

27 November 2009

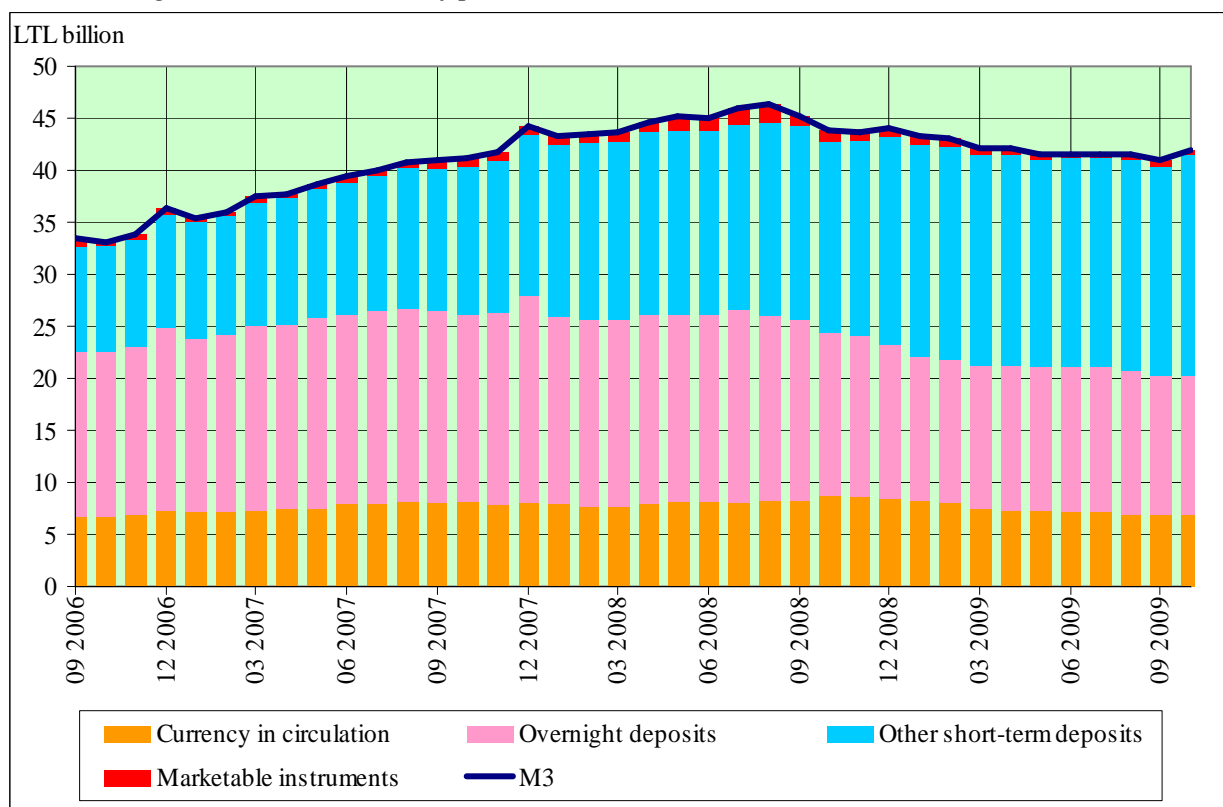
MONETARY SURVEY AND BALANCE SHEET OF OTHER MFIs, OCTOBER 2009

A widening of all monetary aggregates was observed in October 2009: M1 increased by LTL 128.8 million, whereas M2 and M3 went up by LTL 1.0 billion each. In the course of the year, they contracted respectively by 16.9%, 2.8% and 3.8% to LTL 20.3 billion, LTL 41.4 billion, and LTL 42.0 billion at the end of the year.

Broad monetary aggregate M3 went up as a result of an increase in deposits with agreed maturity of up to 2 years, overnight deposits, and currency in circulation respectively by LTL 938.3 million, LTL 111.3 million, and LTL 17.5 million. However, M3 growth was contained by a decrease in deposits redeemable at a period of notice of up to 3 months, debt securities with maturity of up to 2 years, and repo transactions respectively by LTL 43.6 million, LTL 10.2 million, and LTL 8.3 million.

