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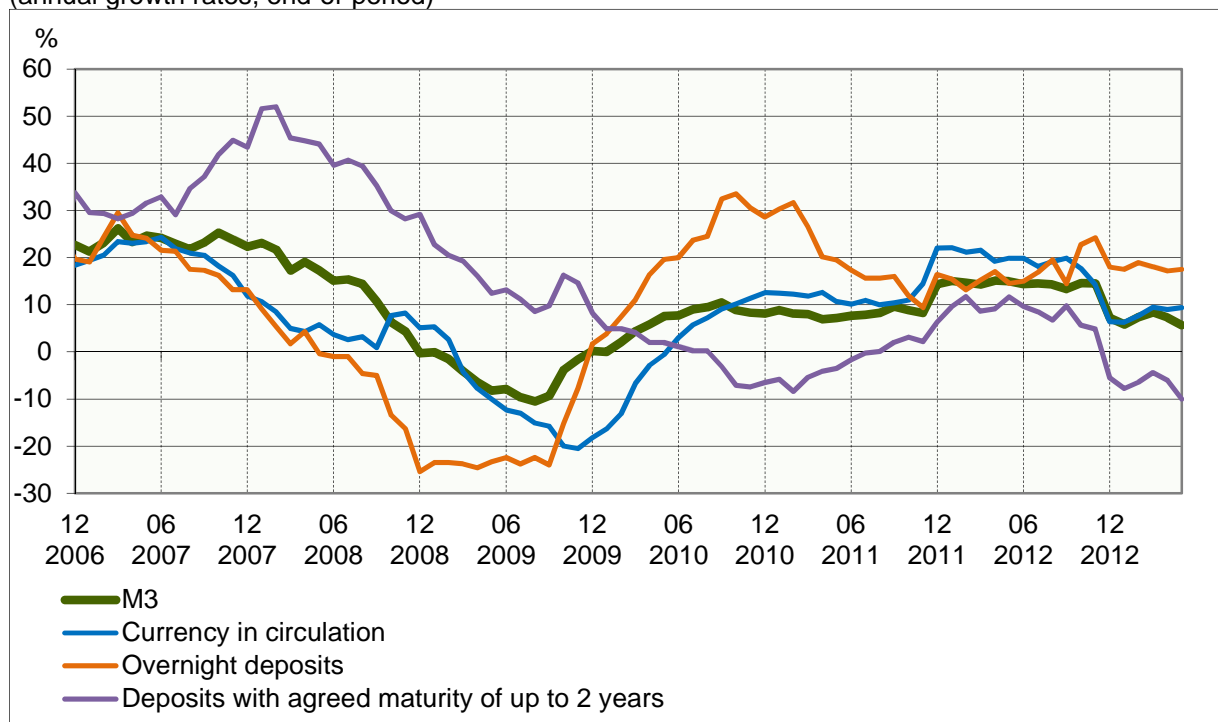
## MONETARY SURVEY AND BALANCE SHEET OF OTHER MFIs, MAY 2013

In May 2013 the monetary financial institutions' (MFI) net external assets went down by LTL 300.9 million and amounted to LTL 7.1 billion. The outstanding amount of domestic credit decreased by LTL 131.2 million due to transactions and by LTL 744.9 million due to other changes over the month. Domestic credit's outstanding amount decreased because the outstanding amount of loans to other residents declined by LTL 288.8 million due to transactions and LTL 721.2 million due to other changes, most of which consisted of reclassification of the bank, whose licence has been cancelled, to the non-financial corporations sector. In May M3 broad monetary aggregate decreased by LTL 420.5 million and its annual growth rate at the end of the month decreased from 7.3 per cent to 5.7 per cent. The decrease of M3 was most substantially influenced by a decline in deposits with an agreed maturity of up to 2 years (LTL 564.4 million). The share of other MFIs' lending to households in euros was declining gradually — from 73.2 per cent (at the end of December 2011) to 70.4 per cent (at the end of May 2013), with the respective increase of the share of loans in litas.

Monetary aggregates grew over the year as follows: M1 — 15.0, M2 — 5.8 and M3 — 5.7 per cent. At the end of May 2013, M1 amounted to LTL 36.2 billion, M2 — LTL 53.3 billion, and M3 — LTL 53.8 billion.

In May, M3 broad monetary aggregate decreased due to the fact that deposits with an agreed maturity of up to two years, debt securities up to two years and repurchase agreements decreased respectively by LTL 564.4 million, LTL 135.9 million and LTL 33.6 million. M3 increased, however, on account of overnight deposits and currency in circulation, which grew respectively by LTL 229.0 million and LTL 84.5 million. Detailed data is provided in Table 1 at the end of the Survey.

