

**Monthly Report of the
Deutsche
Bundesbank**

July 1990

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More detailed statistics than those contained in this Report will be found in the Statistical Supplements to the Monthly Reports of the Deutsche Bundesbank:

- Series 1 Banking statistics, by category of banks
- Series 2 Securities statistics
- Series 3 Balance of payments statistics
- Series 4 Seasonally adjusted economic data
- Series 5 The currencies of the world

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Commentaries

In May the moderate growth of domestic money balances continued. The *money stock in the broad definition M3* (currency in circulation and the sight deposits, time deposits for less than four years and savings deposits at statutory notice held by non-banks with banks in the Federal Republic, calculated as a monthly average) exceeded in that month its average level in the fourth quarter of 1989 by a seasonally adjusted annual rate of 3.7%, compared with 4.3% in April. According to provisional, incomplete data for June, the money stock probably expanded at a more rapid pace again in that month and returned to this year's target corridor of 4% to 6%. If the money balances held by domestic non-banks abroad are included, the pace of monetary expansion continues to be distinctly faster than is suggested by the growth of the money supply in the Federal Republic. At the end of May *extended M3* (M3 plus domestic non-banks' deposits abroad and their portfolios of short-dated bank bonds) was almost 6½% up on the year. It thus outpaced the growth of the domestic money supply by 2 percentage points over this period.

Among the individual *components of the domestic money stock*, shorter-term time deposits increased rapidly during May, seasonally adjusted. Currency in circulation also rose again, after having contracted in the two preceding months. Sight deposits, by contrast, declined slightly after their faster expansion in April. The banks continued to register substantial outflows of funds from savings deposit accounts at statutory notice.

Bank lending to enterprises and individuals remained fairly strong in May, although – as already in April – it was no longer as buoyant as at the beginning of the year. Bank lending to the private sector increased by DM 5.9 billion, and thus about as much as in the same month of last year. Viewed over the somewhat longer term, private credit expansion continues to be quite rapid; over the last six months, lending to enterprises and individuals has increased at a seasonally adjusted annual rate of 9½%.

Non-banks' external payments produced substantial inflows of funds in May. The *net claims of the banks and the Bundesbank on parties outside the Federal Republic* went up by DM 9 billion, compared with DM 3.6 billion in April, but a decline of the same size a year earlier. As far as can be seen, the recent rise in the inflows of funds generated by external pay-

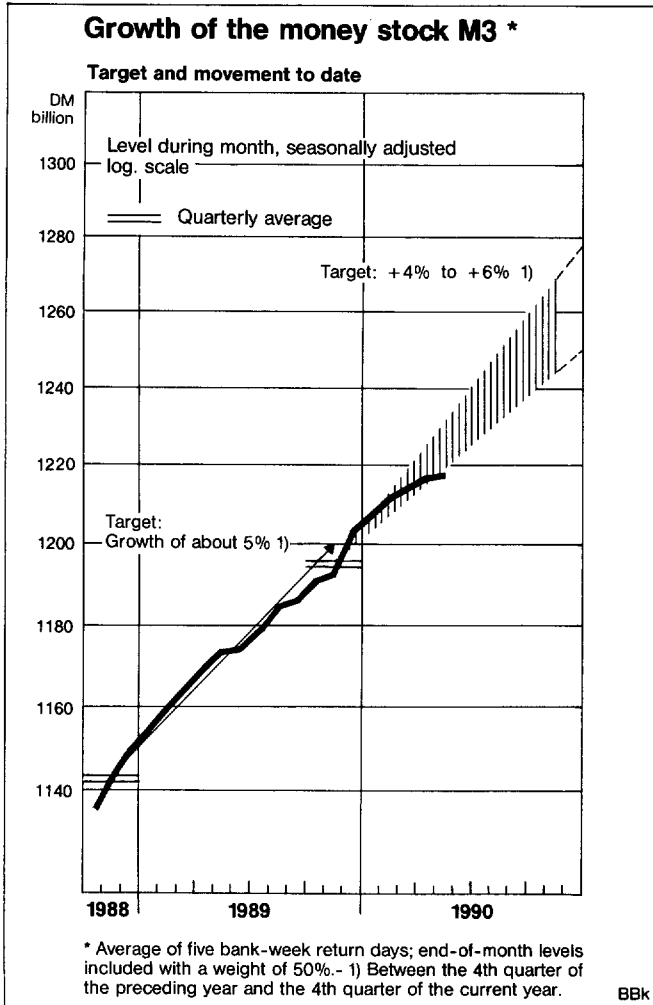
The money stock and its counterparts				
DM billion; change during period				
Item	1990			Compare May 1989
	March	April	May p	
I. Volume of credit 1	+ 13.9	+ 5.7	+ 8.4	+ 7.2
1. Lending by the Bundesbank	+ 0.8	– 0.2	– 1.1	+ 0.6
2. Lending by banks	+ 13.1	+ 5.9	+ 9.5	+ 6.7
to enterprises and individuals	+ 12.6	+ 4.5	+ 5.9	+ 6.8
of which				
short-term lending	+ 5.8	– 4.5	– 0.3	+ 1.1
longer-term lending 2	+ 4.7	+ 7.7	+ 6.4	+ 6.3
to public authorities	+ 0.4	+ 1.4	+ 3.5	– 0.1
II. Net claims on parties outside the Federal Republic of Germany 3	+ 2.6	+ 3.6	+ 9.0	– 3.6
III. Monetary capital formation 4	+ 17.0	+ 15.3	+ 11.9	+ 9.6
of which				
Time deposits and funds borrowed for four years and over	+ 2.0	+ 3.3	+ 2.6	+ 3.2
Savings deposits at agreed notice	+ 1.0	+ 0.8	+ 0.6	– 0.3
Bank savings bonds	+ 1.9	+ 1.2	+ 1.2	+ 0.5
Bank bonds outstanding 5	+ 8.6	+ 8.7	+ 6.3	+ 4.9
IV. Central bank deposits of public authorities	– 0.1	+ 5.1	+ 4.0	– 0.4
V. Other factors	+ 17.5	– 16.5	– 2.8	– 7.3
VI. Money stock M3 6 (Balance: I plus II less III less IV less V)	– 18.0	+ 5.3	+ 4.4	+ 1.8
M2 (M3 excluding savings deposits)	– 10.2	+ 11.1	+ 10.2	+ 5.2
M1 (currency and sight deposits)	– 8.8	+ 10.1	– 1.8	+ 2.0
Time deposits and funds borrowed for less than four years	– 1.4	+ 1.0	+ 11.9	+ 3.2
Savings deposits at statutory notice	– 7.8	– 5.8	– 5.8	– 3.3
Memorandum item				
M3 as a monthly average; annual change from 4th qtr of 1989 in % 7	+ 4.8	+ 4.3	+ 3.7	x

1 Including lending against Treasury bills and against securities. — 2 Excluding lending against securities. — 3 Banks and the Bundesbank. — 4 Excluding time deposits and funds borrowed for less than four years and excluding savings deposits at statutory notice. — 5 Excluding banks' holdings. — 6 Currency, sight deposits, time deposits and funds borrowed for less than four years, savings deposits at statutory notice. — 7 Change in the money stock M3 as a monthly average of five bank-week return days (end-of-month levels included with a weight of 50%) from the average of the fourth quarter of the preceding year, expressed as an annual rate, seasonally adjusted. — p Provisional.

Discrepancies in the totals are due to rounding. BBk

ments has curbed domestic credit expansion rather than fostered monetary growth.

Public sector cash transactions had a contractionary net impact on monetary expansion in May. Public sector debt to the banking system (Bundesbank and



the banks) increased strongly, it is true, at DM 2.3 billion, with the rise (of DM 3.7 billion) in banks' government bond portfolios being the main factor. At the same time, however, the public authorities built up their balances with the Bundesbank, which are not counted towards the money stock, at an even faster pace, viz. by DM 4 billion.

Monetary capital formation at banks continued to provide a major counterweight in May to the expansionary impact of lending on monetary growth; compared with the preceding months, however, it declined. In all, DM 11.9 billion of longer-term funds accrued, compared with DM 9.6 billion in May 1989. In particular, sales of bank bonds, which had been very buoyant, declined slightly (DM 6.3 billion). The growth of long-term time deposits, at DM 2.6 billion, also slackened somewhat. The banks received a total of DM 1.8 billion from sales of bank savings bonds and savings deposits at agreed notice. DM 1.1 billion was added to the banks' capital and reserves.

Issuing activity in the German bond market continued to be brisk in May. Domestic borrowers issued *bonds* to the market value of DM 29.7 billion, compared with DM 27.3 billion in April and DM 18.4 billion a year earlier. Net of redemptions and after taking account of the changes in issuers' holdings of their own bonds, net sales came to DM 19.8 billion, compared with DM 6.5 billion in the previous month and DM 9.9 billion in May 1989. In addition, foreign bonds (including foreign investment fund units) to the transaction value of DM 1.9 billion (net) were sold in the domestic market, about two-thirds of them being accounted for by foreign Deutsche Mark bonds. In May the total amount raised through sales of domestic and foreign paper, at DM 21.7 billion, was more than twice as high as in the previous month (DM 10.9 billion) or as a year earlier (DM 9.9 billion).

In May, in contrast to the preceding months, net sales of domestic bonds focused on bonds of the *public sector* (DM 13.9 billion). By far the greatest part of this sum accrued to the Federal Government (DM 11.9 billion), no less than DM 6.8 billion of it from sales of five-year special Federal bonds. Moreover, the Federal Government launched an 8.75% bond issue with a maturity of ten years, which yielded DM 4.8 billion. The Federal Post Office placed a floating-rate note issue, which increased its bond market debt by DM 1.9 billion. In May *banks* sold issues of their own bonds to the value of DM 5.9 billion (net). "Other" bank bonds (DM 4.2 billion) were in the forefront, as for some time past. DM 1.2 billion and DM 0.8 billion net, respectively, was raised by sales of bonds of specialised banks and by sales of communal bonds. By contrast, the amount of mortgage bonds outstanding in the market declined slightly (- DM 0.3 billion).

In the market for *foreign Deutsche Mark bonds* borrowing declined somewhat in May. Foreign borrowers placed bonds denominated in Deutsche Mark to the nominal value of DM 2.1 billion, compared with DM 3.5 billion in the previous month. As simultaneous redemptions came to DM 2.6 billion, the outstanding amount of foreign Deutsche Mark bonds declined by DM 0.5 billion; in April it had risen by DM 2.4 billion.

Domestic non-banks again showed a strong propensity to invest in May. Their purchases in the domestic bond market, amounting to DM 12.2 billion, ran at about the same level as in the preceding months.

representing purchases in connection with direct investment. Foreign investors allowed their German share holdings to diminish by DM 1.0 billion.

Sales and purchases of bonds *						
DM billion						
Period	Sales, total	Domestic bonds 1			Foreign bonds 2	
		Total	of which		Total	of which Foreign Deutsche Mark bonds
			Bank bonds	Public bonds		
1990 March	15.6	10.3	9.3	1.0	5.3	3.3
April	10.9	6.5	5.3	1.2	4.4	2.0
May p	21.7	19.8	5.9	13.9	1.9	1.2
Compare 1989 May	9.9	9.9	6.2	3.7	— 0.0	0.6
Period	Purchases, total	Banks (incl. the Bundesbank) 3	Non-banks 4			Non-residents 2
			Total	Domestic bonds	Foreign bonds	
		1990 March	15.6	5.0	15.9	12.4	3.5	— 5.3
April	10.9	— 3.4	13.2	9.8	3.3	1.1
May p	21.7	4.7	13.4	12.2	1.2	3.7
Compare 1989 May	9.9	2.1	6.4	5.8	0.6	1.4

* Including foreign investment fund units, which are included in foreign bonds. — 1 Net sales at market values plus/less changes in issuers' holdings of their own bonds. — 2 Transaction values. — 3 Book values; statistically adjusted. — 4 Residual. — **p** Provisional.
Discrepancies in the totals are due to rounding. BBK

More than half of their purchases consisted of public bonds, whereas they had previously favoured bank bonds. Foreign bonds continued to play a comparatively minor role in non-banks' investments (DM 1.2 billion). *Foreign investors*, whose acquisitions of German bonds grew slightly again in April, likewise purchased quite heavily in the domestic bond market (DM 3.7 billion) in May. *Banks* built up their bond portfolios by DM 4.7 billion, mainly by buying public bonds (DM 3.8 billion).

In May domestic *investment funds* (those open to the general public) were virtually unable to mobilise any new resources; on balance, only minor shifts from bond-based funds and open-end real estate funds to share-based funds were recorded (DM 0.2 billion). In May the specialised funds received investment capital to the net amount of DM 0.8 billion.

The amount raised by domestic enterprises in the German *share market* in May came to DM 2.7 billion, compared with DM 2.3 billion in April and only DM 0.1 billion a year before. At the same time foreign equities (excluding investment fund units) to the transaction value of DM 1.2 billion were placed in the domestic market, almost all of them again

8 Federal cash trend

In the first six months of this year the tendency towards higher deficits which is to be expected for Federal cash transactions over 1990 as a whole was not especially marked; in July, however, this tendency will emerge in full as a consequence of the assistance payments to the GDR in the context of the monetary, economic and social union. In the first six months of the year the cash deficit totalled DM 9 billion; despite the tax cuts at the beginning of 1990 it was only DM 2 billion up on the year. Cash receipts rose by just under 7% and thus 1 percentage point less than cash expenditure. In June alone (a month including a major tax payment date) the cash surplus, at DM 2.4 billion, was only slightly down on the year. In that month cash receipts once again rose somewhat less (+ 5 ½ %) than cash expenditure.

Public debt

In May the central, regional and local authorities drew heavily on the credit markets, after having raised relatively little in the first four months of this year in view of the tensions apparent at times in the markets and their favourable cash situation. Their net borrowing totalled DM 11.5 billion in May. DM 8.9 billion was accounted for by the *Federal Government* alone, which stepped up its borrowing in that month in the light of the burdens associated with the implementation of the monetary, economic and social union with the GDR. Large amounts of funds were raised, in particular, through the launching of a bond issue and sales of five-year special Federal bonds. The amounts of these securities outstanding went up by DM 4.5 billion and DM 6.7 billion, respectively. In addition, sales of Treasury financing paper yielded DM 0.9 billion. On the other hand, liabilities arising from borrowers' note loans fell by DM 3.0 billion owing to redemptions. A major part of the credit raised by the Federal Government in May was used to augment the cash reserves, which came to DM 9.7 billion at the end of the month. The *other public authorities* took up some DM 2.5 billion net in the credit markets in May, entirely in the form of direct bank loans.

In the light of the substantial credit balances which already existed at the end of May, the Federal Government confined its borrowing in June to regular sales of tap issues and sales of bonds for market regulation purposes. Owing to sizeable redemptions, the Federal Government's credit market

Federal finance on a cash basis *				
DM billion				
Item	January-June		June	
	1989	1990 p	1989	1990 p
Cash receipts	147.87	157.97	28.27	29.76
Cash expenditure	154.87	167.00	25.77	27.41
Cash surplus (+) or deficit (—)	— 7.00	— 9.03	+ 2.50	+ 2.35
Financing				
1. Change in cash resources 1	+ 1.15	+ 6.06	+ 3.64	+ 1.52
2. Change in Bundesbank advances	—	—	— 0.81	—
3. Change in credit market debt, total	+ 7.83	+ 12.02	+ 1.91	— 0.99
(a) Treasury discount paper	+ 0.77	— 2.19	—	— 1.90
(b) Treasury financing paper	+ 1.35	+ 4.69	+ 0.52	+ 0.76
(c) Federal Treasury paper	— 0.46	— 1.80	—	—
(d) Special Federal bonds	+ 1.34	+ 11.10	+ 2.57	+ 0.82
(e) Federal savings bonds	— 0.25	— 2.23	+ 0.02	— 0.07
(f) Bonds	+ 13.78	+ 15.37	+ 0.12	+ 1.36
(g) Bank advances	— 7.89	— 11.73	— 0.63	— 1.94
(h) Loans from social security funds	— 0.11	— 0.14	— 0.10	—
(i) Loans from other non-banks	— 0.64	— 0.98	— 0.59	—
(j) Other debt	— 0.05	— 0.05	— 0.00	— 0.01
4. Items in course of settlement	—	+ 2.52	—	—
5. Seigniorage	0.31	0.55	0.05	0.16
6. Total (1 less 2 less 3 less 4 less 5)	— 7.00	— 9.03	+ 2.50	+ 2.35
Memorandum items				
Increase or decrease from the previous year in %				
Cash receipts	+ 14.0	+ 6.8	+ 7.7	+ 5.3
Cash expenditure	+ 2.7	+ 7.8	— 1.2	+ 6.3
* The cash transactions recorded as cash receipts and cash expenditure comprise payments into and out of the accounts carried by the Bundesbank for the Federal Government. The cash receipts and cash expenditure differ from those shown in the official financial statistics primarily because they are recorded not at the time they are entered in the budgetary accounts but at the time of the actual receipt or outpayment, and because transactions on behalf of the European Communities (which are entered not in the Federal budget but in appendices thereto) are carried out through the accounts of the Federal Government. — 1 Deposits with the Bundesbank and other credit balances. — p Provisional.				
Discrepancies in the totals are due to rounding.				BBk

indebtedness went down by DM 1.0 billion net in that month. However, since the cash surplus was higher than the reduction in debt, another DM 1.5 billion was transferred to the reserves in June, so that, at the end of the first half of the year, the Federal Government, possessing cash holdings of roughly DM 11 billion, was well prepared for the financial assistance to be paid to the GDR in July.

New orders

The *orders received by the manufacturing sector* in May rose very steeply, seasonally adjusted, against the preceding months. If April and May are combined, demand for industrial products exceeded the average level of the first quarter by about 1½%. (Account must be taken here of the fact that the heavy inflow of orders to aircraft manufacturers in March, which had sharply inflated the overall order flow in that month, has meanwhile been revised downwards by the Federal Statistical Office.) In April-May orders were 4½% up on the year in value and 3½% higher in volume. Of late, the rise in *demand from the home market* has been particularly marked. After seasonal adjustment, average demand in April and May surpassed that in the first quarter by almost 2½%; compared with the corresponding months of the previous year this implied a rise of 7½%. The increase in domestic orders was largely supported by the capital goods industries, which participated in the expansion in orders on a broad front. Seasonally adjusted *export demand* in April-May went up by only ½% against the average of the first quarter (which is now considerably lower owing to the above-mentioned revision for March). Foreign orders were thus no longer higher than a year before. This applied particularly to the basic and producer goods sector, whereas the capital goods sector has of late been able to book comparatively many orders.

In May the seasonally adjusted *orders received by the construction industry* in the Federal Republic declined distinctly against the preceding months. In April and May taken together they undershot the average level of the first quarter by more than one-tenth. This owes a great deal to the fact that the mild weather which benefited ordering in the first three months of this year was a factor no longer felt. For this reason the rate of increase against 1989 is likely to be a better reflection of the underlying cyclical tendency in the order flow. In April and May 1990 average demand for construction work was 12% up on the year in value and 5% higher in volume.

Output

According to provisional data (which, judging by past experience, will be revised considerably upwards), seasonally adjusted output in the *manufacturing sector* was much higher in May than in the previous month, the result for which had been

General economic conditions					
Seasonally adjusted 1					
Orders received 2; 1985 = 100					
Manufacturing sector 3					
Period	Total value	Domestic orders		Foreign orders	Construction, value
		Total	of which Capital goods sector		
1989 3rd qtr	124.0	123.7	132.1	124.5	129.9
4th qtr	125.1	125.1	134.1	125.0	144.4
1990 1st qtr	124.0	124.9	131.9	122.4	162.2
Feb.	124.0	124.7	130.4	122.7	168.4
March	124.7	124.3	130.5	125.4	153.0
April	124.0	124.4	132.1	123.3	143.4
May	128.1	131.8	143.9	122.2	140.0
Output; 4 1985 = 100					
Manufacturing sector					
Period	Total	of which			Construction
		Basic and producer goods sector	Capital goods sector	Consumer goods sector	
1989 3rd qtr	113.5	109.0	118.2	111.1	111.2
4th qtr	114.1	110.1	118.1	112.4	113.2
1990 1st qtr	116.6	111.0	121.7	114.6	140.8
Feb.	115.8	109.8	120.9	114.5	143.3
March	117.3	112.1	121.8	115.2	141.8
April	113.8	108.2	117.9	114.0	116.8
May p	115.8	109.0	121.0	113.1	118.0
Labour market 2					
Number in thousands					
Period	Employed p	Vacancies	Short-time workers 5	Unemployed	Unemployment rate 6
1989 4th qtr	27,897	305	47	2,002	7.0
1990 1st qtr	28,179	310	98	1,943	6.7
2nd qtr	.	313	49	1,915	6.6
March	28,250	306	99	1,899	6.5
April	28,264	311	65	1,920	6.6
May	7 28,273	316	44	1,916	6.6
June	.	319	38	1,919	6.6
Prices; 1985 = 100					
Period	World market prices 2, 8	Import prices 2	Producer prices of industrial products	Cost of living index 9	Construction prices 10
1989 4th qtr	50.3	83.7	100.2	105.2	110.8
1990 1st qtr	48.0	82.3	100.1	105.9	113.2
2nd qtr	44.0	.	100.7	106.4	115.5
March	47.3	82.3	100.2	106.2	.
April	44.9	81.7	100.6	106.3	.
May	44.3	80.9	100.7	106.5	.
June	42.7	.	100.7	106.5	.

1 Seasonally adjusted by the Census X-11 Method. — 2 Seasonal factors recalculated. — 3 Excluding food, drink and tobacco industry. — 4 Net production index calculated for kinds of activity units. — 5 Not seasonally adjusted. — 6 Unemployed as % of the total labour force (excluding armed forces). — 7 Unadjusted figure: first provisional estimate by the Federal Statistical Office. — 8 HWWA index in Deutsche Mark. — 9 All households. — 10 Overall construction price level, calculated by the Bundesbank. — p Provisional. BBk

adversely affected by the Easter holidays. In the two months of April and May, however, output was 1½% below the average level of the first quarter; this was

10 nevertheless a rise of just over 4% against the corresponding period of last year. Compared with the previous months, the result was fairly favourable for the near-consumer sectors, whereas output in the basic and producer goods sector, in particular, was distinctly lower. After adjustment for the usual seasonal fluctuations, *construction* output in May was higher than in April. Taking the average of the first two spring months, production in this sector was up 6½% on the corresponding period of last year.

Labour market

In the recent past developments in the labour market have steadied somewhat after there had been a surge in employment in the first few months of the year in the wake of the massive inflow of immigrants from the GDR, in particular. However, the seasonally adjusted *number of employed* continued to rise in May, to 28.3 million, according to an initial estimate by the Federal Statistical Office; that was 280,000 (or 1%) more than at the end of 1989 and 595,000 (or 2.1%) more than twelve months earlier. Enterprises' demand for labour has of late gone up more strongly than employment. This is suggested at least by the growing number of *vacancies* registered at the labour exchanges, which came to roughly 320,000, seasonally adjusted, at the end of June and thus exceeded the 1989 figure by 80,000. After adjustment for seasonal variations, *unemployment* in June remained at the level of the preceding months. In all, it was distinctly lower in the second quarter than in the first; compared with the same period of last year, this implies a decline of 125,000. The seasonally adjusted unemployment rate has of late amounted to 6.6%. The *number of short-time workers* had fallen to somewhat under 40,000 by the middle of June.

Prices

The price situation in the Federal Republic has lately been largely relaxed. In the construction industry, however, prices were raised steeply in the wake of both urgent demand and noticeable wage cost increases. In the second quarter the *overall construction price level* went up at an annual rate of over 8½%, seasonally adjusted, against the preceding quarter; compared with the corresponding period of 1989, construction work thus increased by more than 6% in price. By contrast, seasonally adjusted *import prices* declined well into May – more recent data are not available – and undershot the corre-

sponding level of 1989 by 5.4%. This owed much to the fact that *world market quotations for important raw materials* have tended to be weak of late. The price-dampening influences from abroad spread to *producer prices of industrial products* on the domestic market, too, which were no higher in June, seasonally adjusted, than a month earlier; the year-on-year increase came to 1.6%. In June the *cost of living index* remained unchanged, seasonally adjusted; the rate of price increase against 1989 thus remained at 2.3%. Particularly housing rents and the prices of services rose more than usual at this time of year, whereas mineral oil products and food cheapened.

A table showing economic data for the GDR is appended to this commentary; as from July, i. e. after the entry into force of the monetary and economic union between the two parts of Germany, they will be commented on as well in these Reports.

Selected economic data for the GDR						
Unadjusted figures						
Period	Output and retail sales					
	Industrial production 1		Construction output 2		Retail sales 3	
	1985 = 100	% from previous year	1985 = 100	% from previous year	GDR Mark million	% from previous year
1989 3rd qtr	109.9	3.0	110.0	2.8	10,844	2.7
4th qtr	110.6	— 0.7	97.9	— 6.4	11,906	2.5
1990 1st qtr	107.6	— 4.5	86.3	— 14.0	10,836	7.0
2nd qtr p	102.6	— 9.3	.	.	10,658	— 0.9
1989 Aug.	108.8	3.3	106.5	1.5	11,226	4.7
Sep.	111.8	3.4	113.2	4.5	10,788	1.5
Oct.	112.5	2.9	105.3	— 2.9	11,149	6.5
Nov.	110.3	— 2.0	94.8	— 8.3	11,798	4.7
Dec.	109.1	— 3.0	93.5	— 8.2	12,771	— 2.6
1990 Jan.	105.6	— 5.0	80.4	— 16.4	9,834	8.7
Feb.	108.0	— 4.4	87.3	— 11.8	10,865	11.9
March	109.3	— 4.1	91.1	— 13.7	11,810	1.5
April	108.5	— 3.9	106.7	— 4.6	10,802	4.4
May	103.0	— 9.0	102.2	— 6.7	11,289	2.5
June p	96.2	— 15.1	.	.	9,883	— 9.4
Period	Labour market					
	Persons employed in industry and construction 4		Vacancies	Unemployed 5	Unemployment rate 6	Cost of living index 7
	Number in thousands	% from previous year	Number in thousands	% from previous year		
1989 3rd qtr	3,526	— 0.8	.	.	.	.
4th qtr	3,446	— 2.4	.	.	.	.
1990 1st qtr	3,360	— 4.2	.	.	.	.
2nd qtr	.	.	67.2	83.3	0.9	.
1989 Aug.	3,546	— 0.7	.	.	.	.
Sep.	3,503	— 1.0	.	.	.	.
Oct.	3,478	— 1.5	.	.	.	.
Nov.	3,439	— 2.4	.	.	.	.
Dec.	3,420	— 3.2	.	.	.	.
1990 Jan.	3,364	— 3.7	158.6	7.4	0.1	.
Feb.	3,363	— 4.1	141.4	11.0	0.1	.
March	3,352	— 4.6	105.9	38.3	0.4	.
April	3,331	— 4.9	73.6	64.9	0.7	.
May	p 3,308	— 5.2	54.3	94.8	1.1	8 — 1.7
June	.	.	41.4	142.1	1.6	.

1 Gross output, adjusted for working-day variations. — 2 In state-owned enterprises, adjusted for working-day variations. — 3 At current prices. — 4 Wage and salary earners in state-owned enterprises; part-time employees recalculated to yield figures for full-time employees. — 5 Residents without work who have applied for government assistance. — 6 Unemployed as % of the total labour force (estimated on the basis of the current population and the employment rate of 1988); calculated by the Bundesbank. — 7 All groups of the population. — 8 Change from May-June 1989. — p Provisional.
Source: Statistical Office of the GDR. BBk

At DM 8.7 billion in May 1990, Germany's surplus on *current account* – the combined outcome of foreign trade, services and transfer payments – was approximately as high as in the corresponding month of the preceding year. Compared with April this year (DM 5.7 billion), the surplus rose less sharply than usual at that time of the year so that, after elimination of seasonal influences, the current account surplus declined in May.

According to information from the Federal Statistical Office, the surplus on *foreign trade* increased from DM 7.6 billion in April to DM 12.0 billion in the month under review; it was thus higher than in May 1989 (DM 10.6 billion). In terms of value, exports rose by 9½% and imports by 8% within one year. A major factor in this was, however, that the number of working days in May this year was higher than in 1989. If the results for April and May 1990 are combined in order to eliminate such special influences, seasonally adjusted exports decreased by 2½% against February-March, whereas imports went up by 1%. As import prices have dropped markedly in the past few months, imports are likely to have increased somewhat more strongly in terms of volume.

The surplus on the *services account* decreased from DM 1.0 billion in April to DM 0.4 in May. For one thing, the deficit on foreign travel went up in line with the seasonal trend to DM 2.7 billion in May (compared with DM 2.3 billion in April). For another, Germany's surplus on investment income fell to DM 2.1 billion in May (compared with DM 2.3 billion in April). At DM 3.3 billion, the deficit on the transfer payments account was about as high in May as in April (DM 3.4 billion).

Net outflows from Germany on *long-term capital account* dropped to DM 1.4 billion in May, after DM 7.4 billion net had flowed out in April. The main reason for the decline in capital exports was the trend in securities transactions (including transactions in official borrowers' notes); they showed a slight surplus (of DM 0.4 billion) in May, whereas DM 6.7 billion net had been exported through securities transactions in April. On the one hand, non-residents bought more public bonds in May (DM 3.8 billion compared with DM 0.9 billion in April) and returned fewer German shares than in the previous month (DM 1.1 billion compared with DM 2.9 billion in April). On the other, purchases of foreign securities by residents declined to DM 2.0 billion in May

Major items of the balance of payments			
DM million			
Item	1989	1990	
	May	April	May p
A. Current account			
Foreign trade			
Exports (f.o.b.)	51,013	52,441	55,783
Imports (c.i.f.)	40,437	44,820	43,745
Balance	+ 10,576	+ 7,620	+ 12,038
Supplementary trade items 1 and merchanting trade	— 588	+ 493	— 438
Services	+ 1,659	+ 1,046	+ 350
Transfer payments	— 2,857	— 3,423	— 3,250
Balance on current account	+ 8,790	+ 5,737	+ 8,700
B. Capital account (net capital exports: —)			
Long-term capital transactions			
Direct investment	— 759	+ 97	— 321
German investment abroad	— 1,409	— 2,026	— 1,244
Foreign investment in Germany	+ 649	+ 2,123	+ 923
Securities 2 including official domestic borrowers' notes	+ 604	— 6,714	+ 401
Securities	+ 1,233	— 6,494	+ 527
Borrowers' notes	— 629	— 220	— 126
Bank loans	+ 481	— 872	— 555
Official loans	— 115	— 324	— 268
Other	— 529	+ 407	— 691
Balance	— 318	— 7,406	— 1,433
Short-term capital transactions			
Banks	— 3,843	+ 876	— 5,773
Enterprises 3	— 4,033	— 665	— 2,355
Official	— 1,429	+ 306	— 2,010
Balance	— 9,306	+ 516	— 10,138
Balance on capital account	— 9,624	— 6,889	— 11,571
C. Balance of unclassifiable transactions (balancing item) 4	— 5,043	+ 2,218	+ 4,089
D. Balancing item in respect of the Bundesbank's external position 5	— 145	— 65	— 97
E. Change in the Bundesbank's net external assets (increase: +) 6 (A plus B plus C plus D)	— 6,022	+ 1,000	+ 1,120

1 Mainly warehouse transactions for account of residents and deduction of goods returned and of cross-border commission processing. — 2 Excluding direct investment. — 3 In May 1990 excluding the change in trade credits, which is not yet known (see footnote 4). — 4 In May 1990 including the change in trade credits. — 5 Counterpart of changes in the Bundesbank's external position which are not due to external current and capital transactions: differences between the transaction values and the changes in the external position that are shown in the Weekly Return at balance sheet rates. — 6 Valued at balance sheet rates. — p Provisional.
Discrepancies in the totals are due to rounding. BBk

In statistically recorded *short-term capital transactions* a total of DM 10.1 billion was exported in May, after a small amount (DM 0.5 billion) had been imported in April. Apart from the banks from which DM 5.8 billion net flowed out in May, enterprises and public authorities exported short-term funds (DM 2.4 billion and DM 2.0 billion, respectively).

The *net external assets of the Bundesbank* — valued at balance sheet rates — rose by DM 1.1 billion in May. In June they increased by DM 1.3 billion.

(after DM 4.8 billion in April). In May fewer funds than a month before (DM 0.8 billion against DM 1.2 billion) were exported through long-term lending by banks and public authorities. By contrast, funds (DM 0.3 billion) flowed out through direct investment in May, as usual, after there had temporarily been small net inflows in April (DM 0.1 billion).

The monetary union with the German Democratic Republic

With the entry into force on July 1, 1990 of the Treaty between the Federal Republic of Germany and the German Democratic Republic Establishing a Monetary, Economic and Social Union, the most important prerequisites for a smoothly functioning social market economy were created in the GDR. Since then the Deutsche Mark has been the only legal tender in the GDR, and the responsibility for internal and external monetary policy has been transferred to the Deutsche Bundesbank. Given the separation between the central bank (i.e. the Bundesbank) and the commercial banks, the GDR now has a two-tier banking system which is organised in line with market economy principles and open to the outside world; it is subject to the provisions of the Banking Act of the Federal Republic, and thus to supervision by the Federal Banking Supervisory Office. Furthermore, the GDR has adopted all the major economic laws of the Federal Republic, or has adjusted its own legislation accordingly. It has liberalised its markets for goods, labour and capital, is adjusting its tax system to that of the Federal Republic and is introducing a social security system modelled on the West German one. This change in system has freed the GDR economy from the crippling effects of central planning, and that part of Germany which had hitherto been cut off from the west has been granted unimpeded access to world markets. At the same time, this has opened up for the residents of the GDR promising future prospects which, according to the intentions of the contracting parties, are to culminate politically in the early realisation of German unity against the background of peace in Europe.

Compared with the political and economic starting point after the opening of the Berlin Wall on November 9, 1989, the situation in the GDR changed radically, within only a few months, upon the entry into force of the State Treaty. The dominant underlying trend at that time was the widespread distrust of GDR residents in the political and economic viability of the so-called socialist system. In the four months from October 1989 to January 1990 alone, more than 300,000 people emigrated from the GDR to the Federal Republic. If this migration had continued unabated, the political, economic and social implications for the two parts of Germany would have been incalculable. In view of the deteriorating situation, a "policy of small steps" through confederative or phased plans and individual measures¹ to improve the lot of the population turned out in January 1990 to be impracticable. In that situation the Federal

¹ The series of measures taken after the opening of the Berlin Wall included, for example, the Agreement of December 5, 1989 between the Federal Republic and the GDR Establishing a Fund for Travellers' Payment Media, which was designed to enable visitors from the GDR to convert travellers' payment media; see appendix 1.

14 Chancellor suggested, on February 6, 1990, that the government of the GDR should enter into negotiations with the Federal Republic about the early establishment of a "monetary union and economic community"; the first talks to this end were held with the old government of the GDR – the last one not to be democratically elected. It was possible to initiate and proceed rapidly with the negotiations with the new government formed after the democratic elections of March 18, 1990, so that the Treaty Establishing the Monetary, Economic and Social Union could be signed as early as May 18, 1990.

The Deutsche Bundesbank was involved in the talks and negotiations on the Treaty from the outset – at the expert level, in the official negotiating commission and at ministerial and cabinet levels. The present article concentrates on those details of the intra-German monetary union to the design of which the Deutsche Bundesbank made a major contribution.²

Fixing the conversion rates

In view of the lack or incompleteness of the data on the real economic and monetary status of the GDR, the large number of different official exchange rates and a strongly fluctuating free currency market,³ hardly any reliable benchmarks were available for the "correct" *conversion rates* from GDR Mark to Deutsche Mark when preparing the monetary union with the GDR. Finding these rates was, however, essential for the transition to a single currency area. In preparing the Treaty it was important, in the final analysis, to strike a balance between the major economic, social and political decision-making criteria. It was, after all, equally vital to minimise the inflationary risks of the currency conversion, to safeguard the competitiveness of GDR enterprises as far as possible, to contain the budgetary pressures and to make the monetary union socially acceptable to the residents of both the GDR and the Federal Republic. In order to satisfy these – partly conflicting – requirements, a distinction had to be made from the outset between flow and stock variables. In converting the *flow variables* (particularly current wage and salary payments), an acceptable "initial rate" ultimately had to be fixed for nominal incomes in the GDR on the inception of the monetary union. Above all, it had to be ensured that the wages which were to be paid out in Deutsche Mark for the first time were in due proportion to the overall economic potential of the GDR, so as not to jeopardise the competitiveness of GDR enterprises from the very

beginning. Given all the problems posed by comparing economic data from different economic systems, labour productivity in the GDR economy was estimated at about 40% of the West German level. The relatively low gross average wage in GDR Mark was roughly in line with this performance differential, although the differences in the respective price systems and in tax burdens made it difficult to compare these wages with those in the Federal Republic.

In view of the sharply distorted price and cost pattern in the GDR, as compared with the Federal Republic, there were in principle two ways of achieving an appropriate wage differential immediately after the currency conversion. One option was to eliminate the worst price distortions, particularly the massive government subsidies for major consumer goods, *prior to* the currency conversion. This would have generated a price surge, especially for food, and the general view was that considerable compensatory payments in GDR Mark would have been required for wages, salaries and pensions. Moreover, there might have been an additional demand for pay increments upon the conversion, as a result of higher social security contributions. The resulting higher gross wage level could not have been converted at a rate of 1:1, however, because this would have entailed a considerable further weakening of the already low competitiveness of GDR enterprises. In an expert opinion requested by the Federal Government, the Bundesbank therefore recommended that the flow variables should be converted at the rate of 2:1 *after* the elimination of price distortions and a compensatory increase in incomes, both of which should be effected *before* the currency conversion. Starting from this initial level, which was broadly in line with productivity, further adjustments of wages and salaries in keeping with market conditions and a correction of the excessively flat wage structure could have been effected after the conversion.

In the course of the intra-German Treaty negotiations, however, a second option was chosen, namely that of converting wages and salaries at the rate of 1:1 on the basis of the "pay agreements applicable on May 1"; this was not least because the prospects of implementing a comprehensive price reform prior to the currency conversion were dwindling. (Under a general recalculation, pensions in the GDR were in most cases raised distinctly above their former GDR Mark level, although the level of the Deutsche Mark

² For the bilateral economic relations between the GDR and the Federal Republic *before* the economic and monetary union, see "The balance of payments of the Federal Republic with the GDR in 1989" in appendix 5 to this article.

³ For developments in the currency market for GDR Mark see appendix 2 to this article.

pensions now being paid is at least to correspond to that of the former GDR Mark pension. Low pensions are being raised to DM 495 a month by means of a social bonus paid out of the GDR budget.) The contracting parties agreed that the compensatory payments out of the government budget originally envisaged by the GDR to make up for the abolition of price subsidies should not be effected. Similarly, considering the situation of GDR enterprises, general wage increments to offset price increases and rising taxes in the GDR were to be eschewed; in the upshot, this would not have differed much from the conversion arrangement proposed by the Bundesbank. It has been found, however, that it is difficult, in spite of the conversion rate of 1:1, to counteract calls for drastic pay adjustments by wage and salary earners in the GDR. These demands are motivated chiefly by the conviction that some compensation should be granted for the price increases resulting from the abolition of the subsidies on everyday requisites. Apparently, insufficient account is being taken of the fact that, for the time being, the purchasing power of the Deutsche Mark is higher in the GDR than in the Federal Republic, if only because price-controlled rents as well as the prices of a number of public services and various non-tradable goods are far below the level prevailing in the Federal Republic. Furthermore, steep falls in the prices of many of the consumer goods produced in East Germany and the availability of high-quality industrial products deriving from the west have substantially strengthened the real purchasing power of consumers in the GDR.

At the beginning, several options were also under discussion for the conversion of the *stock variables*, i.e. the assets and liabilities of the monetary and credit system in the GDR, as shown in the balance sheet. Proposals arising mainly from the thinking of the GDR population provided for a general conversion of savings balances at the rate of 1:1. However, this would have implied massive gains in purchasing power for GDR savers, gains which might have led to an inflationary spate of buying. Moreover, this suggestion took insufficient account of the fact that savings deposits are from the outset intrinsically linked to the assets in banks' balance sheets; in the GDR these are mainly enterprises' and the housing sector's liabilities to banks (see also the balance sheet layout, as described in appendix 4). In view of the difficult situation of many GDR firms, it was clear from the start that their debts – affected as they were by government-prescribed plans – had to be

The conversion of GDR Mark into Deutsche Mark in accordance with the State Treaty *

Basis: Consolidated balance sheet of the banking system of the GDR as at May 31, 1990

Assets	M billion	DM billion	Liabilities	M billion	DM billion
1. Lending to domestic borrowers			1. Deposits from domestic non-banks		
Total	397.4	180.7	Total	249.9	156.6
of which			of which		
Enterprises	231.7	115.8	Enterprises	57.0	27.8
Housing sector	102.6	51.3	Individuals	182.1	123.4
2. External assets	45.0	36.3	2. External liabilities	152.5	55.6
			of which		
			Provisions for external liabilities ("Richtungskoeffizienten") ¹	96.4	—
3. Participations	1.1	1.1	3. Currency in circulation (excluding cash holdings of banks)	13.6	6.8
			4. Accumulated profits/reserve funds/guarantee funds	23.4	23.4
4. Other assets	3.1	1.5	5. Other liabilities	7.2	3.6
Total	446.6	219.6	Total	446.6	246.0
Balancing item	—	26.4	Balancing item	—	—
Total	446.6	246.0	Total	446.6	246.0

* For detailed notes on this table see appendix 4 on p. 24 ff. — 1 These are actually liabilities of the banking sector to the government which might also be shown in liabilities item 1. In this table, they are shown in connection with the external liabilities of the GDR because the item may also be regarded as a kind of "value adjustment" for the external liabilities, which are otherwise put at too low a value in GDR Mark. BBk

reduced dramatically so as not to weaken their competitiveness through excessive debt service. A conversion of private bank balances at the rate of 1:1 accompanied by a reduction in entrepreneurial liabilities would, however, have resulted in the banks needing interest-bearing equalisation claims on the government totalling hundreds of billions of Marks in order to close the balance sheet gap caused by such an "asymmetrical" approach.

The solution found in the State Treaty is a compromise which provides for the conversion, in principle, of all stock variables at the rate of 2:1; in the case of savings deposits, however, a social element was taken into account. Depending on the age of the eligible GDR resident, M 2,000, M 4,000 or M 6,000 per person was converted at the rate of 1:1. The liabilities of enterprises, the housing sector, the government and individuals were in principle halved in

16 nominal terms. In the case of firms, which are now becoming enterprises of independent legal status, it is not yet known to what extent they will need "balance sheet assistance" after having drawn up the Deutsche Mark opening balance sheet as provided in the State Treaty. On an average, relative to all the assets and liabilities of the GDR money and credit system as recorded in the balance sheet, the conversion rate will presumably be about 1.8:1. This broadly corresponds to the proposals made by the Bundesbank in the negotiations on the State Treaty.⁴

The conversion of stocks was thus relatively favourable, compared with the other exchange rates previously applied by the GDR against the Deutsche Mark. In government-controlled trade with the Federal Republic, for instance, a conversion rate of M 4.40 for DM 1 was generally applied. From January 1, 1990 onwards the official exchange rate between the Deutsche Mark and the GDR Mark for individuals was 1:3, and from the beginning of May 1:2. By contrast, the high conversion rate for savings deposits and cash primarily seems to be justifiable because the inflationary "monetary overhang" in the GDR – in contrast to other central and eastern European countries – was apparently relatively small. For the same reason, it also seemed to be justifiable to provide residents of the GDR with Deutsche Mark as a fully convertible currency – i.e. without any freezing or even partial freezing of assets.

New monetary policy challenges

Two-tier GDR banking system

Since the entry into force of the monetary union on July 1, 1990 the Bundesbank, "by deploying its instruments on its own responsibility and, pursuant to section 12 of the Bundesbank Act, independent of instructions from the governments of the contracting parties," has regulated "the circulation of money and the credit supply in the entire currency area with the aim of safeguarding the currency" (Article 10, paragraph 3 of the State Treaty). To enable the Bundesbank to discharge the mandate laid down in the State Treaty effectively in the territory of the GDR as well – i.e. to enable it to exercise *monetary policy control* over the money and credit creation process – specific regulatory prerequisites also have to be met in that part of the extended currency area, so as to ensure that the Bundesbank's traditional interest rate and liquidity policy measures will work there, too. These include, in particular, the establishment

in the GDR of an independent commercial banking system organised in line with free-market principles. In the past, banks in the GDR were not allowed to conduct any banking transactions on their own responsibility in the manner that is customary in free-market systems. Instead, they were part of a centralised allocation, ceiling control and clearing system in the service of centralised economic planning, with a division of functions specific to the individual banks. Thus, nearly all the financial assets of individuals – primarily, that is, their savings and savings giro account balances – were concentrated in the *savings bank sector* and among the *cooperative banks* (see the chart on p. 17), which, in turn, had to pass on these funds to the *State Bank of the GDR* (see appendix 3). Business with domestic enterprises, by contrast, was conducted mainly by the State Bank. Upon the establishment of the *German Credit Bank* (Deutsche Kreditbank – DKB) at the beginning of April this year, this line of business was transferred from the State Bank to this new institution, which was granted a sizeable refinancing facility by the State Bank. The State Bank itself has thus become virtually a pure "money market bank" since the currency conversion: it constitutes the link between, on the one hand, the savings banks and cooperative banks which maintain deposits with it (while they have so far largely lacked any lending business of their own) and, on the other, the DKB, which conducts hardly any original deposit business with individuals and has owed the funds for its lending business (since April 1, 1990) to the State Bank.

The currently rudimentary banking system of the GDR must be developed in full into a financial sector structured along competitive lines, so as to ensure that the monetary management signals of the Bundesbank can become as effective in the banking system of the GDR as they are in the Federal Republic. This process is already under way, not least with the assistance of the banks and their associations from the Federal Republic now operating in the GDR. For the time being, however, it must be assumed that the money, credit and capital markets in the GDR do not yet conform in every respect to the conditions prevailing in the Federal Republic and other highly developed western European economies.

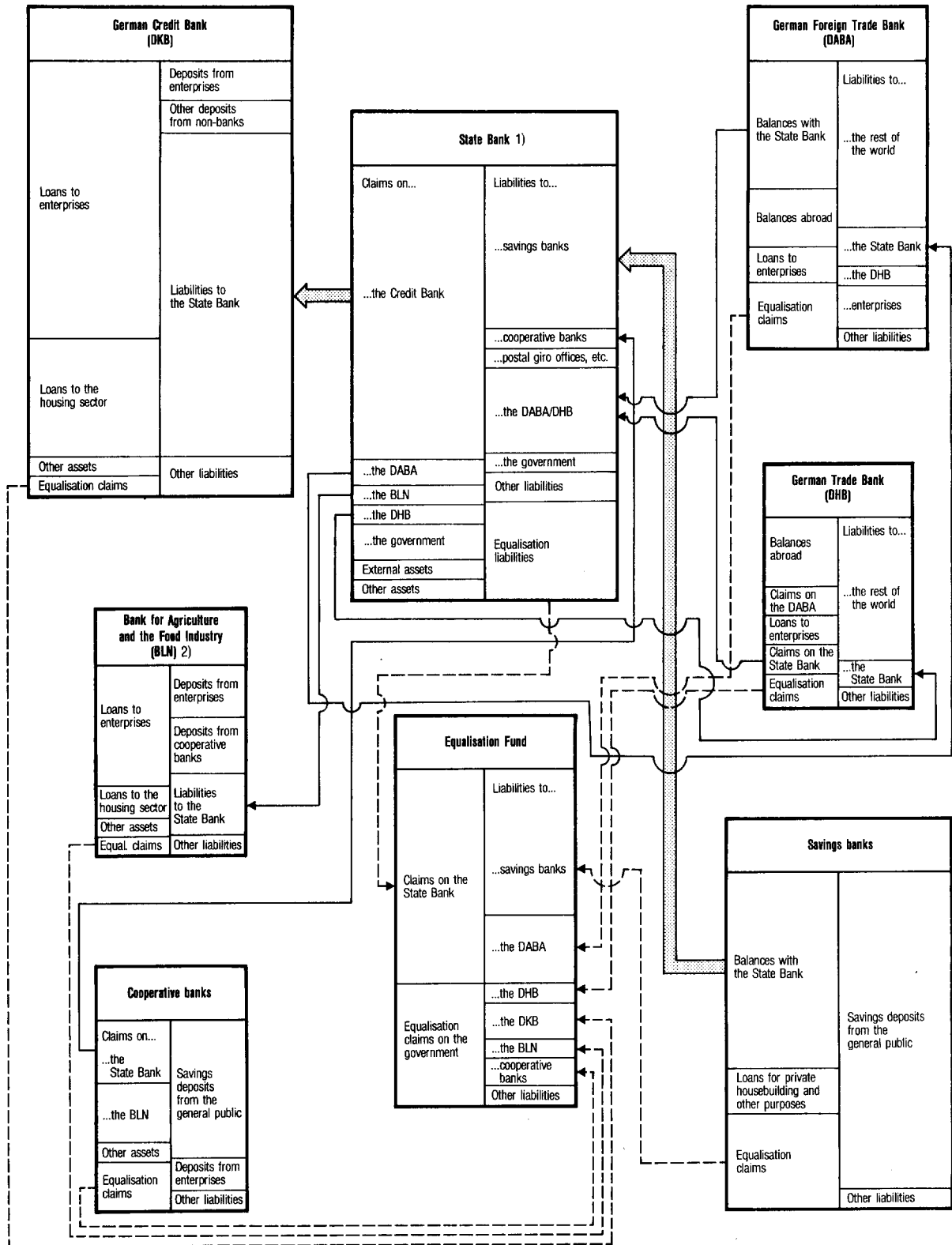
Refinancing policy in the GDR

The special structure of the traditional centrally planned credit system had to be taken into con-

⁴ For details of the conversion see Monthly Report of the Deutsche Bundesbank, Volume 42, No. 6, June 1990, p. 40 ff. and appendix 4 to this article.

