Peter Praet

Member of the Executive Board of the ECB

Heidelberg Symposium
University of Heidelberg

11 May 2017
Sources: European Commission, ECB calculations.
Note: Counterfactual GDP assumes that potential GDP continued to grow at its 2007 growth rate.
Latest observation: 2017Q1.

Sources: Eurostat, ECB calculations.
Latest observation: 2017Q1 (France, Spain), 2016Q4 (Germany, Italy)
Euro area real GDP over various cycles and compared with the current US cycle
(index: business cycle peak = Q = 100)

Sources: Eurostat, United States Census Bureau and ECB calculations.
Latest observation: 2017Q1.
6-10 years ahead growth expectations for the euro area (annual % change)

Source: Consensus Economics.

Bank loans to the private sector (annual percentage changes)

Source: ECB.
Sources: Markit, DG-ECFIN and Eurostat.
Note: The ESI and PMI are normalised.
Latest observations: 2017Q1 for GDP outcome, April 2017 for the ESI and the PMI.
HICP inflation and HICP excluding food and energy
(annual percentage changes)

Source: Eurostat.

Price of inflation and deflation protection
(% p.a.)

Source: Bloomberg.
Note: The price of inflation (deflation) protection refers to the price of a five-year year-on-year inflation option with a 4% cap (0% floor).
Source: Reuters.
Note: 10-year sovereign bond yield spreads against German 10-year sovereign bond yield.

Source: European Commission’s spring 2017 economic forecast.
Note: Budget balance excl. UMTS proceeds.
M3 and loan growth
(annual percentage changes)

- Source: ECB.

Central bank balance sheets
(Jan. 2007 = 100)

- Sources: ECB, Federal Reserve.
EONIA and 10-year OIS
(percentages per annum)

Composite lending rates to NFCs
(percent per annum)

Sources: Reuters, ECB.
Note: 10-year swap rate against 6-month Euribor up to 2004; 10-year OIS from 2005 onwards.

Source: ECB.
Notes: The indicator for the total cost of bank borrowing is calculated by aggregating short and long-term rates using a 24-month moving average of new business volumes. The cross-country dispersion displays the min and max range over a fixed sample of 12 euro area countries.
## ECB monetary policy measures since June 2014

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<td>MRO: 0.15%:</td>
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<td>MLF: 0.40%;</td>
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<td>DRF: -0.10%</td>
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<td><strong>Private asset purchases</strong></td>
<td>Broad portfolio of simple &amp; transparent ABS and CBs</td>
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<td>Purchase of inv.-grade NFC bonds ... with high pass-through to real economy</td>
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<td><strong>Public asset purchases</strong></td>
<td>Purchases in EA sov. debt markets \€60bn monthly purchases, incl. ABSPP/CBPP3</td>
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<td>APP recalibration I \• Extension to Mar. 2017 \• Reinvestment of principal payments</td>
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<td>APP recalibration II \• €80bn monthly purchases \• Higher issue share limit for certain issuers</td>
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<td>APP recalibration III \• €60bn monthly purchases until December 2017 \• Min. remaining maturity for PSPP eligible securities decreased from 2y to 1y \• Purchases below DF rate allowed if necessary</td>
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