

28 August 2009

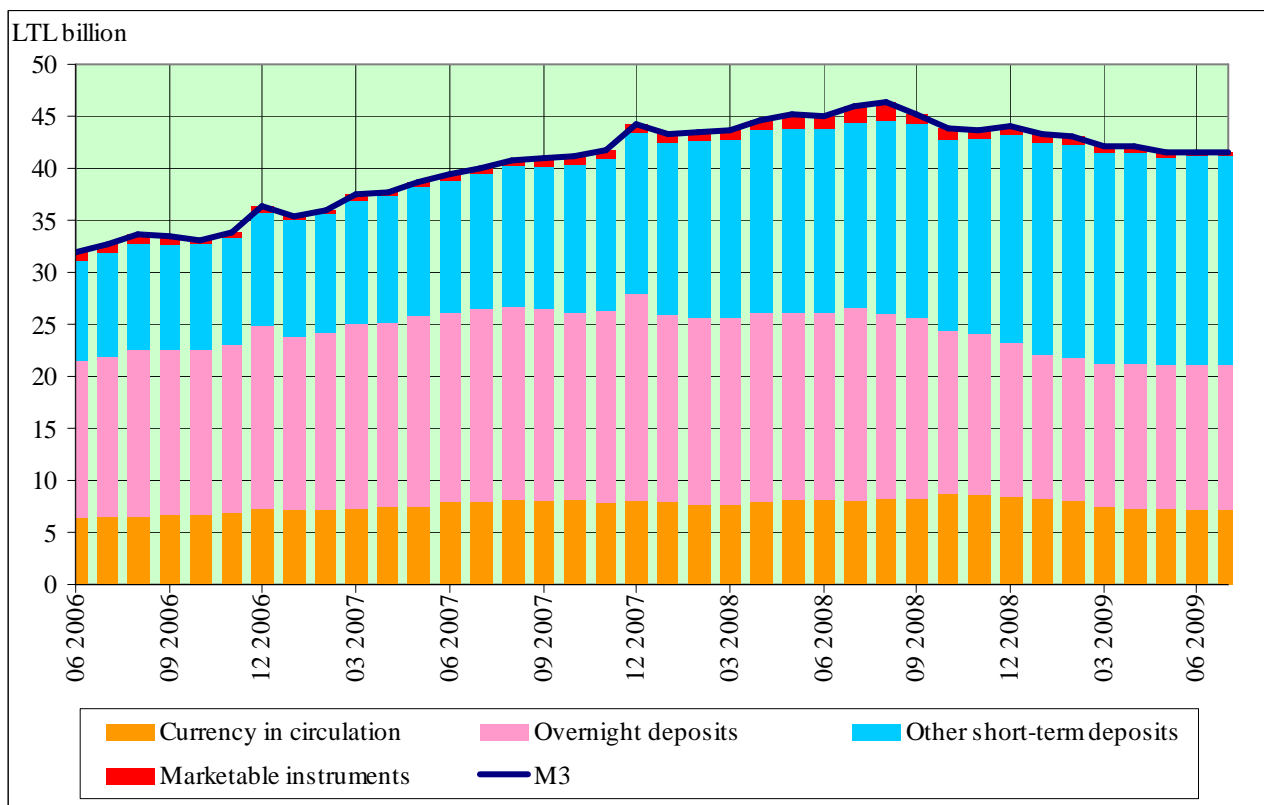
MONETARY SURVEY AND BALANCE SHEET OF OTHER MFIs, JULY 2009

In July 2009, monetary aggregates M1 and M3 declined by LTL 110.0 million and LTL 2.3 million respectively, whereas M2 went up by LTL 6.4 million. Over the year, M1, M2 and M3 went down by 20.5%, 7.9% and 9.6% respectively and amounted to LTL 21.1 billion, LTL 41.1 billion and LTL 41.6 billion at the end of the month.

The decline of overnight deposits, currency in circulation and debt securities with the maturity of up to 2 years reduced M3 by LTL 85.0 million, LTL 25.0 million and LTL 15.3 million, respectively. However, M3 was increased by the growth of deposits with agreed maturity of up to 2 years by LTL 94.4 million, deposits redeemable at a period of notice of up to 3 months by LTL 22.0 million and repurchase agreements by LTL 6.7 million.

