

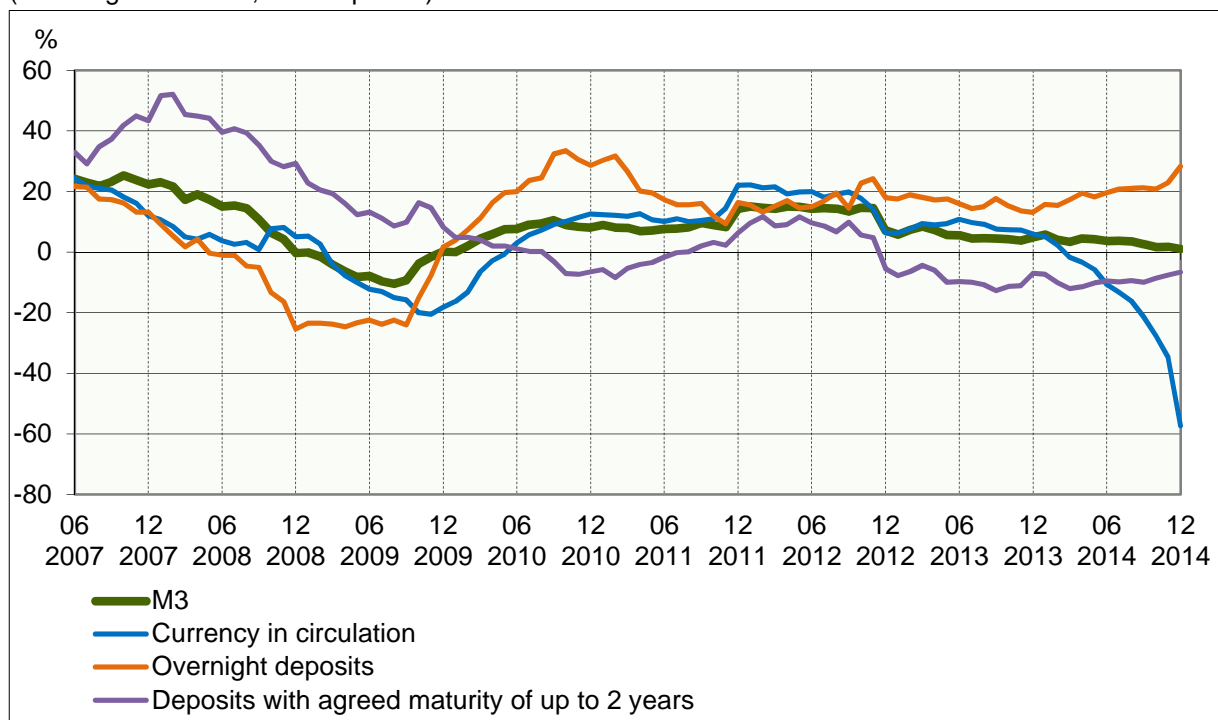
## Monetary Survey and Balance Sheet of Other MFIs, December 2014

Over December 2014 the M3 broad monetary aggregate increased by EUR 288.0 million (LTL 994.4 million), while its annual growth rate was 1.0 per cent at the end of the month. A major impact on the increase in M3 came from overnight deposits, deposits with agreed maturity of up to 2 years and deposits redeemable at notice of up to 3 months — over the month they increased respectively by EUR 937.3 million, EUR 58.0 million and EUR 8.4 million (LTL 3.2 billion, LTL 200.1 million and LTL 29.1 million), respectively. However, M3 was reduced by currency in circulation and debt securities up to 2 years, which over the month decreased by EUR 695.1 million and EUR 20.6 million (LTL 2.4 billion and LTL 71.0 million), respectively. Net external assets of monetary financial institutions (MFI) increased by EUR 108.0 million (LTL 372.8 million) in December and amounted to EUR 4.5 billion (LTL 15.6 billion). Domestic credit over the month decreased by EUR 91.4 million (LTL 315.5 million): credit to other residents decreased by EUR 106.8 million (LTL 368.6 million), while credit to general government increased by EUR 15.4 million (LTL 53.1 million).

Monetary aggregates grew over the year as follows: M1 — 4.7, M2 — 1.3, and M3 — 1.0 per cent. At the end of December 2014, M1 amounted to EUR 12.1 billion, M2 — EUR 16.5 billion, M3 — EUR 16.6 billion (LTL 41.7 billion, LTL 57.1 billion and LTL 57.2 billion).

