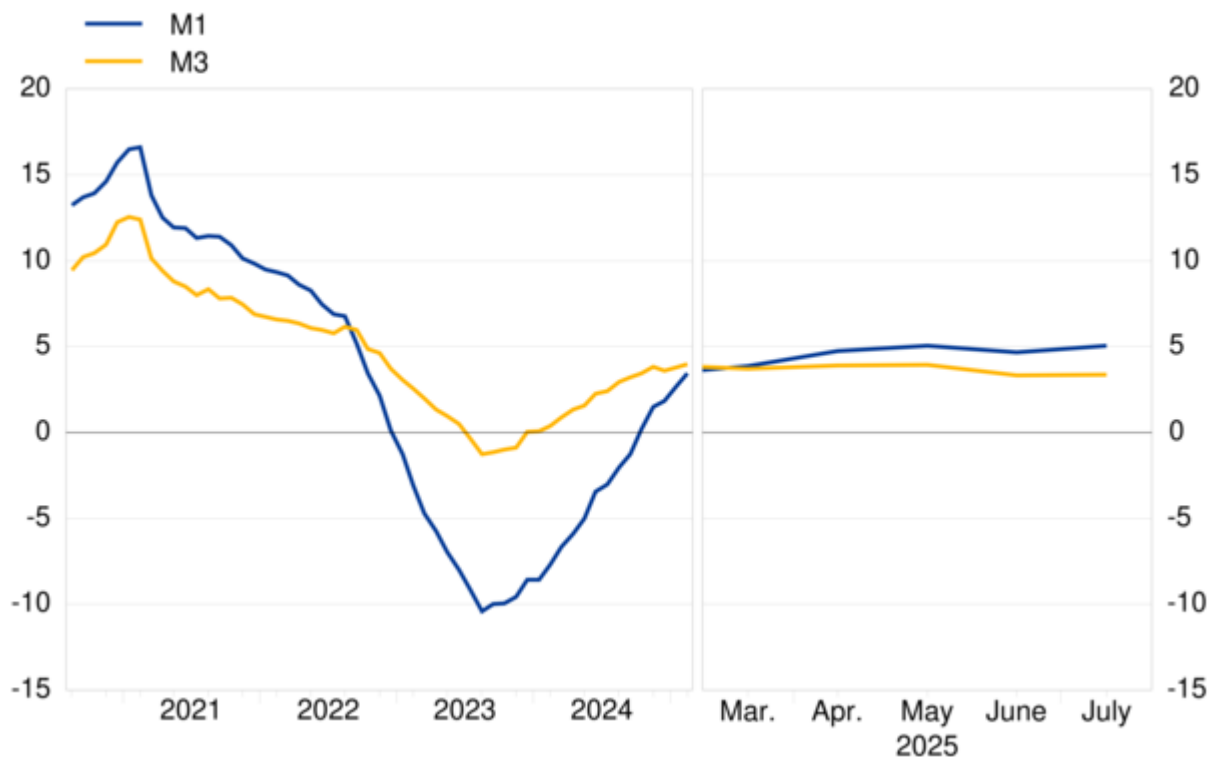
European Central Bank

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Chart 1
Monetary aggregates

(annual growth rates)



[Data for monetary aggregates](#)

Looking at the [components' contributions to the annual growth rate of M3](#), the narrower aggregate M1 contributed 3.2 percentage points (up from 2.9 percentage points in June), short-term deposits other than overnight deposits (M2-M1) contributed -0.2 percentage points (up from -0.3 percentage points) and marketable instruments (M3-M2) contributed 0.4 percentage points (down from 0.7 percentage points).

Among the holding sectors of [deposits in M3](#), the annual growth rate of deposits placed by households stood at 3.4% in July, compared with 3.3% in June, while the annual growth rate of deposits placed by non-financial corporations increased to 2.7% in July from 1.6% in June. Finally, the annual growth rate of deposits placed by investment funds other than money market funds decreased to 6.3% in July from 13.1% in June.

