

FINANCIAL SYSTEMS

In November, household and company deposits rose by EUR8bn

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Total deposits in Spanish credit institutions increased by EUR26bn

The aggregate for deposits, including all agents and geographies, increased in November as result of the performance of: i) deposits held by residents in Spain (+EUR11bn), and, of these, mainly of other residents (+EUR16bn), excluding credit institutions and public administrations and(ii) deposits held by eurozone residents (+EUR12bn). For a more complete breakdown, see Table 1.

Spanish households and companies increased their deposits by EUR8bn in line with expectations; seasonally adjusted, they fell by EUR1.7bn

The important agents to bear in mind when analysing changes in deposits are households and companies based in Spain. The latest data available published by the Bank of Spain show that households increased their deposits by EUR3.5bn, and companies did so by EUR4.5bn, both in line with expectations. Seasonally adjusted, the series show virtually no fall in the case of companies and a slight fall in the case of households (-EUR1.8bn). The sum of both items, seasonally adjusted, show a slight fall (-EUR1.7bn).

Household and company deposits fell at year-on-year rates (-1% YoY). Some of the reasons for this behaviour may be that deposits made way for more profitable products and that households are spending more. In the next few months these trends are likely to strengthen, in line with the backdrop of low interest rates and economic recovery.

Tabla 1
 Total deposits from Other Financial Monetary Institutions

	Outstanding balance		MoM change November-2014		YoY change November-2014	
	Oct-14	Nov-14	(€bn)	%	(€bn)	%
Total deposits (a)+(b)+(c)	2.132	2.158	26	1	-55	-3
Total deposits, Spain (a)	1.789	1.800	11	1	-106	-6
Credit institutions	334	326	-8	-3	-84	-20
Public administrations	41	44	4	10	8	22
Other resident sectors, Spain (1)	1.414	1.430	16	1	-30	-2
NMFIs	382	390	8	2	-23	-6
Insurance companies	53	53	0	0	0	1
Other public administrations	36	36	0	0	3	8
Non-financial corporations and Households (i)+(ii)	943	951	8	1	-10	-1
Non-financial corporations (i)	198	203	5	2	-1	0
Households (ii)	744	748	4	0	-9	-1
Total eurozone deposits (b)	212	223	12	6	52	30
Credit institutions	162	172	10	6	36	27
Public administrations	5	5	0	0	5	s.s.
Other resident sectors, eurozone (2)	45	47	2	4	11	30
Total deposits, RoW (c)	132	135	3	2	-2	-1
Credit institutions	86	87	1	1	-7	-8
Public administrations	0	0	0	17	0	259
Other resident sectors, RoW	45	47	2	4	5	13
ECB Other eurozone resident sector deposits (1)+(2)	1.459	1.477	18	1	-19	-1

Source : BBVA Research based on Bank of Spain

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