Simplified outline of the banking system and interbank relations in the GDR at the time of the currency conversion *

(excluding the Bundesbank)



* The joint venture banks established since the currency conversion and the restructuring of the GDR banking system effected since then are not included. - 1) Now known as: State Bank Berlin. - 2) Now known as: Cooperative Bank Berlin.

18 sideration in the development of a practicable *refinancing strategy* by the Bundesbank. For example, upon the transition to the monetary union the banks in the GDR held adequate stocks neither of trade bills eligible for rediscount at the Bundesbank nor of marketable securities that might serve as a basis for securities repurchase agreements and lombard loans. As from July 1, 1990 the Deutsche Bundesbank therefore granted them what are known as *refinancing quotas* which, in contrast to traditional rediscount credit, can be utilised temporarily not only on the basis of trade bills but also on the basis of bank promissory notes. These refinancing loans, for which a special legal basis had to be created through a corresponding amendment of the Bundesbank Act in the context of the Act Concerning the State Treaty, are settled at the Bundesbank's discount rate. Over and above the refinancing quotas allocated to them, the banks in the GDR (like those in the Federal Republic) have access to *lombard loans* at the lombard rate. For the time being, banks from the GDR may submit bank promissory notes as collateral for this credit, too. In addition, the Deutsche Bundesbank will declare bank claims on the Equalisation Fund of the GDR to be eligible as collateral for lombard loans as soon as these are adequately specified to serve as a lien.⁵ The volume of refinancing quotas granted, at a total of DM 25 billion, is relatively high compared with the rediscount quotas of banks in the Federal Republic (about DM 59 billion). It must be taken into account, however, that – owing to their lack of stocks of suitable securities – the banks in the GDR will not be able for the time being to participate in the securities repurchase agreements regularly offered by the Bundesbank, on which the provision of central bank money in the Federal Republic nowadays focuses. As soon as the prerequisites are met, the refinancing quotas will be reduced accordingly and converted into “normal” rediscount quotas, for which only blue-chip trade bills can be used as collateral.

When determining the refinancing quotas, it also had to be borne in mind that, in addition to the *minimum reserves* to be maintained for the first time in August, the entire “*initial provision*” of currency to the GDR economy and the population had to be effected via the banks in the GDR and refinanced by them at the Bundesbank. Pursuant to the conversion strategy envisaged in the State Treaty, only *accounts* were converted from GDR Mark into Deutsche Mark; by contrast, a direct exchange of GDR Mark notes into Deutsche Mark notes was not

possible, if only because of the different conversion rates. It was difficult to say in advance how high the refinancing requirements of the banks arising from the “initial provision” of currency would be, as these requirements are ultimately determined by the currency demand behaviour of the population, which is still unknown. In the event, it has turned out that the initial cash withdrawals by the general public were smaller than was to be expected, given the amounts of currency deposited in GDR Mark. Even so, the currency in circulation (including the banks' cash holdings) which had to be refinanced increased steadily, as was to be expected, in the first few weeks of July; on July 13 this year it came to nearly DM 15 billion. At the same time, the banks voluntarily accumulated sizeable balances with the Bundesbank, so that their quotas were utilised to a comparatively high degree.

When *allocating refinancing quotas* to the individual banks, the Bundesbank had to take the special features of the banking system in the GDR into consideration (see also appendix 3). Moreover, the criteria used in the Federal Republic (e.g. the banks' own funds, the relative significance of short-term lending by the bank concerned and its bill portfolio) could virtually not be applied at all, or would have yielded a distorted result. The individual refinancing quotas were therefore determined across-the-board on the basis of the balance sheet total of the bank concerned; this arrangement, too, must be regarded as provisional. As soon as the balance sheet patterns of banks in the GDR have approximated to those of banks in the Federal Republic, the Bundesbank will apply the aforementioned criteria used in the Federal Republic.

As far as the two-tier relations between the central bank and commercial banks are concerned, regulations have generally been introduced in the GDR which, from “D-day” onwards, subject the banks in the GDR direct to the “*liquidity constraints*” of the Bundesbank and its *refinancing terms*. The associated organisational task has been performed by the Bundesbank by means of a specific transitional arrangement. In accordance with the provisions of the State Treaty, it has established a “Provisional Administrative Office” in Berlin, which reports direct to the Directorate of the Bundesbank and is responsible for business with the local banks and with the German Democratic Republic and its public authorities, and has 15 branch offices in the GDR, including Berlin (East).

⁵ These are claims collateralised by the government and bearing interest at money market rates which are being allocated to the banks in the context of the currency conversion for the purpose of balance sheet adjustment. For further details of the origin and distribution of these balancing items within the GDR banking system see appendix 4.

Monetary policy in the common currency area

As regards the practical *implementation of monetary policy*, the extension of the currency area of the Deutsche Mark entails major changes and poses new problems at all levels of the monetary management process. The statistical “break in the level” of all monetary aggregates is particularly conspicuous.⁶ In addition, the extension of the currency area affects the correlation between the money stock and aggregate expenditure, which correlation has a bearing on the derivation of the target and ongoing monetary management, and cannot be precisely quantified, at least not at the beginning. On the other hand, the changes should not be so extensive as to call in question the monetary management strategy, which has proved its worth over a period of more than 15 years and which uses monetary targets as “intermediate objectives” of monetary policy. The relative orders of magnitude involved in the Federal Republic and the GDR alone (about 10:1 as measured by GNP) warrant the expectation that the familiar structural conditions in the Federal Republic will prevail again over the longer term in spite of the inclusion of the GDR in the currency area of the Deutsche Mark.

On the basis of a provisional consolidated balance sheet of the GDR banking system as at the end of May 1990 (the most recent data which the State Bank was able to provide), the *growth of the money stock M3* at the time of the currency conversion can be estimated at almost DM 160 billion; the conversion account as at the end of June-beginning of July will yield slightly different figures. At the time of the conversion, all non-bank deposits formally had the “nature of money”, because the only type of financial assets available to savers and depositors in the GDR up to the end of June this year – apart from claims on life insurance enterprises was – demand deposits with banks. However, a considerable part of the funds initially to be included in the money stock, *statistically speaking*, will decline of its own accord in the course of time. Partial amounts of low-interest-bearing savings deposits will be switched into longer-term financial assets, which are not included in the money stock M3. The money stock M3 of the GDR, which, after the monetary union, must be added to the money balances of the Federal Republic *in economic terms*, will probably cause the money stock M3 to expand by about DM 120 billion after some time; the statistically measured “money stock upsurge” on July 1 this year will thus hardly be

lasting. To this extent, the expansion of the money stock will be approximately in line with the additional production facilities contributed by the GDR to the all-German production potential; at present this variable, too, can only be estimated roughly, as the scale of possible closures of enterprises is still unknown. In spite of the aforementioned statistical and analytical shortcomings, the Bundesbank must pay great attention to movements in the money stock in the extended currency area, in order to contain the monetary risks posed by the monetary union.

After the transition to the monetary union with the GDR, moreover, the Bundesbank finds itself confronted with completely new problems with respect to *exerting monetary policy influence on the financial markets*. Given the comparatively large borrowing requirements of the GDR private and public sectors, particular significance must be attached to *banks' credit supply behaviour*. Here it is important to give effect in the GDR, too, at an early date to the profitability and security criteria customary in a free-market economy. Loan guarantees by the Trust Institution (“Treuhandanstalt”) and the government for liquidity loans to GDR enterprises can therefore only be justified as a start-up and interim measure for the private sector. They must not become a permanent feature, since they would then cancel out or weaken the disciplining mechanisms of the market and thus also the selection function of interest rates.

Naturally, the management of *bank liquidity* is still feeling its way. The rather ample initial liquidity provision of GDR banks will be restrained from the beginning of August by the obligatory minimum reserve requirements. Temporary shortages of funds in the money market owing to massive holdings of Bundesbank balances by banks in the GDR have so far been remedied by measures to fine-tune the money market. As and when necessary, the Bundesbank must exercise more short-term influence than usual over the domestic money market, until a more transparent liquidity stance on the part of GDR banks has emerged.

Monetary policy and public finance in the extended currency area

In the present extended currency area of the Deutsche Mark the same close relations between monetary policy and financial policy exist as have hitherto applied in the Federal Republic. The State Treaty with the GDR tries to ensure that the *financial*

⁶ With the entry into force of the monetary union, banks in the GDR are basically subject to the same reporting requirements vis-à-vis the Bundesbank as banks in the Federal Republic. To facilitate the transition, however, the Bundesbank is initially confining its demands to the most important statistics. From the outset, banks in the GDR are required to report for the monthly balance sheet statistics. Even so, it will be possible only in the fairly long run to make empirically verified statements about

the trends in and determinants of credit and monetary expansion in the GDR, because the financial markets must first adjust themselves to the conditions of a liberalised economic and credit system and because no reliable historical data are available prior to July 1990.

20 *behaviour of the GDR government* does not generate any autonomous monetary disturbances which might seriously hamper the Bundesbank's monetary policy. In particular, the possibility of meeting government deficits by means of direct recourse to lending by the State Bank (which was at the same time the central bank) – recourse which was feasible under the former regime – was ruled out upon the entry into force of the monetary union. The Deutsche Bundesbank may only grant the German Democratic Republic (pursuant to section 20 (1) 1 of the Bundesbank Act) cash advances up to the amount of DM 800 million; for the rest, it may conduct with it and with its public authorities the same banking business as with public authorities in the Federal Republic (this includes, for instance, the acceptance of giro deposits and the execution of payment orders). At the same time, the public authorities in the GDR are obliged to deposit their liquid funds with the Bundesbank (pursuant to section 17 of the Bundesbank Act), and to issue government paper primarily through the Deutsche Bundesbank, or otherwise in consultation with it.

In addition, it appears important to recall that from the outset the *borrowing authorisations* for the public authorities of the GDR were limited by the State Treaty to DM 10 billion for the second half of 1990 and DM 14 billion for 1991. These credit ceilings may be exceeded only in the event of a radical change in conditions and only with the approval of the Minister of Finance of the Federal Republic. The reason for this constraint on budgetary autonomy was that the borrowing requirements of the public authorities in the GDR, too, will no doubt largely have to be satisfied in the capital market of the Federal Republic, and that some of the effects of the deficit on demand will be felt in the Federal Republic as well.

The *total net borrowing requirements of the central, regional and local authorities* in the Federal Republic (including the "German Unity" Fund and the ERP Special Fund) and in the GDR have been estimated, in the present state of knowledge, at just over DM 80 billion in 1990 and about DM 100 billion in 1991; next year this would correspond to about 3½% of the common nominal national product. Compared with the last few years, this represents a considerable increase which can be attributed mainly to the initially small tax-raising powers of the GDR, the "start-up finance" for the pension and unemployment insurance funds, and the structural

"German Unity" Fund						
DM billion						
Item	1990	1991	1992	1993	1994	Total 1990 to 1994
Expenditure on assistance to the GDR	22	35	28	20	10	115
financed by						
Borrowing by the Fund	20	31	24	15	5	95
Allocations by the Federal Government	2	4	4	5	5	20
Payments to meet debt service commitments	—	2.0	5.1	7.5	9.0	1 23.6
To be paid						
by the Federal Government	—	1.0	2.6	3.8	4.5	11.8
by the Länder Governments	—	0.6	1.5	2.3	2.7	7.1
by the local authorities	—	0.4	1.0	1.5	1.8	4.7

1 Debt service payments will have to be made for another 15 to 25 years, depending on interest rate movements. BBk

adjustment measures in the GDR. Incidentally, the boom in the Federal Republic, which has already led to heavy utilisation of the overall economic resources here, sets limits to any expansion of demand by the public authorities if adverse effects on the price level and interest rate movements are to be avoided. At the end of May this year the Central Bank Council recommended the central, regional and local authorities in the Federal Republic and in the GDR to make every effort to curtail public borrowing requirements by practising extreme expenditure restraint as well as by economising and reallocating funds in the budgets.⁷

It should not be inferred from the financial structure of the "German Unity" Fund (through which the borrowing needed for substantial financial assistance to the GDR is shifted to a new special fund of the Federal Government and the debt service burdens to be shouldered by the Federal and Länder Governments are distributed over a fairly long period) that necessary budget economies can be evaded in this way. The Länder Governments and the local authorities, too, which, as measured by their budget volume, do not contribute so much to the total financial assistance to the GDR as the Federal Government does, likewise bear responsibility for stabilisation policy. A policy of strict restraint in public spending and a limitation of public borrowing is also warranted by the fact that, as things now stand, most of the expenditure of the GDR budget to be financed by

⁷ For details of public expenditure see the section beginning on p. 45 ff of this Report.

borrowing is to serve consumption purposes. For the time being it will not be possible to apply the basic principle of budget legislation – i. e. to limit borrowing normally to the amount of capital expenditure (for the Federal Government see Article 115 of the Constitution) – either to the deficit of the “German Unity” Fund or to the GDR budget. The financial assistance to the GDR serves to promote the economic future of a united Germany; nevertheless, an effort should be made to generate these funds as far as possible from current government revenue and not to expand the credit-financed proportion excessively. This would also support monetary policy.

Adjustment needs of the GDR economy

The Bundesbank’s monetary policy functions in the common currency area can be performed all the more smoothly, the sooner the GDR economy succeeds in adjusting to the market economy conditions existing in the Federal Republic and other western countries. Of particular importance in this context is the early achievement of genuine competition by the breaking down of the previous monopolistic structures, particularly in distribution, and – as the key component – by the maximum possible *liberalisation of pricing*. This should ensure that price relationships correspond increasingly to supply and demand conditions, thus permitting the free play of market forces. An important step on this road is the abolition of price subsidies for everyday requisites and of the so-called product-related taxes, particularly on consumer durables, which abolition is associated with the transition to monetary union and has already been implemented with minor exceptions (for the time being, however, this does not apply to housing rents, the charges for public transport and public utilities, etc.). A further important measure is the *opening-up of the GDR economy* to the markets of the Federal Republic and other western countries. Together with the introduction of the Deutsche Mark, this has had the result that supply conditions for the GDR population have already improved radically as goods from western production are now available. However, this also shows up the efficiency problems of the GDR economy, which is now far more exposed than it used to be to the adjustment pressures of international competition.

A key role in the competitive position of the GDR economy, and thus in employment trends, will be played by the *wage level*. For wage policy in the

other part of Germany it will be of crucial importance in the forthcoming adjustment process that the relationship between average wages and labour productivity in the GDR aimed at under the conversion terms of the State Treaty is not merely maintained but rather improved through productivity gains. At the same time, a greater *differentiation of wages* must be achieved, which, among other things, will generate more incentives. The pay agreements in the GDR which have been publicised so far make it appear doubtful whether due account is being taken of these requirements. Through the introduction of the West German tax and social security systems in the GDR, and given the 1:1 conversion rate for gross income, net income is lower than before. But this will be accompanied by a lower consumer price level, which in some cases still has to emerge now that the product-related taxes on industrial goods have been abolished. The offsetting of price rises for products which were previously subsidised by price falls for industrial goods (which offsetting was already under way before July 1) will make itself felt all the less, the more the process is counteracted by sharp wage increases already at this stage. Wage rises which cannot be warranted by improved productivity would impair internal and external competitiveness and jeopardise jobs. Moreover, the consequences of excessive wage increases cannot be averted by temporary measures to safeguard jobs. For example, short-time working allowances designed to permit retraining and the acquisition of better qualifications – which allowances are largely financed out of public funds and are augmented by grants from enterprises agreed under the terms of pay settlements – are no lasting solution for wage and salary earners.

Appendix 1: The GDR Fund for Travellers’ Payment Media

After the opening of the intra-German border at the beginning of November 1989, residents of the GDR were for the first time allowed to travel to the Federal Republic in great numbers. Initially, however, they were in most cases able to finance their travel expenditure only with the DM 15 which they were allowed to exchange annually in the GDR and with the “welcoming money” paid by the Federal Government, and in some cases additionally by local authorities. The cash assistance provided by the Federal Government amounted to DM 100 per traveller for the first visit to the Federal Republic within a calendar year; in addition, local authorities made grants of differing amounts. At the beginning of December 1989 the Federal Government reached agreement with the Government of the GDR to set up, with effect from January 1, 1990, a joint Fund for Travellers’ Payment Media to finance the travel expenditure of GDR residents in the Federal Republic. The Fund for Travellers’ Payment Media took the place of “welcoming money”. At the same time the GDR

waived, as from Christmas 1989, the compulsory currency exchange previously required of West German travellers, and introduced an exchange rate for West German visitors of DM 1 = M 3 instead of the previously applicable rate of DM 1 = M 1 with effect from January 2, 1990.

The ceiling of the Fund for Travellers' Payment Media was set at DM 2.9 billion, with the Federal Government and the GDR each contributing DM 750 million, and the Federal Government providing an additional DM 1.4 billion in respect of the "welcoming money" saved for 1990. GDR residents were able to purchase up to DM 200 (children up to 14 years of age: DM 100) from banks in the GDR and in the Federal Republic to the debit of the Fund; a rate of DM 1 = M 1 was applied to the first DM 100 (DM 50 for children) and a rate of DM 1 = M 5 to the second DM 100 (DM 50 for children). This resulted in an arithmetical "mixed rate" of 1:3 in relation to the GDR Mark for the exchangeable total amount of DM 200 (or DM 100). The GDR Mark amounts flowing into the Fund in exchange for Deutsche Mark were to be used to finance infrastructural measures in the GDR on which the two German Governments had to decide jointly.

Upon the introduction of the Deutsche Mark in the GDR on July 1, 1990 the Fund for Travellers' Payment Media became redundant. Up to that time GDR residents had exchanged a total of DM 2.17 billion to the debit of the Fund, of which, as agreed, the Federal Government had to pay DM 1.61 billion and the GDR DM 560 million. The exchange took place almost entirely in the first two months of this year. When, in March, signs emerged of the possibility of an early monetary union with more favourable conversion rates than 1:5, hardly any more Deutsche Mark were purchased to the debit of the Fund for Travellers' Payment Media at the rate of DM 1 = M 5 applying to the second tranche (of DM 101 to DM 200, or DM 51 to DM 100 for children).

M 5.03 billion accrued to the Fund for exchange into Deutsche Mark. The two German Governments have agreed that M 4.2 billion of this sum is to be used for infrastructural measures in the GDR (transport, protection of the environment, tourism, urban development and model villages, post office and telecommunications, loans and investment grants to small enterprises). This amount was spent almost in full before the monetary, economic and social union entered into force. The balance of the exchange operation is to be transferred, after conversion into Deutsche Mark, to the general cover fund of the GDR budget for the second half of 1990.

Appendix 2: The currency market for GDR Mark

The Mark of the GDR circulating in the GDR until June 30, 1990 was a purely domestic currency. It could be neither transferred beyond the borders of the GDR nor converted into other currencies. In particular, under GDR legislation travellers were not allowed to bring Mark notes and coins into the country or to leave the GDR carrying Mark. Nevertheless, the currency was soon being traded outside the GDR, especially in Berlin (West) and the Federal territory. This market was organised mainly in the form of over-the-counter transactions by exchange bureaux and banks. In addition, after the borders had been opened, so-called "kerb markets" came into being. The market in the west was freely accessible to the general public and thus enabled GDR Mark to be bought and sold, even in larger amounts.

The development of the currency market for GDR Mark was always determined by political factors. Up to the opening of the borders in November 1989, the supply arose from cash taken along by GDR residents (where they were permitted to leave the country) or by residents of the Federal Republic returning from the GDR. In any case it was illegal, from the point of view of the GDR, to take along this cash. Taking the average of the past three years (1987 to 1989) such sellers were offered a buying rate of about DM 12.50 for M 100. Many GDR residents used the Deutsche Mark equivalent to buy western products either in the west or in the GDR itself (in shops specially licensed for that purpose, or on the black market). The buyers of GDR Mark were mainly western visitors to the GDR. Over and above the compulsory exchange prescribed at the time (DM 25 a day per traveller in employment or DM 15 a day per pensioner in 1989), they were able to buy GDR Mark relatively cheaply (carrying the currency into the country was likewise an offence under the GDR regulations). On an average from 1987 to 1989 the selling rate of the exchange bureaux was just under DM 15 per M 100, whereas the compulsory exchange prescribed by the GDR had to be effected on the basis of 1:1.

After the opening of the borders at the beginning of November 1989, trading in GDR notes and coins picked up strongly. Emigrants from the GDR, some of whom had dissolved their savings balances in the GDR, and GDR residents who were wanting to buy western goods increased the currency supply dramatically at first. Up to the middle of November 1989 the buying rate consequently fell to DM 7 for M 100 for a time. In the course of the first few months of 1990, however, demand increased steadily as well, so that the rate of the GDR Mark went up strongly. In many cases western visitors bought GDR Mark in order to purchase specific, sometimes highly subsidised products at favourable prices in the GDR. In the course of the discussion about a monetary union, speculative purchases also played an increasing role. Although the terms of the conversion under the planned monetary union were still undecided in March and April, many purchasers still bought GDR Mark in the expectation that they would be able to re-exchange them for Deutsche Mark at a better rate later on. (The regulations on misuse subsequently adopted in connection with the currency conversion relate, inter alia, to such GDR Mark acquired through "speculative transactions".) Something of a ceiling for the exchange rate resulted from the fact that, as from January, western visitors were officially allowed to purchase unlimited amounts of GDR Mark in the GDR at the rate of DM 1 = M 3. On May 2, 1990, the day on which the terms of the conversion under the monetary union negotiated as part of the State Treaty with the GDR were announced, this rate was raised to DM 1 = M 2. In May, incidentally, the western banks mostly withdrew from this currency trading because the risks were becoming too great in spite of the wide profit margin of about 15%. For the banks there was a risk that they might be unable to sell their trading balances of GDR Mark before the monetary union came into effect.

Although the market for GDR currency was freely accessible in the west and although the rates there were determined by supply and demand, the resulting valuation of the GDR Mark could not serve as a basis for the conversion rate of GDR Mark into Deutsche Mark. The market was not representative enough for that. Ultimately, it was only a subsidiary market which did not in any respect meet the conditions of a really free market. As a rule, currency markets are but one element

Exchange rates and turnover in the market for GDR Mark

Period	Rates offered by exchange bureaux Deutsche Mark per GDR Mark 100 (monthly averages)			Turnover 2 DM million
	Buying	Selling	Middle rate 1	
1985 December	18,00	21,00	19,50	.
1986 December	14,80	17,60	16,20	.
1987 December	12,00	14,60	13,30	.
1988 December	11,60	14,10	12,80	.
1989 June	10,50	13,00	11,70	.
October	9,60	12,10	10,90	.
November	10,50	13,60	12,00	33
December	12,30	15,70	14,00	26
1990 January	12,80	15,70	14,20	31
February	15,90	18,90	17,40	70
March	18,00	21,80	19,90	80
April	23,00	27,10	25,00	82
May	25,90	30,10	28,00	78
June	32,60	37,40	35,00	.

1 Middle rates of buying and selling rates. Source: exchange bureaux in Berlin. — 2 Sum of purchases and sales by major exchange bureaux and some banks in Berlin (West) and in the Federal Republic. BBk

in a very much more comprehensive foreign exchange market on which supply and demand are determined by multifarious factors, such as current and capital transactions or price and interest rate movements. A foreign exchange market of this kind has never existed for the GDR Mark. The foreign trade of the GDR, including that with western countries, was conducted mainly under the terms of bilateral agreements and clearing arrangements; the exchange of goods with the Federal Republic took place on the basis of "units of account". Within the GDR, too, there were no free merchandise and financial markets, so that the basis for the balancing mechanism of exchange rates was lacking. The taking-along of cash, which was considered illegal by the GDR, and the associated risks as well as the unattractiveness of the range of goods and services there, were bound from the outset to result in massive discounts on the currency market; relative to its domestic purchasing power, the GDR Mark was long undervalued in this market segment.

Appendix 3: Structure of the banking system in the GDR

The *structure of the GDR banking system* still reflects its former close integration in the economic plan fulfilment of the erstwhile "socialist" state-controlled economy (see the chart on p. 17). Until the end of March 1990 the banking system essentially comprised the State Bank of the GDR (now known as the State Bank Berlin) and its branches, as well as a small number of banks with special functions (German Foreign Trade Bank, German Trade Bank, Bank for Agriculture and the Food Industry (now known as the Cooperative Bank Berlin)), all of which were likewise centrally controlled. In addition, there were savings banks and cooperative banks, as well as rural trade cooperatives and people's banks. These were not formally integrated in the state banking system, but were also controlled by the State Bank by way of administrative orders.

Virtually all financial relations with nationalised enterprises were formally reserved for the *State Bank of the GDR*. The

German Credit Bank (Deutsche Kreditbank – DKB), which was established at the beginning of April this year, has meanwhile taken over this line of business from the State Bank. The relevant balance sheet items, i.e. primarily lending to GDR enterprises and the housing sector and the deposits of enterprises and the insurance industry, were extracted from the State Bank's balance sheet. Accordingly, claims on the former industrial collective combines and state-owned enterprises, as well as on government housing construction, are now concentrated on the assets side of the balance sheet of the *German Credit Bank*. On the liabilities side there is, in addition to the not very sizeable aggregate deposits of non-banks, a block of interbank liabilities to the State Bank. This refinancing by the State Bank is necessary because, upon the takeover of the business with trade and industry, the loans taken over by the DKB far exceeded the volume of the non-bank deposits transferred to it. The task of the *savings banks* – rather like that of the *cooperative banks*, which are less significant in quantitative terms – was essentially that of accepting savings from the general public and passing them on to the State Bank. The savings bank sector did not conduct any lending and investment business of its own. To the extent that these banks granted loans to individuals at all, it was done not on the basis of their own profitability and credit-worthiness assessments but rather out of funds specially allocated for the purpose, and in accordance with rigid criteria. A few loans to young married couples and private building loans to selected persons were extended in this way, for example.

A second major "source of finance" for the State Bank resulted from corresponding investment commitments by the specialised banks. These included those banks which were entrusted with settling the financial transactions of the GDR with western countries and the CMEA countries. Specifically, these institutions were the *German Foreign Trade Bank* (Deutsche Außenhandelsbank – DABA), the *German Trade Bank* (Deutsche Handelsbank – DHB) and *foreign trade enterprises*. Through them, all payment and clearing operations with the rest of the world were effected. It was through these institutions that the GDR obtained the requisite foreign exchange in case of need. A further specialised bank was the *Bank for Agriculture and the Food Industry* (Bank für Landwirtschaft und Nahrungsgüterwirtschaft – BLN). It was responsible for financing agricultural production cooperatives and the food industry. At the same time it acted as a sort of "central institution" for the rural trade cooperatives. The Bank for Agriculture and the Food Industry, too, was required to lodge any excess liquidity with the State Bank.

If the *present structure of the GDR banking system* (see the main text of the article, p. 16 ff) is compared with the situation under the erstwhile centrally planned economy, as outlined above, the progress towards a banking system of the western type is unmistakable. This applies particularly to the two-tier structure (under which the Deutsche Bundesbank has unreservedly assumed the role of the State Bank of the GDR as the bank of issue, the bankers' bank and the state's bank) and to the division of functions between the German Credit Bank and the present State Bank Berlin (formerly the State Bank of the GDR). Future developments are foreshadowed by operations "covering the whole of Germany" on the part of the joint ventures established by the German Credit Bank and major West German banks. These operations will probably be decisively influenced by the fact that, since July 1, 1990, banks licensed in the Federal Republic have been

allowed to operate in the territory of the GDR, and by the way in which GDR banks dating back to the days of the former centrally planned economy hold their own in competition with banks from the Federal Republic and other western countries.

Appendix 4: Conversion of GDR bank balance sheets and balancing items

Conversion of bank balance sheets

The balance sheets of GDR banks were converted from GDR Mark into Deutsche Mark with effect from July 1, 1990, in line with the terms and conditions laid down in the State Treaty. Precise statistical data are not yet available. In order to gain some idea, nevertheless, of the quantitative implications of the currency conversion for the consolidated balance sheet, and the consequent adjustment requirements on the assets side of the balance sheet of the banking system, the conversion was effected, as a substitute, in the table on p. 25, on the basis of the latest available data, viz. the consolidated balance sheet of the GDR banking system as at May 31, 1990. In the first column on the assets and liabilities sides of the consolidated balance sheet the respective items are shown in billions of GDR Mark (M billion). The second column shows the conversion rate to be applied in each case or contains notes as to the applicable conversion arrangement as well as the resulting average conversion rate, if any. The last column contains the converted Deutsche Mark amounts (in DM billion).

All assets and liabilities denominated in *GDR Mark* were converted (items 1 and 4 on the assets side and items 1, 3 and 5 on the liabilities side). The external assets and liabilities shown (item 2) consist essentially of *foreign currency operations*, which are not to be converted but are to be valued appropriately in Deutsche Mark. To the extent that these assets and liabilities were already denominated in Deutsche Mark, they were entered in the Deutsche Mark balance sheet unchanged. Where they were denominated in third currencies, they were converted into Deutsche Mark at accounting rates. In addition, technical "value adjustments" resulting from differing valuations for domestic Mark and what were known as foreign exchange Mark of the GDR were mutually offset as far as possible. This mainly affected the liabilities item 2 (c) and the loans to the state resulting from the revaluation of external liabilities shown in assets item 1. After the conversion into Deutsche Mark, the so-called provisions for external liabilities ("Richtungskoeffizienten"),¹ to the extent that they were not previously set off against revaluation loans to the government,² cease to exist. The claims on and liabilities to CMEA countries (assets and liabilities items 2 (a)) were included in the Deutsche Mark balance sheet only at 50% of their Mark value in line with the adjustment of the transfer rouble rate. It remains to be seen whether due account has thereby been taken of the doubts about the intrinsic value of these claims.

Balancing items

The balancing item of DM 26.5 billion on the assets side of the banking system's balance sheet shown in the model

calculation (for the position as at the end of May 1990), which is to be regarded as an *equalisation claim* of the banks, is a residual. It does not reflect the extent to which the individual banks, after the conversion, are provided with the minimum capital resources amounting to 4% of their balance sheet total required according to the State Treaty (Annex I, Article 8, paragraph 4 (2)). Where this is not the case, the State Treaty provides for additional equalisation claims in order to ensure the necessary capital base in this way; this might result in additional demand. On the other hand, the balancing item on the assets side might decline as a result of exchange rate movements, and particularly the rise in the Deutsche Mark against the US dollar, as dollar assets and liabilities have so far been shown in the balance sheet at a clearing rate which is distinctly higher than the current market rate. (In the "provisional conversion account" which is to be drawn up initially (Annex I, Article 7, paragraph 1 of the State Treaty) adjustments cannot be made on the basis of the revaluation of assets and liabilities which may become necessary. They are reserved for the final Deutsche Mark opening balance sheet, which may perhaps entail further balance sheet assistance.)

To implement the currency conversion the GDR has established an *Equalisation Fund*. It is the debtor and creditor in respect of the banks' and foreign trade enterprises' balancing items (on the assets and liabilities sides) resulting from the currency conversion. Owing to the specific structure of the GDR banking system, the need of the individual categories of banks for balancing items in the balance sheets varies greatly. Particularly in the case of *savings banks* and in the *cooperative sector*, above-average claims on the Equalisation Fund are to be expected because most of the asymmetrical conversions (assets 2:1, liabilities for certain per capita amounts 1:1, otherwise 2:1) are reflected there (see the chart on p. 17). The banks which were engaged in the settlement of financial and trading operations with the rest of the world also have claims on the Equalisation Fund since their external liabilities – unlike the corresponding domestic assets – were not converted.

By contrast, essentially the same conversion rates apply to the assets and liabilities sides of the balance sheet of the *German Credit Bank*, which accounts for virtually all domestic transactions with enterprises. The fact that a certain need for adjustment arises in this case is primarily due to the relatively high level of capital of the Credit Bank, which capital was, in principle, not converted in the model calculation. (The main reason for this was that capital does not represent a money claim or liability. Moreover, most banks have an additional demand for equalisation claims anyway, in order to be able to satisfy the minimum capital requirements.)

The counterpart of all other banks with respect to the balance sheet adjustment need is the *State Bank*. It shows a large balancing item on the liabilities side, i.e. a *liability* to the Equalisation Fund. The main reason is that provisions for the so-called external liabilities ("Richtungskoeffizienten") at the State Bank are "cancelled" in the course of the conversion after netting certain items (see footnote 1 on this page). In economic terms, this means that the "revaluation gain"

¹ Under the former GDR credit system, the provisions for external liabilities ("Richtungskoeffizienten") resulted from the formal maintenance of a 1:1 relationship between the Deutsche Mark and the GDR Mark, on the one hand, and the exchange rate of DM 1 to M 4.40 actually paid for imports and exports in external transactions by GDR enterprises, on the other. In settlements the amount of M 4.40 was split up into the foreign exchange Mark, which was equivalent to DM 1, and the "Richtungskoeffizient" of M 3.40. The foreign exchange Mark operations were settled through the German Foreign Trade Bank (DABA) and the "Richtungskoeffizient" through the State Bank. The latter accumulated a substantial deposit deriving from import payments by enterprises because exports to western countries, for which a premium of M 3.40 per M 1 export value was paid out of the "Richtungskoeffizient", fell short of imports. Since the GDR Mark depreciated against the Deutsche Mark over time, the "Richtungskoeffizient" had to be increased, i.e. external indebtedness had to be written up in the domestic GDR Mark circulation of the GDR. As a

counterpart, a non-interest-bearing claim on the state was included in the State Bank's balance sheet. Viewed in isolation, the "provisions for external liabilities ("Richtungskoeffizienten")", less this "revaluation loan" to the state, represent a "revaluation gain" arising from the conversion of the Mark. Accordingly, this amount has been used arithmetically to adjust the consolidated balance sheet of the GDR banking system. In line with the provisions of the State Treaty (Annex I, Article 8 paragraph 4(5)) the excess assets arising at the State Bank from the disappearance of the "Richtungskoeffizient" are to be transferred to the Equalisation Fund which is to be established by the German Democratic Republic to service the banks' equalisation claims. The direct payments to be made from the budget of the GDR to finance the Equalisation Fund are thus reduced accordingly.

² Including the State Bank's claims on the state arising from the initial provision of notes and coins in connection with the currency reform of 1948.

The conversion of GDR Mark into Deutsche Mark in accordance with the State Treaty

Basis: Consolidated balance sheet of the banking system of the GDR as at May 31, 1990

Assets	M billion	Conversion rate	DM billion	Liabilities	M billion	Conversion rate	DM billion
1. Lending to domestic borrowers				1. Deposits from domestic non-banks			
Total	397.4	—	180.7	Total	249.9	—	156.6
Government	60.6	a 2:1	12.3	Government	10.8	2:1	5.4
of which							
Lending in connection with the revaluation of external liabilities	31.2	—	—	Enterprises	57.0	c 2.05:1	27.8
Claims on the government from the initial provision of notes and coins in 1948	4.9	—	—	Individuals	182.1	—	123.4
Enterprises	231.7	2:1	115.8	Giro and savings balances of individuals			
Housing sector	102.6	2:1	51.3	... residents	165.6	d 1.44:1	115.2
Individuals (excluding housebuilding loans)	2.5	2:1	1.3	... non-residents	2.3	e 2.05:1	1.1
				Life insurance	14.2	2:1	7.1
2. External claims	45.0	—	36.3	2. External liabilities	152.5	—	55.6
(a) CMEA countries	17.4	—	8.7	(a) CMEA countries	1.1	—	0.6
(b) Western industrial and developing countries	27.6	b	27.6	(b) Western industrial and developing countries	55.0	b	55.0
				(c) Provisions for external liabilities ("Richtungskoeffizienten") ¹	96.4	f	—
3. Participations	1.1	1:1	1.1	3. Currency in circulation (excluding the banks' cash holdings)	13.6	2:1	6.8
				4. Accumulated profits/reserve funds/guarantee funds	23.4	1:1	23.4
4. Other assets	3.1	2:1	1.5	5. Other liabilities	7.2	2:1	3.6
Total	446.6	—	219.6	Total	446.6	—	246.0
Balancing item	—	—	26.4	Balancing item	—	—	—
Total	446.6	1.81:1	246.0	Total	446.6	1.81:1	246.0

¹ These are actually liabilities of the banking sector to the government, which might also be shown in liabilities item 1. In this table, they are shown in connection with the external liabilities of the GDR because the item may also be regarded as a kind of "value adjustment" for the external liabilities, which are otherwise put at too low a value in GDR Mark. — a Conversion of a balance of M 24.5 billion, which results after offsetting the lending from the revaluation of external liabilities (M 31.2 billion) and claims arising from the initial provision of notes and coins in 1948 (M 4.9 billion) against provisions for external liabilities ("Richtungskoeffizienten") to the same amount. — b External claims (assets item 2(b)) and external liabilities (liabilities item 2(b)) are here still valued at the accounting rates of the end of 1989. The market rates of June 30, 1990 are to be used for the final conversion. The amounts shown will then

presumably be somewhat lower (liabilities item 2(b) also includes foreign currency deposits from residents). — c Conversion rate for balances of non-residents arising on and after January 1, 1990 3:1, otherwise 2:1. — d Conversion rate of 1:1 for M 2,000 x 3.2 million = DM 6.4 billion; M 4,000 x 10.1 million = DM 40.4 billion and M 6,000 x 3.0 million = DM 18.0 billion yields a total of DM 64.8 billion; the remainder (M 100.8 billion) was converted at a rate of 2:1. — e Balances as at the end of 1989 amounting to M 2.1 billion were converted at 2:1, the remainder at 3:1. — f Partly offset against lending in connection with the revaluation of external liabilities (M 31.2 billion) and claims arising from the initial provision of notes and coins in 1948 (M 4.9 billion); the arithmetical remainder (M 60.1 billion) was used to reduce the balancing item.

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resulting from the currency conversion does not remain at the State Bank but is used – through the intermediation of the Equalisation Fund – to adjust the other bank balance sheets.

On the basis of the model calculation the total demand for equalisation claims on the Equalisation Fund on the part of the banks (excluding the State Bank) comes to almost DM 57 billion and results solely from the “asymmetrical” conversion of bank assets and liabilities. This demand is satisfied via the dissolution of the “Richtungskoeffizient” and an equalisation claim of the Equalisation Fund on the GDR budget. Since the banks’ claims on the Equalisation Fund are bank assets bearing market interest rates and eligible for acceptance by the Bundesbank, these equalisation claims, after they have been recognised by the Fund, can be used by individual banks in money market operations and as collateral for refinancing from the Bundesbank.

Appendix 5: The balance of payments of the Federal Republic with the GDR in 1989

The year 1989 is the last time that all current and capital transactions between the Federal Republic and the GDR are recorded in an overall account. Upon the entry into force of the monetary, economic and social union with the GDR on July 1, 1990 such intra-German analyses have become meaningless. Furthermore, there are no longer any statistical bases for continuing the work.

Total recorded current and capital transactions between the Federal Republic and the GDR showed a deficit of the Federal Republic totalling DM 1.2 billion in 1989. The deficit was thus just as high as a year earlier. Regardless of the political restructuring of the GDR and the economic reforms which had been initiated, and which found their tangible expression in the opening of the borders on November 9, 1989, the overall balance of payments with the GDR did not change last year. However, developments during the last two months of 1989 did have a perceptible impact on the balance of payments pattern.

Unlike the situation in the preceding years, transactions in goods and services with the GDR in 1989 produced a distinct surplus in favour of the Federal Republic to the amount of DM 2.0 billion, compared with a deficit of DM 0.4 billion in 1988. This relatively pronounced reversal is mainly attributable to service transactions with the GDR, especially to those in the travel sector. After the opening of the intra-German border a flood of visitors from the GDR poured into the Federal Republic; this led to a corresponding rise in travel receipts as most of the GDR visitors used the “welcoming money” paid by the Federal Government and other public authorities to make purchases in the Federal Republic. The corresponding contra-entry to these receipts is to be found under transfer payments to the GDR. In all, the payments to visitors and the resultant travel receipts led to an expansion of transactions, but without significantly affecting the overall balance.

The “currency pattern” of the payments, too, remained virtually unchanged in 1989. Payments in units of account (under the Berlin Agreement) were approximately in balance last year, just as in the preceding years. On the other hand, the GDR received DM 1.3 billion on balance from payments with the Federal Republic in so-called “free currency”;

Balance of payments of the Federal Republic of Germany with the GDR

Item	DM/UA billion			
	1988	1989		
		Total	in units of account	in free currency
I. Current account				
1. Transactions in goods and services				
(a) Transactions in goods including supplementary items				
Sales to the GDR	6.5	7.3	6.4	1.0
Purchases from the GDR	6.4	6.7	6.7	0.0
Balance	0.2	0.6	-0.3	1.0
(b) Services				
Receipts	1.9	4.2	1.3	2.9
Expenditure	2.5	2.9	1.1	1.8
Balance	-0.6	1.3	0.2	1.1
of which				
Transportation				
Receipts	0.6	0.7	0.7	—
Expenditure	0.2	0.2	0.2	—
Travel 1				
Receipts	0.5	2.7	—	2.7
Expenditure	1.2	1.4	—	1.4
Post Office lump-sum payment				
Expenditure	0.2	0.2	0.2	—
Balance of transactions in goods and services	-0.4	2.0	-0.1	2.1
2. Transfer payments (unrequited transfers)				
(a) in the private sector				
Transfers by the GDR	0.1	0.1	—	0.1
Transfers to the GDR	0.3	0.4	0.0	0.4
Balance	-0.2	-0.2	-0.0	-0.2
(b) in the public sector				
Transfers by the GDR	—	—	—	—
Transfers to the GDR	1.2	3.0	0.1	3.0
Balance	-1.2	-3.0	-0.1	-3.0
of which				
Transit lump-sum payment	0.5	0.5	—	0.5
Payments to visitors from the GDR 1	0.4	2.4	—	2.4
Transfer payments, total				
Transfers by the GDR	0.1	0.1	—	0.1
Transfers to the GDR	1.5	3.4	0.1	3.3
Balance	-1.3	-3.3	-0.1	-3.2
Balance on current account (deficit of the Federal Republic: —)	-1.8	-1.3	-0.1	-1.1
II. Balance on capital account (capital exports: —)	0.6	0.1	0.2	-0.1
of which				
Swing credit of the Deutsche Bundesbank	0.4	-0.0	-0.0	—
III. Balance on current and capital accounts (outflows of funds to the GDR: —)	-1.2	-1.2	0.1	-1.3

1 Partly estimated.

Discrepancies in the totals are due to rounding.

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besides net payments to visitors from the GDR, these mainly comprised public transfer payments by the Federal Republic to the GDR (inter alia, the transit lump-sum payment and miscellaneous road tolls).

Intra-German trade

In 1989 intra-German trade picked up markedly again after having declined in the three preceding years. Sales by the Federal Republic rose by 12% against 1988, while purchases went up by about 6%. Owing to the sharper expansion on the sales side, the Federal Republic's surplus in intra-German trade increased from DM/UA 0.2 billion in 1988 to DM/UA 0.6 billion last year.

The rise in West German sales to the GDR over the whole of 1989 was not yet affected by the changes since the autumn of last year; instead, the trend was determined more by the "traditional" trade patterns. After adjustment for seasonal fluctuations, sales to the GDR actually declined slightly in the first quarter of 1990. It was not until April and May 1990 that they soared, rising by over 60% against February-March. Moreover, it has to be taken into account that West German firms have increasingly been supplying goods to the GDR outside the Berlin Agreement since the beginning of 1990, so that the intensification of business relations between the two parts of Germany – particularly in the areas along the common border and in Greater Berlin – has only partly been reflected in the statistics on intra-German trade since the opening of the borders.

In contrast to the Federal Republic's overall foreign trade, basic and producer goods have a relatively great weight in West German sales to the GDR (38%). In particular, the GDR purchased more non-ferrous metals (+ 38%), iron and steel (+ 10%) and chemical products (+ 7%) from the Federal Republic last year. In the capital goods sector, it was mainly sales of electrical engineering products (+ 22%) and mechanical engineering goods (+ 13%) which rose. Considering the urgency of the demand for capital goods in the GDR, their share in total West German supplies, at 38%, is comparatively low. At that time, as before, purchases from the Federal Republic served primarily to eliminate bottlenecks under the centrally planned foreign trade policy of the GDR. The plans took little account of GDR residents' demand for consumer goods; last year consumer goods supplies declined by 3½% and thus did not even make up 10% of total sales. The degree to which potential demand in the GDR had been ignored became manifest when consumer goods supplies to the GDR went up by leaps and bounds in the first few months of 1990, now that they were determined more strongly by demand trends there. Since the beginning of 1990 the composition of the West German goods supplied to the GDR has changed noticeably in favour of the consumer goods sector. Sales of food, drink and tobacco in April-May this year were four times, and sales of consumer goods two and a half times, as high as a year earlier. By contrast, only 24% more capital goods were supplied to the GDR. (In view of the strong demand for capital goods in the GDR, however, these supplies are likely to expand considerably over the longer term.)

The pattern familiar from the preceding years was repeated last year as far as purchases from the GDR are concerned: they rose by about 6%, and thus half as much as West German sales; indeed, the unbalanced pattern of goods became

even more conspicuous in 1989. For example, the Federal Republic's purchases of basic and producer goods increased by 10½%, with the result that the share of this category of goods in total purchases from the GDR went up to nearly 50%. While more capital goods (primarily electrical engineering products) were bought from the GDR (+ 13%), all of these products accounted for barely 16% of West German purchases from the GDR. The considerable structural weaknesses in the GDR's product range and the low international competitiveness (both in qualitative and in price terms) of enterprises there prevented the GDR from participating more strongly in the boom in the Federal Republic. In 1989 West German purchases of consumer goods were actually somewhat lower than a year earlier (– 1%).

Outside intra-German trade proper, there were sharply rising turnovers between the two parts of Germany last year in *merchandise transactions*; in this area payments are made in "free currency". In 1989 the Federal Republic made payments totalling DM 1.0 billion to the GDR in this sector, for goods resold to non-residents by West German commercial firms. In most cases steel products and food from the GDR were involved. On the other hand, the Federal Republic received payments amounting to DM 1.1 billion from the GDR as remuneration for the supply of goods which West German merchanting traders had obtained from non-residents. These were mainly grain supplies and supplies of chemical products, non-ferrous metals and machinery. On balance, the Federal Republic received DM 0.1 billion from the GDR.

Services and transfer payments accounts

As mentioned above, the balance on services account showed a distinct reversal in 1989. After a deficit of DM 0.6 billion in 1988, the services account with the GDR last year generated a surplus of DM 1.3 billion in favour of the Federal Republic. At DM/UA 0.2 billion, the slight surplus on that part of service transactions which is settled in units of account hardly changed as against 1988 (DM/UA 0.3 billion). The Federal Republic's net receipts from transport services and interest payments and its receipts from commission processing continued to be slightly higher than its net payments for commissions and trade fair costs and the payments by the Federal Post Office for the equalisation of costs with the GDR Post Office and the payments in connection with Berlin (West) (refuse and waste water disposal, subway and urban railway arrangements). The Federal Republic's higher surplus in bilateral service transactions was mainly due to the payments in "free currency", i.e. the Federal Republic's receipts from travel. These increased from DM 0.5 billion in 1988 to DM 2.7 billion last year, DM 2.4 billion being accounted for by the fourth quarter of 1989 alone.

The counterpart of these much higher travel receipts, which in economic terms mainly involved purchases of consumer goods by visitors from the GDR, and to this extent ought really to be included under merchandise transactions, is to be found in the *transfer payments* account with the GDR. The payments made by the Federal Government and local authorities to visitors from the GDR went up from roughly DM 0.4 billion in 1988 to an estimated DM 2.4 billion. In addition, the GDR received, inter alia, DM 525 million for the transit lump-sum payment, a further DM 50 billion in lump-sum tolls and DM 45 million for visa fees in "free currency" last year. Another DM 250 million, approximately, flowed to the GDR through purchases of goods via the Genex gift service. On

28 the other hand, persons residing in the Federal Republic were able to transfer DM 74 million from their accounts in the GDR to the Federal Republic under the Blocked Balances Agreement. In all, in 1989 the transfer payments account showed a deficit of the Federal Republic amounting to DM 3.3 billion, compared with one of DM 1.3 billion a year earlier. (These special payments – largely lump-sums – to the GDR under special agreements expired with the entry into force of the monetary, economic and social union. This applies, for instance, to the transit lump-sum payment – which was raised to DM 860 million for 1990 – and to the Blocked Balances Agreement.)

Capital transactions with the GDR

In 1989 statistically recorded capital transactions with the GDR were largely in balance (after a net inflow of DM 0.6 billion in 1988). Towards the end of 1989 the Federal Republic used a small amount (DM 97 million) of the swing credit extended by the Bundesbank. In the course of the first half of 1990 there was a significant reversal, however. At the end of June 1990 the GDR had recourse to the swing credit to the extent of about DM 500 million. However, with the discontinuance of clearing transactions the closing balance was settled by the GDR, in line with the provisions of the State Treaty.