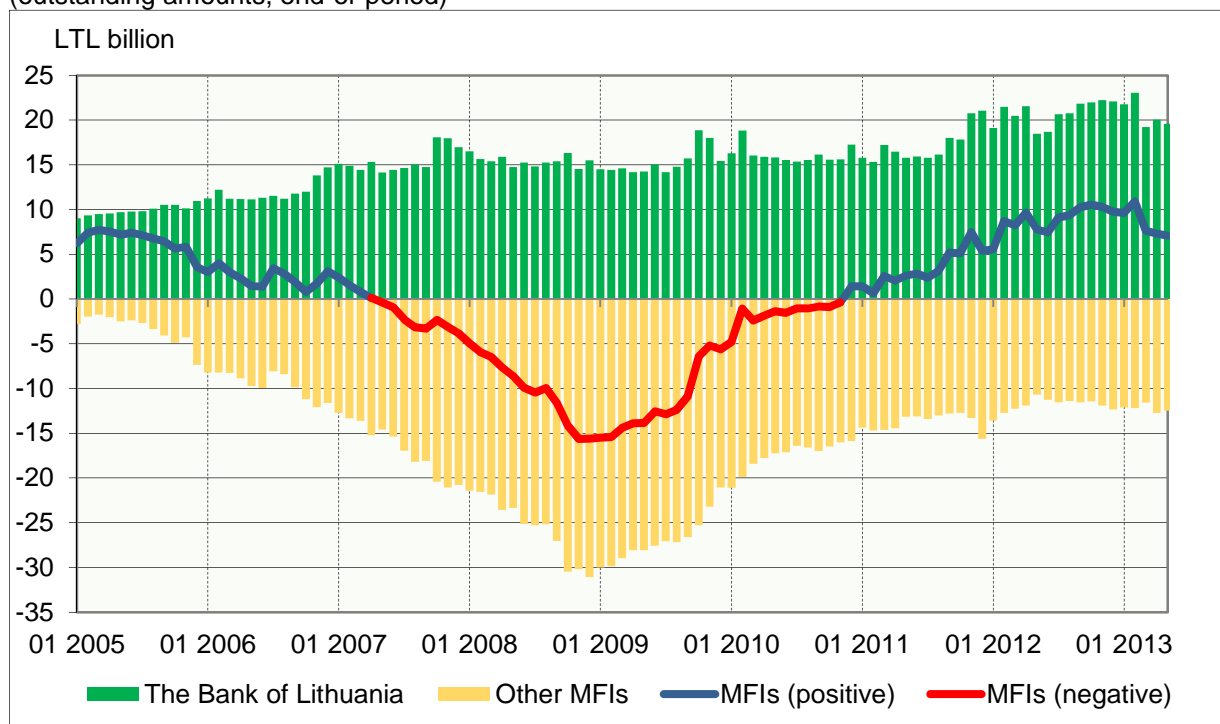
Fig. 1. Monetary aggregate M3 and its components (annual growth rates, end-of-period)



MFIs' net external assets shrank by LTL 300.9 million over the month and at the end of May 2013 amounted to LTL 7.1 billion. However, as can be seen in Fig. 2, from the end of 2008 MFIs' net external assets grew rapidly. Over the past two years they increased by LTL 7.3 billion: those of the Bank of Lithuania went up by LTL 4.2

billion and those of other MFIs — LTL 3.1 billion. The Lithuanian banking system's (other MFIs) net external assets increased over this period as a result of a decline in external liabilities by LTL 4.1 billion.

Fig. 2. Net external assets of MFIs (outstanding amounts, end-of-period)



In May, the outstanding amount of domestic credit decreased by LTL 876.1 million (LTL 131.2 million due to transactions and LTL 744.9 billion due to other changes). The outstanding amount of credit to general government increased by LTL 158.7 million due to transactions, whereas the outstanding amount of credit to other residents declined by LTL 1.0 billion (due to transactions and other changes by LTL 289.9 million and LTL 744.1 million respectively). The decline in the outstanding amount of credit to other residents was driven mainly by a drop in the outstanding amount of other MFIs' loans to non-financial corporations of LTL 922.1 million (LTL 284.9 million due to transactions and LTL 637.2 million due to other changes).

Loans of other MFIs to households increased by LTL 61.3 million: consumer loans — by LTL 19.8 million, loans for house purchase — LTL 16.8 million, and other loans — LTL 24.7 million.

