

2009-07-29

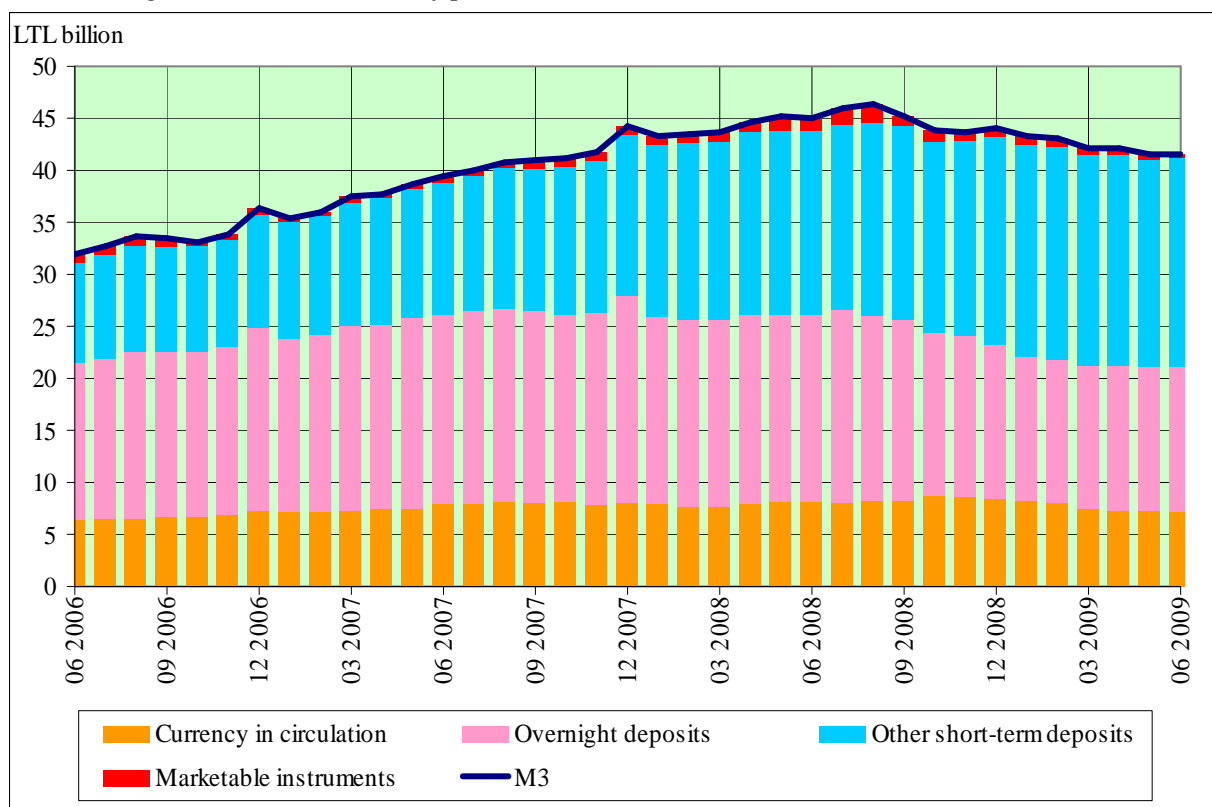
MONETARY SURVEY AND BALANCE SHEET OF OTHER MFIs, JUNE 2009

A widening of all monetary aggregates was observed in June 2009: M3 widened by LTL 108.2 million, M2 by LTL 61.6 million, and M1 by LTL 118.2 million. However, in the course of the year they narrowed respectively by 7.9%, 6.5% and 19.2% to LTL 41.6 billion, LTL 41.1 billion, and LTL 21.2 billion.

Monetary aggregate M3 grew mainly because of an increase in overnight deposits, debt securities with maturity of up to 2 years, and repo transactions by LTL 231.7 million, LTL 33.6 million, and LTL 13.0 million, respectively. However, a decrease in currency in circulation, deposits with agreed maturity of up to 2 years and deposits redeemable at a period of notice of up to 3 months pushed M3 down respectively by LTL 113.5 million, LTL 55.2 million and LTL 1.4 million.