The first stage of European economic and monetary union

July 1, 1990 saw the start of the first stage of European economic and monetary union (EMU) in the European Community. The legal framework for the closer coordination it is intended to bring about was laid down by the Council of Finance Ministers in March 1990 with its decisions on the improvement of economic convergence and the intensification of monetary cooperation between EEC central banks. In addition, the European Council agreed in Dublin at the end of June 1990 that an intergovernmental conference of EC member states is to be convened on December 13, 1990 to discuss the Treaty amendments necessary for the completion of the economic and monetary union. The avowed objective of this conference is to have the planned amendments of the EEC Treaty ratified by national parliaments before the end of 1992. Moreover, also in December, a second intergovernmental conference is to start work on the further development of the Community into a political union.

Objectives of the first stage and progress towards convergence to date

In the first stage of the realisation of EMU in the European Community the main objective is to gear national economic and monetary policies throughout the Community more strongly to the requirements of monetary stability and fiscal discipline and to develop the EC into a stability community. This task appears all the more pressing as there have been signs recently that stability cohesion between some Community countries is tending to decrease again. Inflation rates and fiscal deficits are tending to rise, especially in those countries which still have the largest need for correction in these fields. They include some economies with inflation rates of over 5%, in fact, and even some with inflation rates of well above 10%. The same is true of the area of financial policies, where there are still deficits of over 5% of GNP and, indeed, of over 10%.

Developing the Community into a single economic area requires the differences still existing between national economic policy objectives and control methods and between actual economic performances to be reduced further. This process towards more convergence has clearly made some headway in recent years. This does not, however, apply equally to all EC countries. It is above all true of those countries which have opted for the discipline imposed by the exchange rate mechanism of the EMS. In fact, adequate convergence of the basic

30 orientation of economic policy and performance is a prerequisite for the cohesion of the system. It also justifies the expectation associated with the first stage of EMU (which began on July 1, 1990) that during this first stage all EC currencies will, if at all possible, participate in the EMS exchange rate mechanism on the same conditions. Of course, there is a need for some partner countries to make substantial efforts of their own before joining the exchange rate mechanism. As is illustrated by certain countries, participation in the exchange rate mechanism alone does not guarantee price stability; it can, however, facilitate it.

In addition to a high degree of price stability, convergence of economic performance also calls for sustained efforts in other areas of economic policy action, where imbalances may persist or newly emerge. For one thing, this applies to external imbalances, which are substantial in a number of countries and whose reduction may be additionally impeded if the persistent divergences in price performance are not offset by a realignment of nominal exchange rates. It also applies to undesirable developments in the area of public finance. In some countries, the annual budget deficit is currently equivalent to more than one-tenth of GNP, and in no few instances it is still rising. Public debt resulting from sustained undesirable trends of this kind not only places a burden on future generations in the shape of interest and redemption payments, it also reduces the necessary flexibility of the public sector and not infrequently impedes other policy areas. Thus, necessary monetary policy action may not be taken at all, or not to the requisite extent, because of its implications for the servicing of public debt. But even where monetary policy seeks to correct fiscal slippages, this may have undesirable consequences – as is currently illustrated by the high level of interest rates in some countries with large government deficits. This applies in particular to those countries participating in the exchange rate mechanism whose budget deficits and inflation rates necessitate particularly high interest rates to attract capital. Since, because of the participation in the exchange rate mechanism, the markets do not perceive the interest rate advantage to be accompanied by any devaluation risk in the medium term, this triggers a persistent real depreciation of the currency concerned, which counteracts the desirable decline in the trade and current account deficits. Within the fluctuation margins, this results in an “unnatural” situation, in so far as the currencies of

the countries with high inflation rates and budget deficits tend to move to the top edge, while the currencies of the countries enjoying stability are apt to be weak. Moreover, there will frequently be substantial intervention within the agreed fluctuation margins, whose liquidity effects are contrary to monetary policy intentions in the countries concerned. In the surplus countries which are also affected, the opposite effects will occur, with respect to both external adjustment and monetary policy.

In the next few years the Community will have to give priority to dealing with the pent-up need for financial policy adjustment in order to pave the way for further progress towards convergence. Increased coordination in the context of the “surveillance” of member states by various Community bodies, as stipulated in the amended convergence directives for stage one of EMU, will provide the appropriate framework.

Increased multilateral surveillance

The Council decision of 1974 on economic convergence, which was still strongly influenced by the philosophy of demand management, has been replaced by a new formulation of objectives and procedures, which were set forth in the Council Decision of March 12, 1990 on the attainment of progressive convergence of economic policies and performance during stage one.¹ This decision postulates, as the priority objective to be achieved by the Community, sustained non-inflationary growth together with a high level of employment. Multilateral surveillance by the Council of Ministers is intended to ensure that the policies of all member states are primarily geared to price stability and, on the basis of sound financial and monetary policies, balance of payments equilibrium and open, competitive markets, are compatible with those of the other partners.

Surveillance, which will be undertaken at least twice a year by the Council of Ministers, will cover all aspects of economic policy in both the short and medium-term aspects: it encompasses economic performance, the compatibility of economic policies within the Community and the impact of global economic fundamentals. Assessment of economic policies and performance is to be based on macro-economic indicators showing the trends of supply and demand, of prices and costs, employment, regional development, public finance, the money supply, interest rates, exchange rates and external im-

¹ Council Decision of March 12, 1990 on the attainment of progressive convergence of economic policies and performance during stage one of economic and monetary union (see Annex 1 to this article).

balances. In addition to the general surveillance of developments in the Community, regular country reviews of national economic conditions and prospects and the policies of individual member states are also envisaged. In implementing surveillance, the Council of Ministers will rely on reports which are prepared by the Commission and reviewed and discussed beforehand in the Monetary Committee.

A remarkable feature is the importance which is to be attached to fiscal policy in the framework of multilateral surveillance. Thus, a review of the size and financing of budget deficits is to take place ahead of national budgetary planning, the aim being to reduce excessively high deficits and avoid monetary financing. This arrangement has been proposed in recognition of the fact that the commitment to fiscal discipline is essential to ensure monetary stability as a basis for sound growth. Unsound budgetary policies in member states and the associated financial and economic problems impose strains on Community solidarity and hence on cohesion in the Community. No agreement has been reached as yet, however, in the Community as to the degree of stringency to be prescribed for budgetary policies.

In addition to the regular surveillance, the Council may carry out ad hoc consultations whenever potential or actual economic developments within or outside the Community threaten economic cohesion. As a result of the reviews, it may issue recommendations for adjustment measures to be taken in the member states concerned.

In the initial stage of EMU, multilateral surveillance is designed to enhance the training process member states must undergo in order to progressively develop into a stability community. To achieve this goal, the Council is given the right to make economic policy suggestions and recommendations to the individual member states. The willingness of member states to comply with these recommendations and possibly to put aside national interests in favour of the Community will prove how strong the will to integrate within the Community really is.

Various reporting and disclosure requirements to which the Council will be subjected vis-à-vis the European Parliament are designed, on the one hand, to ensure parliamentary control of its surveillance activities and the recommendations

that follow from them and, on the other hand, to enable its recommendations to be incorporated in the formulation of national policies. The Council Decision therefore provides for the annual report that is to be drawn up by the Council on the overall economic situation in the Community and the medium-term orientation of Community policy to be adopted only after consultation of the European Parliament and the Economic and Social Committee. Moreover, the President of the Council has to report regularly to the European Council on the results of multilateral surveillance; furthermore, he may be invited to appear before the appropriate parliamentary committees when the Council has made political recommendations. In order to facilitate implementation of the Council's recommendations (notably those concerning budgetary policies in the individual member states) the governments concerned are to bring the results of the multilateral surveillance to the attention of their national parliaments.

Economic union and monetary union are two equally important elements of the integration process, and economic and monetary integration should proceed at the same pace. An accelerated pace – for instance in the area of monetary integration – without adequate economic convergence would presumably give rise to far-reaching tensions. This principle of the “parallelism of economic and monetary integration” requires information on and coordination of the monetary and other economic policies pursued by the competent institutions. That is why the chairman of the Committee of Central Bank Governors has the right to attend the relevant Council meetings in order to explain the Central Bank Governors' views as a contribution to the general economic policy deliberations.

Intensified coordination of monetary policies

A major element of the first stage of EMU is the reorganisation of monetary policy cooperation. The Council Decision “on cooperation between the central banks of the member states of the European Economic Community”, as amended by the Council of Finance Ministers of the European Communities on March 12, 1990,² has not inconsiderably extended the role and functions of the Committee of Central Bank Governors and given it a new profile. The Central Bank Governors were actively involved in the preparation of this decision. Already in the past this Committee has sought to strengthen the

² Council Decision of March 12, 1990 amending Council Decision 64/300/EEC on cooperation between the central banks of the member states of the European Economic Community (see Annex 2 to this article).

32 stability orientation of national monetary policies, thus contributing to a progressive improvement of the functioning of the European Monetary System – which, incidentally, is based on an agreement concluded between the participating central banks. In the new Council Decision the goal of domestic price stability was given explicit priority. A true stability community also requires, however, that the stated commitment to monetary stability is translated into appropriate concrete policy action. Experience in the Committee of Central Bank Governors over the next few years will show the viability of the consensus on stabilisation policy.

On the basis of the new mandate, the Committee is to hold consultations not only – as in the past – on the general principles and broad lines of central bank policy, but also on issues affecting the stability of financial markets and financial institutions (to the extent that these issues fall within the competence of central banks). The central banks are to exchange information regularly about their most important measures; moreover, these measures are to be examined retrospectively. If major decisions are to be taken, such as the annual setting of national money supply and credit targets, the Committee is normally to be consulted in advance. Citing the coordination of national monetary targets as an example shows that advance consultation does not, in fact, refer to specific measures but only to broad policy decisions. Coordination of member states' monetary policies is to be promoted "with the aim of achieving price stability as a necessary condition for the proper functioning of the EMS and the realisation of its objective of monetary stability"².

Under the new Council Decision, the Committee is now able not only to formulate opinions on the orientation of monetary and exchange rate policy, but also to express its views to the Council of Ministers or individual governments on all policies which might affect the external and internal monetary situation in the Community and, if necessary, to make the outcome of its deliberations public.

To document the higher profile of the Committee to the general public as well, the Committee will prepare an annual report on its activities and on monetary and financial conditions in the Community and submit it to the European Parliament, the European Council and the Council of Ministers. On the occasion of the presentation of this report, the Chairman of the Committee of Central Bank Governors

may be invited to appear before the European Parliament. In carrying out its work, the Committee is, however, technically independent of instructions from other Community bodies. The role of the Committee would be strengthened further if the individual central banks were granted full independence of their parliaments and governments in the field of national monetary policy already during the first stage of EMU. To this extent, the Committee's independence would thus be institutionalised as well.

On the basis of the Council Decision mentioned above, the Committee of Central Bank Governors adopted a new set of rules of procedure on June 11, 1990, enlarging its structure in order to enable it to measure up to the new challenges.³ Thus, it extended the duration of the chairmanship from one year to three years in order to achieve a higher degree of continuity. The President of the Deutsche Bundesbank has been elected the first Chairman with a three-year term of office. Moreover, a Committee of Alternates, to prepare the work of the Committee of Central Bank Governors, and three Sub-Committees have been set up. These three Sub-Committees – for monetary policy, for foreign exchange policy and for banking supervision – in part succeed those which have existed for quite some while. In addition, an Economic Unit has been created to assist the Committee in performing its functions. The Economic Unit will deal with any issues relevant to monetary policy, carry out economic analyses and draw up the Committee's annual report. It will probably focus on questions of monetary policy in member states and the Community at large as well as on problems associated with the EMS or exchange rate relations with non-Community currencies.

There is basic agreement in the Committee of Central Bank Governors that price stability must be the primary monetary policy aim. Other economic policy objectives, such as in particular promoting economic growth or stabilising exchange rates, can be supported by monetary policy only to the extent that this is consistent with the principal aim of price stability. Price stability must be defined as a maximum degree of stability of the price level; orientation towards a Community average would not be compatible with this aim.

The implementation of the objective of price stability in stage one of EMU requires a firm and consistent anti-inflation policy in all member states. The gen-

² Council Decision of March 12, 1990 amending Council Decision 64/300/EEC on cooperation between the central banks of the member states of the European Economic Community (see Annex 2 to this article).

³ See Press Communiqué of the Committee of Governors of the Central Banks of the Member States of the EEC of June 11, 1990, in Annex 3 to this article.

eral public must be made aware of the fact that price stability is an essential precondition for stable economic growth. With a view to enhancing a coordinated stabilisation policy, the Committee of Central Bank Governors is currently studying possible ways of establishing a common system of surveillance over monetary policies. This system is to be based on conceptionally comparable and easily intelligible intermediate targets in the form of monetary aggregates (at least for the major countries). It is intended to create a common framework both for a stability-oriented coordination of monetary policies and for their assessment. The Committee has already carried out preliminary studies and intends to begin with the discussion of intermediate targets for 1991 at the end of this year. However, some major questions still require clarification. The monetary aggregates for which intermediate targets are to be discussed vary among countries, not least because the structures of national financial markets differ widely. Formal harmonisation of money stock definitions is therefore hardly feasible and would, at least for the time being, not make much sense either.

Realisation of the economic union

In stage one of the economic and monetary union the aim, in addition to intensifying cooperation in the fields of economic and financial policies, is also to lay the regulatory and structural foundations for the transition to the proposed final stages. According to the Delors Committee Report, these include the narrowing of structural imbalances in the Community and the completion of the internal market, accompanied by a strengthening of Community competition policy. These steps towards economic union are closely interrelated and should therefore be taken in parallel as far as possible.

With the reform of the EC structural funds in February 1988 and the simultaneously approved doubling of annual Community assistance (from ECU 7 billion to ECU 14 billion by 1993), some major steps have already been taken to enable the economically weaker countries and regions to participate fully in the internal market process. Reductions of structural imbalances must, however, primarily be achieved through market adjustment mechanisms; financial assistance to promote economic and social cohesion can no more than underpin this process.

The aim of the completion of the internal market has been embodied in the Single European Act, which

entered into force on July 1, 1987. It stipulates realisation, by the end of 1992, of the objective of an area without internal frontiers, in which goods, persons, services and capital are able to move freely. For one thing, this requires the removal of internal borders. For another, national legal provisions which lead to restrictions, impediments or distortions of competition in international transactions will have to be harmonised on a considerable scale.

In terms of the number of measures taken, the harmonisation process has already made considerable headway. This must not, however, obscure the fact that the necessary decisions are still outstanding in some major areas. Particularly unsatisfactory are the delays in lifting border controls, both for persons and goods. In passenger traffic, the main problem is the potential security losses associated with the dismantling of frontiers.⁴ The prime obstacle impeding the movement of goods, by contrast, is the difference in the level of indirect taxes (in particular value-added tax and other major sales taxes) in the member states.⁵ The Community is also in arrears in the liberalisation of public procurements, of transport, securities and insurance services, as well as in the harmonisation of industrial standards and animal health and plant protection law. Only if rapid progress is made in these areas will the internal market programme and its translation into national law probably be realisable on schedule.

Major progress has been achieved in recent years in the field of capital transactions. The Directive on the Liberalisation of Capital Movements of June 1988 provides for the member states basically eliminating all restrictions on capital movements by July 1, 1990. In addition, it is substantially those capital transactions which fall into the short-term category that are now required to be liberalised: financial credit, money market transactions, the opening of bank accounts and imports and exports of assets.

France and Italy, which still maintained restrictions in those areas, actually met some of the extended liberalisation requirements ahead of schedule (at the beginning of the year or during the first half of 1990). Belgium and Luxembourg relinquished their two-tier exchange market system in March 1990. At the beginning of the first stage of EMU, there are thus no capital controls left in eight member states.

By contrast, the economically weakest member states (viz. Ireland, Greece, Portugal and Spain) have been

⁴ Five EC countries (France, the Benelux countries and the Federal Republic of Germany) have taken a kind of lead with respect to removing controls on the movement of persons, in the shape of two agreements signed at Schengen in June 1985 and June 1990 – i. e. outside the scope of Community legislation.

⁵ Another major factor here is that harmonisation measures in the tax sector have to be adopted unanimously by the Council.

34 granted extended transitional periods – generally until the end of 1992 – for the realisation of the full freedom of capital movements. The exemptions relate in particular to those transactions which have had to be liberalised additionally. Moreover, under the agreements governing their accession to the EC, Spain and Portugal are allowed to maintain certain specified capital controls, for example in the fields of purchases of real property and direct investment. When the transitional period after joining the EC expired, Greece was authorised, because of persistent balance of payments problems, to retain some protective measures in capital transactions. This authorisation, which applies to securities and real property purchases abroad, has been renewed several times. Overall, however, there is an increasing trend towards deregulation in this group of countries, too – notably in Spain, but also in Portugal.

Beyond deregulation, the Community is seeking to set up a common framework for a European financial area. This will pave the way for the financial institutions operating Community-wide and being able to establish offices in all member states. This calls, on the one hand, for harmonisation of competitive conditions and, on the other, for convergence of the main protective and regulatory provisions. In the field of stock exchange and company law, harmonisation work has already progressed far. In the banking sector, too, important steps towards a single market have been taken, notably in the form of the Second Banking Directive adopted in December 1989 and the supplementary directives on the banks' own funds and solvency ratios. Once these directives have been incorporated in national law (not later than January 1, 1993), there will be a single European banking market which basically will be open to non-EC countries as well. Substantially, there is currently still a need for regulatory action – as mentioned before – in the fields of insurance and securities services.

Progress towards financial integration and intensified monetary cooperation are interdependent. In an integrated market financial flows react more sensitively to changes in fundamentals. Consequently, member states must increase their efforts to achieve economic and monetary policies aimed at convergence and geared to stability. At the same time, the need for intensified coordination at Community level is increasing.

While progress towards convergence has in the past invariably been a prerequisite for headway towards

integration, the EMU process will critically hinge on the success to be achieved in the first stage in reducing the remaining divergences and thus creating a basis for the realisation of more extensive integration. There should, however, be no doubt about the fact that the aim of this process is the realisation of greater price stability throughout the Community.

Annex 1: Council Decision of 12 March 1990

on the attainment of progressive convergence of economic policies and performance during stage one of economic and monetary union (90/141/EEC)

The Council of the European Communities,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 103 and 145 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,¹

Having regard to the opinion of the Economic and Social Committee,²

Whereas the European Council, at its meeting in Madrid in June 1989, restated "its determination to achieve progressively economic and monetary union as provided for in the Single Act"; whereas it decided that "the first stage of the realization of economic and monetary union would begin on 1 July 1990"; whereas it stated that "economic and monetary union must be seen in the perspective of the completion of the internal market and in the context of economic and social cohesion", and that "its realization would have to take account of the parallelism between economic and monetary aspects, respect the principle of "subsidiarity" and allow for the diversity of specific situations";

Whereas progress towards economic and monetary union requires a high degree of convergence of economic performances between Member States through greater compatibility and closer coordination of economic policies; whereas such strengthening of economic policy coordination also contributes to the achievement of Community objectives, in particular to convergence at a high level of economic performance in the framework of monetary stability;

Whereas the achievement of the goals of the Single European Act, more especially the completion of the internal market, will require more effective policy coordination to the extent that it will increase the degree of economic and financial integration and reinforce competition and structural change and thus amplify the cross-border effects of economic policies;

Whereas pursuant to Article 102a of the Treaty, Member States are to take account of the experience acquired in cooperation within the framework of the European Monetary

1 Official Journal of the European Communities No. C 68, 19.3.1990.

2 Official Journal of the European Communities No. C 56, 7.3.1990, p. 47.

System and in developing the ecu and shall respect existing powers in this field; whereas the first stage of economic and monetary union should provide a sound basis for successful further development and sustainability;

Whereas the strengthening of coordination should rely on the political will to develop further the consensus on the broad economic policy approach; whereas progress in this coordination process calls for flexibility, subsidiarity and precise and appropriate commitments in decision-making as well as for learning by doing;

Whereas Council Decision 74/120/EEC of 18 February 1974 on the attainment of a high degree of convergence of the economic policies of the Member States of the European Economic Community³ and Council Directive 74/121/EEC of 18 February 1974 on stability, growth and full employment in the Community⁴ shall be repealed,

has adopted this Decision:

Article 1

In order to help to achieve sustained non-inflationary growth in the Community, together with a high level of employment and the degree of economic convergence necessary for the success of stage one of economic and monetary union, in the perspective of the completion of the internal market and in the context of the economic and social cohesion, the Council shall undertake multilateral surveillance. In this context it shall apply the following principles: price stability, sound public finances and monetary conditions, sound overall balances of payments and open, competitive markets. It shall examine at least twice a year:

- the economic conditions, prospects and policies in the Community and its Member States,
- the compatibility of policies within Member States and in the Community at large,
- the external economic environment and its interaction with the economy of the Community.

Multilateral surveillance shall cover all aspects of economic policy in both the short- and medium-term perspectives.

Article 2

The Council shall undertake multilateral surveillance in restricted sessions. It may authorize its President to make public the results of its deliberations.

Through learning by doing, multilateral surveillance should increasingly result in compatible policies, with precise and appropriate commitments by the Member States. In this context, the Council may make economic policy suggestions and upon a proposal of the Commission, issue economic policy recommendations.

Article 3

Multilateral surveillance shall focus on macroeconomic, microeconomic and structural policies; this surveillance will be conducted by the Council on the basis of reports and analyses submitted by the Commission. These shall include:

- indicators of economic performance and economic policies including monetary and budgetary policies, such as supply and demand trends, price and cost developments, employment, regional development, financial markets, public finance, monetary aggregates, interest rates, exchange rates and external imbalances,
- regular reports on national economic conditions, prospects and policies,
- periodic assessments of the economic situation of the Community and an annual report to review the economic outlook, the underlying economic policy orientations in the medium term and their interactions.

A review of budgetary policies will take place possibly ahead of national budgetary planning, and will focus particularly on the size and financing of budget deficits, as well as the medium-term orientation of budgetary policy, the aim being to reduce excessively high deficits and avoid monetary financing.

The Council's work on multilateral surveillance shall be prepared by the Monetary Committee, which for such purposes shall include, as experts, a representative of each Member State and of the Commission on the Economic Policy Committee. The chairmen of the Monetary Committee and the Economic Policy Committee shall attend the Council meetings at which surveillance is carried out.

Article 4

On a proposal from the Commission the annual economic report shall be adopted by the Council, after consulting the European Parliament and the Economic and Social Committee.

Article 5

When potential or actual economic developments in one or more Member States threaten the economic stability and cohesion of the Community, the Council shall undertake an examination of the economic situation. Such examination may result in the formulation of country-specific recommendations with a view to encouraging the necessary policy corrections.

Article 6

When events outside the Community threaten the economic stability and cohesion of the Community, consultation shall take place in the appropriate Community bodies to consider possible measures.

Article 7

In order to promote consistency between monetary and other economic policies, the chairman of the Committee of Governors of the Central Banks of the Member States of the European Community shall be invited to participate in the relevant Council meetings.

Article 8

The President of the Council and the Commission shall report regularly on the results of multilateral surveillance to

³ Official Journal of the European Communities No. L 63, 5.3.1974, p. 16.

⁴ Official Journal of the European Communities No. L 63, 5.3.1974, p. 19.

36 the European Council and the European Parliament. Furthermore, the President of the Council may be invited to appear before the competent Committee of the European Parliament when the Council has made political recommendations.

Governments shall bring the results of the multilateral surveillance to the attention of their national parliaments so that it can be taken into account in national policy making.

Article 9

On the basis of reports submitted by the Commission, and after consultation of the Monetary Committee, the Council shall periodically examine the progress made in multilateral surveillance through the application of this Decision. This report shall also be transmitted to the European Parliament.

Article 10

Decision 74/120/EEC and Directive 74/121/EEC shall be repealed.

Article 11

This Decision is addressed to the Member States.

Done at Brussels, 12 March 1990.

For the Council

The President
A. Reynolds

Annex 2: Council Decision of 12 March 1990

on co-operation between the Central Banks of the Member States of the European Economic Community (64/300/EEC)¹

The Council of the European Communities,

Having regard to the Treaty establishing the European Economic Community, and in particular to Article 105 (1) and to the first indent of Article 145 thereof,

Having regard to the recommendation from the Commission,

Having regard to the opinion of the European Parliament,²

Having regard to the opinion of the Economic and Social Committee,³

Whereas the European Council, at its meeting in Madrid on 26 and 27 June 1989, decided that the first stage of the realization of economic and monetary union should begin on 1 July 1990;

Whereas Article 102a of the Treaty together with the realization of the first stage of the economic and monetary union call for an increased degree of convergence in economic performance towards non-inflationary growth and of economic and social cohesion between the Member States;

Whereas greater convergence should be promoted with a view to achieving domestic price stability, which is at the same time a necessary condition for stable exchange rates, in accordance with the requirements of the European Monetary System;

Whereas the realization of the first stage of economic and monetary union will focus on completing the internal market and in particular on removing all obstacles to financial integration, on strengthening the process of coordination of monetary policies, on intensifying cooperation between central banks on other matters falling within their competence and whereas, in this connection, consideration should be given to extending the scope of the central banks' autonomy;

Whereas arrangements for the formulation of monetary policy within the framework of an economic and monetary union should provide for adequate autonomy for the institutions and for commitment to price stability, which is essential to the success of that union;

Whereas, in view of the objective of the progressive realization of economic and monetary union, the tasks and role of the Committee of Governors of the Central Banks of the Member States of the European Community should be extended and reinforced,

has decided as follows:

Article 1

For the purpose of promoting co-operation between the Central Banks of the Member States, a Committee of the Governors of the Central Banks of the Member States of the European Economic Community (hereinafter called the "Committee") is hereby set up.

Article 2

The Committee shall be composed of the Governors of the central banks of the Member States and the Director-General of the Luxembourg Monetary Institute. If they are unable to attend, they may nominate another representative of their institution.

The Commission shall, as a general rule, be invited to send one of its members as a representative to the meetings of the Committee.

The Committee may, furthermore, if it considers it necessary, invite qualified persons to attend and in particular the chairman of the monetary committee.

Article 2a

The chairman of the Committee shall be invited to participate in the meetings of the Council of Ministers whenever it deals with issues involving the tasks of the Committee of Governors.

¹ amending the Council Decision of May 8, 1964.

² Official Journal of the European Communities No. C 68, 19.3.1990.

³ Official Journal of the European Communities No. C 56, 7.3.1990, p. 47.

The tasks of the Committee shall be:

- (1) to hold consultations concerning the general principles and the broad lines of monetary policy, in particular as regards credit, the money and foreign exchange markets as well as issues falling within the competence of the central banks and affecting the stability of financial institutions and markets;
- (2) to exchange information regularly about the most important measures that fall within the competence of the central banks, and to examine those measures. The Committee shall normally be consulted before the national authorities take decisions on the course of monetary policy, such as the setting of annual money supply and credit targets;
- (3) to promote the coordination of the monetary policies of the Member States with the aim of achieving price stability as a necessary condition for the proper functioning of the European Monetary System and the realization of its objective of monetary stability;
- (4) to formulate opinions on the overall orientation of monetary and exchange rate policy as well as on the respective measures introduced in individual Member States;
- (5) to express opinions to individual governments and the Council of Ministers on policies which might affect the internal and external monetary situation in the Community and, in particular, the functioning of the European Monetary System.

In carrying out its tasks, the Committee shall keep under review the monetary situation and prospects both inside and outside the Community.

The Committee shall prepare an annual report on its activities and on the monetary and financial conditions in the Community, which will be transmitted to the European Parliament, the Council of Ministers, and the European Council. The chairman of the Committee may be invited to appear before the European Parliament on this occasion and also before the competent committee of the European Parliament where the circumstances so justify.

The Committee may authorize its chairman to make the outcome of its deliberations public.

Article 3a

The members of the Committee, who are the representatives of their institutions, shall act, with respect to their activities on the Committee, according to their own responsibilities and having due regard to Community objectives.

Article 4

The Committee shall meet at regular intervals and whenever circumstances so require. The Commission may, if it con-

siders the situation necessitates such a step, request an emergency meeting of the Committee.

Article 5

The Committee shall adopt its own rules of procedure. It may set up subcommittees and provide its own secretariat and research services.

Done at Brussels, 12 March 1990.

For the Council

The President
A. Reynolds

Annex 3: Press Communiqué of 11 June 1990

of the Committee of Governors of the Central Banks of the Member States of the European Economic Community

At its meeting of 11 June 1990 the Committee of Governors, under the Chairmanship of Mr. Pöhl, President of the Deutsche Bundesbank, completed the reorganisation of its structure and working procedures. With this step the Committee has finalised its preparations for the entry into force of Stage One of the realisation of Economic and Monetary Union on 1 July 1990.

In accordance with a new set of rules of procedure, the Committee of Governors will be assisted by the Committee of Alternates, three sub-committees and the enlarged Secretariat.

The Committee of Alternates will be chaired by Monsieur Jean-Jacques Rey, Director of the Banque Nationale de Belgique. The three Sub-Committees will be the Foreign Exchange Policy Sub-Committee, the Monetary Policy Sub-Committee and the Banking Supervisory Sub-Committee.

In the context of this reorganisation, the Committee of Governors also appointed five economists for the Economic Unit which will be added to the existing Secretariat. The principal task of this Unit will be to provide analytical support to the work of the Committee of Governors. Both the Secretariat and the Economic Unit will be headed by Dr. Gunter D. Baer, who has been appointed Secretary General of the Committee of Governors with effect from 1st July 1990.

The Committee of Governors is confident that these organisational changes will contribute to strengthening further central bank co-operation and monetary policy co-ordination and, in particular, enable it to fulfil the tasks conferred upon it under the amended Council Decision on co-operation between Community central banks.

The expenditure of the central, regional and local authorities since 1982

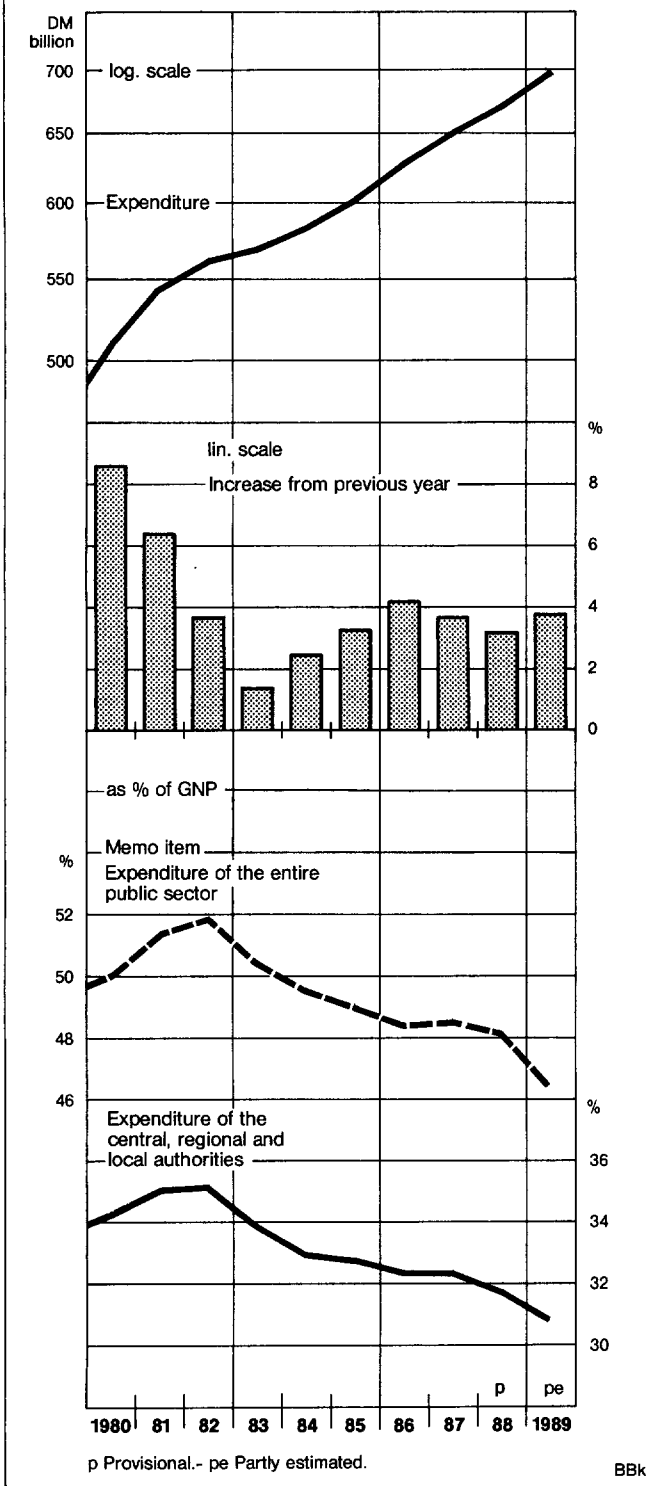
Underlying trends

In the process of German unification, those responsible for financial policy in the Federal Republic are faced with the task of rendering assistance in the transition to the social market economy and in the reorganisation of public finance required for the purpose in the territory of the GDR. The relatively favourable basic financial situation of the central, regional and local authorities in the Federal Republic, which is due to the change of course of financial policy since 1982 and the sustained economic growth that has now been in progress for eight successive years, is facilitating this adjustment assistance. The successful containment of government recourse to macro-economic resources as a result of the consolidation policy which has been pursued for years, and the tax cuts of recent years which this containment made possible have helped to improve the underlying conditions for growth in the private sector. Hence the economy of the Federal Republic is, all in all, well equipped to face the challenges posed by the monetary, economic and social union with the GDR.

The reorientation of financial policy since 1982 was the logical consequence of the experience gained in the late seventies and early eighties, when strong increases in public expenditure and budget deficits contributed to the undesirable macro-economic trends of that time (viz. price rises, current account deficits, a temporary depreciation of the Deutsche Mark and weak economic growth). First of all, priority was given to reducing the public sector deficits, in order to ease the pressure on the credit markets, to make the terms of financing for private investment more favourable and, in this way, to help spark off a new growth process on the supply side. Another reason why a reduction in the deficits was imperative was that the rise in interest expenditure associated with the high level of borrowing was increasingly narrowing the room for manoeuvre available to budgetary policy.

The budgetary situation could only be improved materially by measures including modifications to statutory benefits. The cuts were enacted in three legislative packages ("Operation '82" plus the acts accompanying the 1983 and 1984 budgets). These measures included a (partly income-dependent) cut in children's benefits, a reduction in educational assistance for schoolchildren and the conversion of financial aid for students from grants to loans, the

Expenditure of the central, regional and local authorities



imposition of a limit on the adjustment of standard social assistance rates and, in particular, a variety of cutbacks in the area of the Work Promotion Act. Moreover, a number of cash benefits were not brought into line with increases in the cost of living or in wages

and salaries. Major economies were also achieved in the field of civil servants' salaries and pensions, the regular increases in which were, moreover, limited and deferred. The central, regional and local authorities also endeavoured to cut down, as far as possible, expenditure not deriving from statutory obligations. This was particularly clearly reflected in capital spending. The efforts to contain the rise in expenditure were facilitated by the fact that the upturn in prices had been successfully and durably moderated since 1983; the associated direct and indirect "gains in stability" on the expenditure side of the budgets were considerable.

In view of the reductions achieved in the deficits, financial policy, which was geared to the medium-term encouragement of economic growth, entered a second stage in 1986, during which the tax burden was to be gradually reduced. A precondition for this continued to be restraint on the expenditure side. In the second half of the eighties, however, this policy was not pursued quite as strictly as before. There were no further reductions in statutory benefits; on the contrary, some improvements were made, above all in the area of family benefits. Moreover, more latitude was perceived for some types of expenditure which (like capital spending) is not based on statutory obligations. This contributed to a somewhat stronger increase in the overall expenditure of the central, regional and local authorities from the middle of the decade; the repeated recommendation by the Financial Planning Council to limit the medium-term rise in public spending to 3% was, in the upshot, no longer quite (albeit largely) complied with.

Altogether, the successes achieved in containing the rise in expenditure in the period between 1982 and 1989 were considerable. On an annual average, the spending of the central, regional and local authorities went up by only 3.2% during that period (against about 8% in the years from 1978 to 1981). Expenditure trends at the individual levels of government varied relatively little: the lowest increase rate was recorded by the Federal Government, at an annual 2.8%; in the case of the Länder Governments the growth rate came to 3.4% and in the case of the local authorities to 3.0%. The only exception was expenditure at, as it were, a fourth, supranational level, associated with German membership of the European Communities, financed out of EC receipts generated in the Federal Republic and serving to support the agricultural markets and to

Overview of the expenditure of the central, regional and local authorities *					
Expenditure	Volume		Pattern		Trends
	1981	1989	1981	1989	1982-89
	DM billion		as % of total expenditure		Annual increase in %
Personnel expenditure	174.0	222	32.1	31.7	3.1
Other operating expenditure	81.7	111	15.0	15.9	3.9
Social expenditure	114.3	142	21.0	20.3	2.8
Current grants to enterprises	27.8	39.5	5.1	5.6	4.4
Current grants to non-residents	12.9	20	2.4	2.8	5.6
Interest expenditure	36.7	61	6.8	8.7	6.6
Capital expenditure	59.3	61.5	10.9	8.8	0.5
Financial aid	36.3	41	6.7	5.9	1.6
Total	542.9	699.5	100	100	3.2
of which					
Federal Government	234.9	293			2.8
Länder Governments	216.6	282.5			3.4
Local authorities	155.8	198			3.0

* See the footnotes to the table on p. 44.

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finance structural aid, above all to other EC member states; it expanded on an annual average by just over 8%. However, expenditure trends at the individual levels of government can be regarded as indicative of the spending stance of the individual budgetary entities only with qualifications, since the differing distribution of functions and the diverse payment links must also be taken into account.

The progress made in cutting down public sector operations in favour of increased room for manoeuvre for the private sector is clearly reflected in the macro-economic statistics. As a percentage of the nominal gross national product, the expenditure of the central, regional and local authorities declined from 35.1% in 1981 to 30.9% in 1989. Including the expenditure of the social security funds, which increased by an annual average of 4% during the period under review, the "government spending ratio" fell from 51½% in 1981 to 46½% last year. The strong rise recorded in the seventies and at the beginning of the eighties in the government spending ratio was thus reversed to the extent of nearly half (and almost completely among the central, regional and local authorities considered by themselves). The result is the same if, instead of expenditure as defined in the financial statistics (the definition used here), expenditure as shown in the government account of the national accounts is taken as a

basis. The government spending ratio in the definition of the national accounts, which is used in most economic policy discussions, is admittedly somewhat lower owing to differences in definitions (49½% in 1981 and just under 45% in 1989), but the decrease over the period under review was approximately the same.

By international standards, too, the reduction in the government spending ratio in the Federal Republic is impressive. As the table on page 41 covering the seven major western industrialised countries (G-7), which is based on OECD calculations, shows in detail, it is true that the government spending ratio of the United Kingdom has declined more steeply than that of the Federal Republic since 1981, but in the United States, Canada, France and Italy that ratio has actually increased. Whereas in 1981 the Federal Republic recorded the highest ratio of government expenditure to GDP, its government spending ratio in 1988 (more recent figures are not available for some countries) was below that of Italy and France. To be sure, the government spending ratios of the United States and Japan in 1988 were still considerably lower than that of the Federal Republic.

Expenditure trends in the individual countries were shaped to a major extent by interest expenditure. While the ratio of this expenditure item to GDP went up in almost all countries during the period under review, this increase was particularly strong in Italy, the United States and Canada – the countries with the highest deficits on average over the last eight years. This illustrates the "vicious circle" in which countries with large budget deficits may easily be caught: a high level of borrowing entails a sharp increase in government interest expenditure and therefore, in most cases, in total spending, too, which in turn pushes up borrowing. For neither do interest payments lead to correspondingly higher tax receipts nor do the loans raised usually serve to finance a strengthening of the economic potential, which might warrant expectations of additional government revenue. In other words, the higher deficits are not normally self-financing, even though this argument is often put forward. On the other hand, the United Kingdom has succeeded in reversing this spiral, in a sense, by means of drastic economy measures and large-scale privatisation operations. Since that country has even recorded financial surpluses in the last few years, the ratio of interest expenditure to GDP has declined considerably; this has contributed there to a particularly sharp reduc-

Trends in public expenditure on an international comparison							
as % of gross domestic product							
Expenditure	Germany	France	United Kingdom	Italy	Japan	Canada	United States
Total 1)							
1981	49.2	48.7	47.4	45.8	33.5	41.5	34.1
1988	46.6	50.2	38.9	51.1	33.1	44.7	36.3
Public consumption							
1981	20.7	18.8	21.9	16.0	9.9	19.4	17.5
1988	19.5	18.6	19.8	17.2	9.6	18.8	18.3
Current transfers							
1981	21.5	24.3	16.7	19.1	12.5	12.8	11.7
1988	20.8	25.6	13.6	20.7	13.2	14.4	11.5
Interest expenditure							
1981	2.2	2.0	5.0	6.2	3.6	6.3	3.7
1988	2.8	2.7	3.9	8.2	4.3	8.5	5.0
Capital expenditure							
1981	3.2	3.2	1.8	3.7	7.1	2.6	1.6
1988	2.4	3.3	1.3	3.5	6.2	2.6	1.7
Capital transfers							
1981	1.6	0.4	2.0	0.8	0.4	0.3	-0.3
1988	1.2	0.1	0.3	1.6	-0.1	0.4	-0.2
1 In the definition of the national accounts (SNA concept). Discrepancies in the totals are due to rounding. Source: OECD, national accounts.							BBk

tion in the government spending ratio, which has strengthened the foundations of economic growth. In the Federal Republic, the ratio of interest expenditure to GDP initially continued to rise between 1982 and 1988, which slowed down the reduction in the government spending ratio.

Trends in individual expenditure items

The slowdown in the rise in the overall spending of the central, regional and local authorities owed a good deal to the fact that they managed to limit the increase in *personnel expenditure* to an average of just over 3% per annum in the last eight years (against just under 7% in the preceding four years). In this connection, the public employers benefited from the circumstance that incomes policy has generally been reoriented since 1982 in the light of the prevailing unemployment and the progressive reduction of the growth rate of consumer prices. Moderate wage agreements enabled income distribution, which had shifted to the detriment of corporate profits, to be adjusted. Since wage and salary trends in the private sector are also a significant factor in collective wage and salary negotiations in the public service (the results of which are, as a rule, adopted for civil servants, too), the regular pay rises

there were likewise markedly lower than before. The trade unions' efforts to bring about a reduction in working hours, which were necessarily associated with concessions in connection with pay rises, have also been an important factor in the past few years. For example, in spring 1988 a three-year pay agreement was adopted for the public service which provided for a two-stage reduction in weekly working hours by 1 ½ hours to a total of 38 ½ hours; in return, the agreed increases in monthly pay rates, at an annual average of 1.8%, were fairly moderate.

Another reason why personnel expenditure increased more slowly was that, in the period under review, the central, regional and local authorities recruited less additional staff than before. The reduction in working hours in April 1989 had not resulted in higher staff levels, at least by mid-1989.¹ In mid-1989 staff levels were barely 2 ½ % higher than in mid-1981. The number of full-time employees actually declined by ½ %, whereas the number of part-time employees went up by 31 %. In this way, the central, regional and local authorities complied with the wish for more flexible working-hours which is felt in particular by female employees. The main factor that opened up the possibility of economies was the decline in personnel requirements in the pre-school and school education sector (which, after all, employs almost one-fifth of the public authorities' personnel) associated with the diminishing number of children. In most other sectors, by contrast, staff levels continued to rise (see the table on page 42).

Other operating expenditure, the second major item of public consumption, grew relatively vigorously over the period under review, at an annual average of almost 4%. This was mainly attributable to the high additional demand for funds in the university sector associated with the sharp rise in the number of students. In this area, rather as in the public sector in general, the advance of electronic data processing has probably boosted other operating expenditure. This applies above all to software, whereas purchases of the necessary hardware are mostly to be counted as capital expenditure. Apart from this, spending on rentals, leases and the maintenance of public buildings and roads likewise increased relatively strongly. As the public buildings which were erected during the period of reconstruction in the first two decades after the war are getting older, expenditure on maintenance is also tending to grow. Spending on the operation of such buildings, by contrast, went up only slightly as a result of the

¹ Data on staff levels are collected only in the middle of each year.

Personnel of the central, regional and local authorities				
Staff	Staff level on June 30 in millions			Change in 1989 or 1988 from 1981 in %
	1981	1988	1989 p	
Full-time staff				
Federal Government	0.32	0.31	0.31	— 2.2
Länder Governments	1.58	1.54	1.52	— 3.9
Local authorities 1	0.97	1.03	1.03	+ 6.0
Total	2.87	2.88	2.86	— 0.4
of which 2				
Government, central administration	0.48	0.49	...	+ 1.7
Public safety and order, legal protection	0.42	0.44	...	+ 4.7
Defence 3	0.17	0.17	...	— 1.9
Education, science, research	0.86	0.81	...	— 5.9
of which				
Schools, nursery schools	0.58	0.50	...	—13.2
Health, sport, recreation	0.34	0.35	...	+ 3.8
Part-time staff	0.55	0.69	0.71	+30.9
Grand total 4	3.14	3.23	3.21	+ 2.3
1 Including special-purpose associations. — 2 Breakdown by functions excluding personnel of special-purpose associations. — 3 Excluding members of the armed forces. — 4 Part-time employees are included in the total with a weight of 50%. — p Provisional. Discrepancies in the totals are due to rounding. BBk				

decline in the cost of energy. Expenditure on military procurements, which accounts for roughly one-fifth of the other operating expenditure of the central, regional and local authorities, rose only a little. Since some of the defence purchases are effected on the basis of the US dollar, the Federal Government profited from the overall appreciation of the Deutsche Mark against the US dollar during the period under review.

As past experience has shown, any modifications of *social expenditure* are a cause of particularly strong political controversy. Nonetheless, the central, regional and local authorities were able to hold down the rise in this expenditure item to an annual average of 2.8% between 1982 and 1989. A contributory factor here was, of course, that the public authorities' transfers to the social security funds increased relatively little, since the Federal Government had to pay liquidity assistance to the Federal Labour Office amounting to more than DM 8 billion in 1981, whereas such payments came to barely DM 2 billion in 1989. The direct current transfers of the central, regional and local authorities to households (the most important component of social expend-

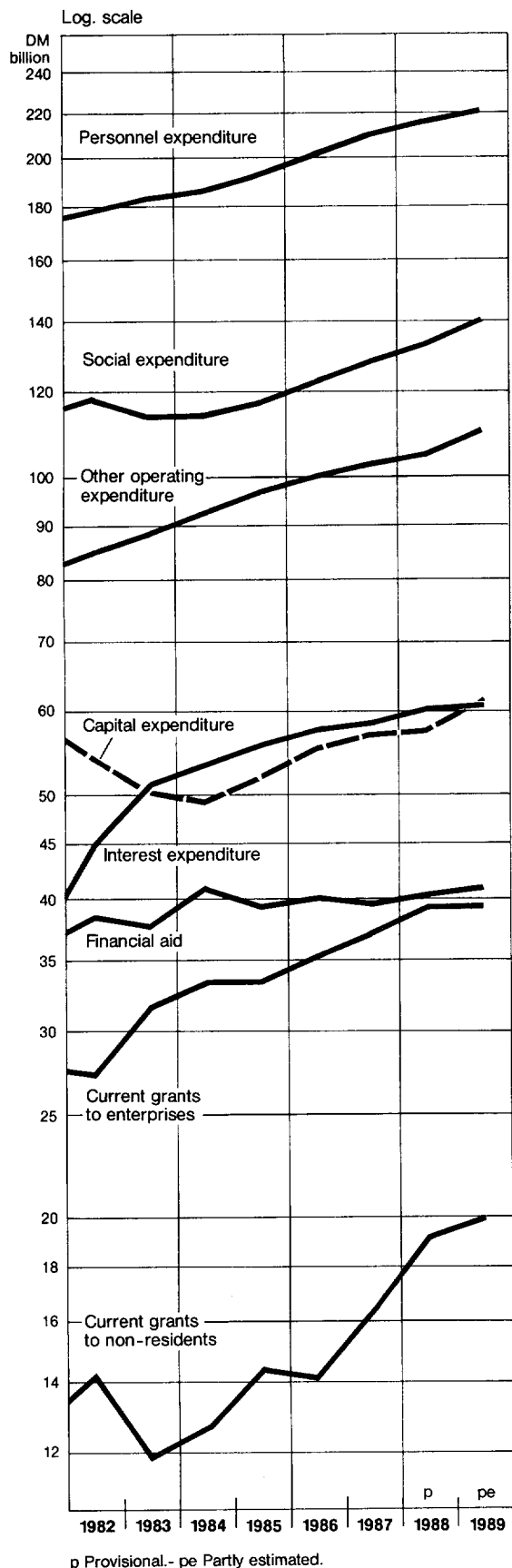
iture) likewise expanded only moderately, at an annual 3.1%.

Among the individual social expenditure items in 1989, spending on social and unemployment assistance was considerably higher than eight years before, owing in part to the increase in structural unemployment in the first half of the eighties. Other factors contributing to the rise in social assistance spending were that more and more asylum-seekers were claiming benefits, and that the cost of accommodating elderly people and persons in need of care in homes has soared, especially in the past few years. Another expenditure-boosting factor was the introduction, in 1986, of baby allowances as an increment to income after the birth of a child (while maternity leaf benefits were abolished) and their enhancement in the following years. By contrast, expenditure on other social benefits (above all housing allowances, educational assistance, children's benefits, compensation for war-induced losses) in 1989 was in part markedly below its 1981 level; in addition to the above-mentioned factors (reductions in benefits and the stabilisation of the value of money), this was due to the fact that the number of recipients declined, mainly for demographical reasons (such as the fall in the number of children).