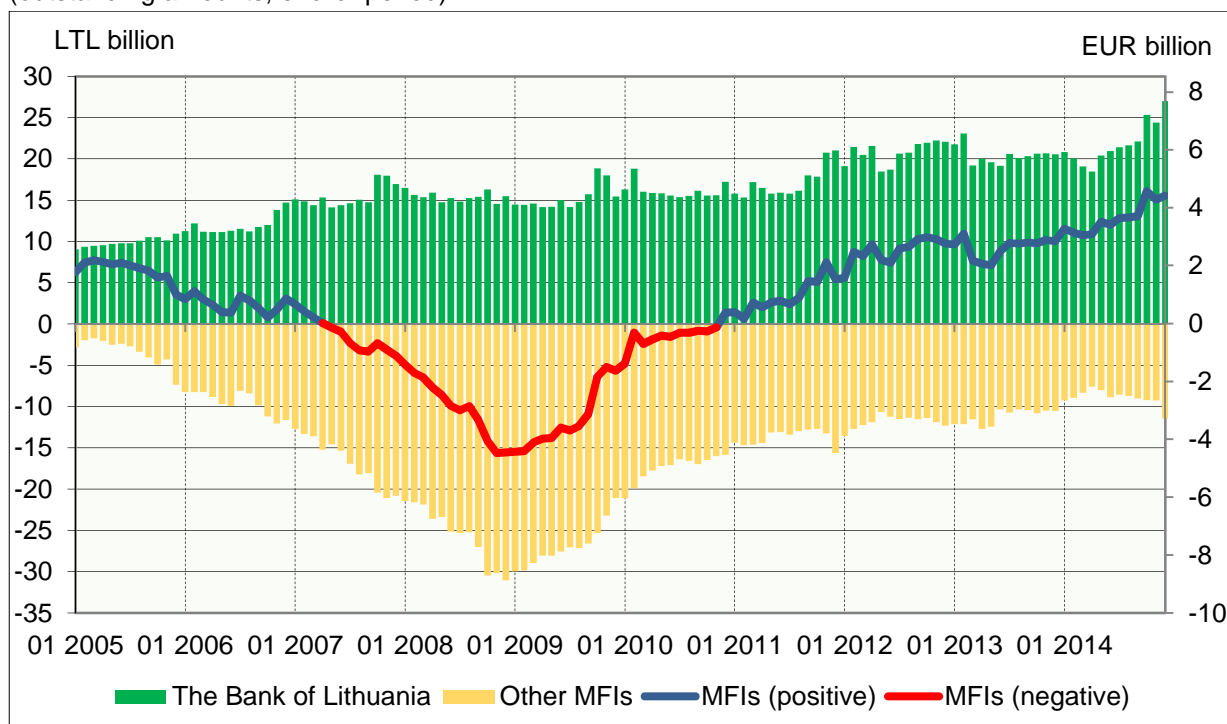
The M3 broad monetary aggregate increased in December due to the fact that overnight deposits increased by EUR 937.3 million (LTL 3.2 billion), deposits with agreed maturity of up to 2 years — EUR 58.0 million (LTL 200.1 million) and deposits redeemable at notice of up to 3 months — EUR 8.4 million (LTL 29.1 million). However, M3 was reduced by currency in circulation and debt securities up to 2 years, which over the month decreased by EUR 695.1 million and EUR 20.6 million (LTL 2.4 billion and LTL 71.0 million), respectively. Detailed data is presented in Tables 1 and 2 at the end of the Survey.

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



MFIs' net external assets increased by EUR 108 million (LTL 372.8 million) over the month and amounted to EUR 4.5 billion (LTL 15.6 billion) at the end of December 2014. As can be seen in Chart 2, the net external assets of MFIs grew rapidly from the end of 2008. Over the past two years they increased by EUR 1.7 billion (LTL 6.0 billion): those of the Bank of Lithuania — EUR 1.6 billion, those of other MFIs — EUR 182.2 billion (LTL 5.4 billion and LTL 628.9 million, respectively). The Lithuanian banking system's (other MFIs') net external assets increased over this period as a result of a decrease in external liabilities by EUR 1.5 billion (LTL 5.2 billion).

Chart 2. Net External Assets of MFIs (outstanding amounts, end-of-period)



In December domestic credit decreased by EUR 91.4 million (LTL 315.5 million): credit to other residents decreased by EUR 106.8 million (LTL 368.6 million), while credit to general government increased by EUR 15.4 million (LTL 53.1 million). Lending of other MFIs to non-financial corporations, households, and financial intermediaries decreased respectively by EUR 74.1 million, EUR 18.8 million and EUR 18.1 million (LTL 255.8 million, LTL 65.0 million and LTL 62.6 million, respectively), while loans to general government increased by EUR 7.8 million (LTL 26.8 million). Loans to households contracted due to a drop in consumer loans and other loans by EUR 13.4 million and EUR 12.3 million respectively (LTL 46.3 million and LTL 42.5 million), while loans for house purchase increased by EUR 6.9 million (LTL 23.8 million).

In terms of the lending composition by currency, it can be seen that other MFIs' loans to all residents in euro dominated it: at the end of December they accounted for 68.8 per cent, while loans in litas — 30.2 per cent. Such differences in lending by currency emerged due to the composition of other MFIs' loans to non-financial corporations and households. At the end of December other MFIs' loans to non-financial corporations in euro accounted for 75.7 per cent, in litas — 23.1 per cent. Other MFIs' loans to households in euro accounted for 67.7 per cent, while lending in litas — 31.4 per cent.