Monetary aggregate M3 and its components

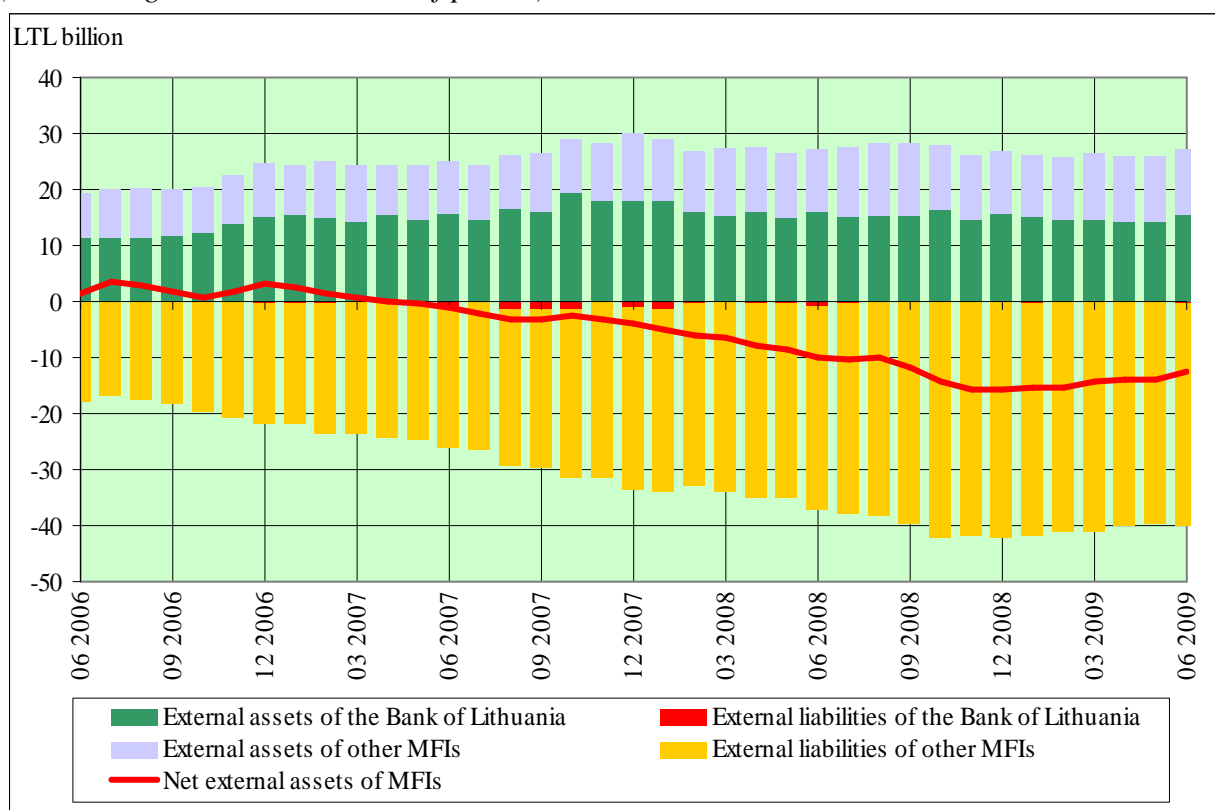
(outstanding amounts at the end of period)



Starting with February 2009, net external assets of Monetary Financial Institutions (MFIs) have been moderately growing. In June, it grew by LTL 1.3 billion, although the result was negative at the end of the month, amounting to LTL 12.5 billion. The increase in net external assets was driven both by a hike in net external asset of the Bank of Lithuania and other MFIs.