However, trends in social expenditure, viewed in isolation, do not reflect the full extent of the central, regional and local authorities' social policy operations, since these may also manifest themselves in tax relief. For example, tax allowances for children were reintroduced in 1983 to improve the situation of families; they were raised considerably in 1986. If the tax measures and the improvement of the situation of mothers in their old age (taking account of periods of child-rearing in the context of pension payments and the payment of child-rearing benefits) are kept in mind, the benefits have been substantially increased, especially in the area of family policy, despite the cuts in children's benefits.

Current grants to enterprises rose by an annual average of 4½% during the period under review. Current transfers to farmers, which make up the vast bulk of these funds, grew especially vigorously. The payments of the European Communities to buttress German agricultural markets alone amounted to roughly DM 9 billion in 1989, against about DM 6 billion in 1981. However, the growth rate tended to slow down in the second half of the period under review and this expenditure actually declined in

Trends in individual expenditure items



1989. This marked the success at the supranational level of the increased efforts to stem the expansion of expenditure in this area; this success owed something both to the reorientation of the price support policy for regulated goods and to quantitative restrictions in order to curb over-production (e.g. the limitation of areas under cultivation and the setting of quotas for milk production). However, the weaker flow of EC funds was partly offset by increased national financial assistance to farmers. The growth of overall expenditure on subsidies was moderated by the fact that the current transfers of the Federal Government to the Federal Railways, which constitute a highly significant item, remained roughly constant throughout the period under review, even though the Railways' indebtedness increased further. During this period the Federal Railways took rationalisation measures including, above all, a reduction in their staff level. Among other subsidies, assistance payments to hard-coal mining and the aircraft industry (in particular Airbus production) went up considerably, while grants to the housing sector and shipyards declined. More recently, however, the house-building sector has been fostered more strongly again.

Grants to non-residents, the third major item of current transfers, rose between 1982 and 1989 by an annual average of 5½%, and thus likewise steeply. Roughly two-thirds of this expenditure item was accounted for by payments on the part of the Federal Republic in favour of other EC member states under the community financing arrangement; this reflected the impact of the accession of Spain and Portugal to the EC.

Trends in *interest expenditure* gradually began to mirror the success of the consolidation policy pursued since 1982. After this expenditure had risen by a total of 40% in 1982 and 1983, it increased considerably less in the ensuing period and, after 1986, also at a slower pace than overall expenditure. The ratio of interest expenditure to overall spending, which had soared by 2.2 percentage points to 9.0% in 1982 and 1983, and continued to grow slightly to 9.3% in 1985, had therefore dropped again to 8.7% by 1989. This was attributable, for one thing, to the decline in annual borrowing. For another, the fall in interest rates, which was not least due to the lower credit demand of the public sector, made itself felt.² This cheapened not only new borrowing but also the repayment of maturing loans by means of fresh borrowing; given a current repayment volume of around

² Generally speaking, the rise in interest rates in 1989 did not entail higher interest expenditure until 1990.

Expenditure of the central, regional and local authorities

DM billion

Expenditure	1981	1982	1983	1984	1985	1986	1987	1988 p	1989 pe)
Total 1	542.89	562.82	570.48	584.86	604.28	629.85	653.03	673.72	699.5
Personnel expenditure	174.03	178.87	183.86	186.72	193.64	202.47	211.12	216.56	222
Other operating expenditure	81.66	85.44	88.97	93.22	97.29	100.65	103.39	105.58	111
Social expenditure	114.27	118.83	114.42	114.63	117.59	123.13	128.81	133.63	142
Current grants to households	(71.05)	(73.28)	(74.39)	(74.81)	(76.19)	(80.69)	(84.67)	(85.86)	(90.5)
Transfers to social security funds 2	(43.22)	(45.55)	(40.03)	(39.81)	(41.40)	(42.44)	(44.14)	(47.77)	(51.5)
Current grants to enterprises	27.83	27.44	31.77	33.47	33.49	35.27	37.14	39.27	39.5
Current grants to non-residents	12.89	14.27	11.94	12.71	14.46	14.21	16.47	19.20	20
Interest expenditure	36.70	45.18	51.40	53.56	55.97	57.82	58.57	60.53	61
Capital expenditure	59.32	54.26	50.40	49.40	52.01	55.63	57.22	57.65	61.5
Financial aid 3	36.28	38.55	37.75	41.01	39.41	40.16	39.85	40.41	41
Federal Government	234.87	246.62	248.72	253.85	259.45	263.85	271.49	278.18	293
Personnel expenditure	34.08	34.40	35.14	35.46	36.67	37.94	39.27	40.08	41.5
Other operating expenditure	32.20	34.41	36.26	37.59	38.08	38.98	39.60	39.73	41
Social expenditure	76.52	79.36	75.05	75.23	76.08	78.33	81.17	83.69	88.5
Current grants to enterprises	14.76	15.03	15.25	15.56	14.92	15.20	15.87	17.34	18.5
Current grants to non-residents	3.97	4.29	4.23	3.83	4.52	4.43	4.56	4.71	5
Interest expenditure	18.00	22.11	26.62	27.76	29.16	30.27	31.04	32.28	32
Capital expenditure	7.40	7.10	7.25	7.26	7.53	7.70	7.80	7.31	7.5
Financial aid 3	13.93	16.05	15.42	17.16	16.73	16.80	16.76	17.10	17.5
Transfers to other public authorities	34.01	33.87	33.51	34.00	35.76	34.20	35.43	35.94	41.5
Länder Governments	216.63	224.21	228.29	234.30	243.34	254.14	263.91	270.26	282.5
Personnel expenditure	92.79	95.86	98.78	100.22	103.77	108.12	112.34	115.42	118
Other operating expenditure	19.78	20.51	21.63	22.51	23.97	25.11	26.26	27.42	29.5
Social expenditure	16.03	16.26	15.80	14.86	15.20	16.46	17.77	18.57	20.5
Current grants to enterprises	5.76	5.67	6.54	7.10	8.15	8.14	8.73	8.51	9.5
Current grants to non-residents	1.77	1.72	1.69	1.61	1.60	1.55	1.52	1.47	1.5
Interest expenditure	10.67	13.60	15.81	17.09	18.19	19.25	19.49	20.25	21
Capital expenditure	10.02	9.94	9.87	9.96	10.58	11.24	11.77	11.95	13
Financial aid 3	15.40	16.22	15.15	16.51	15.35	15.73	15.34	15.11	15.5
Transfers to other public authorities	44.40	44.43	43.04	44.43	46.54	48.55	50.69	51.56	54
Local authorities 4	155.77	156.51	154.78	157.60	165.97	175.64	182.81	188.48	198
Personnel expenditure	47.15	48.62	49.94	51.05	53.20	56.41	59.50	61.06	62
Other operating expenditure	29.67	30.51	31.07	33.10	35.23	36.55	37.51	38.42	40.5
Social expenditure	19.75	21.32	21.82	22.90	24.84	27.00	28.64	30.21	32.5
Current grants to enterprises	1.48	1.48	1.50	1.58	1.69	1.92	2.03	2.05	2.5
Current grants to non-residents	—	—	—	—	—	—	—	—	—
Interest expenditure	7.80	9.06	8.52	8.23	8.10	7.80	7.57	7.57	7.5
Capital expenditure	41.91	37.22	33.29	32.17	33.90	36.69	37.65	38.39	41
Financial aid 3	3.80	3.73	3.94	4.07	4.19	4.28	4.61	4.65	5
Transfers to other public authorities	4.22	4.58	4.71	4.50	4.82	4.99	5.30	6.14	7

1 Federal Government, Länder Governments, local authorities and local authority associations, Equalisation of Burdens Fund, ERP Special Fund and EC expenditure financed from receipts generated in the Federal Republic; including hospitals keeping commercial accounts. The total also includes differences in clearing transactions between the various

levels of government, which, for the rest, were eliminated from this table. — 2 Mainly paid by the Federal Government. — 3 Loans, investment grants, acquisition of participations. — 4 Including special-purpose associations. — p Preliminary. — pe Partly estimated. Discrepancies in the totals are due to rounding.

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DM 100 billion a year, this is an extremely significant factor. Moreover, the option of a modification of the terms of long-term loans against borrowers' notes is often included in the contract, particularly at the local authority level. The average rate of interest payable on public debt (in terms of the ratio of interest expenditure to the level of debt at the end of the preceding year), which reached a peak in 1983, at 8.4%, had fallen to 6.8% by 1989.

The central, regional and local authorities' overall expenditure on *capital investment* diminished by almost one-fifth between 1982 and 1984, although this owed something both to the efforts at consolidation and to the termination of the multi-year "programme of future investment". After a vigorous increase at times in the ensuing period, this spending was, however, again somewhat above its 1981 level in 1989, at DM 62 billion. The trends during the period under review bear out the experience that capital spending is subject to stronger fluctuations than most other types of expenditure. At times of financial squeeze, capital spending, which (unlike many current expenditure items) is not subject to statutory commitments, tends to be cut back drastically. Local authorities (the main public investors) may even be compelled to make these reductions under public budget law. At times of vigorous economic growth, when ample receipts are flowing in, capital investment tends correspondingly to be expanded particularly sharply. As a rule, this results in increased public building activity coinciding with buoyant private demand for construction work, with the upshot of signs of overheating in the construction sector. Although the Federal Government did try during the period under review (as indeed earlier) to smooth out the procyclical investment behaviour of local authorities by adopting specific investment programmes, measures of this kind mostly did not become effective until a period when capacities in the construction sector were being more heavily utilised again. In 1987, for instance, when the capital spending of the local authorities was declining again – not least under the impact of the shortfalls in receipts due to the tax reductions – and when measures to bolster employment in the construction sector were deemed appropriate, a programme was launched under which the Reconstruction Loan Corporation granted the local authorities between 1988 and 1990 low-interest loans for the purpose of implementing new capital projects. Moreover, since 1989 additional funds have been made available for investment purposes under the financial assistance programme for Länder with structurally

weaker regions, which programme partly benefits the local authorities, too. Not least as a result of these measures, the central, regional and local authorities' expenditure on capital investment rose by just over 7% in 1989. This coincided with the increased promotion of house-building, and contributed to the tensions which have now begun to develop in the construction market.

In much the same way as with capital investment, expenditure on *financial aid* to other sectors, in the form of loans, investment grants and the acquisition of participations, has risen only slightly over the whole period under review, viz. by an annual average of 1½%. In view of the favourable course of economic activity, increased government incentives for private investment would have been inappropriate, particularly since, in the nature of things, the granting of public loans at low interest rates (as well as of debt service assistance, which is recorded under current grants to enterprises) adversely affects monetary policy, which operates by changing interest rates. Incidentally, this category of expenditure also includes substantial amounts of funds which do not serve to finance domestic investment but rather are used for consumption purposes (like loans in the social field) or accrue to non-residents in the context of development aid.

Outlook

Against the background of the projected unification of the two parts of Germany, there will be a break in the expenditure behaviour of the West German central, regional and local authorities in 1990; their expenditure will probably rise by roughly 10%. Approximately one-half of this strong increase will be accounted for by payments to the GDR, with the "German Unity" Fund and the ERP Special Fund being included in the analysis.³ However, even if assistance payments to the GDR are excluded, the rise in the central, regional and local authorities' expenditure will accelerate in the current year; at an estimated 5%, the growth rate will be higher than in any year since 1981. Personnel expenditure, for example, will go up by roughly 5½%. Although the regular pay rise in the public sector at the beginning of the year came to only 1.7%, general allowances were increased and structural improvements introduced under new collective agreements, which were adopted for civil servants, too. As far as social spending is concerned, improvements of benefits will push up expenditure, above all in the field of

³ An overview of the volume and pattern of this aid is contained in the report on the economic scene in the Federal Republic of Germany in spring 1990, in Monthly Report of the Deutsche Bundesbank, Volume 42, No. 6, June 1990, p. 21.

46 family policy. In the case of interest expenditure, the rise in interest rate levels will make itself felt. But, above all, in the area of capital spending, a pro-cyclical expenditure surge has got under way, in particular owing to the favourable budget situation of the local authorities and the above-mentioned Federal financial assistance. In the first five months of this year the inflow of orders for public construction work was no less than almost one-fifth above the level of the corresponding period of last year, even though the Financial Planning Council had recommended restraint in public sector construction projects in November 1989.

In view of the additional expenditure arising in connection with the realisation of German unity, it is all the more urgent for the central, regional and local authorities to cut down their spending for internal purposes in the Federal Republic in future. At its meeting at the end of May this year, the Financial Planning Council stated that the expansion of the expenditure of the central, regional and local authorities in the next few years should be kept below the growth rate of nominal GNP, with the objective of reducing the annual rise in expenditure to about 3% again over the medium term. The draft Federal budget for 1991 which has recently been adopted by the Federal Cabinet and the medium-term financial plan covering the period up to 1994, which provide for rises of 3.9% in the Federal Government's spending in 1991 and of 3.0% in each of the succeeding three years, reflect these efforts. The plans will, however, have to be supplemented once the unification of the two German states has been accomplished and the Federal Government has to perform central functions for the entire territory.

The crucial factor will be that the Länder Governments and local authorities, too, show the greatest possible restraint in their expenditure plans for 1991, and that, in the final analysis, all public authorities adhere strictly to their plans. In this connection, inevitable additional expenditure in one area will have to be offset by extra cuts in others. In the current year there are no indications of any such thing; at the Länder and local authority level, expenditure will probably be approximately 6% higher than in 1989. Since tax receipts are likely to develop along more favourable lines than was being expected at the end of 1989, there is a risk of this being regarded as an opportunity of extending the scope for expenditure. In view of the extensive new duties arising on the way towards German unity, however,

it is imperative for previous expenditure to be examined with regard to its urgency, and for cuts to be made at all levels of government.

As far as the various functions of the public sector are concerned, it seems necessary, in view of the construction boom in the Federal Republic and the huge pent-up demand for infrastructure investments in the GDR, to dampen the rise in public capital spending in the Federal Republic for the time being. The decisions which still have to be taken in the field of subsidies will also be of immense importance. Experience has shown that these government assistance payments (like many others) are not easy to discontinue, even if the original target, which was perhaps set only for a limited period, has been met or become obsolete. A special touchstone in this connection is the reduction of the financial burdens which have so far arisen from the partition of Germany, such as the cost of aid to the area along the intra-German border and to Berlin. Moreover, regional aid as a whole needs to be reconsidered in the all-German context. But other subsidies, too, the economic justification of which has been questionable for a long time now should be re-examined. At the same time, it will be important to confine new subsidies in the territory of the GDR to urgent, limited restructuring aid for the sake of achieving competitiveness, without seeking to preserve inefficient structures. Dismantling subsidies in the Federal Republic would make it easier to set strict standards for government support measures in the GDR and to create preferences for those projects in the GDR which deserve assistance. As regards their financial policy behaviour, the two parts of Germany can influence each other positively or negatively.

In view of the huge deficit in the budget of the GDR, it is no less imperative for the GDR to limit its consumption expenditure, which is the most important item in the public sector budget. In particular, it is essential to reduce the overstaffing in the public service and to keep the wages and salaries for public sector employees in line with trends in productivity. In view of the favourable prospects for medium and long-term growth in a united Germany, the chances are good that, if the authorities succeed in re-organising public expenditure in the common economic area with respect to the priorities and in streamlining it at the same time, the public sector will be able to perform the tasks which lie ahead without overstraining real resources and the capital markets.

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II. Deutsche Bundesbank

1. Assets and liabilities of the Bundesbank

(a) Assets

DM million

End of year or month/ Reporting date	Total assets	Monetary reserves and other external assets 1, 2										Lending to domestic	
		Total	Monetary reserves							External loans and other external assets	Total	Securities purchased in open market transactions under purchase agreements	
			Total	Gold	Reserve position in the IMF and special drawing rights			Claims on the EMCF in connection with the European Monetary System	Memo item Claims on the EMCF in connection with the EMS (gross)				Foreign currency balances
					Drawing rights within the reserve tranche	Loans under special borrowing arrangements	Special drawing rights						
1985	216,896	86,004	13 83,555	13,688	7,418	1,955	3,807	17,185	39,822	39,502	2,449	105,325	41,627
1986	220,851	94,036	15 91,592	13,688	6,462	1,006	3,920	16,321	32,618	50,195	2,444	96,418	33,191
1987	230,474	122,630	17 120,193	13,688	5,779	388	3,106	28,953	46,980	68,279	2,437	82,356	27,640
1988	268,925	97,126	19 94,689	13,688	5,957	—	3,307	21,554	37,969	50,183	2,437	144,736	77,980
1989	308,571	99,960	21 97,528	13,688	5,166	—	3,063	17,303	32,125	58,308	2,432	175,325	108,829
1989 Oct.	288,049	101,473	99,041	13,688	5,589	—	3,218	20,313	35,705	56,233	2,432	156,450	96,370
Nov.	297,960	100,695	98,263	13,688	5,708	—	3,313	17,308	32,700	58,246	2,432	159,480	90,201
Dec.	308,571	99,960	21 97,528	13,688	5,166	—	3,063	17,303	32,125	58,308	2,432	175,325	108,829
1990 Jan.	307,157	100,909	98,477	13,688	5,156	—	2,947	17,904	31,496	58,782	2,432	169,505	106,305
Feb.	310,574	102,729	100,297	13,688	5,086	—	2,968	17,904	31,496	60,651	2,432	170,594	91,600
March	292,886	102,202	99,770	13,688	4,884	—	2,955	17,905	31,497	60,338	2,432	163,564	98,659
April 7	288,953	102,539	100,107	13,688	4,884	—	2,955	18,398	30,741	60,182	2,432	160,120	96,074
April 15	294,547	102,798	100,366	13,688	4,883	—	2,955	18,398	30,741	60,442	2,432	162,889	98,992
April 23	287,390	103,390	100,958	13,688	4,883	—	2,955	18,398	30,741	61,034	2,432	159,174	95,714
April 30	289,490	103,335	100,903	13,688	4,883	—	2,955	18,399	30,742	60,978	2,432	160,387	90,461
May 7	278,917	103,725	101,293	13,688	4,876	—	2,950	18,399	30,742	61,380	2,432	151,820	88,069
May 15	289,730	103,863	101,431	13,688	4,875	—	2,872	18,399	30,742	61,597	2,432	155,496	91,111
May 23	298,059	105,168	102,736	13,688	4,817	—	2,953	18,399	30,742	62,879	2,432	166,593	102,148
May 31	307,755	104,991	102,559	13,688	4,781	—	2,953	18,400	30,743	62,737	2,432	165,693	102,148
June 7	294,277	105,391	102,959	13,688	4,781	—	2,953	18,400	30,743	63,137	2,432	160,632	97,060
June 15	293,735	105,436	103,004	13,688	4,781	—	2,947	18,400	30,743	63,188	2,432	158,849	94,451
June 23	287,456	105,683	103,251	13,688	4,771	—	2,947	18,400	30,743	63,445	2,432	156,712	91,907
June 30	294,841	105,744	103,312	13,688	4,771	—	2,947	18,400	30,743	63,506	2,432	163,736	90,812

(b) Liabilities

DM million

End of year or month/ Reporting date	Total liabilities	Banknotes in circulation	Deposits								Domestic enterprises and individuals		
			Domestic banks 9	Domestic public authorities						Special deposits		Total	Federal Post Office
				Total	Current deposits			Other public depositors 10	of which anti-cyclical reserves				
					Federal Government	Equalisation of Burdens Fund and ERP Special Fund	Länder Governments						
1985	216,896	105,416	55,824	2,249	1,153	6	1,052	38	—	—	1,568	700	
1986	220,851	113,983	55,869	1,144	404	5	689	46	—	—	3,277	2,388	
1987	230,474	125,608	60,491	4,664	3,877	9	753	25	—	—	3,263	2,475	
1988	268,925	143,942	61,241	3,535	2,718	108	682	27	—	—	5,009	4,259	
1989	308,571	150,548	66,874	6,129	5,149	3	932	45	—	—	5,516	4,693	
1989 Oct.	288,049	142,335	60,715	984	121	9	829	25	—	—	7,843	7,203	
Nov.	297,960	146,416	55,490	470	124	7	311	28	—	—	15,702	15,010	
Dec.	308,571	150,548	66,874	6,129	5,149	3	932	45	—	—	5,516	4,693	
1990 Jan.	307,157	144,207	59,089	2,291	1,723	10	517	41	—	—	15,758	15,107	
Feb.	310,574	144,427	67,434	893	308	7	553	25	—	—	15,547	14,856	
March	292,886	144,741	53,340	829	187	8	600	34	—	—	4,937	4,268	
April 7	288,953	146,456	55,462	272	116	4	122	30	—	—	2,700	2,030	
April 15	294,547	146,467	61,584	566	200	4	337	25	—	—	2,118	1,476	
April 23	287,390	142,368	56,604	12,715	12,002	2	697	14	—	—	1,541	919	
April 30	289,490	144,507	60,508	5,842	5,427	12	369	34	—	—	5,750	5,069	
May 7	278,917	145,098	54,554	1,065	756	14	265	30	—	—	4,324	3,611	
May 15	289,730	143,016	61,577	7,238	6,425	4	724	85	—	—	3,033	2,387	
May 23	298,059	141,793	65,837	12,387	12,145	3	207	32	—	—	2,125	1,529	
May 31	307,755	143,765	62,078	9,890	9,691	11	141	47	—	—	15,826	15,195	
June 7	294,277	145,099	65,033	4,479	4,247	2	213	17	—	—	3,571	2,938	
June 15	293,735	144,540	59,743	10,390	9,520	5	794	71	—	—	2,971	2,330	
June 23	287,456	142,647	47,264	19,335	18,455	4	858	18	—	—	1,996	1,402	
June 30	294,841	144,777	63,345	4,665	4,214	11	394	46	—	—	5,580	4,792	

1 The Bundesbank's external positions denominated in foreign currencies are shown at the balance sheet rates of the respective end-of-year dates. — 2 For further breakdown see Table IX, 6, and Statistical Supplements to the Monthly Reports of the Deutsche Bundesbank, Series 3, Balance of payments statistics, Table 12. — 3 Prime bankers' acceptances. — 4 Including Equalisation of Burdens Fund and ERP Special Fund. — 5 Resulting from the currency reform of 1948, including non-interest-bearing debt certificate in respect of the currency conversion in Berlin (West); including

amounts exchanged for Treasury bills and Treasury discount paper and sold; see item "Liabilities arising from mobilisation and liquidity paper sold". — 6 Including foreign securities (as from June 15, 1989: DM 125 million). — 7 Including the items "German coins", "Balances on postal giro accounts" and "Other assets". — 8 Including the balancing item in respect of the valuation adjustment of other foreign currency positions. — 9 Excluding deposits of the Federal Post Office. — 10 Local authorities, local authority associations and social security funds. — 11 As from September 7,

banks				Lending to and other claims on domestic public authorities				Securities		Other assets 7		End of year or month/ Reporting date	
Domestic bills	Foreign bills	Lombard loans	Memo item Loans to domestic banks excluding money market bills purchased 3	Total	Federal Government 4		Länder Governments	Lending to Federal Railways and Federal Post Office	Bonds and interest-bearing Treasury paper of Federal and Länder Governments	Bonds and interest-bearing Treasury paper of Federal Railways and Federal Post Office 6	Total		of which Balancing item in respect of the valuation adjustment of the monetary reserves 8
					Advances	Equalisation claims 5							
44,082	17,301	2,315	101,870	8,862	—	8,683	179	—	2,766	1,365	12,574	—	1985
40,496	20,363	2,368	92,907	11,634	2,015	8,683	936	—	3,668	1,540	13,555	—	1986
33,744	20,206	766	78,977	9,492	—	8,683	809	—	3,151	1,348	11,497	—	1987
33,485	22,027	11,244	141,826	9,694	—	8,683	1,011	—	3,593	1,322	12,454	—	1988
34,102	27,207	5,187	173,391	9,736	—	8,683	1,053	—	3,150	1,111	19,289	—	1989
34,789	24,635	656	153,510	9,932	44	8,683	1,205	160	3,232	1,134	15,668	—	1989 Oct.
36,250	27,815	5,214	156,665	12,085	1,900	8,683	1,502	—	3,311	1,134	21,255	—	Nov.
34,102	27,207	5,187	173,391	9,736	—	8,683	1,053	—	3,150	1,111	19,289	—	Dec.
33,923	29,152	125	167,560	8,861	—	8,683	178	110	3,297	1,111	23,364	—	1990 Jan.
32,672	29,515	16,807	168,752	9,707	588	8,683	436	400	3,781	1,067	22,296	—	Feb.
34,508	29,097	1,300	161,609	10,756	998	8,683	1,075	60	3,750	1,041	11,513	—	March
34,431	29,087	528	158,310	12,470	2,429	8,683	1,358	—	3,692	1,041	9,091	—	April 7
34,168	29,181	548	161,398	11,021	1,004	8,683	1,334	—	3,691	1,041	13,107	—	April 15
34,041	29,187	232	157,504	9,566	—	8,683	883	—	3,670	1,041	10,549	—	April 23
33,980	29,815	6,131	158,632	10,509	—	8,683	1,826	—	3,652	1,040	10,567	—	April 30
34,029	29,148	574	150,024	10,616	—	8,683	1,933	—	3,634	1,040	8,082	—	May 7
34,068	29,195	1,122	153,921	10,050	—	8,683	1,367	—	3,621	1,040	15,660	—	May 15
34,211	29,315	919	165,040	10,148	—	8,683	1,465	—	3,620	1,040	11,490	—	May 23
34,368	28,945	232	164,046	9,335	—	8,683	652	100	3,620	1,040	22,976	—	May 31
34,340	29,095	137	158,857	10,751	—	8,683	2,068	30	3,619	1,040	12,814	—	June 7
34,053	29,921	424	156,950	9,450	—	8,683	767	—	3,615	1,040	15,345	—	June 15
34,073	29,340	1,392	154,802	9,276	—	8,683	593	—	3,598	1,040	11,147	—	June 23
34,014	29,836	9,074	161,843	9,924	—	8,683	1,241	—	3,597	1,040	10,800	—	June 30

Other enterprises and individuals	Foreign depositors 1	Liabilities to banks	Liabilities arising from mobilisation and liquidity paper sold	Liabilities to the EMCF in connection with the European Monetary System 1, 11	Counterpart of special drawing rights allocated 1	Provisions	Capital and reserves	Other liabilities	Memorandum items		Rediscount quotas fixed 12	End of year or month/ Reporting date
									Currency in circulation			
									Total	of which Coins		
868	14,595	—	8,768	—	14 3,273	8,739	5,612	10,852	114,719	9,303	63,831	1985
889	19,898	—	4,808	—	16 2,874	5,792	5,851	7,355	123,733	9,750	59,444	1986
788	17,066	—	5,233	—	18 2,716	4,743	6,279	411	135,901	10,293	52,668	1987
750	23,976	—	4,729	—	20 2,901	4,287	6,347	12,958	154,823	10,881	53,302	1988
823	48,421	—	4,062	—	22 2,702	4,760	7,777	11,782	162,144	11,596	58,769	1989
640	47,509	—	5,082	—	2,901	4,760	7,777	8,143	153,711	11,376	53,667	1989 Oct.
692	47,641	—	7,173	—	2,901	4,760	7,777	9,630	157,913	11,497	58,660	Nov.
823	48,421	—	4,062	—	22 2,702	4,760	7,777	11,782	162,144	11,596	58,769	Dec.
651	48,490	—	9,845	—	2,702	4,760	7,777	12,238	155,738	11,531	58,770	1990 Jan.
691	48,668	—	5,695	—	2,702	4,760	7,777	12,671	156,013	11,586	58,772	Feb.
669	49,413	—	11,242	—	2,702	4,760	7,777	13,145	156,403	11,662	59,056	March
670	49,641	—	5,669	—	2,702	4,760	7,777	13,514	158,142	11,686	59,144	April 7
642	49,538	—	5,568	—	2,702	4,760	7,777	13,467	158,200	11,733	59,144	April 15
622	49,547	—	5,601	—	2,702	4,952	8,107	3,253	154,108	11,740	59,144	April 23
681	49,635	—	4,319	—	2,702	4,952	8,107	3,168	156,263	11,756	59,144	April 30
713	49,652	—	4,919	—	2,702	4,952	8,107	3,544	156,877	11,779	59,144	May 7
646	50,160	—	5,274	—	2,702	4,952	8,107	3,671	154,819	11,803	59,144	May 15
596	50,045	—	5,304	—	2,702	4,952	8,107	4,807	153,691	11,898	59,144	May 23
631	50,166	—	5,580	—	2,702	4,952	8,107	4,689	155,790	12,025	59,144	May 31
633	49,956	—	5,400	—	2,702	4,952	8,107	4,978	157,133	12,034	59,144	June 7
641	50,427	—	4,931	—	2,702	4,952	8,107	4,972	156,646	12,106	59,144	June 15
594	50,178	—	5,140	—	2,702	4,952	8,107	5,135	154,765	12,118	59,144	June 23
788	49,612	—	5,726	—	2,702	4,952	8,107	5,375	156,909	12,132	59,144	June 30

1983 liabilities arising from transfers of ECUs to other central banks, previously set off against claims on the EMCF, have been shown in the Weekly Return of the Bundesbank as liabilities to the EMCF. — 12 In addition, there are several minor special refinancing facilities (see "Kreditpolitische Regelungen" [monetary policy regulations] published in the German version of the Annual Reports of the Deutsche Bundesbank). — 13 Including a decrease of DM 1.9 billion owing to a valuation adjustment. — 14 Decrease of DM 0.5 billion owing to a valuation adjustment. —

15 Including a decrease of DM 1.7 billion owing to a valuation adjustment. — 16 Decrease of DM 0.4 billion owing to a valuation adjustment. — 17 Including a decrease of DM 9.2 billion owing to a valuation adjustment. — 18 Decrease of DM 0.2 billion owing to a valuation adjustment. — 19 Decrease of DM 0.7 billion owing to a valuation adjustment. — 20 Increase of DM 0.2 billion owing to a valuation adjustment. — 21 Decrease of DM 0.7 billion owing to a valuation adjustment. — 22 Decrease of DM 0.2 billion owing to a valuation adjustment.

non-banks 3, 8													Memorandum items				End of year or month
borrowed funds; savings					Bearer bonds outstanding 10	Provisions	Provisions for losses on loans and advances 11	Capital (incl. published reserves according to section 10 of the Banking Act) 13, 14	Other liabilities 12, 13	Balance sheet total 2	Liabilities arising from guarantees	Liabilities arising from repurchase agreements (unless shown above the line)					
posits		Bank savings bonds 9	Savings deposits	Loans on a trust basis													
3 months to less than 4 years	4 years and over																
81,849	186,477	111,782	488,051	51,933	484,437	17,977	6,306	82,833	63,539	2,482,043	144,564	9,218	1981				
75,022	195,516	123,876	523,904	49,562	530,822	19,594	6,503	89,671	93 69,690	18 2,648,942	147,396	9,199	1982				
77,136	222,755	137,301	554,727	51,090	584,657	23,093	6,785	96,173	86 78,140	23 2,818,818	64 159,307	7,864	1983				
84,907	70 250,982	154,253	575,637	51,414	619,256	25,739	7,242	104,389	47 81,468	20 3,016,685	161,294	1,995	1984				
19 83,442	18 287,141	164,967	609,056	52,467	653,743	29,186	7,739	114,759	88,882	34 3,214,719	158,044	1,308	1985 15				
87,146	288,138	168,099	631,098	52,480	653,743	29,339	7,892	116,623	89,606	3,259,244	158,896	1,310	1985 15				
40 85,830	102 330,395	25 181,552	678,583	51,996	684,219	33,197	7,990	127,967	103 95,186	104 3,481,117	146,475	70 1,236	1986				
19 87,104	107 373,885	192,112	716,263	77 57,800	711,991	37,343	8,257	137,432	38 95,421	108 3,686,766	151,625	757	1987				
84,083	78 421,142	192,389	737,474	59,307	705,520	38,865	6,034	30 145,343	22 104,195	61 3,922,591	157,758	984	1988				
102,625	462,425	207,189	715,236	62,028	759,842	38,396	3,129	160,981	47 117,069	98 4,209,891	19 168,781	890	1989				
84,905	423,220	192,700	731,126	59,366	710,027	41,107	4,828	145,786	99 103,980	20 3,883,488	154,680	892	1989 Jan.				
88,345	427,142	192,935	727,890	59,530	711,849	42,290	4,350	147,486	18 100,147	21 3,895,394	153,906	867	Feb.				
89,825	428,534	193,517	721,722	59,746	712,674	42,067	4,116	149,278	100,583	71 3,901,864	156,675	849	March				
94,153	433,277	194,079	716,934	59,967	713,456	41,606	4,028	150,462	103,083	19 3,925,359	157,762	866	April				
97,913	437,175	194,631	713,304	60,413	720,519	41,043	4,016	151,807	79 100,856	73 3,952,320	160,795	854	May				
100,479	440,094	196,286	709,965	60,317	724,787	40,630	3,996	153,160	113,354	69 3,980,761	161,280	842	June				
101,813	443,517	197,585	703,812	60,227	731,302	40,056	4,003	154,024	26 114,267	60 4,004,609	162,702	824	July				
104,388	448,926	199,022	702,038	60,281	733,147	39,981	3,973	154,596	78 113,594	77 4,001,363	164,440	807	Aug.				
104,881	450,949	200,151	700,437	60,390	738,040	39,747	3,958	156,207	18 123,896	59 4,033,196	164,278	806	Sep.				
102,662	455,058	200,896	697,634	60,736	749,066	39,570	3,944	158,720	126,759	69 4,071,454	162,398	861	Oct.				
102,082	457,196	202,719	694,523	61,491	760,367	38,585	3,935	159,636	26 128,422	68 4,155,530	165,407	814	Nov.				
102,625	462,425	207,189	715,236	62,028	759,842	38,396	3,129	160,981	93 117,069	50 4,209,891	168,781	890	Dec.				
107,072	469,683	210,334	703,846	62,148	780,138	39,242	117 12,913	161,665	52 106,754	113 4,192,489	165,510	802	1990 Jan.				
113,062	473,373	211,403	699,563	63,219	791,762	26 40,303	96 18,152	162,610	50 100,440	18 4,241,788	167,669	721	Feb.				
117,056	475,606	212,657	692,743	63,382	801,615	40,163	18,337	166,064	55 104,157	40 4,234,248	169,142	850	March				
118,854	478,433	213,835	687,722	64,053	807,765	39,787	18,437	167,049	103,539	18 4,238,764	167,959	729	April				
121,837	480,704	215,051	682,526	64,913	814,553	39,493	18,458	168,146	102,107	79 4,265,893	170,328	764	May p				

the Federal Republic of Germany recorded under "Capital" also include the working capital of the branches of foreign banks. — 14 Including participation rights capital (end-1989: DM 5,666 million). — 15 The difference between the two lines for the end of 1985 is due to the change in the reporting requirements for credit cooperatives; see Table III, 2, footnote *. — 16 Savings deposits: vis-à-vis domestic non-banks. — For footnotes 18 to 50 see p. 13. — 51 — c. DM 1.1 billion. — 52 — c. DM 16.0 billion. — 53 — c. DM 13.5 billion. — 54 — c. DM 13.0 billion. — 55 — c. DM 900 million. — 56 — c. DM 4.7 billion. — 57 — c. DM 4.2 billion. — 58 — c. DM 4.3 billion. — 59 — c. DM 3.6 billion. — 60 — c. DM 4.5 billion. — 61 + c. DM 2.9 billion. — 62 + c. DM 6.0 billion. — 63 — c. DM 1.8 billion. — 64 + c. DM 700 million. — 65 — c. DM 3.9 billion. — 66 — c. DM 9.5 billion. — 67 — c. DM 3.0 billion. — 68 — c. DM 2.2 billion. — 69 — c. DM 1.5 billion. — 70 + c. DM 500 million. — 71 + c. DM 2.6 billion. — 72 + c. DM 2.1 billion. — 73 + c. DM 4.7 billion. — 74 + c. DM 3.7 billion. — 75 + c. DM 3.6 billion. — 76 — c. DM 3.8 billion. —

77 + c. DM 4.6 billion. — 78 + c. DM 900 million. — 79 + c. DM 600 million. — 80 — c. DM 4.1 billion. — 81 — c. DM 3.4 billion. — 82 — c. DM 5.0 billion. — 83 — c. DM 4.0 billion. — 84 — c. DM 2.9 billion. — 85 — c. DM 3.3 billion. — 86 — c. DM 2.1 billion. — 87 + c. DM 4.2 billion. — 88 — c. DM 2.4 billion. — 89 + c. DM 2.3 billion. — 90 — c. DM 2.8 billion. — 91 + c. DM 1.3 billion. — 92 + c. DM 800 million. — 93 — c. DM 2.6 billion. — 94 + c. DM 3.5 billion. — 95 + c. DM 3.4 billion. — 96 + c. DM 5.5 billion. — 97 + c. DM 1.9 billion. — 98 — c. DM 9.0 billion. — 99 — c. DM 1.7 billion. — 100 — c. DM 3.1 billion. — 101 — c. DM 12.0 billion. — 102 — c. DM 3.5 billion. — 103 — c. DM 3.7 billion. — 104 — c. DM 19.5 billion. — 105 — c. DM 10.5 billion. — 106 — c. DM 10.0 billion. — 107 — c. DM 4.8 billion. — 108 — c. DM 15.5 billion. — 109 + c. DM 3.8 billion. — 110 + c. DM 1.8 billion. — 111 + c. DM 1.7 billion. — 112 + c. DM 2.8 billion. — 113 — c. DM 14.0 billion. — 114 — c. DM 7.0 billion. — 115 — c. DM 11.0 billion. — 116 — c. DM 1.6 billion. — 117 + c. DM 8.5 billion. — p Provisional. — r Revised.

										Long-term 4, 5	
Advances and loans	Bills discounted	Loans on a trust basis 3	Securities (excluding bank securities)	Total including equalisation claims	excluding securities portfolios, equalisation claims	Advances and loans 4	Loans on a trust basis 5	Securities (excluding bank securities) 6	Equalisation claims 7	End of year or month	
178,844	5,359		11,811	1,172,116	1,125,491	1,059,955	65,536	42,874	3,751	1981	
182,226	5,407		13,227	1,257,001	1,200,942	1,138,034	62,908	52,569	3,490	1982	
192,168	4,575		14,682	1,350,107	1,285,100	1,220,135	64,965	61,741	3,266	1983	
188,027	3,840		14,952	1,449,512	1,371,475	1,305,634	65,841	74,982	3,055	1984	
180,707	2,987		12,587	19 1,560,427	13 1,463,169	15 1,394,395	16 68,774	23 94,417	2,841	1985 8	
184,576	2,988		12,634	24 1,578,126	1,480,168	1,410,989	69,179	24 95,066	2,892	1985 8	
170,931	1,892		31 10,149	29 1,678,784	32 1,572,162	33 1,502,162	70,000	34 103,996	2,626	1986	
164,799	1,173		9,055	37 1,791,949	1,668,132	38 1,592,609	39 75,523	40 121,382	2,435	1987	
166,063	974		7,534	43 1,913,635	1,767,105	1,690,741	76,364	44 144,373	2,157	1988	
175,657	2,687		7,580	20 2,015,366	1,858,678	1,779,120	79,558	27 154,776	1,912	1989	
163,684	916		7,340	16 1,919,482	1,768,846	1,692,798	76,048	23 148,493	2,143	1989 Jan.	
163,887	943		7,463	1,927,605	1,773,970	1,697,699	76,271	151,491	2,144	Feb.	
164,227	1,039		7,419	1,935,173	1,778,896	1,702,027	76,869	154,132	2,145	March	
164,204	1,319		7,299	1,940,772	1,785,588	1,708,181	77,407	153,040	2,144	April	
164,356	1,455		7,536	1,948,263	1,792,740	1,715,032	77,708	153,379	2,144	May	
165,424	1,864		7,550	1,952,420	1,798,205	1,720,608	77,597	152,200	2,015	June	
166,574	2,107		7,435	16 1,960,494	1,805,375	1,727,871	77,504	153,161	1,958	July	
166,083	2,214		7,467	47 1,969,662	42 1,815,541	42 1,737,857	77,684	152,164	1,957	Aug.	
166,521	2,512		7,405	1,978,037	1,820,509	1,742,476	78,033	155,571	1,957	Sep.	
168,475	2,663		6,868	1,986,261	1,829,790	1,751,222	78,568	154,514	1,957	Oct.	
172,254	2,719		7,059	1,999,510	1,843,012	1,763,779	79,233	154,545	1,953	Nov.	
175,657	2,687		7,580	15 2,015,366	1,858,678	1,779,120	79,558	16 154,776	1,912	Dec.	
177,066	2,831		7,181	10 2,025,303	1,864,289	1,784,255	80,034	20 159,116	1,898	1990 Jan.	
179,230	2,937		6,996	2,032,969	1,869,740	1,789,329	80,411	161,333	1,896	Feb.	
180,687	3,128		7,060	9 2,040,562	1,872,546	1,791,338	81,208	9 166,120	1,896	March	
182,781	2,972		7,201	2,048,421	1,879,873	1,798,029	81,844	166,652	1,896	April	
185,060	3,018		7,527	2,058,503	1,886,655	1,803,393	83,262	169,948	1,900	May p	
173,716	5,226		8,642	1,099,232	1,060,683	1,006,130	54,553	34,798	3,751	1981	
180,106	5,308		11,184	1,178,048	1,129,840	1,074,209	55,631	44,718	3,490	1982	
189,420	4,489		14,383	1,264,558	1,208,552	1,151,420	57,132	52,740	3,266	1983	
183,724	3,760		14,609	48 1,361,613	15 1,292,800	15 1,233,757	59,043	65,758	3,055	1984	
175,572	2,850		12,472	9 1,465,838	9 1,381,616	9 1,320,210	61,406	81,381	2,841	1985 8	
179,437	2,851		12,518	24 1,483,479	1,398,602	1,336,791	61,811	24 81,985	2,892	1985 8	
164,532	1,781		31 10,028	10 1,585,450	19 1,490,938	19 1,427,031	63,907	81,886	2,626	1986	
157,320	1,108		8,506	24 1,697,762	41 1,585,381	51 1,516,267	52 69,114	10 109,946	2,435	1987	
158,329	924		6,115	19 1,815,228	1,681,400	1,611,282	70,118	19 131,671	2,157	1988	
166,499	2,642		5,549	12 1,909,565	1,769,165	1,697,287	71,878	12 138,488	1,912	1989	
155,898	862		5,806	23 1,819,612	1,683,309	1,613,349	69,960	23 134,160	2,143	1989 Jan.	
156,200	889		5,889	1,827,411	1,688,537	1,618,267	70,270	136,730	2,144	Feb.	
156,566	988		5,775	1,833,835	1,692,359	1,622,116	70,243	139,331	2,145	March	
156,307	1,268		5,924	1,839,198	1,698,714	1,628,154	70,560	138,340	2,144	April	
156,461	1,404		6,109	1,846,372	1,705,237	1,634,588	70,649	138,991	2,144	May	
157,273	1,812		6,023	1,850,312	1,710,567	1,639,933	70,634	137,730	2,015	June	
158,308	2,058		5,873	1,857,800	1,717,762	1,647,179	70,583	138,080	1,958	July	
157,782	2,166		5,850	1,866,143	1,727,415	1,656,459	70,956	136,771	1,957	Aug.	
157,923	2,463		5,731	1,873,180	1,731,954	1,661,109	70,845	139,269	1,957	Sep.	
159,772	2,613		5,076	1,881,502	1,741,649	1,670,481	71,168	137,896	1,957	Oct.	
163,197	2,672		5,166	1,893,975	1,753,833	1,682,253	71,580	138,189	1,953	Nov.	
166,499	2,642		5,549	1,909,565	1,769,165	1,697,287	71,878	138,488	1,912	Dec.	
167,876	2,785		5,194	54 1,918,258	1,773,976	1,701,938	72,038	54 142,384	1,898	1990 Jan.	
169,599	2,895		4,603	1,924,484	1,778,108	1,705,865	72,243	144,480	1,896	Feb.	
170,470	3,088		4,484	9 1,930,542	1,780,449	1,708,393	72,056	9 148,197	1,896	March	
172,552	2,928		4,627	1,936,596	1,786,832	1,714,467	72,365	147,868	1,896	April	
174,523	2,974		4,804	1,944,534	1,791,436	1,718,868	72,568	151,198	1,900	May p	

14 - c. DM 800 million. - 15 - c. DM 900 million. - 16 - c. DM 500 million. - 17 - c. DM 4.6 billion. - 18 - c. DM 3.7 billion. - 19 - c. DM 2.1 billion. - 20 - c. DM 1.9 billion. - 21 - c. DM 2.5 billion. - 22 - c. DM 1.8 billion. - 23 - c. DM 700 million. - 24 - c. DM 1.2 billion. - 25 - c. DM 11.5 billion. - 26 - c. DM 5.0 billion. - 27 - c. DM 1.5 billion. - 28 + c. DM 1.0 billion. - 29 - c. DM 10.0 billion. - 30 - c. DM 3.6 billion. - 31 + c. DM 500 million. - 32 - c. DM 3.3 billion. - 33 - c. DM 2.9 billion. - 34 - c. DM 6.5 billion. - 35 - c. DM 4.7 billion. - 36 - c. DM 4.0 billion. - 37 - c. DM 3.1 billion. - 38 - c. DM 3.9 billion. - 39 + c. DM 4.0 billion. - 40 - c. DM 3.2 billion. - 41 + c. DM 800 million. - 42 + c. DM 600 million. - 43 - c. DM 2.4 billion. - 44 - c. DM 2.7 billion. - 45 - c. DM 2.2 billion. - 46 + c. DM 900 million. - 47 + c. DM 700 million. - 48 - c. DM 1.0 billion. - 49 - c. DM 3.0 billion. - 50 - c. DM 1.7 billion. - 51 - c. DM 3.4 billion. - 52 + c. DM 4.2 billion. - 53 - c. DM 1.1 billion. - 54 - c. DM 1.6 billion. - p Provisional. - r Revised.