Monetary aggregate M3 and its components

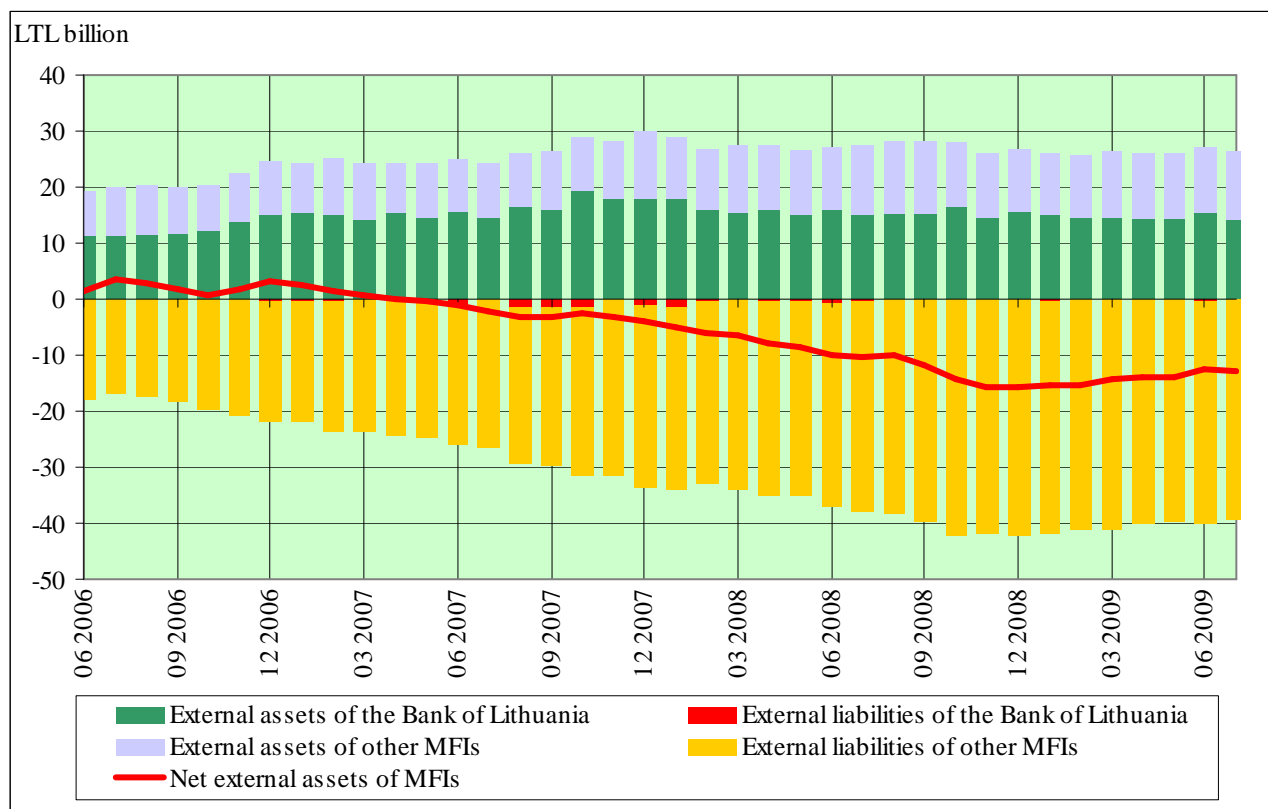
(outstanding amounts at the end of period)



After a moderate growth since February 2009, the net external assets of monetary financial institutions (MFIs) declined by LTL 373.8 million in July and were negative at the end of the month at LTL 12.9 billion. Net external assets of the Bank of Lithuania shrank by LTL 843.1 million, while net external assets of other MFIs went up by LTL 469.3 million.

Net External Assets of MFIs

(outstanding amounts at the end of period)



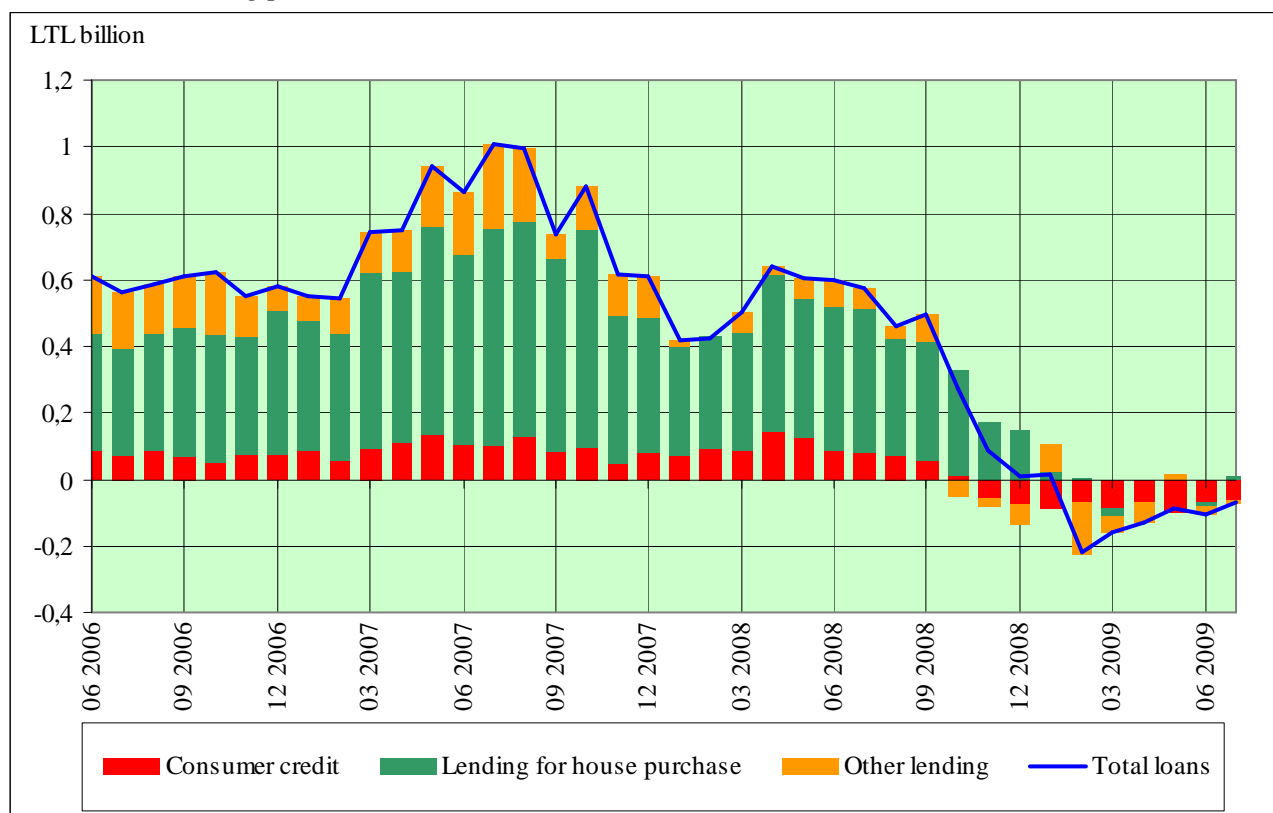
Starting from December 2008, domestic credit has been declining due to a deceleration in the borrowing of other MFIs to non-financial corporations and households. In July 2009, domestic credit declined by LTL 423.0 million. Loans granted by other MFIs to non-financial corporations and households went down by LTL 446.6 million and LTL 66.4 million, respectively.