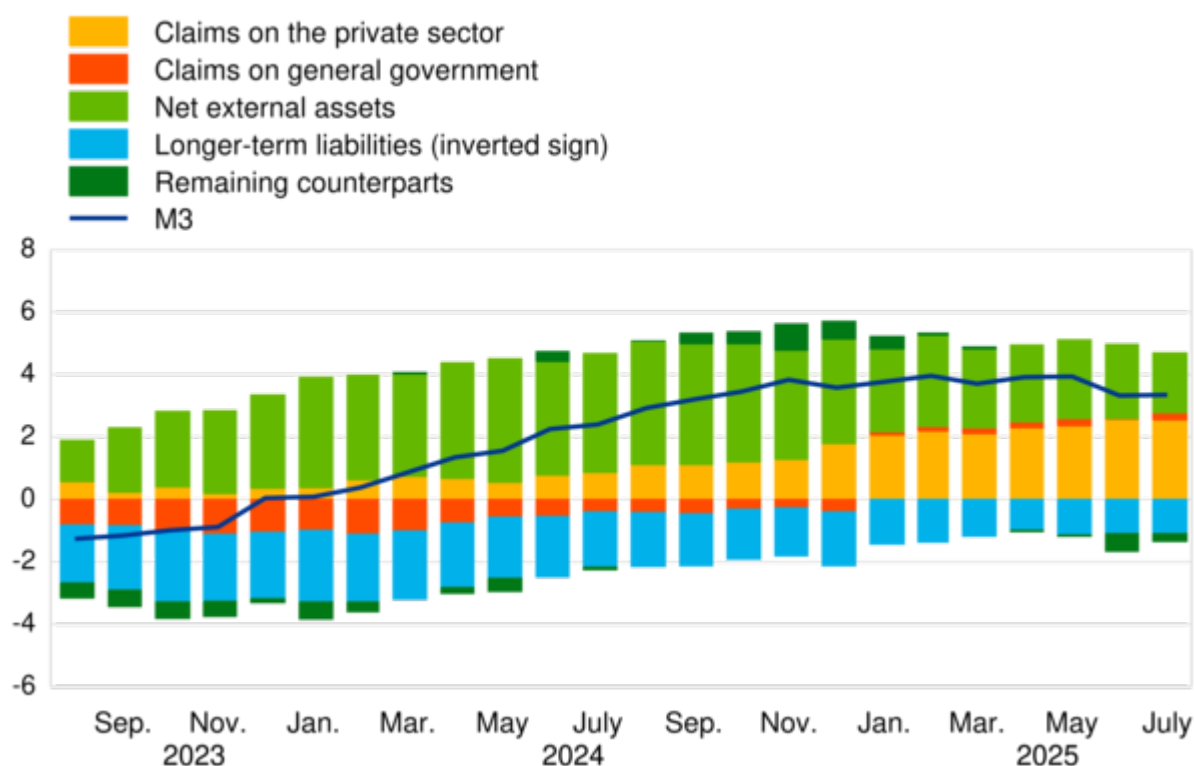
Counterparts of the broad monetary aggregate M3

The annual growth rate of M3 in July 2025, as a reflection of changes in the items on the monetary financial institution (MFI) consolidated balance sheet other than M3 ([counterparts of M3](#)), can be broken down as follows: claims on the private sector contributed 2.6 percentage points (as in the previous month), net external assets contributed 1.9 percentage points (down from 2.4 percentage points), claims on general government contributed 0.2 percentage points (up from 0.0 percentage points), longer-term liabilities contributed -1.1 percentage points (as in the previous month), and the remaining counterparts of M3 contributed -0.2 percentage points (up from -0.6 percentage points).

Chart 2

Contribution of the M3 counterparts to the annual growth rate of M3

(percentage points)



[Data for contribution of the M3 counterparts to the annual growth rate of M3](#)