III. Banks

4. Lending to non-banks, by debtor group, maturity and type * (cont'd)

DM million

End of year or month	Total lending including Treasury bill credits, securities portfolios, equalisation claims		Short-term					Medium and long-term				
			Total including Treasury bill credits	excluding Treasury bill credits	Advances and loans	Bills discounted	Treasury bill credits 1	Total including securities portfolios, equalisation claims	excluding securities portfolios	Medium-term 2		
										Total including securities portfolios	excluding securities portfolios	
Enterprises and individuals in the Federal Republic of Germany												
1981	1,223,248	1,205,654	291,273	291,042	240,522	50,520	231	931,975	914,612	130,320	129,077	
1982	1,289,346	1,270,293	303,652	303,303	251,936	51,367	349	985,694	966,990	139,469	137,569	
1983	9 1,380,531	9 1,360,336	10 317,994	10 317,640	10 263,571	54,069	354	1,062,537	1,042,696	147,907	145,619	
1984	11 1,468,765	11 1,446,757	12 340,189	12 340,058	12 283,443	56,615	131	13 1,128,576	13 1,106,699	146,793	144,269	
1985 8	15 1,547,033	15 1,521,983	12 344,766	12 344,635	12 285,591	59,044	131	14 1,202,267	14 1,177,348	141,897	139,557	
1985 8	17 1,572,712	1,547,543	350,140	350,009	290,804	59,205	131	17 1,222,572	1,197,534	145,736	143,393	
1986	18 1,642,954	18 1,614,225	19 342,061	19 341,930	20 281,173	21 60,757	131	15 1,300,893	15 1,272,295	138,857	137,250	
1987	15 1,699,772	1,665,292	325,812	325,681	22 268,913	23 56,768	131	15 1,373,960	1,339,611	133,733	132,656	
1988	26 1,790,939	1,753,660	341,473	341,342	285,359	55,983	131	27 1,449,466	1,412,318	131,611	131,243	
1989	1,921,551	1,879,758	374,069	373,541	29 317,340	10 56,201	528	1,547,482	1,506,217	139,017	138,449	
1989 Jan.	1,785,882	1,748,413	334,437	334,306	278,891	55,415	131	1,451,445	1,414,107	129,763	129,403	
Feb.	1,796,663	1,758,570	338,400	338,269	283,135	55,134	131	1,458,263	1,420,301	130,072	129,709	
March	1,806,518	1,767,986	343,047	342,916	287,637	55,279	131	1,463,471	1,425,070	130,545	130,183	
April	1,813,391	1,774,478	343,126	342,995	286,179	56,816	131	1,470,265	1,431,483	130,588	130,228	
May	1,821,475	1,783,183	345,569	345,438	289,141	56,297	131	1,475,906	1,437,745	130,992	130,631	
June	1,841,096	1,802,999	358,157	358,026	301,997	56,029	131	1,482,939	1,444,973	132,293	131,910	
July	1,844,272	1,805,779	353,643	353,512	298,025	55,487	131	1,490,629	1,452,267	133,085	132,781	
Aug.	1,849,649	1,811,384	351,511	351,380	296,637	54,743	131	1,498,138	1,460,004	132,482	132,176	
Sep.	1,871,043	1,831,663	365,246	365,115	30 310,564	23 54,551	131	1,505,797	1,466,548	133,787	133,502	
Oct.	1,879,982	1,838,550	361,249	361,118	306,240	54,878	131	1,518,733	1,477,432	135,385	135,099	
Nov.	1,891,137	1,850,545	362,360	362,229	305,674	56,555	131	1,528,777	1,488,316	136,313	136,032	
Dec.	1,921,551	1,879,758	374,069	373,541	317,340	56,201	528	1,547,482	1,506,217	139,017	138,449	
1990 Jan.	1,928,371	1,883,414	372,144	371,618	r 315,182	r 56,436	526	1,556,227	1,511,796	139,584	139,057	
Feb.	1,940,605	1,895,580	377,455	376,933	r 320,791	r 56,142	522	1,563,150	1,518,647	140,569	140,044	
March	1,955,551	1,908,398	385,595	385,071	326,986	58,085	524	1,569,956	1,523,327	141,496	141,047	
April	1,962,019	1,913,564	383,065	382,538	325,312	57,226	527	1,578,954	1,531,026	142,649	142,203	
May p	1,967,666	1,919,379	382,464	381,940	324,578	57,362	524	1,585,202	1,537,439	143,519	143,028	
Public authorities in the Federal Republic of Germany												
1981	368,796	333,348	13,955	8,335	8,301	34	5,620	354,841	325,013	57,264	49,865	
1982	408,704	357,872	19,752	9,608	9,579	29	10,144	388,952	348,264	57,129	47,845	
1983	427,941	368,696	17,628	8,931	8,861	70	8,697	410,313	359,765	60,385	48,290	
1984	446,836	380,347	11,706	6,762	6,714	48	4,944	435,130	373,585	55,300	43,215	
1985 8	465,764	389,617	11,299	6,927	6,896	31	4,372	454,465	382,690	48,997	38,865	
1985 8	467,074	390,344	11,361	6,988	6,957	31	4,373	455,713	383,356	49,070	38,895	
1986	471,615	391,793	10,717	6,837	6,792	45	3,880	31 460,898	384,956	22 37,484	29,063	
1987	500,490	411,065	9,754	6,867	6,834	33	2,887	490,736	404,198	9 33,201	25,772	
1988	23 541,429	435,524	10,299	7,189	7,140	49	3,110	531,130	428,335	33,757	28,010	
1989	19 547,228	439,037	10,455	6,948	6,931	17	3,507	9 536,773	432,089	35,673	30,692	
1989 Jan.	16 545,076	437,029	14,343	11,067	11,028	39	3,276	16 530,733	425,962	32,803	27,357	
Feb.	545,396	435,024	13,270	9,699	9,662	37	3,571	532,126	425,325	32,906	27,380	
March	543,457	430,552	9,764	5,709	5,678	31	4,055	533,693	424,843	32,784	27,371	
April	544,195	432,553	11,763	7,747	7,711	36	4,016	532,432	424,806	32,911	27,347	
May	544,098	431,020	9,658	5,663	5,626	37	3,995	534,440	425,357	32,982	27,234	
June	541,844	430,018	9,363	5,339	5,307	32	4,024	532,481	424,679	32,815	27,175	
July	542,693	431,134	9,283	5,273	5,242	31	4,010	533,410	425,861	33,154	27,585	
Aug.	540,978	431,038	7,175	3,679	3,652	27	3,496	533,803	427,359	33,316	27,772	
Sep.	540,982	429,783	7,482	3,991	3,964	27	3,491	533,500	425,792	32,330	26,884	
Oct.	539,760	432,611	9,530	6,009	5,986	23	3,521	530,230	426,602	32,076	27,286	
Nov.	546,688	438,324	10,455	6,938	6,915	23	3,517	536,233	431,386	34,722	29,837	
Dec.	547,228	439,037	10,455	6,948	6,931	17	3,507	536,773	432,089	35,673	30,692	
1990 Jan.	13 547,466	439,131	9,580	6,290	6,277	13	3,290	537,886	432,841	36,271	31,604	
Feb.	547,462	437,914	9,031	5,959	5,932	27	3,072	538,431	431,955	36,528	32,450	
March	16 547,311	436,287	8,683	5,607	5,575	32	3,076	16 538,628	430,680	36,546	32,511	
April	548,682	439,087	10,933	7,801	7,766	35	3,132	537,749	431,286	37,458	33,277	
May p	552,223	438,981	10,590	7,487	7,455	32	3,103	541,633	431,494	38,782	34,469	

For footnote * see pp. 16*-17*. — 1 Enterprises and individuals in the Federal Republic of Germany: Treasury bills and Treasury discount paper of the Federal Railways and Federal Post Office. Public authorities in the Federal Republic of Germany: Treasury bills and Treasury discount paper of the Federal and Länder Governments (excluding mobilisation and liquidity paper). — For footnotes 2 to 8 see pp. 16*-17*. — 9 — c. DM 800 million. — 10 — c. DM 700 million. — 11 — c. DM 2.7 billion. — 12 — c. DM 1.4 billion. — 13 — c. DM 1.3 billion. — 14 — c. DM 900 million. — 15 — c. DM 2.3 billion. — 16 — c. DM 600 million. — 17 — c. DM 1.2 billion. —

III. Banks

										End of year or month
Long-term 4, 5										
Advances and loans	Bills discounted	Loans on a trust basis 3	Securities (excluding bank securities)	Total including securities portfolios, equalisation claims	excluding claims	Advances and loans 4	Loans on a trust basis 5	Securities (excluding bank securities) 6	Equalisa- tion claims 7	
123,851	5,226		1,243	801,655	785,535	736,985	48,550	16,120	—	1981
132,261	5,308		1,900	846,225	829,421	780,370	49,051	16,804	—	1982
141,130	4,489		2,288	914,630	897,077	846,988	50,089	17,553	—	1983
140,509	3,760		2,524	14 981,783	14 962,430	14 910,818	51,612	19,353	—	1984
136,707	2,850		2,340	16 1,060,370	16 1,037,791	16 984,557	53,234	22,579	—	1985 8
140,542	2,851		2,343	17 1,076,836	1,054,141	1,000,505	53,636	17 22,695	—	1985 8
135,469	1,781		1,607	20 1,162,036	1,135,045	20 1,080,342	54,703	26,991	—	1986
131,548	1,108		1,077	15 1,240,227	20 1,206,955	24 1,148,507	25 58,448	15 33,272	—	1987
130,319	924		368	28 1,317,855	1,281,075	1,222,272	58,803	28 36,780	—	1988
135,807	2,642		568	1,408,465	1,367,768	1,307,715	60,053	40,697	—	1989
128,541	862		360	1,321,682	1,284,704	1,226,174	58,530	36,978	—	1989 Jan.
128,820	889		363	1,328,191	1,290,592	1,231,829	58,763	37,599	—	Feb.
129,195	988		362	1,332,926	1,294,887	1,236,195	58,692	38,039	—	March
128,960	1,268		360	1,339,677	1,301,255	1,242,297	58,958	38,422	—	April
129,227	1,404		361	1,344,914	1,307,114	1,248,103	59,011	37,800	—	May
130,098	1,812		383	1,350,646	1,313,063	1,254,002	59,061	37,583	—	June
130,723	2,058		304	1,357,544	1,319,486	1,260,537	58,949	38,058	—	July
130,010	2,166		306	1,365,656	1,327,828	1,268,583	59,245	37,828	—	Aug.
131,039	2,463		285	1,372,010	1,333,046	1,273,956	59,090	38,964	—	Sep.
132,486	2,613		286	1,383,348	1,342,333	1,282,949	59,384	41,015	—	Oct.
133,360	2,672		281	1,392,464	1,352,284	1,292,574	59,710	40,180	—	Nov.
135,807	2,642		568	1,408,465	1,367,768	1,307,715	60,053	40,697	—	Dec.
136,272	2,785		527	1,416,643	1,372,739	1,312,616	60,123	43,904	—	1990 Jan.
137,149	2,895		525	1,422,581	1,378,603	1,318,348	60,255	43,978	—	Feb.
137,959	3,088		449	1,428,460	1,382,280	1,322,227	60,053	46,180	—	March
139,275	2,928		446	1,436,305	1,388,823	1,328,491	60,332	47,482	—	April
140,054	2,974		491	1,441,683	1,394,411	1,333,919	60,492	47,272	—	May p
49,865	—		7,399	297,577	275,148	269,145	6,003	18,678	3,751	1981
47,845	—		9,284	331,823	300,419	293,839	6,580	27,914	3,490	1982
48,290	—		12,095	349,928	311,475	304,432	7,043	35,187	3,266	1983
43,215	—		12,085	379,830	330,370	322,939	7,431	46,405	3,055	1984
38,865	—		10,132	405,468	343,825	335,653	8,172	58,802	2,841	1985 8
38,895	—		10,175	406,643	344,461	336,286	8,175	59,290	2,892	1985 8
29,063	—		22 8,421	423,414	355,893	346,689	9,204	64,895	2,626	1986
25,772	—		7,429	32 457,535	33 378,426	367,760	30 10,666	76,674	2,435	1987
28,010	—		5,747	497,373	400,325	389,010	11,315	94,891	2,157	1988
30,692	—		4,981	19 501,100	401,397	389,572	11,825	19 97,791	1,912	1989
27,357	—		5,446	16 497,930	398,605	387,175	11,430	16 97,182	2,143	1989 Jan.
27,380	—		5,526	499,220	397,945	386,438	11,507	99,131	2,144	Feb.
27,371	—		5,413	500,909	397,472	385,921	11,551	101,292	2,145	March
27,347	—		5,564	499,521	397,459	385,857	11,602	99,918	2,144	April
27,234	—		5,748	501,458	398,123	386,485	11,638	101,191	2,144	May
27,175	—		5,640	499,666	397,504	385,931	11,573	100,147	2,015	June
27,585	—		5,569	500,256	398,276	386,642	11,634	100,022	1,958	July
27,772	—		5,544	500,487	399,587	387,876	11,711	98,943	1,957	Aug.
26,884	—		5,446	501,170	398,908	387,153	11,755	100,305	1,957	Sep.
27,286	—		4,790	498,154	399,316	387,532	11,784	96,881	1,957	Oct.
29,837	—		4,885	501,511	401,549	389,679	11,870	98,009	1,953	Nov.
30,692	—		4,981	501,100	401,397	389,572	11,825	97,791	1,912	Dec.
31,604	—		4,667	13 501,615	401,237	389,322	11,915	13 98,480	1,898	1990 Jan.
32,450	—		4,078	501,903	399,505	387,517	11,988	100,502	1,896	Feb.
32,511	—		4,035	16 502,082	398,169	386,166	12,003	16 102,017	1,896	March
33,277	—		4,181	500,291	398,009	385,976	12,033	100,386	1,896	April
34,469	—		4,313	502,851	397,025	384,949	12,076	103,926	1,900	May p

18 — c. DM 3.4 billion. — 19 — c. DM 1.1 billion. — 20 — c. DM 2.1 billion. — 27 — c. DM 1.6 billion. — 28 — c. DM 1.7 billion. — 29 + c. DM 900 million. —
 21 + c. DM 1.0 billion. — 22 + c. DM 500 million. — 23 — c. DM 500 million. — 30 + c. DM 700 million. — 31 + c. DM 600 million. — 32 + c. DM 1.2 billion. —
 24 — c. DM 3.5 billion. — 25 + c. DM 3.5 billion. — 26 — c. DM 1.5 billion. — 33 + c. DM 800 million. — p Provisional. — r Revised.

5. Lending commitments to enterprises and individuals in the Federal Republic of Germany *

DM million													
Period	Commitments for medium and long-term loans of fixed amounts and for fixed periods					Memorandum items Commitments for residential building (reduced range of reporting banks 1)							
	Loans promised as at beginning of period	Loans promised during period	Loans promised and paid out	Cancellations	Loans promised but not yet paid out at end of period	Loans promised as at beginning of period	Loans promised				Loans promised and paid out	Cancellations, etc. 5	Loans promised but not yet paid out at end of period
							Total	for new construction 2	for modernisation, purchase and acquisition 3	for repayment of other loans 4			
1987	72,683	306,263	278,724	17,915	72,683	16,529	57,648	20,190	30,735	6,723	57,451	1,773	14,953
1988	82,307	328,143	297,573	6 19,588	93,289	16,915	60,218	20,740	33,356	6,122	57,195	1,061	16,915
1989	82,872	26,407	23,327	1,343	84,609	17,544	4,774	1,748	2,623	403	4,444	64	17,810
1989 March	84,609	22,946	21,728	1,103	84,724	17,810	4,222	1,508	2,435	279	4,074	91	17,867
April	84,724	24,596	20,907	1,158	87,255	17,867	4,864	1,742	2,782	340	4,080	60	18,591
May	87,255	28,218	25,266	6 2,639	87,568	18,591	5,227	1,835	3,003	389	5,196	16	18,606
June	87,568	24,853	23,698	1,371	87,352	18,606	4,612	1,689	2,656	267	4,617	59	18,542
July	87,352	24,092	22,331	1,323	87,790	18,542	4,826	1,632	2,902	292	4,615	53	18,700
Aug.	87,790	28,807	23,025	1,316	92,256	18,700	5,231	1,771	3,098	362	4,563	35	19,333
Sep.	92,256	31,718	27,704	6 2,179	94,091	19,333	6,395	2,333	3,669	393	5,344	101	20,283
Oct.	94,091	28,871	25,573	1,605	95,784	20,283	5,292	2,076	2,919	297	5,351	—	20,224
Nov.	95,784	40,465	40,669	2,291	93,289	20,224	7,307	2,653	4,202	452	8,769	6	18,756
Dec.	93,289	23,495	23,548	2,177	91,059	18,756	3,943	1,384	2,300	259	4,358	456	17,885
1990 Jan.	91,059	26,375	21,227	1,245	94,962	17,885	4,657	1,838	2,532	287	3,747	74	18,721
Feb.	94,962	28,944	25,169	1,790	96,947	18,721	5,141	2,007	2,879	255	4,763	82	19,017
March	96,947	23,381	23,545	1,787	94,996	19,017	3,804	1,521	2,108	175	3,937	65	18,819
April	94,996	24,762	22,425	1,777	95,556	18,819	4,377	1,715	2,464	198	4,063	89	19,044
May p													

* Including non-profit organisations. — 1 Source: Statistics of the Ministry for Regional Planning, Building and Urban Development; only institutions affiliated to the following associations: Deutscher Sparkassen- und Giroverband (excluding Länder building and loan associations), Verband deutscher Hypothekenbanken, Verband

öffentlicher Banken (excluding housing promotion institutions). — 2 Creation of new housing. — 3 Including commitments for repairs. — 4 Repayment of housing loans from other banks. — 5 Ascertained as a difference. — 6 Inclusion of earlier cancellations: in June 1989 DM 1.2 billion, in October 1989 DM 0.6 billion. — p Provisional.

6. Off-balance-sheet activities

DM million											
End of year or month	Placing/underwriting commitments (RUFs, NIFs, etc.) 1		Memorandum items				Interest rate and currency swaps 3			Liabilities arising from forward transactions in bonds	
	Total	of which Used 2	Claims on non-banks outside the Federal Republic of Germany		banks arising from certificates of deposit and other commercial paper	Total	Interest rate swaps	Currency swaps	Cross-currency interest rate swaps	Commitments to take	Commitments to deliver
			arising from Euro-notes and commercial paper	arising from certificates of deposit and other commercial paper							
Domestic banks											
1987	345		364	151		82,431	56,995	8,198	17,238	2,553	5,215
1988	347		390	232		154,471	118,315	11,616	24,540	1,749	5,319
1989	361	53	283	133		r 242,543	r 189,351	14,455	38,737	754	4,122
1990 Jan.	362	32	602	448		257,232	203,405	14,982	38,845	621	4,418
Feb.	365	27	636	394		277,502	222,593	15,258	39,651	360	4,660
March	364	17	785	357		295,761	239,449	16,014	40,298	1,143	3,322
April	361	17	705	426		307,353	250,107	16,571	40,675	497	2,706
May p	365	12	726	319		318,263	260,202	16,901	41,160	636	2,344
Foreign branches of domestic banks											
1987	3,854	121	1,042	2,748		34,913	26,933	1,041	6,939		
1988	5,952	288	1,971	3,144		55,093	39,342	2,906	12,845		
1989	4,177	135	1,428	3,143		71,033	50,756	4,937	15,340		
1990 Jan.	4,039	134	1,268	3,044		68,189	49,820	5,054	13,315		
Feb.	4,831	232	1,390	2,932		80,669	58,479	5,814	16,376		
March	4,894	226	1,200	2,693		80,726	59,798	4,881	16,047		
April	5,176	176	1,173	2,730		84,312	62,116	4,836	17,360		
May p	4,947	234	1,233	3,301		90,642	66,588	5,763	18,291		
Foreign subsidiaries of domestic banks											
1987	1,517	51	1,216	635		17,990	12,729	628	4,633		
1988	2,231	124	1,379	495		28,556	20,320	1,474	6,762		
1989	2,294	249	743	382		51,365	42,457	2,622	6,286		
1990 Jan.	2,194	218	607	317		52,621	43,234	2,960	6,427		
Feb.	2,199	196	422	454		r 54,230	44,825	r 2,902	6,503		
March	2,198	196	422	368		r 56,560	46,900	r 3,045	6,615		
April p	2,219	178	418	379		57,018	47,431	3,137	6,450		

1 Excluding underwriting commitments arising from usual syndicated lending. — 2 Commercial paper, Euro-notes and CDs purchased in connection with underwriting

commitments. — 3 It is the principal amounts that are listed. — p Provisional. — r Revised.

Bank savings bonds 2			Savings deposits						Loans on a trust basis	Memo item Liabilities arising from transactions under repurchase agreements (unless shown above the line)	End of year or month
Total	Less than 4 years	4 years and over	Total	Statutory notice	Agreed period of notice						
					Total	Less than 4 years	4 years and over				
							Under the Savings Bonuses and Personal Asset Acquisition Acts	Other			
111,782	8,573	103,209	488,051	301,067	186,984	90,625	51,627	44,732	51,933	1981	
123,876	14,109	109,767	523,904	332,561	191,343	94,978	51,538	44,827	49,562	1982	
137,301	10 18,190	11 119,111	554,727	12 363,680	13 191,047	13 101,647	41,661	47,739	51,090	1983	
154,253	21,985	132,268	575,637	378,408	197,229	111,809	34,940	50,480	51,414	1984	
164,967	23,417	141,550	609,056	400,458	208,598	120,792	32,133	55,673	52,467	1985 3	
168,099	24,089	144,010	631,098	413,439	217,659	125,847	33,111	58,701	52,480	1985 3	
28 181,552	9 22,701	29 158,851	678,583	445,298	233,285	136,880	30,489	65,916	51,996	1986	
192,112	22,018	170,094	716,263	472,911	243,352	143,037	26,476	73,839	33 57,800	1987	
192,389	20,840	171,549	737,474	499,990	237,484	135,465	29,193	72,826	59,307	1988	
207,189	28,116	179,073	715,236	485,645	229,591	139,758	21,992	67,841	62,028	1989	
192,700	21,227	171,473	731,126	504,445	226,681	132,950	23,148	70,583	59,366	1989 Jan.	
192,935	21,521	171,414	727,890	503,393	224,497	131,297	23,568	69,632	59,530	Feb.	
193,517	22,044	171,473	721,722	498,661	223,061	130,215	24,006	68,840	59,746	March	
194,079	22,594	171,485	716,934	495,017	221,917	129,019	24,486	68,412	59,967	April	
194,631	23,042	171,589	713,304	491,661	221,643	128,432	25,018	68,193	60,413	May	
196,286	23,760	172,526	709,965	487,902	222,063	128,512	25,720	67,831	60,317	June	
197,585	24,620	172,965	703,812	486,575	217,237	129,764	20,433	67,040	60,227	July	
199,022	25,379	173,643	702,038	483,453	218,585	130,896	20,911	66,778	60,281	Aug.	
200,151	25,871	174,280	700,437	480,797	219,640	131,650	21,428	66,562	60,390	Sep.	
200,896	26,435	174,461	697,634	476,789	220,845	132,668	21,940	66,237	60,736	Oct.	
202,719	27,285	175,434	694,523	472,389	222,134	133,785	22,474	65,875	61,491	Nov.	
207,189	28,116	179,073	715,236	485,645	229,591	139,758	21,992	67,841	62,028	Dec.	
210,334	29,924	180,410	703,846	478,996	224,850	142,403	17,341	65,106	62,148	1990 Jan.	
211,403	30,752	180,651	699,563	473,624	225,939	144,030	17,705	64,204	63,219	Feb.	
212,657	31,608	181,049	692,743	465,758	226,985	145,423	18,112	63,450	63,382	March	
213,835	32,305	181,530	687,722	459,897	227,825	146,376	18,573	62,876	64,053	April	
215,051	32,717	182,334	682,526	454,058	228,468	146,901	19,048	62,519	64,913	May p	
110,756	8,535	102,221	482,987	297,901	185,086	89,332	51,627	44,127	49,812	4,272 1981	
122,672	14,025	108,647	518,185	328,757	189,428	93,700	51,538	44,190	47,421	4,879 1982	
135,717	10 18,054	11 117,663	548,430	12 359,479	13 188,951	13 100,221	41,661	47,069	48,620	4,554 1983	
152,084	21,785	130,299	568,814	373,844	194,970	110,250	34,940	49,780	49,780	669 1984	
162,388	23,207	139,181	601,599	395,414	206,185	119,113	32,133	54,939	50,935	158 1985 3	
165,502	23,876	141,626	623,578	408,353	215,225	124,156	33,111	57,958	50,948	158 1985 3	
28 178,525	9 22,505	29 156,020	670,317	439,762	230,555	134,963	30,489	65,103	51,204	319 1986	
188,359	21,813	166,546	707,094	466,797	240,297	140,894	26,476	72,927	41 56,634	113 1987	
188,180	20,613	167,567	727,981	493,538	234,443	133,345	29,193	71,905	58,254	27 1988	
202,381	27,800	174,581	705,616	479,077	226,539	137,577	21,992	66,970	60,469	22 1989	
188,485	21,001	167,484	721,715	498,009	223,706	130,864	23,148	69,694	58,287	27 1989 Jan.	
188,718	21,291	167,427	718,493	496,947	221,546	129,231	23,568	68,747	58,498	8 Feb.	
189,298	21,809	167,489	712,395	492,265	220,130	128,160	24,006	67,964	58,427	8 March	
189,871	22,356	167,515	707,646	488,632	219,014	126,988	24,486	67,540	58,701	8 April	
190,413	22,797	167,616	704,053	485,307	218,746	126,404	25,018	67,324	58,999	7 May	
192,050	23,507	168,543	700,707	481,536	219,171	126,489	25,720	66,962	58,948	7 June	
193,341	24,364	168,977	694,567	480,218	214,349	127,717	20,433	66,199	58,937	7 July	
194,746	25,111	169,635	692,792	477,115	215,677	128,826	20,911	65,940	59,273	7 Aug.	
195,702	25,601	170,101	691,181	474,468	216,713	129,559	21,428	65,726	59,188	7 Sep.	
196,447	26,157	170,290	688,374	470,468	217,906	130,567	21,940	65,399	59,437	7 Oct.	
198,086	26,992	171,094	685,237	466,055	219,182	131,670	22,474	65,038	59,900	7 Nov.	
202,381	27,800	174,581	705,616	479,077	226,539	137,577	21,992	66,970	60,469	22 Dec.	
205,519	29,602	175,917	694,299	472,467	221,832	140,208	17,341	64,283	60,608	7 1990 Jan.	
206,645	30,422	176,223	690,048	467,131	222,917	141,821	17,705	63,391	60,638	3 Feb.	
208,507	31,271	177,236	683,266	459,301	223,965	143,207	18,112	62,646	60,556	3 March	
209,713	31,963	177,750	678,271	453,469	224,802	144,146	18,573	62,083	60,995	3 April	
210,927	32,364	178,563	673,143	447,707	225,436	144,656	19,048	61,732	61,211	3 May p	

11 — c. DM 1.3 billion. — 12 — c. DM 1.5 billion. — 13 + c. DM 1.5 billion. — 29 + c. DM 2.5 billion. — 30 — c. DM 1.7 billion. — 31 — c. DM 6.0 billion. —
14 + c. DM 2.1 billion. — 15 + c. DM 1.6 billion. — 16 + c. DM 1.1 billion. — 32 — c. DM 4.8 billion. — 33 + c. DM 4.6 billion. — 34 + c. DM 900 million. —
17 — c. DM 3.3 billion. — 18 — c. DM 2.6 billion. — 19 — c. DM 1.8 billion. — 35 — c. DM 1.4 million. — 36 — c. DM 500 million. — 37 — c. DM 1.1 billion. —
20 — c. DM 1.2 billion. — 21 — c. DM 600 million. — 22 — c. DM 800 million. — 38 — c. DM 3.1 billion. — 39 — c. DM 4.2 billion. — 40 — c. DM 4.0 billion. —
23 — c. DM 5.5 billion. — 24 — c. DM 1.9 billion. — 25 — c. DM 900 million. — 41 + c. 4.7 billion. — p Provisional.
26 — c. DM 700 million. — 27 — c. DM 3.5 billion. — 28 + c. DM 3.1 billion. —

III. Banks

7. Deposits of and borrowing from non-banks, by creditor group, maturity and type * (cont'd)

DM million

End of year or month	Deposits and borrowing, total 1, 2	Sight deposits			Time deposits and funds borrowed for 1 month and over 1					
		Total	On demand	Less than 1 month	Total	1 month to less than 4 years				4 years and over
						Total	1 month to less than 3 months	3 months to 1 year	Over 1 year to less than 4 years	
Enterprises and individuals in the Federal Republic of Germany 4										
1981	1,044,219	158,607	150,157	8,450	295,273	193,756	124,765	65,397	3,594	101,517
1982	1,114,535	171,192	162,385	8,807	305,976	198,423	135,277	59,513	3,633	107,553
1983	1,182,552	184,457	175,799	8,658	318,495	190,509	130,633	56,338	3,538	127,986
1984	1,260,389	197,740	187,770	9,970	346,573	199,680	132,830	63,602	3,248	146,893
1985 3	1,344,435	207,718	198,276	9,442	377,604	204,027	139,570	61,637	2,820	173,577
1985 3	1,381,232	212,295	202,823	9,472	384,843	210,287	142,291	64,846	3,150	174,556
1986	1,489,942	229,584	220,201	9,383	9 416,882	10 212,456	142,668	66,899	2,889	11 204,426
1987	1,597,965	244,065	233,446	10,619	463,812	220,776	148,975	67,924	3,877	243,036
1988	1,689,759	266,379	257,052	9,327	512,450	228,596	158,586	66,238	3,772	283,854
1989	1,783,098	282,764	273,849	8,915	596,749	279,367	193,965	79,714	5,688	317,382
1989 Jan.	1,679,613	255,696	250,275	5,421	518,709	229,851	158,357	67,665	3,829	288,858
Feb.	1,683,474	255,133	250,580	4,553	525,983	233,658	158,865	70,722	4,071	292,325
March	1,673,543	248,615	242,440	6,175	527,916	232,687	157,070	71,461	4,156	295,229
April	1,680,267	248,379	243,313	5,066	539,008	240,723	160,937	75,540	4,246	298,285
May	1,680,732	250,539	246,040	4,499	540,310	239,788	157,737	77,489	4,562	300,522
June	1,683,579	254,766	248,492	6,274	540,541	238,549	155,659	78,209	4,681	301,992
July	1,691,784	256,228	251,594	4,634	552,154	247,404	163,462	79,107	4,835	304,750
Aug.	15 1,696,044	251,674	246,988	4,686	561,374	253,574	168,338	80,300	4,936	307,800
Sep.	1,697,543	251,232	245,607	5,625	563,930	254,719	169,237	80,337	5,145	309,211
Oct.	1,712,674	257,878	252,650	5,228	574,354	263,275	178,219	79,646	5,410	311,079
Nov.	1,736,591	277,521	271,907	5,614	580,242	266,901	182,053	79,336	5,512	313,341
Dec.	1,783,098	282,764	273,849	8,915	596,749	279,367	193,965	79,714	5,688	317,382
1990 Jan.	1,769,534	261,835	256,224	5,611	612,022	289,881	200,263	83,792	5,826	322,141
Feb.	1,776,760	263,258	258,532	4,726	620,962	295,688	200,959	88,928	5,801	325,274
March	1,766,006	255,972	250,513	5,459	622,510	295,056	197,420	91,831	5,805	327,454
April	1,777,774	265,525	258,576	6,949	628,404	298,643	198,460	94,181	6,002	329,761
May p	1,781,112	264,288	259,144	5,144	636,849	305,511	203,680	95,690	6,141	331,338
Public authorities in the Federal Republic of Germany 4										
1981	173,766	11,841	10,632	1,209	108,709	29,099	21,951	6,817	331	79,610
1982	177,597	12,565	10,700	1,865	114,121	30,730	23,522	6,794	414	83,391
1983	185,522	14,300	11,495	2,805	118,055	29,060	18,825	9,772	463	88,995
1984	194,167	15,962	13,632	2,330	123,709	28,407	18,771	8,930	706	95,302
1985 3	206,964	16,908	13,486	3,422	134,247	32,391	19,237	12,515	639	101,856
1985 3	207,576	17,064	13,636	3,428	134,578	32,719	19,429	12,648	642	101,859
1986	219,174	16,120	14,313	1,807	146,484	39,722	27,905	10,922	895	106,762
1987	15 224,503	16,225	14,046	2,179	16 146,279	39,700	29,870	8,878	952	17 106,579
1988	231,751	17,272	14,793	2,479	150,994	40,482	30,109	9,747	626	110,512
1989	244,851	20,120	16,921	3,199	159,850	46,391	34,404	11,192	795	113,459
1989 Jan.	222,947	11,168	9,828	1,340	148,500	38,024	28,226	9,156	642	110,476
Feb.	225,943	12,954	11,612	1,342	149,638	38,542	28,592	9,308	642	111,096
March	222,768	11,945	10,464	1,481	147,715	38,225	27,878	9,656	691	109,490
April	222,276	12,313	11,073	1,240	146,625	36,440	26,075	9,654	711	110,185
May	229,542	14,528	12,593	1,935	151,432	40,581	28,994	10,846	741	110,851
June	229,022	13,539	12,062	1,477	152,050	41,193	28,184	12,277	732	110,857
July	228,719	14,527	12,993	1,534	150,749	39,873	26,778	12,361	734	110,876
Aug.	232,009	14,050	12,139	1,911	154,144	42,427	29,250	12,441	736	111,717
Sep.	232,219	14,774	12,666	2,108	153,755	42,232	28,759	12,764	709	111,523
Oct.	229,397	14,326	12,639	1,687	151,255	38,613	26,904	11,007	702	112,642
Nov.	234,643	15,437	13,969	1,468	154,811	41,707	30,243	10,698	766	113,104
Dec.	244,851	20,120	16,921	3,199	159,850	46,391	34,404	11,192	795	113,459
1990 Jan.	236,147	13,466	12,170	1,296	157,932	44,366	32,490	11,063	813	113,566
Feb.	240,540	16,075	14,043	2,032	159,674	45,800	33,291	11,663	846	113,874
March	236,825	13,168	11,397	1,771	158,852	45,061	31,373	12,873	815	113,791
April	236,238	14,289	13,067	1,222	156,815	42,459	29,258	12,354	847	114,356
May p	242,325	14,384	12,933	1,451	162,635	47,495	33,080	13,609	806	115,140

For footnotes * and 1 to 3 see pp. 22*-23*. — 4 Savings deposits: Domestic enterprises and individuals or Domestic public authorities. — 5 + c. DM 1.3 billion. — 6 — c. DM 1.3 billion. — 7 — c. DM 1.5 billion. — 8 + c. DM 1.5 billion. — 9 — c. DM 3.1 billion. — 10 — c. DM 500 million. — 11 — c. DM 2.6 billion. —

Bank savings bonds 2			Savings deposits				Agreed period of notice		Loans on a trust basis	Memo item Liabilities arising from repurchase agreements (unless shown above the line)	End of year or month
Total	Less than 4 years	4 years and over	Total	Statutory notice	Total	Less than 4 years	4 years and over				
							Under the Savings Bonuses and Personal Asset Acquisition Acts	Other			
109,708	8,498	101,210	478,579	295,526	183,053	88,257	51,627	43,169	2,052	1981	
121,543	13,948	107,595	513,658	326,037	187,621	92,706	51,538	43,377	2,166	1982	
134,298	5 17,815	6 116,483	543,081	7 356,055	8 187,026	8 99,085	41,661	46,280	2,221	1983	
150,386	21,421	128,965	563,203	370,116	193,087	109,056	34,940	49,091	2,487	1984	
160,386	22,752	137,634	596,123	391,713	204,410	117,969	32,133	54,308	2,604	1985 3	
163,486	23,418	140,068	617,998	404,589	213,409	122,978	33,111	57,320	2,610	1985 3	
12 176,163	13 22,093	14 154,070	664,511	435,884	228,627	133,695	30,489	64,443	2,802	1986	
185,730	21,487	164,243	701,325	463,000	238,325	139,523	26,476	72,326	3,033	1987	
185,260	20,279	164,981	722,058	489,569	232,489	131,991	29,193	71,305	3,612	1988	
199,178	27,474	171,704	699,760	474,862	224,898	136,454	21,992	66,452	4,647	1989	
185,595	20,692	164,903	716,024	494,199	221,825	129,533	23,148	69,144	3,589	1989 Jan.	
185,801	20,980	164,821	712,857	493,137	219,720	127,931	23,568	68,221	3,700	Feb.	
186,362	21,485	164,877	706,838	488,454	218,384	126,936	24,006	67,442	3,812	March	
186,895	22,016	164,879	702,071	484,814	217,257	125,743	24,486	67,028	3,914	April	
187,438	22,460	164,978	698,416	481,420	216,996	125,172	25,018	66,806	4,029	May	
189,033	23,168	165,865	695,146	477,692	217,454	125,286	25,720	66,448	4,093	June	
190,309	24,034	166,275	689,059	476,385	212,674	126,557	20,433	65,684	4,034	July	
191,689	24,782	166,907	687,265	473,270	213,995	127,656	20,911	65,428	4,042	Aug.	
192,616	25,273	167,343	685,703	470,646	215,057	128,412	21,428	65,217	4,062	Sep.	
193,318	25,829	167,489	682,947	466,685	216,262	129,426	21,940	64,896	4,177	Oct.	
194,970	26,675	168,295	679,574	461,986	217,588	130,574	22,474	64,540	4,284	Nov.	
199,178	27,474	171,704	699,760	474,862	224,898	136,454	21,992	66,452	4,647	Dec.	
202,350	29,295	173,055	688,664	468,395	220,269	139,143	17,341	63,785	4,663	1990 Jan.	
203,485	30,113	173,372	684,331	462,983	221,348	140,751	17,705	62,892	4,724	Feb.	
205,299	30,961	174,338	677,443	455,061	222,382	142,124	18,112	62,146	4,782	March	
206,526	31,664	174,862	672,480	449,271	223,209	143,050	18,573	61,586	4,839	April	
207,708	32,064	175,644	667,345	443,494	223,851	143,561	19,048	61,242	4,922	May p	
1,048	37	1,011	4,408	2,375	2,033	1,075	—	958	47,760	1981	
1,129	77	1,052	4,527	2,720	1,807	994	—	813	45,255	1982	
1,419	239	1,180	5,349	3,424	1,925	1,136	—	789	46,399	1983	
1,698	364	1,334	5,611	3,728	1,883	1,194	—	689	47,187	1984	
2,002	455	1,547	5,476	3,701	1,775	1,144	—	631	48,331	1985 3	
2,016	458	1,558	5,580	3,764	1,816	1,178	—	638	48,338	1985 3	
2,362	412	1,950	5,806	3,878	1,928	1,268	—	660	48,402	1986	
2,629	326	2,303	5,769	3,797	1,972	1,371	—	601	18 53,601	1987	
2,920	334	2,586	5,923	3,969	1,954	1,354	—	600	54,842	1988	
3,203	326	2,877	5,856	4,215	1,641	1,123	—	518	55,822	1989	
2,890	309	2,581	5,691	3,810	1,881	1,331	—	550	54,698	1989 Jan.	
2,917	311	2,606	5,636	3,810	1,826	1,300	—	526	54,798	Feb.	
2,936	324	2,612	5,557	3,811	1,746	1,224	—	522	54,615	March	
2,976	340	2,636	5,575	3,818	1,757	1,245	—	512	54,787	April	
2,975	337	2,638	5,637	3,887	1,750	1,232	—	518	54,970	May	
3,017	339	2,678	5,561	3,844	1,717	1,203	—	514	54,855	June	
3,032	330	2,702	5,508	3,833	1,675	1,160	—	515	54,903	July	
3,057	329	2,728	5,527	3,845	1,682	1,170	—	512	55,231	Aug.	
3,086	328	2,758	5,478	3,822	1,656	1,147	—	509	55,126	Sep.	
3,129	328	2,801	5,427	3,783	1,644	1,141	—	503	55,260	Oct.	
3,116	317	2,799	5,663	4,069	1,594	1,096	—	498	55,616	Nov.	
3,203	326	2,877	5,856	4,215	1,641	1,123	—	518	55,822	Dec.	
3,169	307	2,862	5,635	4,072	1,563	1,065	—	498	55,945	1990 Jan.	
3,160	309	2,851	5,717	4,148	1,569	1,070	—	499	55,914	Feb.	
3,208	310	2,898	5,823	4,240	1,583	1,083	—	500	55,774	March	
3,187	299	2,888	5,791	4,198	1,593	1,096	—	497	56,156	April	
3,219	300	2,919	5,798	4,213	1,585	1,095	—	490	56,289	May p	

12 + c. DM 3.1 billion. — 13 + c. DM 600 million. — 14 + c. DM 2.5 billion. — 15 + c. DM 500 million. — 16 — c. DM 4.2 billion. — 17 — c. DM 4.0 billion. — 18 + c. DM 4.7 billion. — p Provisional.

III. Banks

7. Deposits of and borrowing from non-banks, by creditor group, maturity and type* (cont'd)

DM million										
End of year or month	Deposits and borrowing, total 1, 2	Sight deposits			Time deposits and funds borrowed for 1 month and over 1					
		Total	On demand	Less than 1 month	Total	1 month to less than 4 years				4 years and over
						Total	1 month to less than 3 months	3 months to 1 year	Over 1 year to less than 4 years	
Enterprises in the Federal Republic of Germany 4										
1981	223,827	61,042	53,359	7,683	151,926	65,072	43,661	18,792	2,619	86,854
1982	234,413	65,231	57,430	7,801	158,364	66,873	47,868	16,421	2,584	91,491
1983	261,503	69,868	62,413	7,455	180,009	70,910	49,330	19,289	2,291	109,099
1984	292,392	77,813	68,997	8,816	201,641	74,337	49,785	22,964	1,588	127,304
1985 3	326,010	82,678	74,307	8,371	228,183	75,788	54,121	20,753	914	152,395
1985 3	327,370	83,103	74,721	8,382	228,813	76,164	54,288	20,935	941	152,649
1986	361,561	87,801	79,698	8,103	255,557	72,074	48,196	23,054	824	183,483
1987	411,067	91,645	82,503	9,142	298,705	79,768	55,364	22,969	1,435	218,937
1988	461,179	95,198	87,611	7,587	342,675	87,237	58,292	27,511	1,434	255,438
1989	5 497,961	6 106,494	6 99,342	7,152	366,023	81,133	59,261	19,430	2,442	284,890
1989 Jan.	455,416	89,181	85,210	3,971	342,849	82,821	54,272	27,032	1,517	260,028
Feb.	456,712	87,167	83,940	3,227	346,006	82,626	52,558	28,336	1,732	263,380
March	454,079	84,830	80,276	4,554	345,655	79,608	50,412	27,411	1,785	266,047
April	458,883	82,597	78,665	3,932	352,396	83,479	52,634	29,037	1,808	268,917
May	458,431	83,409	80,047	3,362	350,970	79,784	49,175	28,582	2,027	271,186
June	459,675	86,502	81,700	4,802	348,858	76,287	46,359	27,866	2,062	272,571
July	463,893	86,528	83,074	3,454	352,912	77,716	48,444	27,153	2,119	275,196
Aug.	7 463,803	83,328	79,807	3,521	355,843	77,769	49,127	26,519	2,123	278,074
Sep.	463,758	83,512	79,255	4,257	355,566	76,253	48,669	25,350	2,234	279,313
Oct.	475,565	91,209	87,197	4,012	359,511	78,375	53,269	22,769	2,337	281,136
Nov.	476,943	92,134	87,885	4,249	359,880	76,899	53,585	20,933	2,381	282,981
Dec.	6 497,961	6 106,494	6 99,342	7,152	366,023	81,133	59,261	19,430	2,442	284,890
1990 Jan.	483,551	90,907	86,815	4,092	367,350	78,428	55,747	20,181	2,500	288,922
Feb.	484,760	89,787	86,498	3,289	369,567	77,675	53,876	21,304	2,495	291,892
March	478,978	84,985	80,950	4,035	368,455	74,674	50,518	21,724	2,432	293,781
April	489,708	92,271	86,671	5,600	371,805	75,820	50,503	22,794	2,523	295,985
May p	492,649	90,654	86,863	3,791	376,537	78,677	52,892	23,178	2,607	297,860
Individuals (including non-profit organisations) in the Federal Republic of Germany 4										
1981	820,392	97,565	96,798	767	143,347	128,684	81,104	46,605	975	14,663
1982	880,122	105,961	104,955	1,006	147,612	131,550	87,409	43,092	1,049	16,062
1983	921,049	114,589	113,386	1,203	138,486	119,599	81,303	37,049	1,247	18,887
1984	967,997	119,927	118,773	1,154	144,932	125,343	83,045	40,638	1,660	19,589
1985 3	1,018,425	125,040	123,969	1,071	149,421	128,239	85,449	40,884	1,906	21,182
1985 3	1,053,862	129,192	128,102	1,090	156,030	134,123	88,003	43,911	2,209	21,907
1986	1,128,381	141,783	140,503	1,280	12 161,325	5 140,382	94,472	43,845	2,065	13 20,943
1987	1,186,898	152,420	150,943	1,477	165,107	141,008	93,611	44,955	2,442	24,099
1988	1,228,580	171,181	169,441	1,740	169,775	141,359	100,294	38,727	2,338	28,416
1989	7 1,285,137	15 176,270	15 174,507	1,763	230,726	198,234	134,704	60,284	3,246	32,492
1989 Jan.	1,224,197	166,515	165,065	1,450	175,860	147,030	104,085	40,633	2,312	28,830
Feb.	1,226,762	167,966	166,640	1,326	179,977	151,032	106,307	42,386	2,339	28,945
March	1,219,464	163,785	162,164	1,621	182,261	153,079	106,658	44,050	2,371	29,182
April	1,221,384	165,782	164,648	1,134	186,612	157,244	108,303	46,503	2,438	29,368
May	1,222,301	167,130	165,993	1,137	189,340	160,004	108,562	48,907	2,535	29,336
June	1,223,904	168,264	166,792	1,472	191,683	162,262	109,300	50,343	2,619	29,421
July	1,227,891	169,700	168,520	1,180	199,242	169,688	115,018	51,954	2,716	29,554
Aug.	1,232,241	168,346	167,181	1,165	205,531	175,805	119,211	53,781	2,813	29,726
Sep.	1,233,785	167,720	166,352	1,368	208,364	178,466	120,568	54,987	2,911	29,898
Oct.	1,237,109	166,669	165,453	1,216	214,843	184,900	124,950	56,877	3,073	29,943
Nov.	1,259,648	185,387	184,022	1,365	220,362	190,002	128,468	58,403	3,131	30,360
Dec.	15 1,285,137	15 176,270	15 174,507	1,763	230,726	198,234	134,704	60,284	3,246	32,492
1990 Jan.	1,285,983	170,928	169,409	1,519	244,672	211,453	144,516	63,611	3,326	33,219
Feb.	1,292,000	173,471	172,034	1,437	251,395	218,013	147,083	67,624	3,306	33,382
March	1,287,028	170,987	169,583	1,424	254,055	220,382	146,902	70,107	3,373	33,673
April	1,288,066	173,254	171,905	1,349	256,599	222,823	147,957	71,387	3,479	33,776
May p	1,288,463	173,634	172,281	1,353	260,312	226,834	150,788	72,512	3,534	33,478

For footnotes * and 1 to 3 see pp. 22*-23*. — 4 Savings deposits: Domestic enterprises or Domestic individuals (including non-profit organisations). — 5 — c. DM 500 million. — 6 + c. DM 900 million. — 7 + c. DM 500 million. — 8 + c. DM 1.3 billion. — 9 — c. DM 1.3 billion. — 10 — c. DM 1.5 billion. —

Bank savings bonds 2			Savings deposits				Loans on a trust basis	Memo item Liabilities arising from repurchase agreements (unless shown above the line)	End of year or month	
Total	Less than 4 years	4 years and over	Total	Statutory notice	Agreed period of notice					
					Total	Less than 4 years				4 years and over
						Under the Savings Bonuses and Personal Asset Acquisition Acts	Other			
3,521	66	3,455	5,508	2,741	2,767	1,164	—	1,603	1,830	1981
3,502	191	3,311	5,451	2,833	2,618	1,127	—	1,491	1,865	1982
4,006	319	3,687	5,743	3,005	2,738	1,168	—	1,570	1,877	1983
5,220	574	4,646	5,645	3,111	2,534	1,159	—	1,375	2,073	1984
6,981	655	6,326	6,033	3,494	2,539	1,173	—	1,366	2,135	1985 3
7,024	663	6,361	6,295	3,632	2,663	1,248	—	1,415	2,135	1985 3
9,324	679	8,645	6,733	3,945	2,788	1,264	—	1,524	2,146	1986
11,393	613	10,780	7,174	4,163	3,011	1,332	—	1,679	2,150	1987
13,299	518	12,781	7,432	4,330	3,102	1,351	—	1,751	2,575	1988
15,605	467	15,138	6,189	3,797	2,392	1,102	—	1,290	3,650	1989
13,527	512	13,015	7,265	4,278	2,987	1,313	—	1,674	2,594	1989 Jan.
13,762	517	13,245	7,073	4,228	2,845	1,279	—	1,566	2,704	Feb.
13,962	522	13,440	6,814	4,202	2,612	1,233	—	1,379	2,818	March
14,282	532	13,750	6,691	4,141	2,550	1,207	—	1,343	2,917	April
14,452	523	13,929	6,571	4,066	2,505	1,174	—	1,331	3,029	May
14,732	528	14,204	6,487	4,033	2,454	1,144	—	1,310	3,096	June
14,999	497	14,502	6,412	3,973	2,439	1,141	—	1,298	3,042	July
15,101	484	14,617	6,400	3,990	2,410	1,127	—	1,283	3,131	Aug.
15,232	484	14,748	6,292	3,926	2,366	1,098	—	1,268	3,156	Sep.
15,361	474	14,887	6,212	3,888	2,324	1,075	—	1,249	3,272	Oct.
15,472	476	14,996	6,112	3,822	2,290	1,056	—	1,234	3,345	Nov.
15,605	467	15,138	6,189	3,797	2,392	1,102	—	1,290	3,650	Dec.
15,586	455	15,131	6,009	3,696	2,313	1,072	—	1,241	3,699	1990 Jan.
15,704	437	15,267	5,940	3,638	2,302	1,084	—	1,218	3,762	Feb.
15,865	429	15,436	5,853	3,560	2,293	1,078	—	1,215	3,820	March
15,933	424	15,509	5,822	3,584	2,238	1,085	—	1,153	3,877	April
15,896	405	15,491	5,629	3,430	2,199	1,073	—	1,126	3,933	May p
106,187	8,432	97,755	473,071	292,785	180,286	87,093	51,627	41,566	222	1981
118,041	13,757	104,284	508,207	323,204	185,003	91,579	51,538	41,886	301	1982
130,292	8 17,496	9 112,796	537,338	10 353,050	11 184,288	11 97,917	41,661	44,710	344	1983
145,166	20,847	124,319	557,558	367,005	190,553	107,897	34,940	47,716	414	1984
153,405	22,097	131,308	590,090	388,219	201,871	116,796	32,133	52,942	469	1985 3
156,462	22,755	133,707	611,703	400,957	210,746	121,730	33,111	55,905	475	1985 3
14 166,839	15 21,414	16 145,425	657,778	431,939	225,839	132,431	30,489	62,919	656	1986
174,337	20,874	153,463	694,151	458,837	235,314	138,191	26,476	70,647	883	1987
171,961	19,761	152,200	714,626	485,239	229,387	130,640	29,193	69,554	1,037	1988
183,573	27,007	156,566	693,571	471,065	222,506	135,352	21,992	65,162	997	1989
172,068	20,180	151,888	708,759	489,921	218,838	128,220	23,148	67,470	995	1989 Jan.
172,039	20,463	151,576	705,784	488,909	216,875	126,652	23,568	66,655	996	Feb.
172,400	20,963	151,437	700,024	484,252	215,772	125,703	24,006	66,063	994	March
172,613	21,484	151,129	695,380	480,673	214,707	124,536	24,486	65,685	997	April
172,986	21,937	151,049	691,845	477,354	214,491	123,998	25,018	65,475	1,000	May
174,301	22,640	151,661	688,659	473,659	215,000	124,142	25,720	65,138	997	June
175,310	23,537	151,773	682,647	472,412	210,235	125,416	20,433	64,386	992	July
176,588	24,298	152,290	680,865	469,280	211,585	126,529	20,911	64,145	911	Aug.
177,384	24,789	152,595	679,411	466,720	212,691	127,314	21,428	63,949	906	Sep.
177,957	25,355	152,602	676,735	462,797	213,938	128,351	21,940	63,647	905	Oct.
179,498	26,199	153,299	673,462	458,164	215,298	129,518	22,474	63,306	939	Nov.
183,573	27,007	156,566	693,571	471,065	222,506	135,352	21,992	65,162	997	Dec.
186,764	28,840	157,924	682,655	464,699	217,956	138,071	17,341	62,544	964	1990 Jan.
187,781	29,676	158,105	678,391	459,345	219,046	139,667	17,705	61,674	962	Feb.
189,434	30,532	158,902	671,590	451,501	220,089	141,046	18,112	60,931	962	March
190,593	31,240	159,353	666,658	445,687	220,971	141,965	18,573	60,433	962	April
191,812	31,659	160,153	661,716	440,064	221,652	142,488	19,048	60,116	989	May p