Net External Assets of MFIs

(outstanding amounts at the end of period)

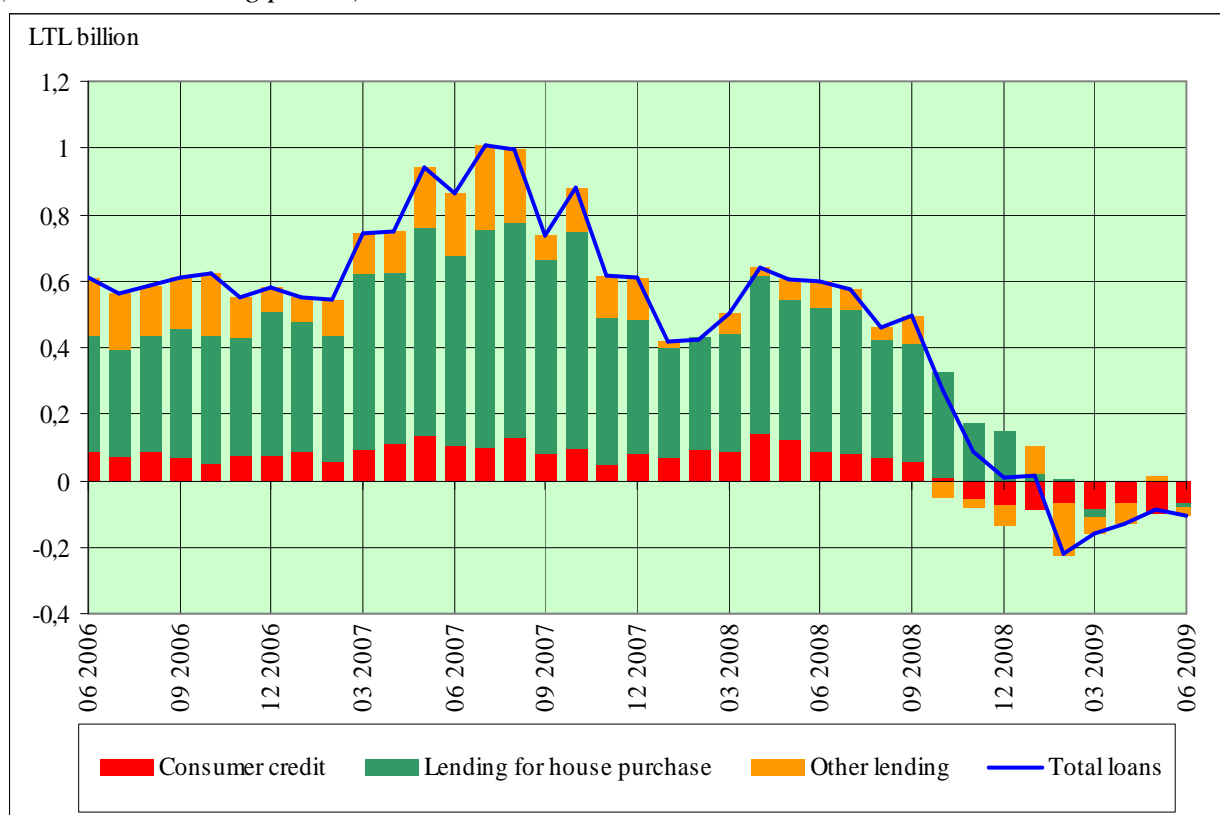


Starting with December 2008, domestic credit has continued to decline due to decelerated lending by other MFIs to non-financial corporations and households. In June 2009, domestic credit contracted by LTL 110.1 million. Lending to non-financial corporations and households by other MFIs decreased by LTL 373.5 million and LTL 104.0 million, respectively. This type of lending transactions has been gradually contracting for the second consecutive year.

At the end of June 2009, for the first time during the last five-year period, the growth rate of lending to non-financial corporations by other MFIs was negative, making up 1.3%. Although the growth rate of lending to households remained positive, it slowed down to 4.3% (at the end of June 2008, it was 39.9%).