Other MFIs' loans to residents in euros dominated the lending composition by currency: at the end of May they accounted for 67.2 per cent, while loans in litas — 30.4 per cent. Such differences in lending by currency emerged as a result of the composition of other MFIs' loans to non-financial corporations and households. At the end of May other MFIs' loans to non-financial corporations in euros accounted for 68.1 per cent, in litas — 28.0 per cent. Other MFIs' loans to households in euros accounted for 70.4 per cent, while lending in litas accounted for 28.6 per cent. The share of other MFIs' loans to residents in euros decreased by 0.1 percentage point, while the share in litas increased by 0.2 percentage points over the month. This was due to the same changes in the composition of loans to non-financial corporations and households. From December 2011 the share of loans to households in euros decreased by 2.8 percentage points, with the share of loans in litas increasing by the same amount.

In May 2013 the outstanding amount of MFIs' longer-term financial liabilities increased by LTL 283.5 million (LTL 36.4 million due to transactions and LTL 247.0 million due to other changes) on account of an increase in capital and reserves (LTL 46.8 million due to transactions and LTL 323.6 million due to other changes). Central government deposits contracted by LTL 101.3 million over the month because of a decline in deposits held with the Bank of Lithuania by LTL 64.7 million and with other MFIs by LTL 36.6 million.

## Footnotes.

1. Unless otherwise specified, changes per month (in litas) and annual growth rates (in per cent) of monetary aggregates and the balance sheet items of other IMFs 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 a maturity of up to 2 years.
4. For the terms used in the Survey see the website of the Bank of Lithuania (<http://www.lb.lt/notes>).

Table 1. Monetary aggregates and counterparts,  
LTL millions

	Outstanding amounts at the end of previous period	Transactions during period	Other changes in outstanding amounts during period	Outstanding amounts at the end of the reporting period	Annual growth rates, per cent	
	April 2013	May 2013	May 2013	May 2013	April 2013	May 2013
<b>M2</b>	<b>53,703.7</b>	<b>-251.0</b>	<b>-96.8</b>	<b>53,355.8</b>	<b>7.1</b>	<b>5.8</b>
M1	35,978.4	313.5	-43.7	36,248.2	14.7	15.0
Currency in circulation	10,453.5	84.5	-0.2	10,537.8	9.0	9.4
Overnight deposits	25,524.9	229.0	-43.5	25,710.4	17.2	17.5
Other short-term deposits	17,725.3	-564.5	-53.1	17,107.7	-5.6	-9.6
Deposits with an agreed maturity of up to 2 years	17,225.4	-564.4	-43.7	16,617.3	-6.0	-10.0
Deposits redeemable at notice of up to 3 months	499.9	-0.1	-9.4	490.3	13.3	4.8
<b>Marketable instruments</b>	<b>568.8</b>	<b>-169.5</b>	<b>-0.6</b>	<b>398.7</b>	<b>26.1</b>	<b>-5.0</b>
Repurchase agreements	36.2	-33.6	0.0	2.6	x	x
Money market funds' shares/units	...	...	...	...	...	...
Debt securities issued up to 2 years	532.6	-135.9	-0.6	396.1	21.3	-2.9
<b>M3</b>	<b>54, 272.5</b>	<b>-420.5</b>	<b>-97.4</b>	<b>53,754.5</b>	<b>7.3</b>	<b>5.7</b>
Net external assets	7,297.5	-300.9	97.0	7,093.6	-21.3	-6.6
Credit to general government	8,431.1	158.7	-0.8	8,588.9	17.6	35.0
Loans	4,135.7	-41.2	-0.9	4,093.6	31.8	31.1
Securities other than shares	4,295.4	199.9	0.1	4,495.4	6.6	38.7
Credit to other residents	56,989.0	-289.9	-744.1	55,955.0	2.1	1.2
Loans	55,415.8	-288.8	-721.2	54,405.8	1.4	0.5
Securities other than shares	126.8	0.0	0.0	126.9	-63.4	-63.4
Shares and other equity	1,446.3	-1.1	-22.9	1,422.4	51.7	49.6
Central government deposits less	3,363.3	-101.3	-42.3	3,219.7	-57.2	-33.1
Longer-term financial liabilities less	14,389.6	36.4	247.0	14,673.1	4.8	4.6
Other items (net) less	692.1	53.3	-755.2	-9.8	x	x

**Footnote.** The totals may 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 an expression although the phenomenon existed.