In December 2014 MFIs' longer-term financial liabilities increased by EUR 2.3 million (LTL 8.0 million): capital and reserves increased by EUR 8.8 million (LTL 30.3 million), while deposits with an agreed maturity of over to 2 years and debt securities with a maturity of over 2 years decreased respectively by EUR 6.2 million and EUR 0.3 million (LTL 21.3 million and LTL 1.1 million). Central government deposits decreased by EUR 227.0 million (LTL 783.8 million) over the month: deposits held at the Bank of Lithuania decreased

by EUR 461.3 million (LTL 1.6 billion), while in other MFIs — increased by EUR 234.3 million (LTL 809.0 million).

## Notes

1. Unless otherwise specified, changes per month (in litas and euro) and annual growth rates (in per cent) of 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 an 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, EUR million

	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, in percent	
	November 2014	December 2014	December 2014	December 2014	November 2014	December 2014
<b>M2</b>	<b>16,190.5</b>	<b>308.6</b>	<b>28.0</b>	<b>16,527.1</b>	<b>2.2</b>	<b>1.3</b>
Monetary aggregate M1	11,820.2	242.2	18.2	12,080.6	6.6	4.7
Currency in circulation	2,049.8	-695.1	-0.5	1,354.3	-34.8	-57.3
Overnight deposits	9,770.4	937.3	18.7	10,726.3	22.9	28.3
Other short-term deposits	4,370.3	66.4	9.8	4,446.5	-8.0	-6.9
Deposits with agreed maturity of up to 2 years	4,251.9	58.0	9.8	4,319.5	-7.6	-6.6
Deposits redeemable at notice of up to 3 months	118.5	8.4	0.1	127.0	-21.4	-16.8
<b>Marketable instruments</b>	<b>57.2</b>	<b>-20.6</b>	<b>0.1</b>	<b>36.7</b>	<b>-49.9</b>	<b>-58.5</b>
Repurchase agreements	0.0	0.0	0.0	0.0	x	x
Money market funds shares/units	...	...	...	...	...	...
Debt securities up to 2 years	57.2	-20.6	0.1	36.7	-49.7	-58.5
<b>M3</b>	<b>16,247.7</b>	<b>288.0</b>	<b>28.1</b>	<b>16,563.8</b>	<b>1.8</b>	<b>1.0</b>
Net external assets	4,371.3	108.0	26.6	4,505.9	46.9	50.5
Credit to general government	2,578.9	15.4	6.6	2,600.9	2.3	0.7
Loans	1,149.4	7.8	1.8	1,159.0	-3.4	-3.5
Securities other than shares	1,429.4	7.6	4.8	1,441.8	7.6	4.4
Credit to other residents	15,905.1	-106.8	4.3	15,802.6	-0.6	-0.1
Loans	15,510.1	-111.5	-15.4	15,383.2	-0.7	-0.1
Securities other than shares	29.8	0.0	0.1	29.8	-18.7	-18.7
Shares and other equity	365.2	4.7	19.6	389.5	5.5	1.1
Central government deposits <i>less</i>	2,338.9	-227.0	4.7	2,116.7	63.0	132.8
Longer-term financial liabilities <i>less</i>	4,155.8	2.3	4.6	4,162.7	2.5	2.8
Other items (net) <i>less</i>	112.7	-46.7	0.1	66.1	x	x

Table 2. Monetary aggregates and counterparts,  
LTL million

	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
	October 2014	November 2014	November 2014	November 2014
<b>M2</b>	<b>55,902.6</b>	<b>1,065.4</b>	<b>96.8</b>	<b>57,064.9</b>
Monetary aggregate M1	40,812.9	836.2	62.8	41,711.9
Currency in circulation	7,077.6	-2,400.0	-1.6	4,676.0
Overnight deposits	33,735.3	3,236.2	64.4	37,035.9
Other short-term deposits	15,089.7	229.2	34.0	15,353.0
Deposits with agreed maturity of up to 2 years	14,680.8	200.1	33.7	14,914.5
Deposits redeemable at notice of up to 3 months	409.0	29.1	0.4	438.5
<b>Marketable instruments</b>	<b>197.6</b>	<b>-71.0</b>	<b>0.2</b>	<b>126.7</b>
Repurchase agreements	0.0	0.0	0.0	0.0
Money market funds shares/units	...	...	...	...
Debt securities up to 2 years	197.6	-71.0	0.2	126.7
<b>M3</b>	<b>56,100.2</b>	<b>994.4</b>	<b>97.0</b>	<b>57,191.6</b>
Net external assets	15,093.1	372.8	91.9	15,557.9
Credit to general government	8,904.3	53.1	22.9	8,980.3
Loans	3,968.8	26.8	6.3	4,001.9
Securities other than shares	4,935.5	26.2	16.7	4,978.4
Credit to other residents	54,917.1	-368.6	14.7	54,563.1
Loans	53,553.4	-384.9	-53.3	53,115.2
Securities other than shares	102.8	0.0	0.2	103.0
Shares and other equity	1,260.9	16.3	67.8	1,345.0
Central government deposits /less	8,075.9	-783.8	16.2	7,308.4
Longer-term financial liabilities /less	14,349.1	8.0	15.9	14,373.0
Other items (net) /less	389.2	-161.3	0.3	228.3

**Note:** 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 expression, although the phenomenon existed.