In June 2009, a decrease occurred in all types (by purpose) of other MFIs' loans to households: consumer loans went down by LTL 67.1 million, loans for house purchase decreased by LTL 11.3 million, and other loans fell by LTL 25.5 million. At the end of June, the annual growth rate of lending for house purchase contracted by another 9.2% (from 43.0% in June 2008).

Development of Loans to Households (transactions during period)



Throughout June, the group of longer-term financial liabilities of MFIs, which do not include central government deposits, grew by LTL 174.8 million. The change was driven by an increase of LTL 186.6 million in capital and reserves, and a hike of LTL 36.0 million in deposits with agreed maturity of over 2 years. However, MFIs-issued debt securities with maturity of over 2 years fell by LTL 47.7 million.

Central government deposits with MFIs went up during the month by LTL 1155.8 million, whereas central government deposits with the Bank of Lithuania and other MFIs respectively grew by LTL 958.1 million and LTL 197.7 million.

Footnotes.

1. Changes in monetary aggregates and the balance sheet items of other MFIs are disclosed as transactions, i.e. are calculated by taking the difference between end-month outstanding amounts and then removing the effects of revaluation adjustments, exchange rate adjustments as well as reclassifications and other adjustments.
2. Other short-term deposits, i.e. M2 minus M1, include deposits with agreed maturity of up to 2 years and deposits redeemable at a period of notice of up to 3 months.
3. Marketable instruments, i.e. M3 minus M2, include repurchase agreements, money market funds' shares (units) and debt securities with maturity of up to 2 years.

Monetary Aggregates and Counterparts, LTL million

	Outstanding amounts at the end of previous period	Transactions during period	Other changes of outstanding amounts during period	Outstanding amounts at the end of the reporting period	Annual growth rates, in percent	
	May 2009	June 2009	June 2009	June 2009	May 2009	June 2009
M2	41053.5	61.6	-29.0	41086.1	-6.6	-6.5
M1	21138.3	118.2	-10.9	21245.6	-19.2	-19.2
Currency in circulation	7211.9	-113.5	0.3	7098.8	-10.1	-12.3
Overnight deposits	13926.4	231.7	-11.3	14146.8	-23.3	-22.4
Other short-term deposits	19915.1	-56.6	-18.1	19840.5	12.0	12.6
Deposits with agreed maturity up to 2 years	19682.9	-55.2	-17.7	19610.0	12.4	13.2
Deposits redeemable at notice up to 3 months	232.2	-1.4	-0.3	230.4	-13.4	-22.9
Marketable instruments	478.1	46.6	1.1	525.7	-62.0	-56.4
Repurchase agreements	54.3	13.0	0.0	67.2	x	x
Money market funds shares/units
Debt securities issued up to 2 years	423.8	33.6	1.1	458.5	-57.1	-54.6
M3	41531.6	108.2	-27.9	41611.8	-8.2	-7.9
Net external assets	-13837.9	1282.4	6.5	-12549.0	66.5	31.9
Credit to general government	4503.1	187.1	-10.0	4680.2	43.9	32.8
Loans	1538.4	242.7	-0.6	1780.5	66.5	45.7
Securities other than shares	2964.7	-55.6	-9.4	2899.6	32.5	24.5
Credit to other residents	66544.9	-297.2	-59.7	66188.1	2.5	-0.2
Loans	65986.4	-297.5	-58.7	65630.1	2.1	-0.6
Securities other than shares	258.8	-9.0	0.1	249.9	395.9	391.2
Shares and other equity	299.8	9.3	-1.1	308.1	24.2	31.5
less: Deposits of central government	3638.1	1155.8	-0.8	4793.1	27.3	41.0
less: Longer-term financial liabilities	12309.2	174.8	-61.1	12423.0	8.4	9.3
less: Other items (net)	-268.7	-266.5	26.6	-508.6	x	x

Footnote. The totals can not correspond to the sums of terms due to rounding.

Symbols and conventions

„0.0“ Magnitude less than indicated measurement units

„...“ Data not available, although the phenomenon existed

„x“ Indicator is not calculated in such expression, although the phenomenon existed