11 + c. DM 1.5 billion. — 12 — c. DM 3.0 billion. — 13 — c. DM 2.6 billion. — p Provisional.
 14 + c. DM 3.0 billion. — 15 + c. DM 600 million. — 16 + c. DM 2.4 billion. —

III. Banks

8. Lending to public authorities in the Federal Republic of Germany, by debtor group and maturity * (excluding Treasury bill credits, securities portfolios, equalisation claims)

DM million

End of year or month	Lending to public authorities in the Federal Republic of Germany				Federal Government, Equalisation of Burdens Fund, ERP Special Fund				Länder Governments			
	Total	Short-term 1	Medium-term	Long-term 2	Total	Short-term 1	Medium-term	Long-term 2	Total	Short-term 1	Medium-term	Long-term 2
1986	391,793	6,837	29,063	355,893	83,515	509	8,784	74,222	173,577	2,868	14,965	155,744
1987	411,065	6,867	25,772	378,426	80,380	645	8,677	71,058	191,213	3,149	13,563	174,501
1988	435,524	7,189	28,010	400,325	83,202	819	9,824	72,559	208,394	3,596	15,630	189,168
1989	439,037	6,948	30,692	401,397	75,624	990	7,946	66,688	215,653	3,205	20,409	192,039
1989 Jan.	437,029	11,067	27,357	398,605	84,684	3,475	9,503	71,706	207,693	4,449	15,415	187,829
Feb.	435,024	9,699	27,380	397,945	83,758	2,609	9,408	71,741	206,635	4,278	15,553	186,804
March	430,552	5,709	27,371	397,472	80,456	278	8,626	71,552	205,013	2,392	16,376	186,245
April	432,553	7,747	27,347	397,459	79,417	233	8,311	70,873	208,183	4,681	16,698	186,804
May	431,020	5,663	27,234	398,123	79,246	310	8,231	70,705	207,639	3,160	16,677	187,802
June	430,018	5,339	27,175	397,504	79,208	259	8,352	70,597	206,088	2,238	16,564	187,286
July	431,134	5,273	27,585	398,276	77,996	246	8,313	69,437	208,131	2,809	16,997	188,325
Aug.	431,038	3,679	27,772	399,587	77,574	177	8,552	68,845	208,032	1,590	16,949	189,493
Sep.	429,783	3,991	26,884	398,908	77,627	174	8,131	69,322	205,959	1,494	16,486	187,979
Oct.	432,611	6,009	27,286	399,316	76,909	331	8,162	68,416	208,849	3,592	16,895	188,362
Nov.	438,324	6,938	29,837	401,549	76,834	516	8,174	68,144	213,644	4,161	19,270	190,213
Dec.	439,037	6,948	30,692	401,397	75,624	990	7,946	66,688	215,653	3,205	20,409	192,039
1990 Jan.	439,131	6,290	31,604	401,237	73,837	385	7,933	65,519	217,158	3,112	21,365	192,681
Feb.	437,914	5,959	32,450	399,505	72,683	271	8,191	64,221	217,225	3,289	21,958	191,978
March	436,287	5,607	32,511	398,169	72,147	133	7,985	64,029	214,968	2,629	22,273	190,066
April	439,087	7,801	33,277	398,009	70,782	384	7,927	62,471	218,681	4,643	23,003	191,035
May p	438,981	7,487	34,469	397,025	68,725	127	8,067	60,531	221,058	5,154	24,028	191,876

* Excluding lending to the Federal Railways, Federal Post Office and publicly owned enterprises, which are included in "Enterprises and individuals" (Table III, 4). Methodological discrepancies from the data on bank lending to public authorities

in the Federal Republic of Germany contained in Tables VII, 7 and 8 are explained in the annex to the article "Public authorities' bank balances and other claims on banks"

9. Deposits of and borrowing from public authorities in the Federal Republic of Germany, by creditor group, maturity and type *

DM million

End of year or month	Deposits and borrowing, total 1	Federal Government, Equalisation of Burdens Fund, ERP Special Fund					Länder Governments					Local authorities and	
		Total	Sight deposits	Time deposits and borrowed funds		Savings deposits and bank savings bonds	Total	Sight deposits	Time deposits and borrowed funds		Savings deposits and bank savings bonds	Total	Sight deposits
				Less than 4 years	4 years and over 2				Less than 4 years	4 years and over 2			
1986	219,174	65,336	851	2,665	61,815	5	87,274	2,575	2,198	82,431	70	20,901	6,462
1987	3 224,503	67,088	859	3,011	63,201	17	3 89,655	2,260	1,913	4 85,402	80	21,971	6,722
1988	231,751	69,353	697	3,265	65,350	41	91,335	2,707	1,671	86,870	87	24,796	7,243
1989	244,851	71,871	840	2,990	68,001	40	92,323	3,032	1,715	87,473	103	27,566	8,310
1989 Jan.	222,947	68,197	308	2,564	65,286	39	90,123	1,237	1,892	86,910	84	21,379	5,049
Feb.	225,943	68,426	302	2,368	65,716	40	90,562	1,639	1,710	87,132	81	23,859	6,139
March	222,768	68,742	545	2,594	65,564	39	89,848	1,747	2,495	85,529	77	22,686	5,259
April	222,276	68,708	327	2,355	65,987	39	89,774	1,497	2,242	85,936	99	22,789	6,343
May	229,542	69,079	344	2,363	66,332	40	89,992	1,747	1,815	86,331	99	26,201	6,947
June	229,022	70,216	712	3,145	66,320	39	90,810	1,986	2,415	86,312	97	23,638	5,689
July	228,719	69,108	416	2,475	66,178	39	91,043	2,406	2,139	86,403	95	24,005	6,499
Aug.	232,009	69,336	372	2,200	66,724	40	90,962	1,493	2,446	86,925	98	27,626	6,877
Sep.	232,219	69,972	584	2,800	66,549	39	92,435	2,596	2,908	86,832	99	25,320	5,617
Oct.	229,397	69,808	410	2,049	67,310	39	91,339	1,879	2,066	87,292	102	24,282	6,559
Nov.	234,643	70,208	295	2,076	67,798	39	90,891	1,523	1,811	87,459	98	27,027	7,366
Dec.	244,851	71,871	840	2,990	68,001	40	92,323	3,032	1,715	87,473	103	27,566	8,310
1990 Jan.	236,147	70,380	305	1,918	68,118	39	91,720	2,194	1,819	87,632	75	23,770	5,491
Feb.	240,540	70,612	349	1,704	68,520	39	91,800	2,375	1,802	87,545	78	26,247	6,802
March	236,825	71,010	544	2,104	68,323	39	91,804	2,069	2,238	87,421	76	24,471	5,422
April	236,238	71,106	348	1,692	69,027	39	91,663	1,831	2,016	87,751	65	24,206	6,614
May p	242,325	71,889	353	1,996	69,502	38	91,760	1,745	1,702	88,250	63	26,891	6,821

* Excluding deposits of and borrowing from the Federal Railways, Federal Post Office and publicly owned enterprises, which are included in "Enterprises and individuals"

(Table III, 7). Statistical changes of DM 500 million and more are given separately in footnote 3 ff. (increase: +, decrease: -). — 1 For breakdown by type of deposit and

Local authorities and local authority associations				Municipal special-purpose associations with administrative functions				Social security funds				End of year or month
Total	Short-term 1	Medium-term	Long-term 2	Total	Short-term 1	Medium-term	Long-term 2	Total	Short-term 1	Medium-term	Long-term 2	
125,495	3,063	4,869	117,563	8,807	178	405	8,224	399	219	40	140	1986
130,434	2,746	3,209	124,479	8,702	163	306	8,233	336	164	17	155	1987
134,668	2,461	2,299	129,908	8,964	191	238	8,535	296	122	19	155	1988
138,013	2,361	2,089	133,563	9,401	214	213	8,974	346	178	35	133	1989
135,240	2,707	2,201	130,332	8,946	144	219	8,583	466	292	19	155	1989 Jan.
135,140	2,341	2,172	130,627	8,991	141	227	8,623	500	330	20	150	Feb.
135,417	2,408	2,137	130,872	9,001	137	210	8,654	665	494	22	149	March
135,326	2,314	2,113	130,899	9,075	136	205	8,734	552	383	20	149	April
134,599	1,759	2,105	130,735	9,072	139	200	8,733	464	295	21	148	May
135,146	2,329	2,039	130,778	9,134	239	198	8,697	442	274	22	146	June
135,485	1,909	2,035	131,541	9,170	128	214	8,828	352	181	26	145	July
135,788	1,543	2,044	132,201	9,233	128	202	8,903	411	241	25	145	Aug.
136,522	1,914	2,054	132,554	9,234	135	189	8,910	441	274	24	143	Sep.
137,205	1,820	2,019	133,366	9,330	111	188	9,031	318	155	22	141	Oct.
138,110	1,915	2,181	134,014	9,388	160	189	9,039	348	186	23	139	Nov.
138,013	2,361	2,089	133,563	9,401	214	213	8,974	346	178	35	133	Dec.
138,386	2,428	2,096	133,862	9,280	153	178	8,949	470	212	32	226	1990 Jan.
138,339	2,108	2,134	134,097	9,259	137	134	8,988	408	154	33	221	Feb.
139,398	2,481	2,111	134,806	9,280	121	113	9,046	494	243	29	222	March
139,925	2,536	2,185	135,204	9,329	115	131	9,083	370	123	31	216	April
139,479	1,995	2,214	135,270	9,383	122	131	9,130	336	89	29	218	May p

in Monthly Report of the Deutsche Bundesbank, January 1972, p. 42. Statistical changes of DM 500 million and more are given separately in footnote 3 ff. (in-

crease: +, decrease: -). — 1 Including bills discounted. — 2 Including loans on a trust basis. — 3 + c. DM 800 million. — p Provisional.

local authority associations			Municipal special-purpose associations with administrative functions					Social security funds				End of year or month	
Time deposits and borrowed funds		Savings deposits and bank savings bonds	Total	Sight deposits	Time deposits and borrowed funds		Savings deposits and bank savings bonds	Total	Sight deposits	Time deposits and borrowed funds			Savings deposits and bank savings bonds
Less than 4 years	4 years and over 2				Less than 4 years	4 years and over 2				Less than 4 years	4 years and over 2		
9,521	584	4,334	1,767	511	915	41	300	43,896	5,721	24,423	10,293	3,459	1986
10,339	628	4,282	1,874	587	875	63	349	43,915	5,797	23,562	10,886	3,670	1987
12,577	567	4,409	1,900	661	793	93	353	44,367	5,964	22,176	12,274	3,953	1988
14,391	559	4,306	2,137	665	965	126	381	50,954	7,273	26,330	13,122	4,229	1989
11,492	553	4,285	1,814	537	828	94	355	41,434	4,037	21,248	12,331	3,818	1989 Jan.
12,835	557	4,328	1,891	570	873	95	353	41,205	4,304	20,756	12,394	3,751	Feb.
12,519	554	4,354	1,923	559	924	94	346	39,569	3,835	19,693	12,364	3,677	March
11,550	566	4,330	1,988	545	989	104	350	39,017	3,601	19,304	12,379	3,733	April
14,321	609	4,324	2,085	612	1,012	100	361	42,185	4,878	21,070	12,449	3,788	May
13,094	594	4,261	2,116	569	1,085	100	362	42,242	4,583	21,454	12,386	3,819	June
12,696	595	4,215	2,064	581	1,022	100	361	42,499	4,625	21,541	12,503	3,830	July
15,914	600	4,235	2,123	594	1,065	104	360	41,962	4,714	20,802	12,595	3,851	Aug.
14,982	556	4,165	2,136	596	1,071	103	366	42,356	5,381	20,471	12,609	3,895	Sep.
13,031	560	4,132	2,257	625	1,131	113	388	41,711	4,853	20,336	12,627	3,895	Oct.
14,950	564	4,147	2,265	690	1,069	128	378	44,252	5,563	21,801	12,771	4,117	Nov.
14,391	559	4,306	2,137	665	965	126	381	50,954	7,273	26,330	13,122	4,229	Dec.
13,557	556	4,166	1,989	535	956	134	364	48,288	4,941	26,116	13,071	4,160	1990 Jan.
14,722	548	4,175	2,076	607	975	134	360	49,805	5,942	26,597	13,041	4,225	Feb.
14,293	565	4,191	2,024	528	1,000	131	365	47,516	4,605	25,426	13,125	4,360	March
12,904	550	4,138	2,100	532	1,069	140	359	47,163	4,964	24,778	13,044	4,377	April
15,414	555	4,101	2,187	595	1,074	139	379	49,598	4,870	27,309	12,983	4,436	May p

maturity see Table III, 7. — 2 Including loans on a trust basis. — 3 + c. DM 500 million. — 4 + c. DM 700 million. — p Provisional.

III. Banks

10. Sight and time deposits of and funds borrowed from individuals and organisations in the Federal Republic of Germany, by creditor group and maturity*

DM million

End of year or month	Sight and time deposits of and funds borrowed from individuals and non-profit organisations in the Federal Republic of Germany												
	Total	Sight deposits					Time deposits and borrowed funds 1						
		Individuals					Individuals						
		Total	Self-employed persons	Employees	Other individuals	Non-profit organisations	Total	of which 1 month to less than 4 years	The above time deposits and borrowed funds are divided up among			Non-profit organisations	of which 1 month to less than 4 years
self-employed persons	employees								other individuals				
1986	303,764	132,171	32,195	84,667	15,309	9,612	138,860	122,875	45,632	70,646	22,582	23,121	17,507
1987	318,410	142,211	34,652	91,478	16,081	10,209	141,156	122,654	47,968	70,855	22,333	24,834	18,354
1988	341,993	160,179	38,333	2 103,764	18,082	11,002	144,280	122,393	52,022	70,938	21,320	26,532	18,966
1989	3 407,993	4 165,613	39,079	5 107,425	19,109	10,657	202,492	177,416	68,104	104,004	30,384	29,231	20,818
1989 Jan.	343,370	155,804	38,748	99,475	17,581	10,711	150,426	128,200	53,984	74,228	22,214	26,429	18,830
Feb.	348,939	157,849	38,435	101,560	17,854	10,117	153,969	131,645	54,889	76,321	22,759	27,004	19,387
March	347,040	152,313	36,729	98,065	17,519	11,472	155,920	133,428	55,160	77,522	23,238	27,335	19,651
April	353,391	155,564	37,145	100,760	17,659	10,218	159,876	137,377	56,881	79,248	23,747	27,733	19,867
May	357,470	156,777	38,168	100,870	17,739	10,353	162,409	139,980	57,291	80,989	24,129	27,931	20,024
June	360,944	156,708	37,103	101,515	18,090	11,556	164,840	142,404	57,485	82,693	24,662	27,840	19,858
July	369,934	159,277	38,645	102,594	18,038	10,423	172,129	149,668	59,627	86,855	25,647	28,105	20,020
Aug.	374,788	157,971	39,105	100,787	18,079	10,375	177,695	155,230	61,431	89,886	26,378	28,747	20,575
Sep.	376,990	156,298	37,364	100,676	18,258	11,422	180,555	158,007	61,454	92,077	27,024	28,715	20,459
Oct.	382,417	156,265	39,341	98,674	18,250	10,404	186,766	164,261	63,207	95,583	27,976	28,982	20,639
Nov.	406,688	174,522	40,249	114,830	19,443	10,865	193,035	170,166	64,857	99,255	28,923	28,266	19,836
Dec.	6 407,993	4 165,613	39,079	5 107,425	19,109	10,657	202,492	177,416	68,104	104,004	30,384	29,231	20,818
1990 Jan.	416,564	160,823	38,369	104,005	18,449	10,105	215,820	190,247	70,984	112,605	32,231	29,816	21,206
Feb.	425,828	163,598	37,834	106,861	18,843	9,933	222,094	196,455	71,997	117,005	33,092	30,263	21,558
March	426,004	160,708	36,462	105,716	18,530	10,279	224,204	198,439	71,708	119,054	33,442	30,813	21,943
April	430,815	163,234	38,341	106,358	18,535	10,020	227,361	201,535	72,372	121,078	33,911	30,200	21,288
May p	434,935	163,560	38,039	107,089	18,432	10,074	230,979	204,144	73,213	123,285	34,481	30,322	21,690

* For credit cooperatives, overall survey as from the second line for the end of 1985; partial survey up to the first line for the end of 1985; see Table III. 2. Statistical changes of DM 500 million and more are given separately in footnote 2 ff. (increase: +, decrease: -). — 1 Excluding liabilities arising from bank savings bonds, including

loans on a trust basis. — 2 — c. DM 600 million. — 3 + c. DM 500 million. — 4 + c. DM 700 million. — 5 + c. DM 900 million. — 6 + c. DM 600 million. — p Provisional.

11. Assets and liabilities of the foreign branches of domestic banks*

DM million

End of year or month	Number of domestic banks with foreign branches/ number of foreign branches	Volume of business	Claims on banks		Claims on non-banks		Securities (including Treasury bills) issued outside the Federal Republic of Germany	Liabilities to banks		Liabilities to non-banks		Memo item Commercial paper included in the liabilities	Own acceptances in circulation	Working capital and reserves
			outside the Federal Republic of Germany	in the Federal Republic of Germany 1	outside the Federal Republic of Germany	in the Federal Republic of Germany		outside the Federal Republic of Germany 2	in the Federal Republic of Germany 1	outside the Federal Republic of Germany 3	in the Federal Republic of Germany			
			1984	22 / 96	188,845	99,155		1,152	51,692	18,456	7,465				101,426	2,175	53,864	7,121	6,319	2,289
1985	23 / 99	195,081	104,917	1,179	48,537	22,746	8,829	92,020	3,955	55,998	9,149	8,338	2,629	
1986	24 / 101	207,346	113,184	1,439	54,245	21,975	10,215	77,413	11,839	52,413	25,674	12,351	2,608	
1987	24 / 102	227,554	128,448	1,525	58,893	21,487	10,739	89,310	13,757	51,407	29,569	12,826	2,840	
1988	25 / 108	278,000	151,393	1,479	82,393	24,257	11,083	100,520	17,793	83,249	35,273	16,209	3,315	
1989	26 / 118	297,064	159,340	1,500	86,704	26,397	13,536	88,754	26,240	81,396	54,939	15,216	3,859	
1989 Jan.	25 / 110	295,927	166,527	1,554	84,705	25,246	11,793	112,164	15,863	82,098	48,865	14,419	3,300	
Feb.	25 / 113	293,425	162,580	1,545	85,901	24,532	11,986	108,828	14,928	80,232	50,663	15,068	3,466	
March	25 / 112	309,654	176,474	1,560	88,834	24,272	12,495	115,737	14,743	87,789	53,210	14,850	3,472	
April	25 / 114	302,496	168,986	1,520	88,025	24,261	12,398	110,367	14,070	85,686	55,522	15,347	3,592	
May	25 / 115	310,391	174,317	1,499	90,578	24,502	12,276	115,914	14,302	85,734	58,584	16,314	3,427	
June	25 / 115	304,995	170,177	1,600	89,529	24,763	12,001	106,172	14,920	85,254	60,503	15,359	3,422	
July	25 / 115	296,869	162,707	1,672	89,061	24,420	11,979	101,360	15,497	82,697	58,712	13,858	3,417	
Aug.	25 / 116	302,063	163,633	1,679	91,539	25,331	13,369	101,358	16,478	86,482	58,048	15,103	3,428	
Sep.	26 / 118	302,496	162,794	1,648	91,903	25,336	13,182	107,213	16,440	85,583	55,808	15,084	3,703	
Oct.	26 / 117	302,330	168,208	1,708	86,654	25,111	13,665	97,351	18,041	86,504	62,323	15,610	3,696	
Nov.	26 / 118	299,641	162,635	1,620	86,473	26,597	13,808	96,404	19,842	78,782	60,566	15,362	4,175	
Dec.	26 / 118	297,064	159,340	1,500	86,704	26,397	13,536	88,754	26,240	81,396	54,939	15,216	3,859	
1990 Jan.	26 / 119	303,314	163,375	1,467	88,248	27,865	15,332	91,045	24,152	78,539	69,131	13,273	3,944	
Feb.	27 / 120	320,042	175,537	1,442	91,948	28,910	15,510	99,138	23,553	80,226	68,985	12,866	3,973	
March	27 / 122	329,842	173,524	1,479	99,356	29,423	17,489	103,945	23,973	83,572	73,100	12,003	4,077	
April	27 / 123	327,833	172,985	1,456	98,101	29,243	18,826	103,224	23,306	80,936	75,065	12,961	4,085	
May p	27 / 124	335,975	177,899	1,361	100,475	29,575	19,396	106,066	24,515	85,177	75,212	14,375	4,154	

* In this table "Outside the Federal Republic of Germany" also includes the country of domicile of the branches. Statistical increases and decreases have not been eliminated. — 1 Excluding transactions with the head office and other branches in

the Federal Republic of Germany. — 2 Including certificates of deposit. — 3 Including minor amounts of savings deposits. — p Provisional.

III. Banks

13. Assets of the various categories of banks* Assets vis-à-vis parties in and outside the Federal Republic of Germany

DM million

End of month	Number of reporting banks	Volume of business 1, 2	Cash balances	Balances with the Bundesbank	Cheques and paper for collection 3	Lending to banks 4					Lending to non-banks 7			
						Total	Balances and loans 4	Bills discounted	Loans on a trust basis	Bank securities 5, 6	Total	Advances and loans		
												Total	Up to 1 year	
All categories of banks														
1990 April	4,190	4,306,411	14,815	71,648	4,873	1,406,939	1,020,091	19,097	10,087	357,664	2,662,231	2,337,145	356,335	
May p	4,178	22 4,334,237	15,079	74,910	4,874	23 1,418,762	23 1,031,465	19,365	10,466	357,466	24 2,672,752	25 2,342,529	354,076	
Commercial banks														
1990 April	321	1,072,773	4,058	19,712	1,561	299,686	253,754	2,944	3,286	39,702	697,085	573,205	176,635	
May p	322	25 1,076,805	3,959	21,353	1,296	26 298,863	26 253,580	2,994	3,555	38,734	700,210	574,221	175,562	
Big banks 17														
1990 April	6	419,141	2,250	10,645	523	98,574	87,238	535	42	10,759	279,067	225,648	74,298	
May p	6	27 420,585	2,214	11,676	436	24 99,986	24 89,266	591	41	10,088	278,009	224,898	72,946	
Regional banks and other commercial banks 18														
1990 April	170	510,893	1,655	7,091	826	128,984	101,508	1,811	3,223	22,442	352,827	302,546	74,000	
May p	171	27 513,606	1,594	7,549	682	24 127,947	24 100,500	1,725	3,493	22,229	356,133	303,995	74,007	
Branches of foreign banks														
1990 April	58	77,420	13	298	59	49,965	47,099	163	10	2,693	25,867	14,928	11,076	
May p	58	24 78,566	13	313	56	24 49,825	24 46,973	168	10	2,674	27,108	15,364	11,455	
Private bankers 19														
1990 April	87	65,319	140	1,678	153	22,163	17,909	435	11	3,808	39,324	30,083	17,261	
May p	87	64,048	138	1,815	122	21,105	16,841	510	11	3,743	38,960	29,964	17,154	
Regional giro institutions (including Deutsche Girozentrale)														
1990 April	11	680,053	250	6,514	612	293,220	255,471	571	1,491	35,687	359,307	297,938	22,362	
May p	11	27 680,032	260	2,706	707	24 295,987	24 257,631	618	1,493	36,245	359,844	296,954	21,643	
Savings banks														
1990 April	580	912,508	6,821	21,785	770	250,541	81,109	3,936	25	165,471	602,515	552,255	82,461	
May p	580	918,887	7,154	23,764	775	251,525	81,542	4,061	25	165,897	605,821	554,441	82,051	
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)														
1990 April	4	172,383	131	3,237	490	103,789	86,694	2,114	542	14,439	56,242	33,327	7,302	
May p	4	175,251	122	3,633	476	106,092	89,266	2,088	542	14,196	56,371	33,644	7,761	
Credit cooperatives														
1990 April	3,206	521,571	3,490	10,962	829	158,732	77,294	4,401	8	77,029	328,203	303,552	63,363	
May p	3,193	525,165	3,512	11,525	699	160,956	79,475	4,390	10	77,081	328,957	304,041	62,937	
Mortgage banks														
1990 April	37	584,992	10	214	33	136,054	129,827	12	384	5,831	437,402	419,035	1,151	
May p	37	588,485	12	378	133	137,766	131,552	16	390	5,808	438,763	420,218	1,045	
Private														
1990 April	28	439,227	9	146	13	102,807	100,055	12	—	2,740	326,958	322,650	740	
May p	28	441,971	11	223	128	104,116	101,380	16	—	2,720	327,701	323,425	772	
Public														
1990 April	9	145,765	1	68	20	33,247	29,772	—	384	3,091	110,444	96,385	411	
May p	9	146,514	1	155	5	33,650	30,172	—	390	3,088	111,062	96,793	273	
Banks with special functions														
1990 April	16	301,669	55	374	578	144,208	128,372	5,119	4,351	6,366	151,724	132,658	2,668	
May p	16	305,606	60	298	788	146,789	130,790	5,198	4,451	6,350	153,017	133,869	2,718	
Postal giro and postal savings bank offices														
1990 April	15	60,462	—	8,850	—	20,709	7,570	—	—	13,139	29,753	25,175	393	
May p	15	64,006	—	11,253	—	20,784	7,629	—	—	13,155	29,769	25,141	359	
Memorandum item: Foreign banks 20														
1990 April	126	200,114	163	1,508	187	104,360	89,655	784	2,993	10,928	88,547	58,992	30,712	
May p	127	27 199,984	165	1,680	196	27 102,042	27 87,061	786	3,238	10,957	90,388	59,158	30,406	
of which: Banks majority-owned by foreign banks 21														
1990 April	68	122,694	150	1,210	128	54,395	42,556	621	2,983	8,235	62,680	44,064	19,636	
May p	69	24 121,418	152	1,367	140	52,217	40,088	618	3,228	8,283	63,280	43,794	18,951	

* Excluding the assets of foreign branches; the statistical category "Installment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers", and "Credit cooperatives", in accordance with their legal form. Statistical changes of DM 100 million and more are given separately in footnote 22 ff.

(increase: +, decrease: -). — For footnotes 1 to 14 see Table III, 2, Assets. — 15 Up to June 1983 including the working capital put at the disposal of foreign branches (see footnote 12). — 16 Excluding own issues; excluding registered bonds. — 17 Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and their Berlin subsidiaries. — 18 Including private bankers whose business is not organised in the form of a sole

Over 1 year	Bills discounted	Loans on a trust basis	Treasury bill credits 8	Securities (excluding bank securities) 6, 9	Equalisation claims	Mobilisation and liquidity paper (Treasury bills and Treasury discount paper) 11	Bonds from own issues	Participations 12	Other assets 13, 15	Memorandum Items			End of month
										Total	of which Bills eligible for rediscount at the Bundesbank 14	Securities (including bank securities) 6, 16	
All categories of banks													
1,980,810	62,722	81,844	4,771	173,853	1,896	1,150	13,585	50,376	80,814	14,172	8,376	531,517	1990 April
1,988,453	62,804	83,262	4,782	177,475	1,900	2,400	14,033	50,710	80,717	13,825	8,238	534,941	May p
Commercial banks													
396,570	37,746	15,167	2,945	67,605	417	—	924	29,745	20,002	8,744	5,738	107,307	1990 April
398,659	38,023	16,457	3,004	68,086	419	—	954	29,967	20,203	8,742	5,891	106,820	May p
Big banks 17													
151,350	17,829	2,439	2,572	30,320	259	—	297	21,055	6,730	4,173	3,144	41,079	1990 April
151,952	18,145	2,550	2,640	29,517	259	—	313	21,150	6,801	4,446	3,479	39,605	May p
Regional banks and other commercial banks 18													
228,546	12,408	7,682	364	29,676	151	—	625	8,093	10,792	3,125	1,618	52,118	1990 April
229,988	12,598	7,922	355	31,110	153	—	639	8,220	10,842	2,954	1,471	53,339	May p
Branches of foreign banks													
3,852	3,012	4,265	3	3,659	—	—	—	42	1,176	710	544	6,352	1990 April
3,909	2,916	5,123	3	3,702	—	—	—	42	1,209	662	517	6,376	May p
Private bankers 19													
12,822	4,497	781	6	3,950	7	—	2	555	1,304	736	432	7,758	1990 April
12,810	4,364	862	6	3,757	7	—	2	555	1,351	680	424	7,500	May p
Regional giro institutions (including Deutsche Girozentrale)													
275,576	5,328	30,846	185	24,837	173	—	5,380	9,388	5,382	1,000	500	60,524	1990 April
275,311	5,202	30,897	135	26,482	174	200	5,627	9,408	5,293	833	388	62,727	May p
Savings banks													
469,794	9,881	8,354	—	31,410	615	—	114	3,530	26,432	2,381	1,331	196,881	1990 April
472,390	9,826	8,427	—	32,511	616	—	109	3,529	26,210	2,348	1,267	198,408	May p
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)													
26,025	2,853	25	48	19,955	34	—	1,687	4,684	2,123	415	169	34,394	1990 April
25,883	2,798	24	48	19,823	34	—	1,953	4,692	1,912	317	83	34,019	May p
Credit cooperatives													
240,189	6,317	2,647	1	15,464	222	—	109	2,102	17,144	1,306	613	92,493	1990 April
241,104	6,376	2,670	1	15,648	221	—	113	2,106	17,297	1,271	568	92,729	May p
Mortgage banks													
417,884	22	12,688	31	5,562	64	—	4,382	401	6,496	4	1	11,393	1990 April
419,173	24	12,707	31	5,718	65	—	4,307	432	6,694	3	1	11,526	May p
Private													
321,910	22	1,344	31	2,857	54	—	4,019	191	5,084	4	1	5,597	1990 April
322,653	24	1,355	31	2,811	55	—	3,937	222	5,633	3	1	5,531	May p
Public													
95,974	—	11,344	—	2,705	10	—	363	210	1,412	—	—	5,796	1990 April
96,520	—	11,352	—	2,907	10	—	370	210	1,061	—	—	5,995	May p
Banks with special functions													
129,990	575	12,117	340	5,999	35	—	969	526	3,235	322	24	12,365	1990 April
131,151	555	12,080	342	6,136	35	—	970	576	3,108	311	40	12,486	May p
Postal giro and postal savings bank offices													
24,782	—	—	1,221	3,021	336	1,150	—	—	—	—	—	16,160	1990 April
24,782	—	—	1,221	3,071	336	2,200	—	—	—	—	—	16,226	May p
Memorandum item: Foreign banks 20													
28,280	7,693	6,016	4	15,836	6	—	13	630	4,706	1,685	1,058	26,764	1990 April
28,752	7,555	7,127	4	16,538	6	—	14	624	4,875	1,539	971	27,495	May p
of which: Banks majority-owned by foreign banks 21													
24,428	4,681	1,751	1	12,177	6	—	13	588	3,530	975	514	20,412	1990 April
24,843	4,639	2,004	1	12,836	6	—	14	582	3,666	877	454	21,119	May p

proprietorship or partnership. — 19 Only banks organised in the form of a sole proprietorship or partnership; see footnote 18. — 20 Sum of the banks (of independent legal status) majority-owned by foreign banks and included in other categories of banks, and of the category "Branches of foreign banks" (of dependent legal status). — 21 Separate presentation of the banks (of independent legal status) majority-owned by foreign

banks and included in the categories "Regional banks and other commercial banks", "Private bankers", "Mortgage banks" and (up to the end of 1986) in the former banking category "Instalment sales financing institutions". — 22 + c. DM 600 million. — 23 + c. DM 450 million. — 24 + c. DM 100 million. — 25 + c. DM 400 million. — 26 + c. DM 300 million. — 27 + c. DM 150 million. — p Provisional.

III. Banks

14. Liabilities of the various categories of banks *

Liabilities to parties in and outside the Federal Republic of Germany

DM million

End of month	Volume of business 1, 2	Deposits of and borrowing from banks 3, 4								Deposits of and borrowing from non-banks 3, 8				
		Total	Sight and time deposits and borrowed funds 5			Loans on a trust basis	Bills rediscounted 6			Total	Sight and time deposits and			Time deposits 1 month to less than 3 months
			Total	of which			Total	of which			Total	Sight deposits	Sight deposits	
				Sight deposits and borrowed funds	Time deposits and funds borrowed for 1 month to less than 3 months			Own acceptances in circulation	Endorsement liabilities 7					
All categories of banks														
1990 April	4,306,411	1,080,664	978,809	203,699	102,671	27,878	73,977	6,330	67,176	2,089,170	2,025,117	290,194	236,079	
May p	4,334,237	1,091,194	987,721	144,667	166,213	28,815	74,658	6,314	67,781	2,100,286	2,035,373	290,148	245,107	
Commercial banks														
1990 April	1,072,773	388,028	342,242	89,416	40,032	11,041	34,745	2,799	31,726	453,596	446,184	102,025	98,003	
May p	1,076,805	386,052	339,163	70,243	55,627	11,875	35,014	2,739	32,015	457,164	449,027	101,036	100,145	
Big banks 14														
1990 April	419,141	112,434	97,227	28,002	7,914	371	14,836	645	14,049	222,831	220,721	53,533	51,358	
May p	420,585	110,829	95,436	20,499	12,237	436	14,957	667	14,111	224,056	221,901	52,864	52,319	
Regional banks and other commercial banks 15														
1990 April	510,893	178,357	159,117	40,591	17,192	6,972	12,268	1,174	11,023	196,961	193,028	37,835	37,358	
May p	513,606	178,221	158,333	30,768	26,415	7,400	12,488	1,119	11,293	199,121	195,106	37,742	38,795	
Branches of foreign banks														
1990 April	77,420	66,903	61,104	14,970	11,602	3,052	2,747	282	2,462	5,515	4,292	2,062	810	
May p	78,566	67,392	61,403	14,312	12,992	3,314	2,675	253	2,420	6,177	4,358	2,202	730	
Private bankers 16														
1990 April	65,319	30,334	24,794	5,853	3,324	646	4,894	698	4,192	28,289	28,143	8,595	8,477	
May p	64,048	29,610	23,991	4,664	3,983	725	4,894	700	4,191	27,810	27,662	8,228	8,301	
Regional giro institutions (including Deutsche Girozentrale)														
1990 April	680,053	210,217	202,598	46,667	27,055	2,441	5,178	279	4,823	142,913	113,017	9,882	11,056	
May p	680,032	209,066	201,332	34,080	38,165	2,457	5,277	290	4,878	143,937	114,004	9,577	12,587	
Savings banks														
1990 April	912,508	129,158	110,336	15,951	11,710	6,249	12,573	1,137	11,328	680,539	678,409	96,411	67,757	
May p	918,887	131,307	112,298	3,897	25,430	6,319	12,690	1,151	11,414	683,593	681,460	97,125	71,364	
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)														
1990 April	172,383	131,652	126,672	32,748	11,804	137	4,843	291	4,551	12,256	11,826	2,793	1,091	
May p	175,251	135,055	130,056	20,118	25,511	134	4,865	296	4,569	11,968	11,536	2,430	1,070	
Credit cooperatives														
1990 April	521,571	60,360	47,414	6,999	3,266	2,229	10,717	1,305	9,346	415,594	415,168	60,429	56,465	
May p	525,165	62,492	49,417	2,582	9,260	2,255	10,820	1,325	9,426	417,246	416,821	60,948	58,177	
Mortgage banks														
1990 April	584,992	65,794	62,006	6,027	3,886	3,758	30	—	30	218,359	209,045	646	578	
May p	588,485	65,821	62,026	4,414	5,918	3,758	37	—	37	219,549	210,210	798	593	
Private														
1990 April	439,227	41,407	40,433	5,549	2,706	944	30	—	30	136,652	136,252	471	535	
May p	441,971	41,917	40,926	4,176	4,803	954	37	—	37	137,222	136,821	631	540	
Public														
1990 April	145,765	24,387	21,573	478	1,180	2,814	—	—	—	81,707	72,793	175	43	
May p	146,514	23,904	21,100	238	1,115	2,804	—	—	—	82,327	73,389	167	53	
Banks with special functions														
1990 April	301,669	93,913	85,999	4,349	4,918	2,023	5,891	519	5,372	108,967	94,522	1,623	1,129	
May p	305,606	95,498	87,526	3,430	6,302	2,017	5,955	513	5,442	109,710	95,196	1,550	1,171	
Postal giro and postal savings bank offices														
1990 April	60,462	1,542	1,542	1,542	—	—	—	—	—	56,946	56,946	16,385	—	
May p	64,006	5,903	5,903	5,903	—	—	—	—	—	57,119	57,119	16,684	—	
Memorandum item: Foreign banks 17														
1990 April	200,114	147,532	133,830	35,000	21,481	6,180	7,522	730	6,787	34,991	32,162	10,897	5,100	
May p	199,984	147,087	132,703	29,250	26,528	6,894	7,490	688	6,799	35,193	31,722	10,293	4,938	
of which: Banks majority-owned by foreign banks 18														
1990 April	122,694	80,629	72,726	20,030	9,879	3,128	4,775	448	4,325	29,476	27,870	8,835	4,290	
May p	121,418	79,695	71,300	14,936	13,536	3,580	4,815	435	4,379	29,016	27,364	8,091	4,208	

* Excluding the liabilities of foreign branches; the statistical category "Instalment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers" and "Credit cooperatives", in accordance with their legal

form. Statistical changes of DM 100 million and more are given separately in footnote 19 ff. (increase: +, decrease: -). — For footnotes 1 to 12 see Table III, 3. Liabilities. — 13 Including capital represented by participation rights. — 14 See Table III, 13, footnote 16. — 15 Including private bankers whose business is not organised in the form

III. Banks

borrowed funds; savings deposits and borrowed		Bank savings bonds 9	Savings deposits	Loans on a trust basis	Bearer bonds outstanding 10	Provisions	Provisions for losses on loans and advances 11	Capital (including published reserves pursuant to section 10 of the Banking Act) 13	Other liabilities 12	Memorandum items			End of month
3 months to less than 4 years	4 years and over									Balance sheet total 2	Liabilities arising from guarantees	Liabilities arising from re-purchase agreements (unless shown above the line)	
All categories of banks													
118,854	478,433	213,835	687,722	64,053	807,765	39,787	18,437	167,049	103,539	4,238,764	167,959	729	1990 April
121,837	480,704	215,051	682,526	64,913	814,553	39,493	18,458	168,146	102,107	4,265,893	170,328	764	May p
Commercial banks													
32,301	77,055	29,214	107,586	7,412	109,158	16,973	8,621	64,182	32,215	1,040,827	92,227	415	1990 April
34,559	77,133	29,276	106,878	8,137	110,537	16,985	8,644	64,562	32,861	1,044,530	94,111	457	May p
Big banks 14													
12,288	27,881	11,773	63,888	2,110	25,213	10,439	5,171	29,795	13,258	404,950	48,076	339	1990 April
13,749	27,485	11,774	63,710	2,155	25,730	10,283	5,172	29,817	14,698	406,295	48,485	339	May p
Regional banks and other commercial banks 15													
15,052	47,769	15,286	39,728	3,933	83,365	5,726	2,914	26,580	16,990	499,799	32,044	76	1990 April
15,777	48,204	15,338	39,250	4,015	84,242	5,926	2,929	26,930	16,237	502,237	33,199	108	May p
Branches of foreign banks													
1,020	290	36	74	1,223	—	244	188	3,999	571	74,955	4,760	—	1990 April
1,014	302	36	74	1,819	—	230	194	3,999	574	76,144	4,853	—	May p
Private bankers 16													
3,941	1,115	2,119	3,896	146	580	564	348	3,808	1,396	61,123	7,347	—	1990 April
4,019	1,142	2,128	3,844	148	565	546	349	3,816	1,352	59,854	7,574	10	May p
Regional giro institutions (including Deutsche Girozentrale)													
9,163	77,685	542	4,689	29,896	294,452	4,681	3,495	16,439	7,856	675,154	17,975	—	1990 April
8,665	78,026	529	4,620	29,933	295,257	4,578	3,492	16,554	7,148	675,045	18,094	—	May p
Savings banks													
35,367	6,545	127,318	345,011	2,130	33,136	8,512	2,557	35,319	23,287	901,072	23,552	312	1990 April
35,981	6,600	127,928	342,462	2,133	33,968	8,405	2,547	35,665	23,402	907,348	23,672	305	May p
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)													
814	6,256	773	99	430	19,070	984	715	6,428	1,278	167,831	7,227	1	1990 April
923	6,259	756	98	432	18,905	972	715	6,428	1,208	170,682	7,309	1	May p
Credit cooperatives													
39,099	13,590	55,938	189,647	426	10,690	4,395	1,153	20,499	8,880	512,159	13,572	1	1990 April
39,644	13,630	56,513	187,909	425	10,917	4,314	1,154	20,650	8,392	515,670	13,712	1	May p
Mortgage banks													
775	206,863	26	157	9,314	265,072	2,739	1,538	14,804	16,686	584,962	7,189	—	1990 April
804	207,836	26	153	9,339	267,097	2,699	1,539	14,888	16,892	588,448	7,204	—	May p
Private													
482	134,582	25	157	400	238,566	1,220	286	9,878	11,218	439,197	2,029	—	1990 April
506	134,966	25	153	401	239,911	1,190	288	9,959	11,484	441,934	2,043	—	May p
Public													
293	72,281	1	—	8,914	26,506	1,519	1,252	4,926	5,468	145,765	5,160	—	1990 April
298	72,870	1	—	8,938	27,186	1,509	1,251	4,929	5,408	146,514	5,161	—	May p
Banks with special functions													
1,335	90,349	24	62	14,445	76,187	1,503	358	9,378	11,363	296,297	6,217	—	1990 April
1,261	91,130	23	61	14,514	77,872	1,540	367	9,399	11,220	300,164	6,226	—	May p
Postal giro and postal savings bank offices													
—	90	—	40,471	—	—	—	—	—	1,974	60,462	—	—	1990 April
—	90	—	40,345	—	—	—	—	—	984	64,006	—	—	May p
Memorandum item: Foreign banks 17													
4,016	2,716	3,882	5,551	2,829	683	1,250	620	10,796	4,242	193,322	15,272	69	1990 April
4,272	2,802	3,911	5,506	3,471	692	1,217	625	10,964	4,206	193,182	15,670	92	May p
of which: Banks majority-owned by foreign banks 18													
2,996	2,426	3,846	5,477	1,606	683	1,006	432	6,797	3,671	118,367	10,512	69	1990 April
3,258	2,500	3,875	5,432	1,652	692	987	431	6,965	3,632	117,038	10,817	92	May p

of a sole proprietorship or partnership. — 16 Only banks organised in the form of a sole proprietorship or partnership; see footnote 13. — 17 Sum of the banks (of independent legal status) majority-owned by foreign banks and included in other categories of banks, and of the category "Branches of foreign banks" (of dependent legal status). —

18 See Table III, 13, footnote 21. — 19 + c. DM 600 million. — 20 + c. DM 300 million. — 21 + c. DM 100 million. — 22 + c. DM 150 million. — 23 + c. DM 400 million. — 24 + c. DM 250 million. — p Provisional.

III. Banks

15. Lending to non-banks, by category of banks, maturity and type *

DM million

End of month	Lending to non-banks, total including Treasury bill credits, securities portfolios, equalisation claims		Short-term			Medium and long-term							
			Total including Treasury bill credits	excluding Treasury bill credits	of which Bills dis-counted	Total		Medium-term		Long-term 1, 2		of which	
						including securities portfolios, equalisation claims	excluding securities portfolios, equalisation claims	Total including securities portfolios	excluding securities portfolios	Total including securities portfolios, equalisation claims	excluding securities portfolios, equalisation claims	Advances and loans 1	Loans on a trust basis 2
All categories of banks													
1990 April	2,662,231	2,481,711	420,856	416,085	59,750	2,241,375	2,065,626	192,954	185,753	2,048,421	1,879,873	1,798,029	81,844
May p	2,672,752	2,488,595	418,644	413,862	59,786	2,254,108	2,074,733	195,605	188,078	2,058,503	1,886,655	1,803,393	83,262
Commercial banks													
1990 April	697,085	626,118	214,843	211,898	35,263	482,242	414,220	80,260	76,969	401,982	337,251	322,084	15,167
May p	700,210	628,701	214,047	211,043	35,481	486,163	417,658	80,851	77,632	405,312	340,026	323,569	16,457
Big banks 3													
1990 April	279,067	245,916	93,433	90,861	16,563	185,634	155,055	27,224	25,437	158,410	129,618	127,179	2,439
May p	278,009	245,593	92,383	89,743	16,797	185,626	155,850	26,968	25,232	158,658	130,618	128,068	2,550
Regional banks and other commercial banks 4													
1990 April	352,827	322,636	85,631	85,267	11,267	267,196	237,369	46,576	45,279	220,620	192,090	184,408	7,682
May p	356,133	324,515	85,821	85,466	11,459	270,312	239,049	47,419	46,133	222,893	192,916	184,994	7,922
Branches of foreign banks													
1990 April	25,867	22,205	14,091	14,088	3,012	11,776	8,117	1,403	1,287	10,373	6,830	2,565	4,265
May p	27,108	23,403	14,374	14,371	2,916	12,734	9,032	1,477	1,356	11,257	7,676	2,553	5,123
Private bankers 5													
1990 April	39,324	35,361	21,688	21,682	4,421	17,636	13,679	5,057	4,966	12,579	8,713	7,932	781
May p	38,960	35,190	21,469	21,463	4,309	17,491	13,727	4,987	4,911	12,504	8,816	7,954	862
Regional giro institutions (including Deutsche Girozentrale)													
1990 April	359,307	334,112	27,572	27,387	5,025	331,735	306,725	19,386	17,373	312,349	289,352	258,506	30,846
May p	359,844	333,053	26,700	26,565	4,922	333,144	306,488	20,349	17,910	312,795	288,578	257,681	30,897
Savings banks													
1990 April	602,515	570,490	92,320	92,320	9,859	510,195	478,170	39,688	39,152	470,507	439,018	430,664	8,354
May p	605,821	572,694	91,855	91,855	9,804	513,966	480,839	40,115	39,613	473,851	441,226	432,799	8,427
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)													
1990 April	56,242	36,205	10,165	10,117	2,815	46,077	26,088	7,194	6,720	38,883	19,368	19,343	25
May p	56,371	36,466	10,564	10,516	2,755	45,807	25,950	7,117	6,646	38,690	19,304	19,280	24
Credit cooperatives													
1990 April	328,203	312,516	69,647	69,646	6,283	258,556	242,870	34,316	33,988	224,240	208,882	206,235	2,647
May p	328,957	313,087	69,275	69,274	6,337	259,682	243,813	34,641	34,305	225,041	209,508	206,838	2,670
Mortgage banks													
1990 April	437,402	431,745	1,204	1,173	22	436,198	430,572	5,918	5,619	430,280	424,953	412,265	12,688
May p	438,763	432,949	1,100	1,069	24	437,663	431,880	6,253	5,954	431,410	425,926	413,219	12,707
Private													
1990 April	326,958	324,016	793	762	22	326,165	323,254	4,431	4,368	321,734	318,886	317,542	1,344
May p	327,701	324,804	827	796	24	326,874	324,008	4,682	4,619	322,192	319,389	318,034	1,355
Public													
1990 April	110,444	107,729	411	411	—	110,033	107,318	1,487	1,251	108,546	106,067	94,723	11,344
May p	111,062	108,145	273	273	—	110,789	107,872	1,571	1,335	109,218	106,537	95,185	11,352
Banks with special functions													
1990 April	151,724	145,350	3,491	3,151	483	148,233	142,199	5,272	5,032	142,961	137,167	125,050	12,117
May p	153,017	146,504	3,523	3,181	463	149,494	143,323	5,359	5,118	144,135	138,205	126,125	12,080
Postal giro and postal savings bank offices													
1990 April	29,753	25,175	1,614	393	—	28,139	24,782	920	900	27,219	23,882	23,882	—
May p	29,769	25,141	1,580	359	—	28,189	24,782	920	900	27,269	23,882	23,882	—
Memorandum item: Foreign banks 6													
1990 April	88,547	72,701	38,352	38,348	7,636	50,195	34,353	7,823	7,488	42,372	26,865	20,849	6,016
May p	90,388	73,840	37,912	37,908	7,502	52,476	35,932	8,145	7,818	44,331	28,114	20,987	7,127
of which: Banks majority-owned by foreign banks 7													
1990 April	62,680	50,496	24,261	24,260	4,624	38,419	26,236	6,420	6,201	31,999	20,035	18,284	1,751
May p	63,280	50,437	23,538	23,537	4,586	39,742	26,900	6,668	6,462	33,074	20,438	18,434	2,004

* Excluding lending by foreign branches; the statistical category "Instalment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers" and "Credit cooperatives", in accordance with their legal form. Statistical changes of DM 100 million and more are given separately in footnote 8 ff. (increase: +, decrease: -). — 1 Including medium-term repayment-extending loans. —

2 Including medium-term loans on a trust basis. — 3 See Table III, 13, footnote 17. — 4 Including private bankers whose business is not organised in the form of a sole proprietorship or partnership. — 5 Only banks organised in the form of a sole proprietorship or partnership; see footnote 4. — 6 See Table III, 13, footnote 20. — 7 See Table III, 13, footnote 21. — 8 + c. DM 100 million. — p Provisional.