Monetary aggregate M3 and its components

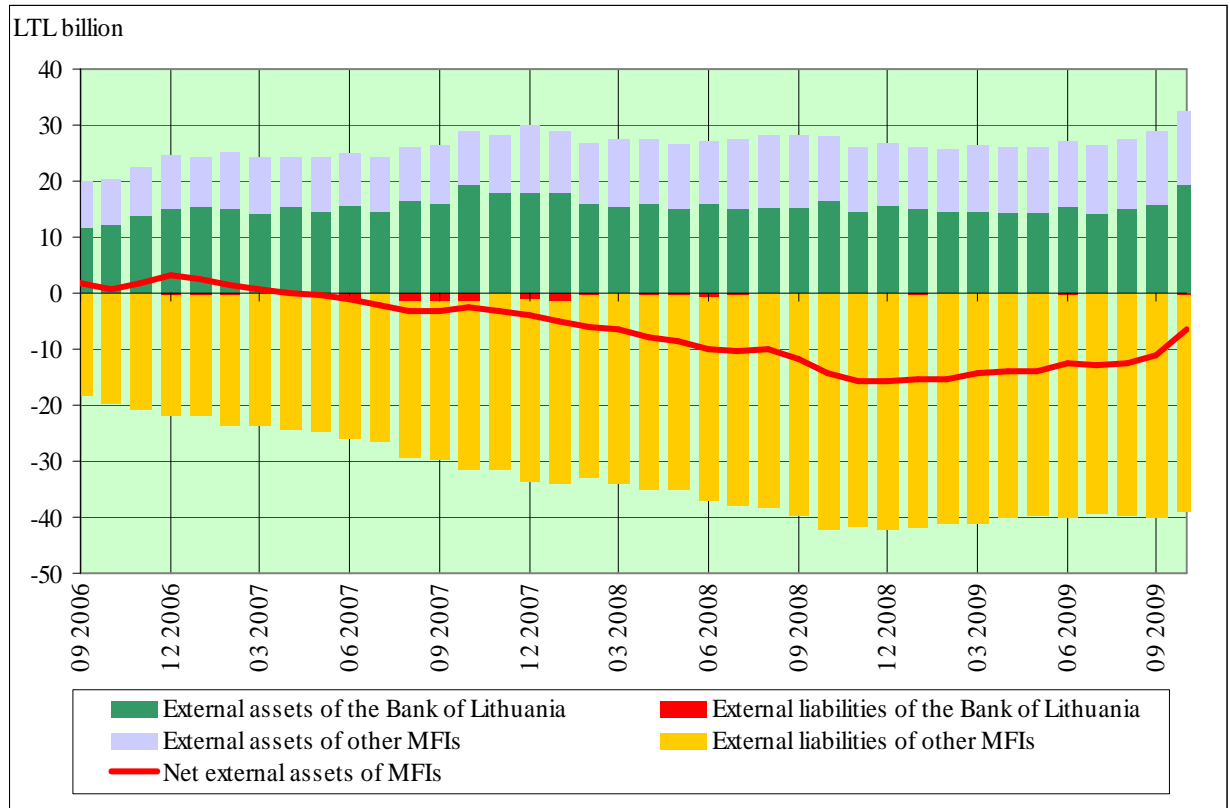
(outstanding amounts at the end of period)



Net external assets of monetary financial institutions (MFIs) grew in October by LTL 4.6 billion and at the end of the month it was negative standing at LTL 6.4 billion. An increase in net external assets was driven by a hike both in net external asset of the Bank of Lithuania and other MFIs respectively by LTL 3.1 billion and LTL 1.4 billion.

Net External Assets of MFIs

(outstanding amounts at the end of period)



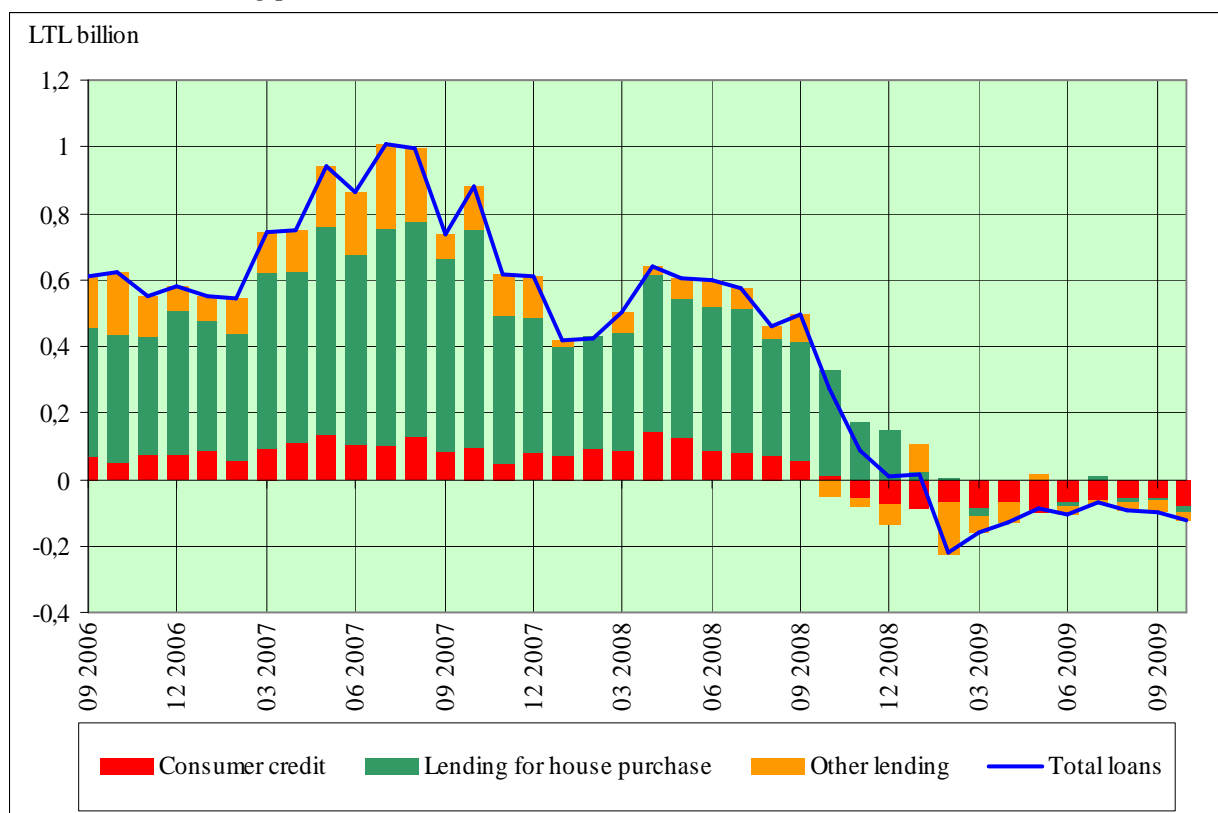
In October, domestic credit surged up by LTL 80.1 million driven mainly by an increase of LTL 160.1 million in MFIs-held shares issued by other residents and other equity. MFI lending to non-financial corporations and households, however, kept decreasing with the amount of loans to these sectors contracting respectively by LTL 9.1 million and LTL 120.8 million.