Claims on euro area residents

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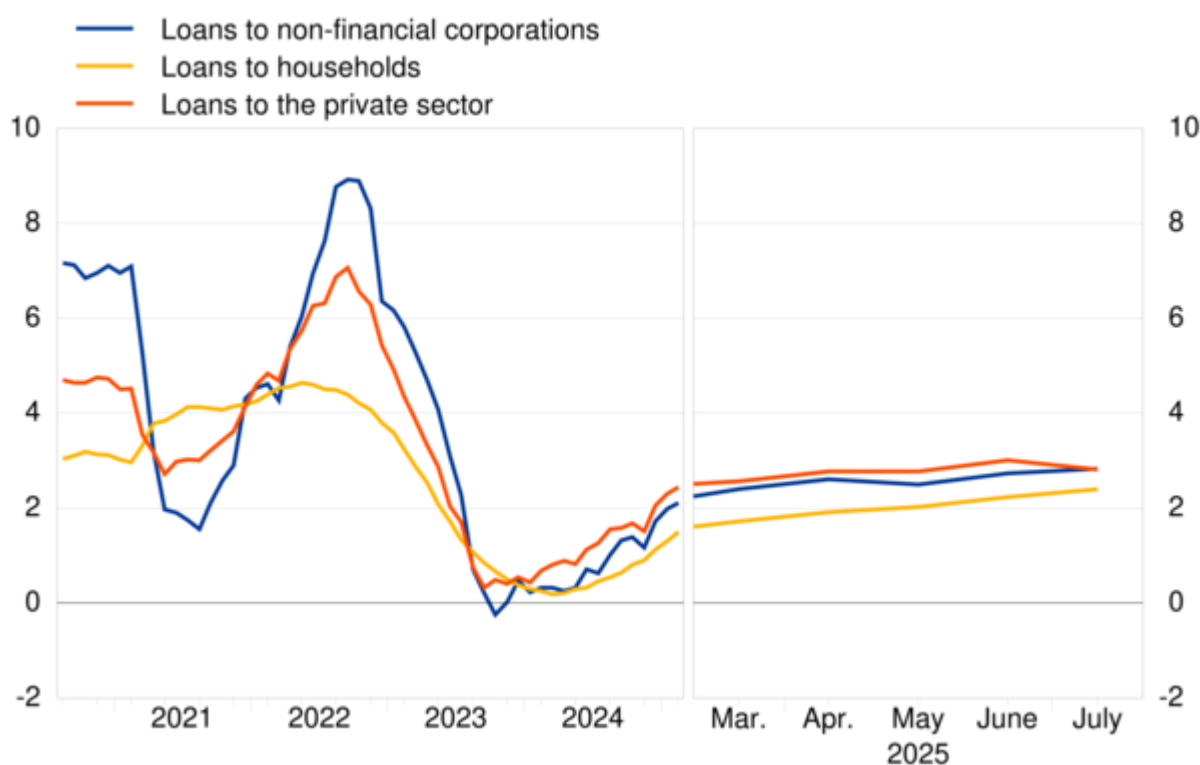
The annual growth rate of total [claims on euro area residents](#) stood at 2.1% in July 2025, compared with 2.0% in the previous month. The annual growth rate of [claims on general government](#) increased to 0.6% in July from 0.1% in June, while the annual growth rate of [claims on the private sector](#) stood at 2.7% in July, unchanged from the previous month.

The annual growth rate of [adjusted loans to the private sector](#) (i.e. adjusted for loan transfers and notional cash pooling) decreased to 2.8% in July from 3.0% in June. Among the borrowing sectors, the annual growth rate of [adjusted loans to households](#) increased to 2.4% in July from 2.2% in June, while the annual growth rate of [adjusted loans to non-financial corporations](#) stood at 2.8% in July, compared with 2.7% in June.

Chart 3

Adjusted loans to the private sector

(annual growth rates)



[Data for adjusted loans to the private sector](#)

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Notes:

- Data in this press release are adjusted for seasonal and end-of-month calendar effects, unless stated otherwise.
- "Private sector" refers to euro area non-MFIs excluding general government.
- Hyperlinks lead to data that may change with subsequent releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

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1 Monetary developments in the euro area: July 2025