16. Deposits of and borrowing from non-banks, by category of banks, maturity and type *

DM million													
End of month	Deposits of and borrowing from non-banks, total	Sight deposits			Time deposits and funds borrowed for 1 month and over						Bank savings bonds 1	Savings deposits	Loans on a trust basis
		Total	On demand	Less than 1 month	Total	1 month to less than 4 years				4 years and over			
						Total	1 month to less than 3 months	3 months to 1 year	Over 1 year to less than 4 years				
All categories of banks													
1990 April	2,089,170	290,194	281,170	9,024	833,366	354,933	236,079	111,295	7,559	478,433	213,835	687,722	64,053
May p	7 2,100,286	290,148	282,374	7,774	847,648	366,944	245,107	114,150	7,687	480,704	215,051	682,526	64,913
Commercial banks													
1990 April	453,596	102,025	95,780	6,245	207,359	130,304	98,003	30,495	1,806	77,055	29,214	107,586	7,412
May p	7 457,164	101,036	96,388	4,648	211,837	134,704	100,145	32,736	1,823	77,133	29,276	106,878	8,137
Big banks 2													
1990 April	222,831	53,533	49,988	3,545	91,527	63,646	51,358	11,902	386	27,881	11,773	63,888	2,110
May p	224,056	52,864	51,003	1,861	93,553	66,068	52,319	13,354	395	27,485	11,774	63,710	2,155
Regional banks and other commercial banks 3													
1990 April	196,961	37,835	35,861	1,974	100,179	52,410	37,358	13,850	1,202	47,769	15,286	39,728	3,933
May p	199,121	37,742	35,702	2,040	102,776	54,572	38,795	14,571	1,206	48,204	15,338	39,250	4,015
Branches of foreign banks													
1990 April	5,515	2,062	1,697	365	2,120	1,830	810	986	34	290	36	74	1,223
May p	6,177	2,202	1,793	409	2,046	1,744	730	979	35	302	36	74	1,819
Private bankers 4													
1990 April	28,289	8,595	8,234	361	13,533	12,418	8,477	3,757	184	1,115	2,119	3,896	146
May p	27,810	8,228	7,890	338	13,462	12,320	8,301	3,832	187	1,142	2,128	3,844	148
Regional giro institutions (including Deutsche Girozentrale)													
1990 April	142,913	9,882	9,596	286	97,904	20,219	11,056	6,996	2,167	77,685	542	4,689	29,896
May p	143,937	9,577	9,103	474	99,278	21,252	12,587	6,409	2,256	78,026	529	4,620	29,933
Savings banks													
1990 April	680,539	96,411	95,063	1,348	109,669	103,124	67,757	34,710	657	6,545	127,318	345,011	2,130
May p	683,593	97,125	95,462	1,663	113,945	107,345	71,364	35,303	678	6,600	127,928	342,462	2,133
Regional institutions of credit cooperatives (including Deutsche Genossenschaftsbank)													
1990 April	12,256	2,793	2,632	161	8,161	1,905	1,091	553	261	6,256	773	99	430
May p	11,968	2,430	2,373	57	8,252	1,993	1,070	657	266	6,259	756	98	432
Credit cooperatives													
1990 April	415,594	60,429	59,528	901	109,154	95,564	56,465	36,662	2,437	13,590	55,938	189,647	426
May p	417,246	60,948	60,062	886	111,451	97,821	58,177	37,194	2,450	13,630	56,513	187,909	425
Mortgage banks													
1990 April	218,359	646	640	6	208,216	1,353	578	658	117	206,863	26	157	9,314
May p	219,549	798	793	5	209,233	1,397	593	683	121	207,836	26	153	9,339
Private													
1990 April	136,652	471	465	6	135,599	1,017	535	434	48	134,582	25	157	400
May p	137,222	631	628	3	136,012	1,046	540	457	49	134,966	25	153	401
Public													
1990 April	81,707	175	175	—	72,617	336	43	224	69	72,281	1	—	8,914
May p	82,327	167	165	2	73,221	351	53	226	72	72,870	1	—	8,938
Banks with special functions													
1990 April	108,967	1,623	1,546	77	92,813	2,464	1,129	1,221	114	90,349	24	62	14,445
May p	109,710	1,550	1,509	41	93,562	2,432	1,171	1,168	93	91,130	23	61	14,514
Postal giro and postal savings bank offices													
1990 April	56,946	16,385	16,385	—	90	—	—	—	—	90	—	40,471	—
May p	57,119	16,684	16,684	—	90	—	—	—	—	90	—	40,345	—
Memorandum item: Foreign banks 5													
1990 April	34,991	10,897	9,805	1,092	11,832	9,116	5,100	3,790	226	2,716	3,882	5,551	2,829
May p	35,193	10,293	9,254	1,039	12,012	9,210	4,938	4,036	236	2,802	3,911	5,506	3,471
of which: Banks majority-owned by foreign banks 6													
1990 April	29,476	8,835	8,108	727	9,712	7,286	4,290	2,804	192	2,426	3,846	5,477	1,606
May p	29,016	8,091	7,461	630	9,966	7,466	4,208	3,057	201	2,500	3,875	5,432	1,652

* Excluding deposits and borrowing of foreign branches; the statistical category "Instalment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers" and "Credit cooperatives", in accordance with their legal form. Statistical changes of DM 100 million and more are given separately in footnote 7 ff. (increase: +, decrease: -). — 1 Including liabilities arising from non-

marketable bearer savings bonds, savings bank bonds, etc. — 2 See Table III, 13, footnote 17. — 3 Including private bankers whose business is not organised in the form of a sole proprietorship or partnership. — 4 Only banks organised in the form of a sole proprietorship or partnership; see footnote 3. — 5 See Table III, 13, footnote 20. — 6 See Table III, 13, footnote 21. — 7 + c. DM 100 million. — p Provisional.

III. Banks

17. Securities portfolios *

DM million

End of year or month	Securities portfolios		Securities issued in the Federal Republic of Germany										
	Total	of which With maturities of up to 4 years	Total	Bonds 1						Marketable equities 4			
				Total	Bank bonds 2			Public bonds 3	Industrial and other bonds	Total	of which Enterprises	Investment fund units	
					Total	of which With maturities of up to 4 years	Zero bonds						Floating rate notes
1986	424,958	61,540	406,909	388,733	302,973	51,391	42	1,798	85,449	311	11,668	10,667	3,697
1987	6 468,793	7 64,815	8 450,360	9 430,624	10 329,484	11 55,760	27	2,844	100,845	295	12 12,629	7 10,765	5,314
1988	15 501,895	55,185	16 479,466	17 458,963	12 338,760	47,651	41	5,466	119,900	303	7 12,036	18 9,691	6,698
1989	6 518,088	47,231	19 489,955	19 464,368	20 342,333	39,651	85	12,380	11 121,689	346	15,607	13,014	7,450
1989 Jan.	21 503,686	52,414	22 479,009	22 457,975	13 336,029	45,074	98	6,516	9 121,551	395	12,674	10,243	6 679
Feb.	23 507,924	51,203	23 482,462	23 460,791	336,553	43,740	98	8,126	123,639	599	12,906	10,196	7,094
March	509,608	49 863	483,481	461,532	335,516	42,444	99	8,503	125,621	395	13,100	10,829	7,184
April	506,706	48,535	480,946	458,904	333,735	41,236	109	8,796	124,773	396	13,031	10,666	7,321
May	508,758	48,990	483,446	461,683	335,283	41,454	103	8,801	125,996	404	12,953	10,503	6,921
June	509,371	48,837	483,902	462,144	337,253	41,287	94	9,008	124,378	513	12,825	10,554	6,951
July	510,281	47,937	484,244	461,635	337,514	40,502	92	9,743	123,712	409	13,600	11,422	7,198
Aug.	506,677	46,821	480,257	457,829	334,784	39,354	92	9,778	122,683	362	13,614	11,353	6,940
Sep.	513,369	47,163	485,527	460,835	336,419	39,758	92	9,902	124,052	364	15,630	12,161	7,027
Oct.	517,352	46,625	489,260	462,415	341,885	39,757	92	11,485	120,055	475	17,679	14,073	7,028
Nov.	518,884	46,626	490,744	465,909	344,281	39,567	88	12,209	121,320	308	15,175	12,861	7,309
Dec.	13 518,088	47,231	11 489,955	11 464,368	24 342,333	39,651	85	12,380	121,689	346	15,607	13,014	7,450
1990 Jan.	25 521,310	47,830	26 492,409	26 462,847	27 340,846	40,649	84	12,958	18 121,649	352	18,693	15,693	8,277
Feb.	28 526,779	48,969	28 496,635	28 466,894	24 343,662	41,973	94	13,723	122,908	324	18,414	15,554	8,722
March	12 533,217	49,749	12 501,211	12 469,176	343,996	42,689	182	14,123	10 124,812	368	19,801	16,443	9,393
April	531,517	49,366	498,328	464,791	340,720	42,165	183	14,188	123,736	335	21,245	17,297	9,410
May p	534,941	49,673	501,090	468,739	340,718	42,146	183	14,623	127,600	421	19,944	16,692	9,526

For footnote * see Table III, 2. — 1 Including securities sold to the Bundesbank in open market transactions under repurchase agreements. — 2 Mortgage and communal bonds and other bank bonds; excluding own issues, excluding registered bonds. — 3 Bonds of public authorities and of the Federal Railways and Federal Post

Office (for breakdown see Table III, 19). — 4 As from September 1987 including marketable participation rights; see footnote 5. — 5 Including non-marketable (up to August 1987: all) participation rights; see footnote 4. — 6 — c. DM 4.5 billion. — 7 — c. DM 1.7 billion. — 8 — c. DM 3.0 billion. — 9 — c. DM 700 million. —

18. Treasury bills and Treasury discount paper held by banks *

DM million

End of year or month	Treasury bills and Treasury discount paper, total	Issuers in the Federal Republic of Germany						Issuers outside the Federal Republic of Germany
		Total	Public authorities		Länder Governments	Federal Railways and Federal Post Office		
			Federal Government					
			including mobilisation and liquidity paper	excluding mobilisation and liquidity paper				
1986	5,941	4,980	4,900	3,800	80	131	830	
1987	6,293	4,887	4,837	2,837	50	131	1,275	
1988	5,924	4,560	4,461	3,011	99	131	1,233	
1989	5,839	4,357	4,005	3,155	352	528	954	
1989 Jan.	7,366	5,676	5,427	3,027	249	131	1,559	
Feb.	7,203	5,571	5,172	3,172	399	131	1,501	
March	15,809	14,328	13,928	3,655	400	131	1,350	
April	9,041	7,766	7,366	3,616	400	131	1,144	
May	7,370	6,145	5,745	3,595	400	131	1,094	
June	7,639	6,624	6,224	3,624	400	131	884	
July	7,599	6,610	6,210	3,610	400	131	858	
Aug.	9,068	7,896	7,496	3,096	400	131	1,041	
Sep.	7,371	6,241	5,841	3,091	400	131	999	
Oct.	6,499	5,421	5,021	3,121	400	131	947	
Nov.	8,568	7,517	7,117	3,117	400	131	920	
Dec.	5,839	4,357	4,005	3,155	352	528	954	
1990 Jan.	11,500	9,885	9,733	3,138	152	526	1,089	
Feb.	7,149	5,572	5,570	3,070	2	522	1,055	
March	12,762	11,107	11,105	3,074	2	524	1,131	
April	5,921	4,282	4,280	3,130	2	527	1,112	
May p	7,182	5,503	5,501	3,101	2	524	1,155	

For footnote * see Table III, 2. — p Provisional.

Securities issued outside the Federal Republic of Germany														End of year or month
Other securities 5				Memo item Shares under syndicate agreements	Bonds							Marketable shares including investment fund units 4	Other securities 5	
Total	Banks	Enterprises	Total		Total	of which		Banks	Public authorities	Enterprises				
						Zero bonds	Floating rate notes							
2,811	1,021	1,790	2,068	18,049	15,055	471	1,159	5,818	3,278	5,959	2,133	861	1986	
11 1,793	9 560	10 1,233	2,298	13 18,433	14 15,973	524	1,296	6,448	3,996	5,529	2,106	10 354	1987	
1,769	575	1,194	2,501	10 22,429	19,648	320	1,667	8,308	4,876	6,464	10 2,413	368	1988	
2,530	992	1,538	2,178	28,133	24,629	218	2,964	9,814	5,224	9,591	2,965	539	1989	
1,681	583	1,098	2,637	24,677	21,623	314	1,590	8,810	5,163	7,650	2,667	387	1989 Jan.	
1,671	580	1,091	2,596	25,462	22,327	288	1,706	9,127	5,260	7,940	2,787	348	Feb.	
1,665	588	1,077	2,594	26,127	23,009	307	1,729	9,682	5,169	8,158	2,769	349	March	
1,690	582	1,108	2,432	25,760	22,568	294	2,113	9,685	4,980	7,903	2,844	348	April	
1,889	613	1,276	2,067	25,312	22,231	282	2,222	9,497	4,839	7,895	2,717	364	May	
1,982	625	1,357	2,038	25,469	22,443	271	2,190	9,472	5,021	7,950	2,640	386	June	
1,811	599	1,212	2,190	26,037	22,738	232	2,445	9,394	5,229	8,115	2,906	393	July	
1,874	591	1,283	2,128	26,420	23,290	242	2,619	9,410	5,555	8,325	2,717	413	Aug.	
2,035	639	1,396	3,578	27,842	24,406	261	2,869	9,866	5,531	9,009	2,974	462	Sep.	
2,138	797	1,341	5,362	28,092	24,807	252	2,959	9,682	5,637	9,488	2,911	374	Oct.	
2,351	794	1,557	2,582	28,140	24,726	215	2,843	9,891	5,414	9,421	3,025	389	Nov.	
2,530	992	1,538	2,178	28,133	24,629	218	2,964	9,814	5,224	9,591	2,965	539	Dec.	
2,592	985	1,607	3,125	23 28,901	23 25,672	260	3,827	10,182	5,054	10,436	2,711	518	1990 Jan.	
2,605	1,030	1,575	2,447	30,144	27,108	295	4,532	10,898	5,124	11,086	2,500	536	Feb.	
2,841	1,176	1,665	3,210	32,006	28,839	286	5,257	11,507	5,918	11,414	2,593	574	March	
2,882	1,165	1,717	2,851	33,189	29,899	303	6,165	11,831	6,272	11,796	2,702	588	April	
2,881	1,118	1,763	2,244	33,851	30,618	223	6,315	12,378	6,104	12,136	2,646	587	May p	

10 — c. DM 600 million. — 11 — c. DM 1.3 billion. — 12 — c. DM 1.0 billion. — 22 — c. DM 2.3 billion. — 23 — c. DM 500 million. — 24 — c. DM 900 million. —
 13 — c. DM 1.5 billion. — 14 — c. DM 800 million. — 15 — c. DM 3.9 billion. — 25 — c. DM 7.0 billion. — 26 — c. DM 6.5 billion. — 27 — c. DM 4.8 billion. —
 16 — c. DM 3.2 billion. — 17 — c. DM 1.4 billion. — 18 — c. DM 1.6 billion. — 28 — c. DM 1.2 billion. — p Provisional.
 19 — c. DM 4.2 billion. — 20 — c. DM 2.9 billion. — 21 — c. DM 2.2 billion. —

19. Bonds of public authorities in the Federal Republic of Germany and their special funds held by banks, by issuer *

End of year or month	Bonds of public authorities in the Federal Republic of Germany and their special funds			Public authorities				Federal Railways and Federal Post Office
	Total	of which With maturities of up to 4 years	Total	Federal Government (incl. Equalisation of Burdens Fund)	Länder Governments	Local authorities and local authority associations		
1986	85,449	10,028	73,316	59,340	13,923	53	12,133	
1987	100,845	8,506	84,103	70,216	13,833	54	16,742	
1988	119,900	6,115	100,638	85,908	14,663	67	19,262	
1989	1 121,689	5,549	2 102,772	2 87,714	14,949	109	18,917	
1989 Jan.	3 121,551	5,806	4 102,628	4 88,059	14,500	69	18,923	
Feb.	123,639	5,889	104,657	90,143	14,434	80	18,982	
March	125,621	5,775	106,705	92,168	14,464	73	18,916	
April	124,773	5,924	105,482	90,527	14,894	61	19,291	
May	125,996	6,109	106,939	91,831	15,041	67	19,057	
June	124,378	6,023	105,787	90,614	15,113	60	18,591	
July	123,712	5,873	105,591	90,515	15,016	60	18,121	
Aug.	122,683	5,850	104,487	89,566	14,871	50	18,196	
Sep.	124,052	5,731	105,751	90,758	14,936	57	18,301	
Oct.	120,055	5,076	101,671	86,693	14,871	107	18,384	
Nov.	121,320	5,166	102,894	87,847	14,938	109	18,426	
Dec.	121,689	5,549	102,772	87,714	14,949	109	18,917	
1990 Jan.	5 121,649	5,194	1 103,147	2 88,803	14,241	103	18,502	
Feb.	122,908	4,603	104,580	90,398	14,080	102	18,328	
March	4 124,812	4,484	4 106,052	4 91,767	14,138	147	18,760	
April	123,736	4,627	104,567	90,088	14,352	127	19,169	
May p	127,600	4,804	108,239	93,596	14,512	131	19,361	

For footnote * see Table III, 2. — 1 — c. DM 1.3 billion. — 2 — c. DM 1.1 billion. — p Provisional.
 3 — c. DM 700 million. — 4 — c. DM 600 million. — 5 — c. DM 1.6 billion. —

III. Banks

20. Lending to enterprises and individuals in the Federal Republic of Germany, by borrower* (excluding Treasury bill credits and securities portfolios)

(a) Overall survey

DM million

End of year or month	Lending to enterprises and individuals in the Federal Republic of Germany										
	Total	Enterprises and self-employed persons	Individuals (employees and others)	Non-profit organisations	Breakdown of total lending (column 1)						
					Lending excluding housing loans				Housing loans		
					Total	Enterprises and self-employed persons	Individuals (employees and others)	Non-profit organisations	Total	Mortgage loans secured by residential real estate	Other housing loans
Lending, total											
1983	1,360,336	863,510	478,206	18,620	795,634	629,604	155,904	10,126	564,702	379,697	185,005
1984	6 1,446,757	7 914,443	8 512,974	19,340	9 838,898	10 663,687	11 164,787	10,424	607,859	8 404,569	12 203,290
1985 5	9 1,521,983	10 955,903	11 545,905	20,175	18 878,174	19 693,767	20 173,559	10,848	21 643,809	22 431,106	23 212,703
1985 5	1,547,543	968,394	558,871	20,278	894,546	704,065	179,520	10,941	652,997	433,065	219,932
1986	28 1,614,225	13 1,001,363	29 591,794	21,068	11 930,453	730,454	188,835	11,164	30 683,772	10 456,915	15 226,857
1987	1,665,292	1,021,521	622,078	21,693	958,759	747,076	200,448	11,235	706,533	476,794	229,739
1988	1,753,660	1,072,801	658,790	22,069	1,020,550	795,035	213,743	11,772	733,110	35 495,079	16 238,031
1989 March	1,767,986	1,080,865	665,108	22,013	1,031,407	802,639	217,041	11,727	736,579	498,186	238,393
June	1,802,999	1,103,748	677,329	21,922	1,057,908	822,861	223,395	11,652	745,091	502,457	242,634
Sep.	1,831,663	1,118,813	690,649	22,201	25 1,077,863	32 836,934	229,094	11,835	36 753,800	23 506,576	247,224
Dec.	1,879,758	1,150,398	706,717	22,643	17 1,108,079	862,941	232,931	12,207	771,679	40 516,832	6 254,847
1990 March	1,908,398	1,169,594	716,148	22,656	1,131,499	880,785	238,438	12,276	776,899	519,773	257,126
Short-term lending											
1983	317,640	262,063	53,634	1,943	295,302	248,962	44,492	1,848	22,338	—	22,338
1984	13 340,058	14 280,479	57,554	2,025	13 314,985	15 265,622	47,412	1,951	25,073	—	25,073
1985 5	13 344,635	15 282,804	59,808	2,023	24 320,490	15 268,094	50,425	1,971	24,145	—	24,145
1985 5	350,009	286,422	61,540	2,047	325,569	271,599	51,975	1,995	24,440	—	24,440
1986	31 341,930	32 279,173	60,879	1,878	320,332	12 266,544	51,958	1,830	33 21,598	—	33 21,598
1987	325,681	265,305	58,610	1,766	307,348	254,574	51,064	1,710	18,333	—	18,333
1988	341,342	281,609	57,624	2,109	325,152	272,333	50,766	2,053	16,190	—	16,190
1989 March	342,916	282,493	58,436	1,987	327,666	273,923	51,815	1,928	15,250	—	15,250
June	358,026	295,691	60,362	1,973	342,451	286,706	53,816	1,929	15,575	—	15,575
Sep.	365,115	301,337	61,808	1,970	349,589	292,552	55,107	1,930	15,526	—	15,526
Dec.	373,541	309,610	61,747	2,184	357,424	300,446	54,822	2,156	16,117	—	16,117
1990 March	385,071	320,869	62,020	2,182	369,513	311,803	55,565	2,145	15,558	—	15,558
Medium-term lending											
1983	145,619	75,461	69,232	926	99,056	60,768	37,474	814	46,563	—	46,563
1984	144,269	75,844	67,507	918	16 99,501	61,498	37,203	800	44,768	—	44,768
1985 5	139,557	75,593	63,066	898	25 100,494	63,171	11 36,537	786	12 39,063	—	12 39,063
1985 5	143,393	76,793	65,689	911	102,719	64,051	37,870	798	40,674	—	40,674
1986	137,250	73,055	63,324	871	101,949	62,479	38,704	766	35,301	—	35,301
1987	132,656	71,251	60,527	878	103,156	62,282	40,093	781	29,500	—	29,500
1988	131,243	71,690	58,713	840	105,813	63,753	41,314	746	25,430	—	25,430
1989 March	130,183	71,878	57,526	779	105,915	64,152	41,080	683	24,268	—	24,268
June	131,910	72,795	58,360	755	108,165	65,087	42,423	655	23,745	—	23,745
Sep.	133,502	74,062	58,669	771	110,013	66,272	43,064	677	23,489	—	23,489
Dec.	138,449	78,453	59,242	754	114,141	70,203	43,279	659	24,308	—	24,308
1990 March	141,047	80,286	60,009	752	117,282	71,967	44,655	660	23,765	—	23,765
Long-term lending											
1983	897,077	525,986	355,340	15,751	401,276	319,874	73,938	7,464	495,801	379,697	116,104
1984	8 962,430	558,120	17 387,913	16,397	424,412	336,567	80,172	7,673	17 538,018	8 404,569	133,449
1985 5	17 1,037,791	597,506	423,031	17,254	20 457,190	8 362,502	26 86,597	8,091	27 580,601	22 431,106	149,495
1985 5	1,054,141	605,179	431,642	17,320	466,258	368,435	89,675	8,148	587,883	433,065	154,818
1986	34 1,135,045	649,135	10 467,591	18,319	508,172	401,431	98,173	8,568	24 626,873	10 456,915	169,958
1987	1,206,955	684,965	502,941	19,049	548,255	430,220	109,291	8,744	658,700	476,794	181,906
1988	1,281,075	719,502	542,453	19,120	589,585	458,949	121,663	8,973	691,490	35 495,079	16 196,411
1989 March	1,294,887	726,494	549,146	19,247	597,826	464,564	124,146	9,116	697,061	498,186	198,875
June	1,313,063	735,262	558,607	19,194	607,292	471,068	127,156	9,068	705,771	502,457	203,314
Sep.	1,333,046	743,414	570,172	19,460	32 618,261	15 478,110	130,923	9,228	23 714,785	23 506,576	208,209
Dec.	1,367,768	762,335	585,728	19,705	636,514	492,292	134,830	9,392	731,254	40 516,832	41 214,422
1990 March	1,382,280	768,439	594,119	19,722	644,704	497,015	138,218	9,471	737,576	519,773	217,803

* Excluding lending of foreign branches and of building and loan associations; for credit cooperatives, overall survey as from the second line for the end of 1985; partial survey up to the first line for the end of 1985; see Table III, 2, footnote *. Including lending to building and loan associations. — Statistical changes of DM 500 million and more are given separately in footnote 5 ff. (increase: +, decrease: —). — 1 Excluding banks (other than building and loan associations). — 2 For breakdown see Table 20(d). — 3 Including manufacture of musical instruments, sports equipment,

jewellery; photographic and film laboratories. — 4 Including technical consultancy and planning, other services rendered to enterprises and self-employed persons, and business organisations. — 5 The difference between the two lines for the end of 1985 is due to the change in the reporting requirements for credit cooperatives; see Table III, 2, footnote *. — 6 — c. DM 2.7 billion. — 7 — c. DM 1.9 billion. — 8 — c. DM 900 million. — 9 — c. DM 2.3 billion. — 10 — c. DM 1.8 billion. —

(b) Lending to enterprises in the Federal Republic of Germany, by sector of economic activity

DM million												
Lending to enterprises and self-employed persons in the Federal Republic of Germany												
End of month	Total	Manu- facturing	Energy and water supply, mining	Con- struction	Distri- bution	Agricul- ture and forestry, fisheries	Transport and tele- communications		Financial Institutions 1 and insurance enterprises			Services sector (incl. the professions) 2
							Total	of which Federal Railways and Federal Post Office	Total	of which		
										Building and loan associa- tions	Finan- cial leasing institu- tions	
Lending, total												
1989 March	1,080,865	225,144	39,787	53,283	191,463	45,732	67,718	36,667	39,850	11,960	18,728	417,888
June	1,103,748	231,642	38,626	54,801	195,559	46,137	68,704	36,914	41,501	11,548	19,544	426,778
Sep.	1,118,813	237,123	38,369	55,461	37 201,059	45,873	69,509	36,647	41,448	11,486	20,374	14 429,971
Dec.	1,150,398	31 243,464	13 37,141	55,441	202,624	45,071	14 72,174	38,834	41,113	11,181	20,935	42 453,370
1990 March	1,169,594	248,874	36,751	57,344	208,847	45,491	72,927	37,633	41,276	10,274	20,908	11 458,084
of which: Short-term lending												
1989 March	282,493	90,372	3,319	18,056	88,533	7,594	5,805	120	7,643	2,434	2,538	61,171
June	295,691	94,599	2,938	18,991	90,611	8,186	6,090	108	9,208	2,370	2,880	65,068
Sep.	301,337	97,159	2,488	18,890	93,904	7,655	6,405	139	9,115	2,877	2,846	65,721
Dec.	309,610	99,851	2,810	17,915	92,951	7,216	7,321	513	8,266	2,332	3,020	73,280
1990 March	320,869	102,739	3,128	19,460	97,302	7,466	8,444	165	8,415	1,749	2,866	73,915
Long-term lending												
1989 March	726,494	122,563	35,087	30,792	92,469	35,582	55,681	34,242	21,769	5,027	11,328	332,551
June	735,262	124,083	34,376	31,265	94,470	35,274	56,608	34,840	21,758	4,904	11,548	337,428
Sep.	743,414	126,612	34,535	31,982	96,091	35,548	57,117	34,752	22,012	4,915	11,846	31 339,517
Dec.	762,335	31 129,080	13 33,043	32,752	98,226	35,216	14 58,431	36,227	22,360	5,304	11,945	43 353,227
1990 March	768,439	131,069	32,385	32,966	98,979	35,361	58,136	35,620	22,684	5,338	12,076	11 356,859

(c) Lending to manufacturing, by industry

DM million											
Lending to manufacturing											
End of month	Total	Chemical industry, production and processing of nuclear fuels, mineral oil refining	Production of plastic and rubber goods	Extraction and pro- cessing of stones and earths; fine ceramics, glass	Metal production and processing	Steel con- struction, mechanical engineering, manufacture of vehicles; production of office machines, data process- ing systems and equipment	Electrical engineering, precision engineering and optical instruments; production of metal goods 3	Wood, paper and printing	Leather, textiles and clothing	Food and drink industries, tobacco processing	
											Lending, total
1989 March	225,144	13,796	10,446	9,017	21,226	50,558	39,804	30,144	18,196	31,957	
June	231,642	14,266	10,791	9,140	21,202	52,439	41,853	31,028	18,991	31,932	
Sep.	237,123	14,304	11,194	9,205	21,117	54,049	42,977	32,135	19,598	32,544	
Dec.	31 243,464	15,324	11,182	9,338	21,867	55,563	44,756	32,416	19,179	33,839	
1990 March	248,874	15,995	11,975	9,994	21,899	57,245	44,202	33,682	19,627	34,255	
of which: Short-term lending											
1989 March	90,372	6,837	4,211	3,182	7,505	22,362	16,971	9,535	8,936	10,833	
June	94,599	7,200	4,490	3,230	7,435	23,522	18,556	9,947	9,723	10,496	
Sep.	97,159	7,076	4,752	3,097	7,408	24,207	19,030	10,488	10,008	11,093	
Dec.	99,851	7,762	4,561	3,186	7,845	24,608	20,107	10,305	9,508	11,969	
1990 March	102,739	8,599	5,179	3,668	7,493	25,430	19,284	10,897	9,971	12,218	
Long-term lending											
1989 March	122,563	6,377	5,668	5,294	12,822	24,806	20,277	19,158	8,479	19,682	
June	124,083	6,468	5,743	5,338	12,848	25,062	20,609	19,536	8,506	19,973	
Sep.	126,612	6,628	5,904	5,518	12,808	25,609	21,239	20,118	8,752	20,036	
Dec.	31 129,080	6,757	6,042	5,555	13,063	26,299	21,701	20,540	8,781	20,342	
1990 March	131,069	6,725	6,208	5,660	13,381	26,750	21,974	21,139	8,767	20,465	

11 — c. DM 500 million. — 12 + c. DM 500 million. — 13 — c. DM 1.4 billion. — 29 — c. DM 2.0 billion. — 30 — c. DM 3.0 billion. — 31 — c. DM 1.1 billion. —
 14 — c. DM 1.3 billion. — 15 — c. DM 1.2 billion. — 16 — c. DM 700 million. — 32 — c. DM 1.0 billion. — 33 — c. DM 1.5 billion. — 34 — c. DM 2.1 billion. —
 17 — c. DM 600 million. — 18 — c. DM 5.0 billion. — 19 — c. DM 2.4 billion. — 35 + c. DM 700 million. — 36 + c. DM 900 million. — 37 + c. DM 600 million. —
 20 — c. DM 2.6 billion. — 21 + c. DM 2.7 billion. — 22 + c. DM 1.8 billion. — 38 — c. DM 6.0 billion. — 39 + c. DM 7.0 billion. — 40 + c. DM 3.0 billion. —
 23 + c. DM 1.0 billion. — 24 — c. DM 1.6 billion. — 25 — c. DM 800 million. — 41 — c. DM 2.9 billion. — 42 + c. DM 3.5 billion. — 43 + c. DM 4.0 billion. —
 26 — c. DM 1.7 billion. — 27 + c. DM 2.1 billion. — 28 — c. DM 3.5 billion. —

III Banks

20. Lending to enterprises and individuals in the Federal Republic of Germany, by borrower* (excluding Treasury bill credits and securities portfolios) (cont'd)

(d) Lending to the services sector (including the professions), by type

DM million

End of month	Lending to the services sector (including the professions)								
	Total	Housing enterprises	Holding companies	Other real estate enterprises and other property administration	Catering industry and hostels	Economic and tax counselling, legal consultancy, advertising 4	Health care and veterinary sector (enterprises and the professions)	Rental of movables	Other services
Lending, total									
1989 March	417,888	117,511	18,814	.	.	.	.	.	.
June	426,778	117,730	19,731	.	.	.	.	.	.
Sep.	14 429,971	38 112,763	13 19,076	39 72,613	32,477	59,844	52,914	3,798	14 76,486
Dec.	42 453,370	43 118,266	20,274	77,383	33,697	63,860	55,944	4,542	79,404
1990 March	11 458,084	118,562	20,961	79,031	34,218	64,018	55,779	4,788	80,727
of which: Short-term lending									
1989 March	61,171	7,476	4,295	.	.	.	.	.	.
June	65,068	7,782	5,452	.	.	.	.	.	.
Sep.	65,721	7,583	4,990	12,073	5,351	12,440	6,261	1,006	16,017
Dec.	73,280	7,822	5,640	13,767	5,806	14,030	7,549	1,356	17,310
1990 March	73,915	8,009	6,477	13,600	5,937	13,410	6,828	1,366	18,288
Long-term lending									
1989 March	332,551	107,653	12,169	.	.	.	.	.	.
June	337,428	107,585	12,453	.	.	.	.	.	.
Sep.	31 339,517	38 102,761	14 11,925	39 55,950	25,382	43,185	43,967	1,765	32 54,582
Dec.	43 353,227	43 107,954	12,417	58,506	26,110	45,348	45,609	1,743	55,540
1990 March	11 356,859	108,018	12,198	60,195	26,410	46,170	46,119	1,865	55,884

21. Savings deposits*

(a) Level of savings deposits, by group of savers

DM million

End of year or month	Savings deposits							
	Total	Domestic individuals			Domestic non-profit organisations	Domestic enterprises	Domestic public authorities	Non-residents
		Total	of which	Special savings schemes 1				
		Under the Savings Bonuses and Personal Asset Acquisition Acts						
1986	678,583	644,554	30,489	140,670	13,224	6,733	5,806	8,266
1987	716,263	679,530	26,476	169,685	14,621	7,174	5,789	9,169
1988	737,474	699,602	29,193	177,039	15,024	7,432	5,923	9,493
1989	715,236	679,171	21,992	3 191,360	14,400	6,189	5,856	9,620
1989 Dec.	715,236	679,171	21,992	191,360	14,400	6,189	5,856	9,620
1990 Jan.	703,846	668,572	17,341	193,591	14,083	6,009	5,635	9,547
Feb.	699,563	664,440	17,705	196,131	13,951	5,940	5,717	9,515
March	692,743	657,778	18,112	r 198,176	13,812	5,853	5,823	9,477
April	687,722	652,933	18,573	199,756	13,725	5,822	5,791	9,451
May p	682,526	648,078	19,048	200,976	13,638	5,629	5,798	9,383

(b) Changes

DM million

Period	Total savings deposits at beginning of period 2	Credits		Debits		Balance of credits and debits	Interest credited	Total savings deposits at end of period 2
		Total	of which to savings accounts under the Savings Bonuses and Personal Asset Acquisition Acts	Total	of which to savings accounts under the Savings Bonuses and Personal Asset Acquisition Acts			
1986	631,099	404,242	8,925	378,141	12,495	+ 26,101	21,387	678,583
1987	678,581	406,930	8,732	389,801	13,700	+ 17,129	20,607	716,263
1988	716,240	409,327	8,998	408,847	7,147	+ 480	20,761	737,474
1989	737,459	425,668	9,050	471,549	17,082	- 45,881	23,666	715,236
1989 Dec.	694,523	42,307	1,186	42,871	2,259	- 564	21,277	715,236
1990 Jan.	715,237	58,356	845	70,058	5,519	- 11,702	311	703,846
Feb.	703,847	39,796	673	44,262	306	- 4,466	182	699,563
March	699,561	41,863	679	48,877	276	- 7,014	196	692,743
April	692,743	38,293	608	43,511	147	- 5,218	197	687,722
May p	687,721	33,672	622	39,053	145	- 5,381	186	682,526

For footnote * see Table III, 7. — 1 Savings deposits for which an increasing rate of interest or — not only for a limited time — a bonus or generally a higher interest than the normal rate is paid under special contracts. — 2 Discrepancies between

level at beginning of period and level at end of preceding period, and between changes in levels of turnover, are mainly due to changes caused by mergers, etc. — 3 + c. DM 1.4 billion. — p Provisional. — r Revised.

22. Building and loan associations *

(a) Interim statements

DM million

End of year or month	Number of associations	Balance sheet total	Lending to banks			Lending to non-banks				Deposits of and borrowing from banks 6		Deposits of and borrowing from non-banks		Bearer bonds outstanding	Capital (including published reserves pursuant to section 10 of the Banking Act)	Memo item New contracts entered into in year or month 8
			Balances and loans (except building loans) 1	Building loans 2	Bank bonds 3	Building loans			Securities (including Treasury bills and Treasury discount paper) 5	Savings deposits	Sight and time deposits and borrowed funds	Savings deposits	Sight and time deposits and borrowed funds 7			
						Loans under savings contracts	Interim and bridging loans	Other building loans 4								
All building and loan associations																
1987	29	156,107	7,319	826	4,885	103,710	34,144	1,544	773	1,381	13,742	114,710	5,539	4,324	7,990	85,691
1988	29	156,550	12,096	820	6,892	97,828	31,513	2,301	2,148	1,235	14,522	115,590	5,902	2,740	8,216	100,858
1989	30	161,034	13,105	832	10,749	94,184	32,152	3,505	3,493	1,113	13,173	118,666	5,817	1,543	8,446	91,158
1990 Feb.	30	160,908	10,839	853	11,915	93,885	32,675	3,557	4,083	1,070	16,990	117,980	5,608	1,136	8,461	7,579
March	30	161,944	11,343	856	11,711	93,940	33,108	3,680	4,035	1,069	16,963	118,278	5,579	1,135	8,461	10,093
April	30	162,293	11,025	855	11,869	94,273	33,420	3,772	4,007	1,065	17,167	118,062	5,626	1,172	8,521	7,683
May p	30	162,600	11,147	850	11,905	93,924	33,745	3,831	4,063	1,043	17,787	117,915	5,592	1,164	8,569	7,645
Private building and loan associations																
1990 Feb.	18	110,072	5,788	739	8,418	67,773	18,980	2,839	2,962	520	10,138	81,181	5,373	1,136	5,903	5,202
March	18	111,175	6,505	742	8,210	67,750	19,384	2,965	2,882	527	10,387	81,428	5,338	1,135	5,900	6,786
April	18	111,156	6,008	736	8,266	68,003	19,629	3,058	2,844	530	10,386	81,138	5,381	1,172	5,960	5,343
May p	18	111,481	6,153	731	8,285	67,764	19,926	3,116	2,895	513	11,084	80,969	5,345	1,164	5,963	5,179
Public building and loan associations																
1990 Feb.	12	50,836	5,051	114	3,497	26,112	13,695	718	1,121	550	6,852	36,799	235	—	2,558	2,377
March	12	50,769	4,838	114	3,501	26,190	13,724	715	1,153	542	6,576	36,850	241	—	2,561	3,307
April	12	51,137	5,017	119	3,603	26,270	13,791	714	1,163	535	6,781	36,924	245	—	2,561	2,340
May p	12	51,119	4,994	119	3,620	26,160	13,819	715	1,168	530	6,703	36,946	247	—	2,606	2,466

(b) Business activity

DM million

Period	Changes in savings deposits 9			Capital promised		Capital paid out					Outpayment commitments outstanding at end of period		Interest and repayments received on building loans 10		Memo item Housing bonuses received 12	
	Amounts paid into savings accounts 10	Interest credited to savings accounts	Repayments of savings deposits on cancelled contracts	Total	of which Net allocations 11	Total	Allocations			Newly granted interim and bridging loans and other building loans	Total	of which Under allocated contracts	Total	of which Repayments		
							Savings deposits	Loans under savings contracts	of which Applied to settlement of interim and bridging loans							
All building and loan associations																
1987	23,762	3,238	6,815	59,417	44,576	57,312	23,722	7,355	19,386	6,628	14,204	9,671	7,756	27,207	21,881	888
1988	25,219	3,230	3,905	55,746	43,136	55,397	23,712	7,032	19,053	6,149	12,632	9,528	8,018	30,125	24,870	896
1989	25,737	3,340	2,952	55,459	41,786	53,588	23,062	5,526	18,002	4,703	12,524	10,564	8,225	26,540	21,689	863
1990 Feb.	1,885	11	241	5,033	3,612	4,340	1,972	432	1,395	369	973	10,878	8,009	2,060	.	37
March	2,838	17	318	6,112	3,825	5,348	2,139	430	1,737	382	1,472	11,553	7,955	2,208	.	41
April	2,156	25	242	5,406	4,074	5,019	2,150	468	1,535	378	1,334	11,901	8,379	2,021	.	45
May p	1,977	24	233	4,386	3,142	4,806	1,930	419	1,585	364	1,291	11,263	7,846	1,975	.	57
Private building and loan associations																
1990 Feb.	1,222	8	176	3,333	2,373	3,032	1,357	293	986	253	689	5,747	3,902	1,429	.	31
March	1,954	11	242	3,949	2,302	3,543	1,376	252	1,102	220	1,065	6,116	3,745	1,571	.	24
April	1,531	20	176	4,178	3,146	3,779	1,659	351	1,121	282	999	6,511	4,162	1,444	.	25
May p	1,317	17	165	3,126	2,223	3,383	1,354	265	1,103	227	926	6,233	3,949	1,365	.	33
Public building and loan associations																
1990 Feb.	663	3	65	1,700	1,239	1,308	615	139	409	116	284	5,131	4,107	631	.	6
March	884	6	76	2,163	1,523	1,805	763	178	635	162	407	5,437	4,210	637	.	17
April	625	5	66	1,228	928	1,240	491	117	414	96	335	5,390	4,217	577	.	20
May p	660	7	68	1,260	919	1,423	576	154	482	137	365	5,030	3,897	610	.	24

* Excluding assets and liabilities and/or transactions of the foreign branches. — 1 Including postal giro account balances, claims on building and loan associations and claims arising from registered bonds; excluding Bundesbank balances. — 2 Loans under savings contracts and interim and bridging loans. — 3 Including small amounts of banks' other securities. — 4 Including small amounts of loans for purposes other than building. — 5 Including equalisation claims. — 6 Including liabilities to building and loan associations. — 7 Including small amounts of savings deposits. — 8 Total amount covered by the contracts; only contracts newly entered into, for which the contract fee

has been fully paid. Increases in the contractual amount count as new contracts. — 9 For outpayments of savings deposits arising from the allocation of contracts see "Capital paid out". — 10 Including housing bonuses credited. — 11 Only allocations accepted by the beneficiaries; including allocations applied to settlement of interim and bridging loans. — 12 The amounts already credited to the accounts of savers or borrowers are also included in "Amounts paid into savings accounts" and "Interest and repayments received on building loans". — 13 Statistical increase of DM 550 million. — 14 Statistical decrease of DM 550 million. — p Provisional.

III. Banks

23. Balance sheet total, lending and deposits of credit cooperatives

DM million						
End of month	Number of credit cooperatives 1	Balance sheet total	Advances and loans, and bill-based lending to non-banks 2	Deposits of and borrowing from non-banks 2		
				Total	Sight and time deposits and borrowed funds 3	Savings deposits 4
1982 March	3,917	310,427	207,267	253,142	101,601	151,541
June	3,872	316,121	211,724	256,659	104,321	152,338
Sep.	3,835	323,357	214,384	260,353	107,731	152,622
Dec.	3,823	337,759	219,027	275,396	110,135	165,261
1983 March	3,817	335,537	218,890	275,556	106,346	169,210
June	3,784	344,178	224,043	278,566	106,629	171,937
Sep.	3,771	349,645	229,293	280,364	107,766	172,598
Dec.	3,761	364,796	237,349	294,199	111,104	183,095
1984 March	3,757	362,860	239,181	295,080	110,555	184,525
June	3,735	367,720	245,430	297,265	111,783	185,482
Sep.	3,724	374,691	250,422	299,710	112,945	186,765
Dec.	3,711	390,100	254,501	315,242	116,846	198,396
1985 March	3,708	387,939	256,558	315,701	115,368	200,333
June	3,691	392,908	259,372	318,634	117,733	200,901
Sep.	3,680	397,921	260,065	321,261	118,380	202,881

Source: Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., Bonn. The figures cover the transactions of all credit cooperatives (including those mentioned in footnote 1), whereas in the banking statistics collected by the Bundesbank until November 1985 only the cooperatives subject to reporting requirements were covered (since end-1973 about 2,400, prior to that about 2,000) (see Table III, 2, footnote *). The figures for June and December are based on a general survey, those for March and September are estimated on the basis of a partial survey by the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. As from December 1985 the data for all credit cooperatives can be taken from Tables III, 13 and 14. — 1 Including banks affiliated to the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. and not organised in the form of a cooperative, but excluding regional institutions of credit cooperatives. — 2 Excluding loans on a trust basis. — 3 Excluding bank savings bonds. — 4 Including bank savings bonds.

24. Debits to giro accounts of non-banks *

DM million			
Period	Debits	Period	Debits
1987 Jan.	1,442,885	1989 Jan.	1,874,358
Feb.	1,327,837	Feb.	1,687,431
March	1,408,327	March	1,858,479
April	1,419,547	April	1,787,026
May	1,324,048	May	1,822,635
June	1,472,282	June	2,059,645
July	1,549,683	July	1,947,060
Aug.	1,392,621	Aug.	1,866,769
Sep.	1,509,616	Sep.	1,926,108
Oct.	1,477,902	Oct.	2,117,255
Nov.	1,491,568	Nov.	2,111,190
Dec.	1,755,013	Dec.	2,218,665
1988 Jan.	1,443,419	1990 Jan.	2,159,857
Feb.	1,470,978	Feb.	1,961,192
March	1,635,832	March	2,141,285
April	1,406,604	April	1,879,967
May	1,471,460	May p	1,984,171
June	1,690,059		
July	1,646,338		
Aug.	1,630,945		
Sep.	1,650,883		
Oct.	1,647,216		
Nov.	1,779,902		
Dec.	2,029,752		

* Arising from credit transfers, direct debits and cheque clearing. — p Provisional.

25. Number of monthly reporting banks and their classification by size

Category of banks 1	Total number of monthly reporting banks 2	The banks reporting for the monthly banking statistics are graded as follows, according to their volume of business								
		Less than DM 10 million	DM 10 million to less than DM 25 million	DM 25 million to less than DM 50 million	DM 50 million to less than DM 100 million	DM 100 million to less than DM 250 million	DM 250 million to less than DM 500 million	DM 500 million to less than DM 1 billion	DM 1 billion to less than DM 5 billion	DM 5 billion and over
Commercial banks	324	20	13	12	30	50	44	45	83	27
Big banks 3	6	—	—	—	—	50	—	—	—	27
Regional banks and other commercial banks 4	170	3	6	6	12	29	25	26	47	16
Branches of foreign banks	60	—	—	2	8	7	10	12	18	3
Private bankers 5	88	17	7	4	10	14	9	7	18	2
Regional giro institutions (incl. Deutsche Girozentrale)	11	—	—	—	—	—	—	—	—	11
Savings banks	583	—	—	1	6	47	114	141	241	33
Regional institutions of credit cooperatives (incl. Deutsche Genossenschaftsbank)	6	—	—	—	—	—	—	—	1	5
Credit cooperatives 6	3,225	23	228	740	892	866	307	117	49	3
Mortgage banks	37	—	—	—	—	3	2	1	3	28
Private	28	—	—	—	—	2	1	1	3	21
Public	9	—	—	—	—	1	1	—	—	7
Banks with special functions	16	—	—	—	1	—	2	1	2	10
Postal giro and postal savings bank offices	15	—	—	—	—	—	—	—	—	—
Building and loan associations	30	—	—	—	1	—	1	7	13	8
Private	18	—	—	—	1	—	1	4	8	4
Public	12	—	—	—	—	—	—	3	5	4
Total 7 excluding building and loan associations	4,217	(43)	(241)	(753)	(929)	(966)	(469)	(305)	(379)	(117)
including building and loan associations	4,247	(43)	(241)	(753)	(930)	(966)	(470)	(312)	(392)	(125)

1 The statistical category "Instalment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers" and "Credit cooperatives", in accordance with their legal form (see Table III, 24 in Monthly Report of the Deutsche Bundesbank, February 1987). — 2 Including banks in liquidation. — 3 Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and their Berlin subsidiaries. — 4 Including private bankers whose business is not organised in the

form of a sole proprietorship or partnership. — 5 Only banks organised in the form of a sole proprietorship or partnership; see footnote 4. — 6 Including other banks not organised in the form of a cooperative but affiliated to the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. Up to December 1971 the figures for credit cooperatives (Schulze-Delitzsch) and credit cooperatives (Raiffeisen) were recorded and published separately. — 7 Figures in brackets do not contain postal giro and postal savings bank offices.