In October 2009, annual growth rates of other MFIs lending to households and non-financial corporations remained negative at 3.2% and 6.9%, respectively.

A decrease was observed in October in other MFIs' loans to households such as consumer credit (a decrease of LTL 78.2 million), loans for house purchase (a decrease of LTL 18.2 million), and other loans (a decrease of LTL 24.4 million). At the end of October, the annual growth rate of lending for house purchase was 1.3%.

Development of Loans to Households

(transactions during period)



Throughout October, longer-term financial liabilities of MFIs grew by LTL 1.3 billion as a result of an increase of LTL 1.3 billion in capital and reserves, and a rise of LTL 59.9 million in deposits with agreed maturity of over 2 years. MFIs-issued debt securities with maturity of over 2 went down by LTL 25.2 million.

Central government deposits with MFIs went up during the month by LTL 2.4 billion, whereas central government deposits with the Bank of Lithuania increased by LTL 2.7 billion, while with other MFIs went down by LTL 298.8 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	
	September 2009	October 2009	October 2009	October 2009	September 2009	October 2009
M2	40440.5	1023.5	-18.9	41445.1	-8.4	-2.8
M1	20141.8	128.8	-1.4	20269.2	-21.4	-16.9
Currency in circulation	6878.9	17.5	-0.1	6896.4	-15.8	-20.0
Overnight deposits	13262.9	111.3	-1.3	13372.8	-24.0	-15.2
Other short-term deposits	20298.7	894.7	-17.5	21175.9	9.4	16.1
Deposits with agreed maturity up to 2 years	20056.3	938.3	-17.3	20977.2	9.8	16.4
Deposits redeemable at notice up to 3 months	242.4	-43.6	-0.2	198.7	-15.3	-8.5
Marketable instruments	523.3	-18.5	9.3	514.1	-46.4	-48.0
Repurchase agreements	125.4	-8.3	9.3	126.4	x	x
Money market funds shares/units
Debt securities issued up to 2 years	398.0	-10.2	0.0	387.8	-39.5	-39.5
M3	40963.8	1005.0	-9.6	41959.2	-9.3	-3.8
Net external assets	-11018.4	4586.6	4.4	-6427.4	2.1	-51.7
Credit to general government	5015.1	-64.4	-5.3	4945.4	51.5	50.6
Loans	1765.8	24.7	-1.3	1789.2	74.8	78.1
Securities other than shares	3249.3	-89.1	-4.0	3156.2	39.2	36.5
Credit to other residents	65499.6	144.4	-9.0	65635.0	-5.2	-5.7
Loans	64799.5	-58.4	-9.1	64732.0	-5.8	-6.7
Securities other than shares	224.2	42.7	0.0	267.0	376.4	635.0
Shares and other equity	475.8	160.1	0.0	636.0	101.0	172.8
<i>less:</i> Deposits of central government	5380.3	2361.5	24.1	7765.9	49.5	150.9
<i>less:</i> Longer-term financial liabilities	13141.4	1327.1	-51.6	14417.0	10.4	21.6
<i>less:</i> Other items (net)	10.7	-26.9	27.1	10.9	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