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Jul 2025	May 2025	Jun 2025	Jul 2025	May 2025	Jun 2025	Jul 2025
COMPONENTS OF M3							
1. M3	16924	39	-5	-8	3.9	3.3	3.4
1.1. M2	15734	39	-10	10	3.4	2.8	3.1
1.1.1. M1	10808	36	26	-5	5.1	4.7	5.0
Currency in circulation	1565	0	3	3	1.9	1.9	1.9
Overnight deposits	9243	36	24	-8	5.6	5.1	5.6
1.1.2. Other short-term deposits (M2 - M1)	4926	3	-36	15	0.0	-1.0	-0.8
Deposits with an agreed maturity of up to two years	2406	-5	-46	9	-2.9	-5.3	-5.1
Deposits redeemable at notice of up to three months	2520	9	11	6	2.9	3.4	3.7
1.2. Marketable instruments (M3 - M2)	1190	0	5	-18	11.6	10.4	6.4
Repurchase agreements	243	-8	11	-15	21.4	26.2	8.7
Money market fund shares	919	12	1	-5	14.5	11.7	9.7
Debt securities issued with a maturity of up to two years	28	-5	-8	2	-51.3	-58.6	-50.8
COUNTERPARTS OF M3							
MFI liabilities:							
2. Liabilities to central government ^{b)}	399	25	-61	-13	6.8	0.1	-1.8
3. Longer-term liabilities to other euro area residents	7952	32	11	6	2.4	2.3	2.4
3.1. Deposits with an agreed maturity of over two years	1834	-1	6	-1	0.5	0.6	0.9
3.2. Deposits redeemable at notice of over three months	133	2	4	3	17.1	19.1	20.4
3.3. Debt securities issued with a maturity of over two years	2584	33	12	10	3.5	3.8	4.0
3.4. Capital and reserves	3401	-3	-11	-7	2.2	1.6	1.3
MFI assets:							
4. Claims on euro area residents	22264	-9	41	43	1.9	2.0	2.1
4.1. Claims on general government	6283	-17	-23	24	0.6	0.1	0.6
Loans	1012	13	-1	4	3.3	2.7	3.6
Debt securities	5245	-30	-22	19	0.1	-0.4	0.0
Equity	26	0	0	0	1.8	0.7	1.3
4.2. Claims on the private sector ^{c)}	15980	8	64	20	2.5	2.7	2.7
Loans	13417	10	41	3	2.6	2.8	2.6
Adjusted loans ^{d)}	13685	6	58	-3	2.8	3.0	2.8
Debt securities	1575	-6	15	2	0.4	0.8	1.6
Equity	646	3	8	14	-0.3	0.9	2.5
Shares issued by investment funds other than money market funds	343	1	0	1	11.9	12.2	12.5
5. Net external assets	2857	70	-19	-12	-	-	-
6. Other counterparts of M3 (residual)	155	36	-77	-47	-	-	-
<i>of which:</i>							
6.1. Repos with central counterparties (liabilities) ^{e)}	174	-14	-4	-4	14.0	-2.6	4.0
6.2. Reverse repos to central counterparties (assets) ^{e)}	167	4	-12	1	7.6	-6.0	7.8

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

M3 comprises liabilities of MFIs, as well as short-term deposit liabilities of post offices and specific central government entities, vis-à-vis non-MFI euro area residents other than central government.

b) Includes holdings of the central government of deposits with the MFI sector and of securities issued by the MFI sector.

c) Private sector refers to euro area non-MFIs excluding general government.

d) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. For further breakdowns see Table 4.

e) The series is not adjusted for seasonal effects.

2 Contributions to the M3 annual growth rate: July 2025

(contributions in terms of the M3 annual percentage change; data adjusted for seasonal effects ^{a)})

	May 2025	Jun 2025	Jul 2025
COMPONENTS OF M3			
1. M1	3.2	2.9	3.2
1.1. Currency in circulation	0.2	0.2	0.2
1.2. Overnight deposits	3.0	2.8	3.0
2. M2 - M1 (other short-term deposits)	0.0	-0.3	-0.2
3. M3 - M2 (marketable instruments)	0.8	0.7	0.4
COUNTERPARTS OF M3			
4. Claims on the private sector	2.4	2.6	2.6
5. Claims on general government	0.2	0.0	0.2
6. Net external assets	2.5	2.4	1.9
7. Longer-term liabilities (inverted sign) ^{b)}	-1.1	-1.1	-1.1
8. Remaining counterparts	0.0	-0.6	-0.2
M3 (sum of items 1 to 3, or items 4 to 8)	3.9	3.3	3.4

a) Figures may not add up due to rounding.

b) Longer-term liabilities to euro area residents excluding central government.

3 Deposits in M3: July 2025

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{a)})