For the second consecutive month, the annual growth rate of loans granted by other MFIs to non-financial corporations was negative and made up 4.4%. Although the growth rate of loans to households remained positive, it declined to 2% (for example, it was 35.9% at the end of July 2008).

Consumer loans and other loans granted by MFIs to households went down by LTL 62.2 million and 11.4 million, respectively, in July 2009, whereas loans for house purchase increased by LTL 7.2 million. The annual growth rate of loans for house purchase was 6.8% at the end of July (39.4% in July 2008).

Development of Loans to Households

(transactions during period)



Longer-term financial liabilities of MFIs increased by LTL 171.5 million in July. Their change resulted from the increase of the capital and reserves of MFIs by LTL 145.9 million, debt securities with agreed maturity of over 2 years issued by MFIs by LTL 22.4 million and deposits with agreed maturity of over 2 years by LTL 3.2 million.

Deposits of the central government held by MFIs declined over the month by LTL 1.1 billion. Deposits of the central government held with the Bank of Lithuania went down by 987.0 million and those held with other MFIs by LTL 121.4 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	
	June 2009	July 2009	July 2009	July 2009	June 2009	July 2009
M2	41086,1	6,4	-6,8	41085,7	-6,5	-7,9
M1	21245,6	-110,0	-2,4	21133,2	-19,2	-20,5
Currency in circulation	7098,8	-25,0	0,1	7073,8	-12,3	-13,0
Overnight deposits	14146,8	-85,0	-2,5	14059,4	-22,4	-23,8
Other short-term deposits	19840,5	116,4	-4,4	19952,5	12,6	10,7
Deposits with agreed maturity up to 2 years	19610,0	94,4	-4,1	19700,3	13,2	11,2
Deposits redeemable at notice up to 3 months	230,4	22,0	-0,3	252,2	-22,9	-17,3
Marketable instruments	525,7	-8,7	0,5	517,6	-56,4	-62,8
Repurchase agreements	67,2	6,7	0,0	73,9	x	x
Money market funds shares/units
Debt securities issued up to 2 years	458,5	-15,3	0,5	443,7	-54,6	-62,9
M3	41611,8	-2,3	-6,3	41603,3	-7,9	-9,6
Net external assets	-12549,0	-373,8	33,2	-12889,5	31,9	28,2
Credit to general government	4680,2	135,3	3,7	4819,1	32,8	37,9
Loans	1780,5	-40,2	-0,1	1740,2	45,7	50,5
Securities other than shares	2899,6	175,5	3,8	3078,9	24,5	30,0
Credit to other residents	66188,1	-558,2	-26,8	65603,0	-0,2	-2,7
Loans	65630,1	-589,0	-27,3	65013,9	-0,6	-3,2
Securities other than shares	249,9	-5,3	0,1	244,7	391,2	359,8
Shares and other equity	308,1	36,0	0,4	344,5	31,5	47,6
<i>less:</i> Deposits of central government	4793,1	-1108,4	-0,1	3684,5	41,0	27,5
<i>less:</i> Longer-term financial liabilities	12423,0	171,5	-18,7	12575,8	9,4	9,6
<i>less:</i> Other items (net)	-508,6	142,4	35,2	-331,0	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