	End-of-month level	Monthly flow			Annual growth rate		
	Jul 2025	May 2025	Jun 2025	Jul 2025	May 2025	Jun 2025	Jul 2025
Total deposits	14412	31	-1	-8	3.8	3.3	3.4
1. Deposits placed by households ^{b)}	8872	25	11	29	3.6	3.3	3.4
1.1. Overnight deposits	5357	28	18	23	4.8	4.9	5.4
1.2. Deposits with an agreed maturity of up to two years	1173	-12	-15	-1	0.4	-2.6	-4.6
1.3. Deposits redeemable at notice of up to three months	2341	8	7	7	2.5	2.9	3.1
1.4. Repurchase agreements	1	0	0	0	4.3	-7.9	-0.1
2. Deposits placed by non-financial corporations	3445	13	-16	21	2.7	1.6	2.7
2.1. Overnight deposits	2510	17	-2	13	4.8	3.9	4.9
2.2. Deposits with an agreed maturity of up to two years	781	-4	-16	7	-4.9	-6.7	-5.5
2.3. Deposits redeemable at notice of up to three months	144	1	2	0	12.2	13.4	14.1
2.4. Repurchase agreements	10	-2	0	0	7.3	-9.4	5.1
3. Deposits placed by investment funds other than money market funds	459	-22	2	-19	15.4	13.1	6.3
3.1. Overnight deposits	364	-15	-6	-19	17.3	13.4	5.6
3.2. Deposits with an agreed maturity of up to two years	40	-1	2	3	-13.2	-14.5	-4.5
3.3. Deposits redeemable at notice of up to three months	3	0	0	0	45.2	42.1	47.8
3.4. Repurchase agreements	52	-6	7	-4	27.8	39.2	21.1
4. Deposits placed by insurance corporations and pension funds	219	-13	7	-18	7.1	7.6	2.5
4.1. Overnight deposits	158	-8	14	-12	7.8	10.6	9.2
4.2. Deposits with an agreed maturity of up to two years	34	2	-4	-3	-0.7	-8.6	-12.8
4.3. Deposits redeemable at notice of up to three months	4	0	0	0	1.9	4.6	5.5
4.4. Repurchase agreements	24	-7	-3	-3	17.0	10.7	-8.2
5. Deposits placed by other non-monetary financial corporations ^{c)}	869	23	-10	-23	5.7	4.3	5.8
5.1. Overnight deposits	470	10	0	-22	9.6	8.0	8.2
5.2. Deposits with an agreed maturity of up to two years	242	8	-19	9	-5.5	-9.0	-1.4
5.3. Deposits redeemable at notice of up to three months	19	0	1	-1	2.9	16.2	14.5
5.4. Repurchase agreements ^{c)}	138	5	8	-10	15.5	15.8	10.5
6. Deposits placed by other general government	548	6	4	3	2.3	1.9	1.3

a) Figures may not add up due to rounding. The information in this table is based on the consolidated balance sheet of monetary financial institutions (MFIs) located in the euro area. The MFI sector comprises the Eurosystem, deposit-taking corporations except central banks and money market funds.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as exchange rate variations and statistical reclassifications.

b) Includes deposits by non-profit institutions serving households.

c) Excludes repurchase agreements with central counterparties.

4 Adjusted loans to the private sector: July 2025 ^{a)}

(EUR billions and annual percentage changes; data adjusted for seasonal effects ^{b)})

	End-of-month level	Monthly flow			Annual growth rate		
	Jul 2025	May 2025	Jun 2025	Jul 2025	May 2025	Jun 2025	Jul 2025
1. Loans to households ^{c)}	7030	13	18	15	2.0	2.2	2.4
1.1. Credit for consumption	796	3	2	4	4.3	4.6	4.6
1.2. Lending for house purchase	5546	10	13	13	2.0	2.2	2.4
1.3. Other lending	688	0	2	-1	-0.3	-0.1	0.2
<i>of which: sole proprietors</i>	355	-1	0	0	-1.9	-1.7	-1.6
2. Loans to non-financial corporations	5258	-1	28	5	2.5	2.7	2.8
2.1. up to 1 year	835	-5	15	-12	3.2	3.0	2.0
2.2. over 1 year and up to 5 years	1142	0	9	7	3.0	3.8	4.5
2.3. over 5 years	3281	4	3	10	2.1	2.3	2.5
3. Loans to investment funds other than money market funds	190	1	6	-2	8.0	8.8	7.8
4. Loans to insurance corporations and pension funds	131	3	7	-9	8.2	13.0	5.2
5. Loans to other non-monetary financial corporations ^{d)}	1076	-10	0	-12	7.5	7.5	4.4

a) Loans adjusted for the effects of transfers to and from MFI balance sheets, as well as for notional cash pooling services provided by MFIs. Data on transferred loans that have been derecognised from MFI balance sheets are included in these figures, where available.

Monthly flows are derived from differences in levels excluding changes that do not arise from transactions, such as revaluations, exchange rate variations and statistical reclassifications.

b) Figures may not add up due to rounding.

c) Includes loans to non-profit institutions serving households.

d) Excludes reverse repos to central counterparties.