26. Number of banks and their branches *

(a) Total

Level at end of year or change during year	Level					Change		
	Banks	Domestic branches	Domestic bank offices, total	Memorandum items		Banks	Domestic branches	Domestic bank offices, total
				Foreign branches 1	Foreign subsidiaries 2			
1957	13,359	12,974	26,333			— 192	+ 1,115	+ 923
1962	12,960	19,267	32,227			— 497	+ 1,686	+ 1,189
1967	10,859	26,285	37,144			— 647	+ 1,475	+ 828
1972	7,190	35,387	42,577	26		— 219	+ 685	+ 466
1974	6,673	37,078	43,751	39		— 186	+ 329	+ 143
1975	6,487	37,407	43,894	44		— 211	+ 151	— 60
1976	6,276	37,254	43,530	52		— 279	+ 510	+ 231
1977	5,997	37,764	43,761	58		— 225	+ 417	+ 192
1978	5,772	38,181	43,953	70		— 181	+ 526	+ 345
1979	5,591	38,753	44,344	77		— 236	+ 558	+ 322
1980	5,355	39,311	44,666	88		— 303	+ 510	+ 207
1981	5,052	39,821	44,873	103		— 122	+ 186	+ 64
1982	4,930	39,909	44,839	108		— 82	+ 18	— 64
1983	4,848	39,821	44,669	114		— 50	+ 94	+ 44
1984	4,798	39,900	44,698	115		— 59	+ 90	+ 31
1985	4,739	39,990	44,729	118		— 77	— 11	— 88
1986	4,662	39,979	44,641	121	109	— 119	— 64	— 183
1987	4,543	39,915	44,458	122	117	— 115	— 62	— 177
1988	4,428	39,853	44,281	160	131	— 131	— 10	— 141
1989	4,297	39,861	44,158	164	157			

(b) By category of banks

Level at end of year

Category of banks	1957			1986			1989			Memorandum items	
	Banks	Domestic branches	Domestic bank offices, total	Banks	Domestic branches	Domestic bank offices, total	Banks	Domestic branches	Domestic bank offices, total	Foreign branches	Foreign subsidiaries 2
										1	
Commercial banks 3	364	1,917	2,281	312	6,275	6,587	321	6,286	6,607	131	116
Big banks	8	787	795	6	3,108	3,114	6	3,110	3,116	97	73
Regional banks and other commercial banks 3	96	1,020	1,116	163	2,809	2,972	169	2,821	2,990	32	40
Branches of foreign banks	15	6	21	57	33	90	60	34	94	—	—
Private bankers 3, 4	245	104	349	86	325	411	86	321	407	2	3
Regional giro institutions 5	14	191	205	11	226	237	11	219	230	19	26
Savings banks	871	8,192	9,063	585	17,355	17,940	583	17,359	17,942	—	—
Regional institutions of credit cooperatives 6	19	89	108	6	32	38	4	32	36	8	12
Credit cooperatives 3, 7	11,795	2,305	14,100	3,358	15,824	19,182	3,223	15,789	19,012	—	—
Mortgage banks	44	19	63	38	34	72	37	38	75	—	—
Private	25	8	33	27	28	55	28	32	60	—	—
Public	19	11	30	11	6	17	9	6	15	—	—
Instalment sales financing institutions 3	194	225	419	3	3	3	3	3	3	—	—
Banks with special functions	16	34	50	16	84	100	16	84	100	3	3
Building and loan associations 8, 9				20	19	39	21	50	71	3	—
Private				17	19	36	18	50	68	3	—
Public				3	—	3	3	—	3	—	—
Categories of banks not covered by the monthly balance sheet statistics	42	2	44	82	4	86	81	4	85	—	—
Investment companies	5	—	5	43	3	46	51	3	54	—	—
Securities depositories	7	1	8	7	1	8	2	1	3	—	—
Guarantee banks and other banks	30	1	31	32	—	32	28	—	28	—	—
Memorandum items											
Banks majority-owned by foreign banks				59	432	491	68	433	501		
by foreign non-banks				30	53	83	34	55	89		
Total	13,359	12,974	26,333	4,428	39,853	44,281	4,297	39,861	44,158	164	157

* Excluding postal giro and postal savings bank offices and, up to 1971, excluding building and loan associations; also excluding banks in liquidation, but including banks transferred to the Federal area after 1945. Branches within the meaning of section 24 (1) 7 of the Banking Act handling inpayments and outpayments, i. e. excluding deposit-receiving agencies, exchange bureaux, commission agencies, sub-offices and representations. Registered offices, second and other registered offices of banks are recorded as branches, if banking business is conducted there. The first branch established by a foreign bank in the Federal territory is recorded as a bank in accordance with section 53 (1) of the Banking Act; all further branches are recorded as branches. Statistical changes have been included in the levels at the end of the year, but they have not been included in the dates on changes. — 1 Including sub-branches. — 2 Participations of at least 50 % in banks, factoring enterprises and leasing enterprises. — 3 Through the dissolution of the category "Instalment sales

financing institutions" at the end of 1986, reclassification of 72 banks with 469 branches as "Regional banks" (42 banks/418 branches), "Private bankers" (22/39) and "Credit cooperatives" (8/12). — 4 Only banks organised in the form of a sole proprietorship or partnership. — 5 Including Deutsche Girozentrale — Deutsche Kommunalbank. — 6 Including Deutsche Genossenschaftsbank. — 7 Including other banks not organised in the form of a cooperative but affiliated to the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. — 8 In 1957 — before the Building and Loan Associations Act became effective — there were 17 private and 3 public building and loan associations of independent legal status. — 9 Since 1972 including (private and public) building and loan associations of independent legal status and their branches. 9 (1973-1985: 10) public building and loan associations of dependent legal status (divisions or institutions of other public banks) with 4 branches are not recorded separately.

IV. Minimum reserves

1. Reserve ratios

% of liabilities subject to reserve requirements

Liabilities subject to reserve requirements to residents									
Applicable from	Sight liabilities			Time liabilities			Savings deposits		
	Stage on the progressive scale 1			Stage on the progressive scale 1			Stage on the progressive scale 1		
	1	2	3	1	2	3	1	2	3
	DM 10 mn and under	DM 100 mn and under, but more than DM 10 mn	more than DM 100 mn	DM 10 mn and under	DM 100 mn and under, but more than DM 10 mn	more than DM 100 mn	DM 10 mn and under	DM 100 mn and under, but more than DM 10 mn	more than DM 100 mn
1977 March 1 2	9.35	12.7	14.9	6.6	8.8	10.45	6.15	6.4	6.6
June 1 2	8.9	12.05	14.15	6.3	8.4	9.95	5.85	6.05	6.3
Sep. 1 2	8	10.85	12.75	5.65	7.55	8.95	5.3	5.45	5.65
1978 March 1	8.65	11.7	13.75	6.1	8.15	9.65	5.7	5.9	6.1
June 1	8.05	10.9	12.8	5.7	7.55	9	5.3	5.5	5.7
Nov. 1	8.75	11.85	13.95	6.2	8.25	9.8	5.8	6	6.2
1979 Feb. 1	9.2	12.45	14.65	6.5	8.65	10.3	6.05	6.3	6.5
1980 May 1	8.45	11.45	13.45	6	8	9.45	5.6	5.8	6
Sep. 1	7.65	10.3	12.1	5.4	7.2	8.5	5	5.2	5.4
1981 Feb. 1	7.1	9.6	11.25	5	6.7	7.95	4.65	4.85	5
1982 Oct. 1	6.4	8.65	10.15	4.5	6	7.15	4.2	4.35	4.5
1986 May 1 3	6	9	11	4.5			3.75		
1987 Feb. 1	6.6	9.9	12.1	4.95			4.15		

Liabilities subject to reserve requirements to non-residents							
Applicable from	Sight liabilities	Time liabilities	Savings deposits	Growth of liabilities			Explanatory notes on the growth reserve regulations
				Sight liabilities	Time liabilities	Savings deposits	
1977 March 1	14.9	10.45	6.6	} no special ratios	80		
June 1	14.15	9.95	6.3				
Sep. 1	12.75	8.95	5.65				
1978 Jan. 1	20	15	10				Additional reserve ratio for growth over the average level during the period from September 16 to December 15, 1977
June 1	12.8	9	5.7				
Nov. 1	13.95	9.8	6.2				
1979 Feb. 1	14.65	10.3	6.5	} no special ratios			
1980 May 1	13.45	9.45	6				
Sep. 1	12.1	8.5	5.4				
1981 Feb. 1	11.25	7.95	5				
1982 Oct. 1	10.15	7.15	4.5				
1986 May 1	11	4.5	3.75				
1987 Feb. 1	12.1	4.95	4.15				

1 The ratio of stage 1 on the progressive scale applies to the first DM 10 million of liabilities subject to reserve requirements, the ratio of stage 2 to the next DM 90 million, and the ratio of stage 3 to liabilities exceeding DM 100 million. — 2 As from March 1, 1977 to February 28, 1978 the following discounts were in force for liabilities

to residents in places without a Bundesbank office: 1 percentage point for sight liabilities, 0.5 percentage point for savings deposits. — 3 As from May 1, 1986 the differentiation of the reserve ratios by stages on the progressive scale is no longer applicable to time liabilities and savings deposits.

IV. Minimum reserves

(c) Breakdown by category of banks °

Monthly average 1	Number of banks subject to reserve requirements	Liabilities subject to reserve requirements DM million	Required reserves prior to deduction of deductible cash balances 4	Average reserve ratio 12 for liabilities to					Memorandum items		
				residents and non-residents, total	residents		non-residents	Deductible cash balances 5	Required reserves after deduction of deductible cash balances 6	Excess reserves 8	
					Total	of which For sight liabilities					
			%					DM million			
All categories of banks											
1990 April	4,196	1,216,618	71,521	5,9	5,8	10,8	8,9	13,796	57,725	286	
May	4,185	1,226,800	72,883	5,9	5,8	10,8	9,0	13,869	59,014	431	
Commercial banks											
1990 April	312	335,788	23,365	7,0	6,7	11,8	9,6	3,665	19,700	118	
May	313	342,816	24,139	7,1	6,8	11,8	9,6	3,669	20,470	227	
Big banks											
1990 April	6	174,700	12,199	7,0	6,7	12,1	9,2	1,997	10,202	19	
May	6	180,486	12,755	7,1	6,8	12,1	9,4	1,999	10,756	81	
Regional banks and other commercial banks 14											
1990 April	170	133,582	9,145	6,8	6,6	11,6	9,9	1,536	7,609	64	
May	171	134,485	9,333	6,9	6,7	11,7	9,9	1,536	7,797	85	
Branches of foreign banks											
1990 April	59	4,632	426	9,2	7,7	9,6	11,1	9	417	20	
May	59	4,603	418	9,1	7,7	9,6	11,0	10	408	19	
Private bankers 13											
1990 April	77	22,874	1,595	7,0	6,7	10,9	9,5	123	1,472	15	
May	77	23,242	1,633	7,0	6,9	11,0	8,9	124	1,509	42	
Regional giro institutions											
1990 April	11	30,811	2,192	7,1	7,0	11,8	10,7	189	2,003	7	
May	11	31,014	2,222	7,2	7,1	11,8	10,6	180	2,042	34	
Savings banks											
1990 April	579	508,555	27,764	5,5	5,5	10,8	5,4	6,505	21,259	40	
May	579	510,679	28,147	5,5	5,5	10,9	5,4	6,539	21,608	39	
Regional institutions of credit cooperatives											
1990 April	4	5,324	494	9,3	9,0	11,7	11,5	79	415	3	
May	4	5,728	542	9,5	9,2	11,8	11,5	76	466	14	
Credit cooperatives											
1990 April	3,212	326,526	17,097	5,2	5,2	8,9	5,6	3,318	13,779	96	
May	3,200	327,357	17,233	5,3	5,3	8,9	5,6	3,365	13,868	88	
Mortgage banks											
1990 April	35	2,760	172	6,2	6,2	9,2	7,7	10	162	13	
May	35	2,679	166	6,2	6,2	9,1	6,7	9	157	13	
Banks with special functions											
1990 April	13	4,284	300	7,0	7,0	11,2	6,9	29	271	7	
May	13	4,011	300	7,5	7,5	11,4	7,0	30	270	13	
Building and loan associations											
1990 April	30	2,570	137	5,3	5,3	9,1	6,0	1	136	2	
May	30	2,516	134	5,3	5,3	9,1	6,0	1	133	3	
Memorandum item: Postal giro and postal savings bank offices											
1990 April	15	52,255	3,379	6,5	6,4	12,1	10,9	—	3,379	—	
May	15	52,541	3,418	6,5	6,5	12,1	10,9	—	3,418	—	

* Excluding minimum reserves kept by the Federal Post Office on behalf of the postal giro and postal savings bank offices, which since the introduction on May 1, 1958 of the optional central maintenance of minimum reserves are in practice no longer distinguishable from the other central bank deposits of the Federal Post Office. — ° The category "Instalment sales financing institutions" was dissolved in December 1986; the banks it used to contain are now included in the categories "Regional banks and other commercial banks", "Private bankers" and "Credit cooperatives", in accordance with their legal form. — 1 Pursuant to sections 5 to 7 of the Minimum Reserves Order. — 2 Liabilities subject to reserve requirements cannot be broken down statistically according to residents and non-residents if the same reserve ratios applied to such liabilities and only overall amounts were reported. — 3 Including liabilities arising from initial sales to non-residents of bearer bonds and order bonds forming part of a total issue. — 4 Amount after applying the reserve ratios to liabilities subject to reserve requirements (section 5(1) of the Minimum Reserves Order). Owing to the introduction in March 1978 of deductible cash balances, accompanied by a compensatory increase in reserve ratios, the continuity of the series is not assured. —

5 Banks' holdings of German legal tender pursuant to section 5 (2) of the Minimum Reserves Order. — 6 To be maintained as credit balances on giro accounts at the Bundesbank. — 7 Average credit balances of banks subject to reserve requirements maintained on giro accounts at the Bundesbank. — 8 Actual reserves less required reserves after deduction of deductible cash balances. — 9 Required reserves after deduction of deductible cash balances. — 10 Between May 1961 and end-December 1966 liabilities to non-residents were exempt from the reserve requirements to an amount equal to credit balances with banks abroad and foreign money market investments. — 11 The exemption of institutions mainly engaged in long-term business and of building and loan associations was abolished with effect from January 1, 1984. — 12 Required reserves prior to deduction of deductible cash balances as % of liabilities subject to reserve requirements. — 13 Only banks organised in the form of a sole proprietorship or partnership. — 14 Including guarantee banks with small amounts. — 15 The stages on the progressive scale for time liabilities and savings deposits have been eliminated since May 1986; uniform reserve ratios apply. — r Revised.

1. Discount and lombard rates of the Bundesbank and special interest rate charged for failing to comply with the minimum reserve requirements

Applicable from	Discount rate 1		Lombard rate		Applicable from	Discount rate 1		Lombard rate		Applicable from	Discount rate 1		Lombard rate	
	% p.a.	% p.a.	% p.a.	% p.a.		% p.a.	% p.a.	% p.a.	% p.a.		% p.a.	% p.a.	% p.a.	% p.a.
1948 July 1	5	6	1967 Jan. 6	4 1/2	5 1/2	1977 July 15	3 1/2	4						
1949 May 27	4 1/2	5 1/2	Feb. 17	4	5	Dec. 16	3	3 1/2						
July 14	4	5	April 14	3 1/2	4 1/2	1979 Jan. 19	3	4						
1950 Oct. 27	6	7	May 12	3	4	March 30	4	5						
1952 May 29	5	6	Aug. 11	3	3 1/2	June 1	4	5 1/2						
Aug. 21	4 1/2	5 1/2	1969 March 21	3	4	July 13	5	6						
1953 Jan. 8	4	5	April 18	4	5	Nov. 1	6	7						
June 11	3 1/2	4 1/2	June 20	5	6	1980 Feb. 29	7	8 1/2						
1954 May 20	3	4	Sep. 11	6	7 1/2	May 2	7 1/2	9 1/2						
1955 Aug. 4	3 1/2	4 1/2	Dec. 5	6	9	Sep. 19	7 1/2	3 9						
1956 March 8	4 1/2	5 1/2	1970 March 9	7 1/2	9 1/2	1982 Aug. 27	7	8						
May 19	5 1/2	6 1/2	July 16	7	8	Oct. 22	6	7						
Sep. 6	5	6	Nov. 18	6 1/2	8	Dec. 3	5	6						
1957 Jan. 11	4 1/2	5 1/2	Dec. 3	6	7 1/2	1983 March 18	4	5						
Sep. 19	4	5	1971 April 1	5	6 1/2	Sep. 9	4	5 1/2						
1958 Jan. 17	3 1/2	4 1/2	Oct. 14	4 1/2	5 1/2	1984 June 29	4 1/2	5 1/2						
June 27	3	4	Dec. 23	4	5	1985 Feb. 1	4 1/2	6						
1959 Jan. 10	2 3/4	3 3/4	1972 Feb. 25	3	4	Aug. 16	4	5 1/2						
Sep. 4	3	4	Oct. 9	3 1/2	5	1986 March 7	3 1/2	5 1/2						
Oct. 23	4	5	Nov. 3	4	6	1987 Jan. 23	3	5						
1960 June 3	5	6	Dec. 1	4 1/2	6 1/2	Nov. 6	3	4 1/2						
Nov. 11	4	5	1973 Jan. 12	5	7	Dec. 4	2 1/2	4 1/2						
1961 Jan. 20	3 1/2	4 1/2	May 4	6	8	1988 July 1	3	4 1/2						
May 5	3	2 4	June 1	7	3 9	July 29	3	5						
1965 Jan. 22	3 1/2	4 1/2	1974 Oct. 25	6 1/2	8 1/2	Aug. 26	3 1/2	5						
Aug. 13	4	5	Dec. 20	6	8	Dec. 16	3 1/2	5 1/2						
1966 May 27	5	6 1/4	1975 Feb. 7	5 1/2	7 1/2	1989 Jan. 20	4	6						
			March 7	5	6 1/2	April 21	4 1/2	6 1/2						
			April 25	5	6	June 30	5	7						
			May 23	4 1/2	5 1/2	Oct. 6	6	8						
			Aug. 15	4	5									
			Sep. 12	3 1/2	4 1/2									

Special interest rate charged for failing to comply with the minimum reserve requirements: 3% p.a. above lombard rate 4

1 This is also the rate for cash advances. Until May 1956 lower rates likewise applied to foreign bills and export drafts; fixed special rates were charged for certain credits which had been granted to the Reconstruction Loan Corporation and which ran out at the end of 1958 (for details see footnotes to the same table in the Report of the Deutsche Bundesbank for the Year 1961, p. 91). — 2 An allowance of 3/4% per annum

was granted to the banks in respect of the lombard loans taken up between December 10, 1964 and December 31, 1964. — 3 Lombard loans were generally not granted to the banks at the lombard rate during the following periods: from June 1, 1973 to July 3, 1974 and from February 20, 1981 to May 6, 1982. — 4 Unchanged since January 1, 1951.

2. Rates of the Bundesbank for short-term money market operations *

% p.a.			Open market transactions in bills under repurchase agreements 1			Special lombard loans 2			Sales of Federal Treasury bills not included in the Bundesbank's money market regulating arrangements (mobilisation and liquidity paper) 3					
Applicable	Rate		Applicable	Rate		Applicable	Rate	Days	Applicable	Rate	Days	Applicable	Rate	Days
1973 April 16 to April 27	12		1973 Nov. 26 to Jan. 11 '74	13		1973 Aug. 13 to Aug. 31	7	10	1989 Jan. 20 to April 20	4.5	3			
June 7 to June 20	13					Aug. 15 to Aug. 31	6 3/4	5	April 21 to June 29	5.0	3			
July 24 to July 27	15		1974 March 14 to April 8	13		Oct. 23 to Oct. 25	7	10	June 30 to Aug. 28	5.5	3			
July 30	14		May 28 to July 3	10		Oct. 23 to Oct. 25	6 3/4	5	Aug. 29 to Oct. 5	6.0	3			
Aug. 2 to Aug. 16	13		1981 Feb. 25 to Feb. 26	12					Oct. 6 to Nov. 16	6.5	3			
Aug. 30 to Sep. 6	16		March 3 to Oct. 8	12		1980 Feb. 15	8 1/4	10	Nov. 17 to					
Nov. 26 to Dec. 13	11		Oct. 9 to Dec. 3	11		Feb. 20	8 1/4	9						
1974 March 14 to April 5	11 1/2		Dec. 4 to Jan. 21 '82	10 1/2		Feb. 25	8 1/4	4	1990 to March 22	7.0	3			
April 8 to April 24	10		1982 Jan. 22 to March 18	10					March 23 to	7.3	3			
1975 July 23 to July 31	4 1/2		March 19 to May 6	9 1/2		1981 May 5 to May 13	11 1/2	7						
Aug. 29 to Sep. 11	4					May 14 to Sep. 10	11 1/2	5						
Sep. 12 to Oct. 6	3 1/2													
Oct. 21 to Dec. 1	3 1/2					1985 Feb. 1 to March 29	5 1/2	3						
1977 March 10 to May 31	4					April 1 to June 6	5.3	3						
July 6 to July 14	4					June 7 to June 20	5.0	3						
July 15 to July 26	3 3/4					June 21 to July 18	4.8	3						
July 27 to Sep. 5	3 1/2					July 19 to Aug. 15	4.5	3						
Sep. 23 to Nov. 3	3 1/2					Aug. 16 to								
1978 March 13 to June 16	3 1/4													
1979 Oct. 10 to Oct. 31	7 3/4					1986 to March 4	4.3	3						
1982 Jan. 14 to Jan. 21	10					March 5 to								
March 11 to March 18	9 1/2													
						1987 to Jan. 22	4.0	3						
						Jan. 23 to May 12	3.5	3						
						May 13 to Nov. 24	3.2	3						
						Nov. 25 to								
						1988 to June 30	3.0	3						
						July 1 to								
						1989 to Jan. 19	3.5	3						

* For Bundesbank open market transactions in securities under repurchase agreements see Table V, 3. — 1 Purchases from banks of domestic bills eligible for rediscount at the Bundesbank for a period of 10 days; first such transaction on April 16,

1973. — 2 Special lombard loans were first granted on November 26, 1973. — 3 Offered to the banks for the first time on August 13, 1973. — 4 From March 10 to April 12, 1977 bought for 20 days.

V. Interest rates

3. The Bundesbank's open market transactions in securities under repurchase agreements *

Day of credit advice	Bids by banks		Purchases by the Bundesbank						Running for ... days
	Number of bidders	Amount	Number	Amount	Volume tenders	Interest-rate tenders			
		DM million		DM million	Fixed rate	Minimum rate	Allotment rate		
				% p.a.					
1990 Feb. 14	14	787	30,334	408	10,012	—	—	1 7.80—8.10	28
Feb. 14	14	602	18,245	225	6,487	—	—	1 7.95—8.25	63
Feb. 21	21	931	36,201	544	10,004	—	—	1 7.85—8.35	28
March 1	1	650	36,992	499	22,647	—	—	1 7.80—8.10	34
March 1	1	517	19,955	284	12,500	—	—	1 7.95—8.25	62
March 7	7	1,009	42,908	942	18,992	—	—	1 7.80—8.25	35
March 14	14	800	36,906	693	14,243	—	—	1 7.80—8.15	35
March 14	14	461	15,207	250	9,052	—	—	1 7.95—8.10	63
March 21	21	899	37,356	497	5,252	—	—	1 7.85—8.05	35
April 4	4	770	43,207	523	19,767	—	—	1 7.75—8.00	28
April 4	4	458	16,052	217	9,780	—	—	1 7.85—8.15	63
April 11	11	941	47,631	617	21,910	—	—	1 7.80—8.00	28
April 18	18	727	34,269	548	10,562	—	—	1 7.80—7.95	28
April 18	18	436	10,579	292	6,891	—	—	1 7.85—8.10	63
May 2	2	694	37,301	537	19,377	—	—	1 7.80—8.00	35
May 2	2	636	25,424	393	10,498	—	—	1 7.90—8.10	63
May 9	9	884	39,855	687	14,645	—	—	1 7.80—8.05	34
May 9	9	264	13,300	190	10,306	—	—	1 7.75—8.00	14
May 16	16	702	35,513	569	13,622	—	—	1 7.80—8.10	35
May 16	16	536	17,026	319	9,139	—	—	1 7.90—8.15	63
May 23	23	728	37,396	622	18,196	—	—	1 7.80—8.10	35
June 6	6	647	34,205	454	14,135	—	—	1 7.80—8.00	28
June 6	6	414	16,132	269	9,934	—	—	1 7.85—8.10	56
June 12	12	795	34,074	628	12,037	—	—	1 7.80—8.10	29
June 20	20	694	30,608	573	10,173	—	—	1 7.80—7.95	28
June 20	20	463	14,580	352	7,794	—	—	1 7.85—8.05	55
June 27	27	723	40,242	616	17,101	—	—	1 7.80—7.95	28
July 4 p	4 p	777	46,900	...	16,100	—	—	1 7.85—8.10	28

* Purchases of bonds eligible as collateral for lombard loans; since July 11, 1983 also of Treasury discount paper with a remaining period to maturity of up to one year; first such transaction on June 21, 1979. Excluding quick tenders; first such transaction on

November 28, 1988. — 1 Allotment at individual bidding rates within the spread. — p Provisional.

4. Rates for sales of money market paper

% p.a.													
Rates of the Bundesbank for money market paper included in the money market regulating arrangements							Rates for money market paper not included in the money market regulating arrangements						
Treasury bills of Federal Government		Treasury discount paper of Federal Government, Federal Railways and Federal Post Office					Treasury discount paper of Federal Government, Federal Railways and Federal Post Office — financing paper —				Treasury financing paper of the Federal Government		
running for		running for					running for				running for		
Applicable from	30 to 59 days	60 to 90 days	6 months	12 months	18 months	24 months	Applicable from	Sales on market terms		Tender procedure 1 (interest rate or volume tender)		12 months	24 months
	Nominal rates	Yields		Yields		Yields							
1983 March 18	3.50	3.65	3.80	3.95	4.10	4.25	1989 May 22	—	—	—	—	6.10	6.12
1984 June 29	4.00	4.15	4.30	4.40	4.50	4.60	July 14	—	—	—	—	6.10	5.96
1985 Aug. 16	3.50	3.65	3.80	3.90	4.00	4.10	July 27	—	—	—	—	6.02	5.96
1986 March 7	3.00	3.15	3.30	3.40	3.50	3.60	Sep. 11	—	—	—	—	6.10	6.12
1987 Jan. 23	2.50	2.65	2.80	2.90	3.00	3.10	Sep. 20	—	—	—	—	6.32	6.20
Dec. 4	2.00	2.15	2.30	2.40	2.50	2.60	Oct. 13	—	—	—	—	6.54	6.41
1988 July 1	2.50	2.65	2.80	2.90	3.00	3.10	Nov. 7	—	—	—	—	6.76	6.73
Aug. 26	3.00	3.15	3.30	3.40	3.50	3.60	Dec. 5	—	7.49	—	—	6.76	6.73
1989 Jan. 20	3.50	3.65	3.80	3.90	4.00	4.10	1990 Feb. 6	—	—	—	—	6.98	6.97
April 21	4.00	4.15	4.30	4.40	4.50	4.60	Feb. 15	—	—	—	—	7.19	7.13
June 30	4.50	4.65	4.80	4.90	5.00	5.10	Feb. 22	—	—	—	—	7.41	7.33
Oct. 6	5.50	5.65	5.80	5.90	6.00	6.10	April 30	—	—	—	—	7.62	7.53
1983 March 18	3.52	3.68	3.87	4.11	4.31	4.54	1989 May 22	—	—	—	—	6.50	6.75
1984 June 29	4.03	4.19	4.39	4.60	4.75	4.94	July 14	—	—	—	—	6.50	6.55
1985 Aug. 16	3.52	3.68	3.87	4.06	4.20	4.37	July 27	—	—	—	—	6.41	6.55
1986 March 7	3.02	3.18	3.36	3.52	3.65	3.81	Sep. 11	—	—	—	—	6.50	6.75
1987 Jan. 23	2.51	2.67	2.84	2.99	3.11	3.25	Sep. 20	—	—	—	—	6.75	6.84
Dec. 4	2.01	2.16	2.33	2.46	2.58	2.71	Oct. 13	—	—	—	—	7.00	7.10
1988 July 1	2.51	2.67	2.84	2.99	3.11	3.25	Nov. 7	—	—	—	—	7.25	7.50
Aug. 26	3.02	3.18	3.36	3.52	3.65	3.81	Dec. 5	—	8.10	—	—	7.25	7.50
1989 Jan. 20	3.52	3.68	3.87	4.06	4.20	4.37	1990 Feb. 6	—	—	—	—	7.50	7.80
April 21	4.03	4.19	4.39	4.60	4.75	4.94	Feb. 15	—	—	—	—	7.75	8.00
June 30	4.53	4.70	4.92	5.15	5.31	5.53	Feb. 22	—	—	—	—	8.00	8.25
Oct. 6	5.55	5.73	5.97	6.27	6.45	6.72	April 30	—	—	—	—	8.25	8.50

1 Except as otherwise noted, rate applicable only on the date stated. —

2 Maturity: one year and ten months.

5. Rates for prime bankers' acceptances *

% p.a.		
Applicable from	Prime bankers' acceptances with a remaining maturity of 10 to 90 days	
	Buying	Selling
1979 March 30	3.85	3.70
July 13	5.30	5.15
Nov. 1	6.30	6.15
1980 Feb. 29	7.30	7.15
May 2	7.80	7.65
1982 Aug. 27	7.05	6.90
Oct. 22	5.80	5.65
Dec. 3	4.80	4.65
1983 March 18	3.55	3.40
1984 June 29	4.05	3.90
1985 Aug. 16	3.55	3.40
1986 March 7	3.05	2.90
1987 Jan. 23	2.55	2.40
Dec. 4	2.05	1.90
1988 July 1	2.55	2.40
Aug. 26	3.05	2.90
1989 Jan. 20	3.55	3.40
April 21	4.05	3.90
June 30	4.55	4.40
Oct. 6	5.55	5.40

* Rates of Privatdiskont AG for transactions with banks.

6. Money market rates, by month *

% p.a.									
Period	Money market rates reported by Frankfurt banks						Fibor 1		
	Day-to-day money		One-month funds		Three-month funds		Three-month funds	Six-month funds	Monthly averages
	Monthly averages	Lowest and highest rates	Monthly averages	Lowest and highest rates	Monthly averages	Lowest and highest rates			
	1988 April	3.25	3.15—3.35	3.30	3.25—3.40	3.39	3.30—3.50	3.43	3.51
May	3.30	3.00—4.50	3.43	3.35—3.50	3.54	3.40—3.70	3.58	3.76	
June	3.74	3.30—4.60	3.67	3.30—4.25	3.89	3.55—4.55	3.93	4.11	
July	4.44	3.75—4.60	4.68	4.10—5.15	4.90	4.40—5.35	4.93	5.13	
Aug.	4.74	2.75—5.05	5.10	4.90—5.30	5.32	5.15—5.50	5.37	5.63	
Sep.	4.70	3.50—5.00	4.84	4.70—5.00	4.96	4.80—5.25	5.02	5.31	
Oct.	4.74	3.75—4.90	4.89	4.75—5.00	5.05	4.85—5.20	5.10	5.19	
Nov.	4.62	4.25—5.05	4.69	4.55—4.80	4.91	4.75—5.10	4.95	5.00	
Dec.	4.89	2.35—5.60	5.36	5.00—5.70	5.33	5.00—5.70	5.39	5.46	
1989 Jan.	5.23	4.50—6.00	5.56	5.35—5.80	5.65	5.35—6.00	5.70	5.86	
Feb.	5.94	5.70—6.25	5.76	5.45—6.35	6.39	5.95—7.00	6.43	6.67	
March	5.61	3.50—6.20	6.31	6.00—6.90	6.62	6.45—7.00	6.67	6.92	
April	5.85	4.90—6.25	6.08	5.90—6.30	6.43	6.25—6.65	6.48	6.77	
May	6.32	6.00—6.55	6.75	6.40—7.10	6.98	6.55—7.45	7.02	7.19	
June	6.47	6.30—7.10	6.66	6.50—7.15	6.96	6.80—7.30	7.02	7.15	
July	6.91	6.75—7.05	7.00	6.85—7.15	7.04	6.90—7.20	7.09	7.13	
Aug.	6.76	5.75—7.00	7.01	6.85—7.15	7.02	6.85—7.20	7.07	7.07	
Sep.	6.91	6.75—7.00	7.14	7.00—7.60	7.36	7.10—7.85	7.41	7.51	
Oct.	7.86	7.20—8.05	7.98	7.70—8.20	8.08	7.95—8.30	8.13	8.12	
Nov.	7.54	6.90—8.00	7.81	7.55—8.10	8.23	8.10—8.40	8.29	8.28	
Dec.	7.67	3.730—8.50	7.98	7.85—8.20	8.05	7.90—8.20	8.11	8.21	
1990 Jan.	7.58	2.00—8.10	8.09	7.30—8.40	8.25	8.00—8.40	8.30	8.50	
Feb.	7.77	7.00—8.50	7.48	7.30—7.60	8.26	7.95—8.45	8.31	8.69	
March	7.72	7.00—8.00	8.19	8.00—8.40	8.43	8.20—8.60	8.48	8.89	
April	7.79	7.30—8.00	7.90	7.75—8.00	8.22	8.10—8.40	8.27	8.68	
May	7.72	2.00—8.00	8.15	8.05—8.25	8.29	8.20—8.45	8.33	8.65	
June	7.83	7.50—8.10	7.94	7.85—8.00	8.27	8.20—8.35	8.30	8.59	

* Money market rates are not fixed or quoted officially; the monthly averages computed from daily quotations are unweighted. — 1 Frankfurt interbank offered rate; ascertained daily at 11 a.m. by Privatdiskont AG on the basis of selling rates reported by banks in Frankfurt am Main, Munich and Düsseldorf (for the first time on August 12, 1985). — 2 At the end of December: 5.45% to 5.60%. — 3 At the end of December: 8.00% to 8.50%.

7. Lending and deposit rates * Average interest rates and spread

Reporting period 1	Lending rates						Bills discounted 2	
	Current account credit 2				Bills of less than DM 100,000 eligible for rediscount at the Bundesbank			
	Less than DM 1 million		DM 1 million and over but less than DM 5 million		Average interest rate		Spread	
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
1989 May	9.62	8.25—10.87	7.98	7.25—9.25	6.52	5.50—8.25		
June	9.73	8.50—11.00	8.08	7.10—9.50	6.65	5.50—8.25		
July	10.02	8.75—11.25	8.39	7.50—9.75	7.10	6.25—8.75		
Aug.	10.11	8.75—11.25	8.46	7.50—10.25	7.14	6.25—8.75		
Sep.	10.14	8.75—11.25	8.48	7.50—10.00	7.16	6.25—8.75		
Oct.	10.91	9.50—12.00	9.31	8.00—10.75	8.12	7.25—9.75		
Nov.	11.07	9.75—12.25	9.47	8.50—11.00	8.17	7.30—9.75		
Dec.	11.10	9.75—12.25	9.42	8.50—11.00	8.15	7.25—9.75		
1990 Jan.	11.09	9.75—12.25	9.48	8.50—11.00	8.16	7.30—9.75		
Feb.	11.24	9.75—12.50	9.61	8.75—11.00	8.27	7.50—10.00		
March	11.52	10.00—12.75	9.85	9.00—11.25	8.34	7.50—10.00		
April	11.55	10.00—12.75	9.83	9.00—11.25	8.35	7.50—10.00		
May	11.58	10.00—12.75	9.86	9.00—11.25	8.36	7.50—10.00		
June p	11.60	10.00—12.75	9.90	9.25—11.25	8.38	7.60—10.00		

* For the method of data collection see Monthly Report of the Deutsche Bundesbank, most recently January 1983, p. 14 ff. The average rates are calculated as unweighted arithmetic means from the interest rates reported to be within the spread. The spread

is ascertained by eliminating the reports in the top 5% and the bottom 5% of the interest rate range. — 1 Second and third weeks of the months indicated. — 2 Interest rates as % p.a. — p Provisional.

V. Interest rates

7. Lending and deposit rates* (cont'd)

Average interest rates and spread

Reporting period 1	Lending rates (cont'd)									
	Instalment credits					Mortgage loans secured by residential real estate 2				
	DM 5,000 and over but less than DM 15,000 3					with interest rates fixed (effective interest rate) 6				
	Monthly rate 4		Effective annual interest rate 2, 5		for 2 years		for 5 years		for 10 years	
Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	
1989 May	0.41	0.37—0.47	10.84	9.75—12.54	7.82	7.22—8.64	7.87	7.50—8.35	7.96	7.71—8.41
June	0.42	0.38—0.48	11.05	10.03—12.55	7.96	7.34—8.64	7.98	7.66—8.46	8.04	7.80—8.46
July	0.43	0.39—0.49	11.27	10.28—12.77	7.96	7.45—8.79	7.92	7.65—8.35	7.95	7.71—8.31
Aug.	0.43	0.40—0.49	11.37	10.44—12.81	7.88	7.45—8.76	7.85	7.55—8.31	7.88	7.66—8.30
Sep.	0.44	0.40—0.49	11.41	10.29—12.81	7.98	7.46—8.85	7.93	7.64—8.46	7.99	7.75—8.42
Oct.	0.46	0.42—0.53	11.97	10.72—13.96	8.48	7.82—9.28	8.27	7.90—8.78	8.28	7.98—8.73
Nov.	0.47	0.44—0.53	12.27	11.16—13.96	8.81	8.08—9.62	8.59	8.16—9.12	8.57	8.15—9.10
Dec.	0.48	0.44—0.55	12.32	11.21—13.96	8.91	8.36—9.62	8.74	8.31—9.15	8.69	8.26—9.15
1990 Jan.	0.48	0.44—0.53	12.34	11.40—14.17	9.02	8.36—9.73	8.82	8.47—9.25	8.79	8.43—9.21
Feb.	0.49	0.45—0.55	12.62	11.44—14.64	9.78	8.85—10.55	9.56	8.74—10.21	9.56	8.73—10.19
March	0.50	0.46—0.57	12.86	11.87—14.64	9.99	9.32—10.66	9.81	9.18—10.29	9.79	9.12—10.21
April	0.50	0.46—0.57	12.94	11.90—14.86	9.85	9.22—10.48	9.75	9.37—10.23	9.65	9.14—10.02
May	0.50	0.46—0.58	12.98	11.87—14.83	9.91	9.33—10.61	9.80	9.39—10.22	9.69	9.32—10.04
June p	0.50	0.46—0.58	13.00	11.87—14.72	9.94	9.39—10.56	9.81	9.50—10.21	9.70	9.39—10.08

Reporting period 1	Lending rates (cont'd)				Deposit rates							
	Mortgage loans secured by residential real estate 2				Time deposits with agreed maturities of 1 to 3 months inclusive 2				Bank savings bonds with regular interest payments 2			
	With variable interest rates (effective interest rate) 6				Less than DM 100,000		DM 100,000 and over but less than DM 1 million		DM 1 million and over but less than DM 5 million		Maturity of 4 years	
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
1989 May	7.46	6.75—8.57	4.61	4.00—5.25	5.22	4.50—5.75	5.85	5.00—6.30	6.27	5.75—6.50		
June	7.61	6.95—8.57	4.77	4.00—5.50	5.39	4.75—6.00	6.02	5.25—6.40	6.41	6.00—6.75		
July	7.65	6.97—8.63	4.98	4.25—5.75	5.62	5.00—6.25	6.21	5.50—6.60	6.44	6.00—6.75		
Aug.	7.62	6.96—8.78	5.03	4.25—5.75	5.66	5.00—6.25	6.26	5.50—6.60	6.39	6.00—6.75		
Sep.	7.68	7.01—8.87	5.11	4.50—5.80	5.76	5.00—6.38	6.34	5.50—6.75	6.47	6.00—6.75		
Oct.	8.14	7.46—9.68	5.66	4.87—6.50	6.30	5.50—7.00	6.97	6.00—7.50	6.67	6.25—7.00		
Nov.	8.42	7.71—9.72	5.90	5.25—6.75	6.57	5.75—7.25	7.23	6.50—7.75	6.90	6.50—7.25		
Dec.	8.55	7.76—9.93	6.03	5.25—6.75	6.68	6.00—7.25	7.33	6.50—7.75	6.98	6.50—7.38		
1990 Jan.	8.63	7.85—9.94	6.09	5.50—6.75	6.76	6.00—7.34	7.35	6.50—7.75	7.06	6.75—7.50		
Feb.	9.30	8.42—10.22	6.22	5.50—7.00	6.82	6.00—7.25	7.32	6.75—7.75	7.42	6.75—8.00		
March	9.54	8.70—10.48	6.37	5.75—7.00	6.99	6.25—7.50	7.49	7.00—7.80	7.62	7.00—8.25		
April	9.54	8.81—10.43	6.37	5.75—7.00	6.94	6.25—7.50	7.42	7.00—7.75	7.64	7.00—8.25		
May	9.58	8.88—10.43	6.41	5.75—7.00	7.00	6.50—7.50	7.48	7.00—7.80	7.71	7.00—8.25		
June p	9.63	8.92—10.48	6.43	5.75—7.00	7.00	6.40—7.50	7.45	7.00—7.75	7.86	7.25—8.25		

Reporting period 1	Deposit rates (cont'd)											
	Savings deposits 2					Savings deposits — Special savings facilities 2						
	at statutory notice		at agreed notice		of 12 months		of 4 years and over		Lump-sum savings contracts concluded for 1 year		Instalment savings contracts concluded for 7 years with one-off bonus (effective interest rate) 7	
	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread	Average interest rate	Spread
1989 May	2.44	2.00—3.00	3.13	2.50—4.00	4.33	3.75—5.00	5.22	4.50—5.75	5.44	5.03—5.87		
June	2.45	2.00—3.00	3.14	2.50—4.00	4.34	3.75—5.00	5.42	4.50—6.00	5.45	5.03—5.87		
July	2.46	2.00—3.00	3.14	2.75—4.00	4.35	3.75—5.00	5.60	5.00—6.00	5.46	5.03—5.87		
Aug.	2.47	2.00—3.00	3.15	2.75—4.00	4.35	4.00—5.00	5.62	5.00—6.00	5.47	5.03—5.87		
Sep.	2.47	2.00—3.00	3.15	2.75—4.00	4.36	4.00—5.00	5.71	5.00—6.25	5.47	5.03—5.87		
Oct.	2.55	2.00—3.25	3.23	2.75—4.25	4.44	4.00—5.50	6.07	5.25—6.75	5.53	5.03—5.92		
Nov.	2.75	2.00—3.50	3.43	2.75—4.50	4.62	4.00—5.50	6.35	5.75—7.00	5.73	5.12—6.32		
Dec.	2.79	2.50—3.50	3.47	3.00—4.50	4.66	4.00—5.50	6.50	6.00—7.00	5.78	5.23—6.32		
1990 Jan.	2.79	2.50—3.50	3.48	3.00—4.50	4.67	4.00—5.50	6.60	6.00—7.00	5.78	5.23—6.32		
Feb.	2.82	2.50—3.50	3.48	3.00—4.50	4.68	4.00—5.50	7.04	6.50—7.50	5.81	5.43—6.32		
March	2.82	2.50—3.50	3.49	3.00—4.50	4.69	4.00—5.75	7.17	6.75—7.50	5.81	5.48—6.32		
April	2.82	2.50—3.50	3.50	3.00—4.50	4.70	4.00—5.75	7.16	6.75—7.50	5.82	5.48—6.32		
May	2.82	2.50—3.50	3.50	3.00—4.50	4.70	4.00—6.00	7.20	6.90—7.75	5.82	5.48—6.32		
June p	2.81	2.50—3.50	3.50	3.00—4.50	4.70	4.00—6.00	7.24	7.00—7.75	5.82	5.48—6.32		

For footnotes *, 1 and 2 see p. 51*. — 3 With maturities of over 24 months but not more than 48 months. — 4 Interest rates as % per month of original amount of credit taken up. Besides interest, most banks charge a non-recurring processing fee (generally 2%, in some cases 3%, of the credit amount). — 5 Calculated on the basis of reported monthly rates (see footnote 4) and reported annual rates on the respective amount of debt and on the basis of the respective processing fees in consideration of reported

maturities. — 6 The figures refer to the time when the contract was concluded and not to the entire duration of the contract. The calculation of the effective interest rate is based on an annual redemption rate of 1% plus interest saved; the repayment conditions agreed upon in each case by the banks involved are taken into account (at present mostly monthly payment and inclusion or quarterly payment and inclusion). — 7 Saving over six years and blocked for one year. — p Provisional.

8. Selected central bank rates abroad

Country/Interest rate	New rate		Previous rate		Country/Interest rate	New rate		Previous rate	
	% p.a.	Applicable from	% p.a.	Applicable from		% p.a.	Applicable from	% p.a.	Applicable from
1. EC member countries					2. Other European countries				
Belgium-Luxembourg Discount rate 1	10 ¼	Oct. 6, '89	9 ¼	June 30, '89	Austria Discount rate	6 ½	Oct. 6, '89	5 ½	June 30, '89
Denmark Discount rate	8	March 23, '90	7	Oct. 27, '83	Sweden Discount rate	11	May 18, '90	12	March 16, '90
Rate for central bank lending 2	10 ½	June 22, '90	11	April 27, '90	Switzerland Discount rate	6	Oct. 6, '89	5 ½	June 30, '89
France Intervention rate 3	9 ½	April 26, '90	9 ¼	April 2, '90	3. Non-European countries				
Greece Discount rate 4	19	Dec. 31, '87	20 ½	July 1, '80	Canada Discount rate 8	13.83	June 28, '90	13.92	May 31, '90
Ireland Rate for central bank lending 6	11	June 27, '90	11 ½	June 1, '90	Japan Discount rate	5 ¼	March 20, '90	4 ¼	Dec. 25, '89
Italy Discount rate	12 ½	May 21, '90	13 ½	March 6, '89	United States Discount rate	7	Feb. 24, '89	6 ½	Aug. 9, '88
Netherlands Discount rate	7	Oct. 6, '89	6	June 30, '89					
Lombard rate 7	7 ¾	Oct. 6, '89	6 ¾	June 30, '89					
Portugal Discount rate	14 ½	March 21, '89	13 ½	May 6, '88					
Spain Discount rate	8	July 26, '77	7	Aug. 10, '74					
United Kingdom Intervention rate 5	14 ¾	Oct. 6, '89	13 ¾	May 26, '89					

1 As from May 9, 1985 floating discount rate geared to the rate for 3-month Treasury bills. — 2 The rate at which the Danmarks National Bank provides central bank money on a daily basis. — 3 The rate at which the Banque de France purchases short-term paper. — 4 As the banks are not normally indebted to the central bank, the discount rate is at present not used for controlling the interest rate level. — 5 The rate at which the Bank of England purchases bills (running up to two weeks) within band 1. —

6 Short-term facility rate: rate at which the central bank grants the banks short-term credit. — 7 The rate at which the Nederlandsche Bank provides (against collateral) the larger part of its central bank money. — 8 As from March 13, 1980 floating discount rate (average weekly Treasury bill tender rate plus ¼ percentage point). The rate applying about one month earlier is also stated to provide a comparison.

9. Money market rates abroad

Monthly or weekly averages of daily figures 1
% p.a.

Month or week	Amsterdam		Brussels		London		New York		Paris	Zurich	Euro-dollar market 8			Memo item	
	Day-to-day money	Treasury bills (three months) Market discount	Day-to-day money 2	Treasury bills (three months) Tender rate 3	Day-to-day money 4	Treasury bills (three months) Tender rate 5	Federal funds 6	Treasury bills (three months) Tender rate 5	Day-to-day money secured by private paper	Three-month funds 7	Day-to-day money	One-month funds	Three-month funds	Swap rates in the open market 9	US\$/DM | £/DM
1989 Jan.	5.56	5.51	5.37	7.70	13.14	12.46	9.12	8.29	8.46	4.89	9.04	9.17	9.33	— 3.61	— 7.18
Feb.	6.14	6.21	5.69	8.40	13.03	12.36	9.36	8.48	8.70	5.29	9.20	9.43	9.67	— 3.10	— 6.27
March	6.36	6.27	7.02	8.20	12.88	12.42	9.85	8.83	8.45	5.50	9.78	10.02	10.22	— 3.61	— 6.24
April	6.27	6.25	6.68	8.30	11.95	12.48	9.84	8.70	8.31	5.70	9.79	9.93	10.10	— 3.66	— 6.50
May	6.77	7.03	6.11	8.65	13.06	12.52	9.81	8.40	8.51	6.66	9.68	9.71	9.71	— 2.72	— 5.98
June	6.76	6.83	6.86	8.50	13.74	13.53	9.53	8.22	8.93	6.69	9.48	9.45	9.33	— 2.40	— 6.99
July	6.94	6.79	6.76	8.50	14.06	13.29	9.24	7.92	9.19	6.30	9.15	9.08	8.91	— 1.99	— 6.74
Aug.	7.20	6.73	7.49	8.45	13.98	13.31	8.99	7.91	9.05	6.73	8.87	8.85	8.77	— 1.77	— 6.63
Sep.	7.23	6.98	7.51	9.20	14.00	13.43	9.02	7.72	8.98	7.03	8.88	8.92	8.91	— 1.49	— 6.37
Oct.	8.00	7.47	8.07	9.65	14.94	14.44	8.84	7.59	9.85	7.23	8.79	8.73	8.72	— 0.69	— 6.79
Nov.	8.25	7.71	8.55	9.80	15.05	14.43	8.55	7.67	9.97	7.20	8.52	8.51	8.48	— 0.26	— 6.62
Dec.	8.43	7.80	7.89	10.25	15.16	14.50	8.45	7.64	10.49	8.08	8.57	8.69	8.44	— 0.22	— 6.60
1990 Jan.	8.55	8.13	8.46	10.40	14.97	14.49	8.23	7.64	10.68	9.00	8.23	8.26	8.28	+ 0.02	— 6.57
Feb.	8.61	8.19	8.03	10.40	15.03	14.45	8.24	7.76	10.43	8.68	8.17	8.22	8.30	+ 0.16	— 6.43
March	8.24	7.85	9.61	10.30	15.14	14.51	8.28	7.87	10.20	8.53	8.22	8.34	8.43	— 0.10	— 6.71
April	8.15	7.57	8.84	10.05	14.98	14.59	8.26	7.78	9.89	8.78	8.27	8.36	8.50	— 0.26	— 6.76
May	8.18	7.54	9.02	9.85	15.11	14.52	8.18	7.78	9.75	8.15	8.14	8.26	8.41	— 0.21	— 6.68
June	...	...	...	9.40	14.91	14.38	8.29	7.74	9.80	8.33	8.20	8.22	8.28	— 0.10	— 6.48
Week ending p															
1990 May 25			8.54	9.95	15.06	14.46	8.22	7.74	9.80	8.15	8.13	8.21	8.34	— 0.15	— 6.52
June 1			7.73	9.75	15.50	14.48	8.19	7.80	9.85	...	8.19	8.23	8.32	— 0.16	— 6.71
8			9.44	9.75	14.80	14.44	8.26	7.69	9.68	...	8.18	8.21	8.27	— 0.10	— 6.67
15			8.26	9.65	14.71	14.36	8.30	7.73	9.60	...	8.18	8.20	8.25	— 0.08	— 6.43
22			6.98	9.50	15.01	14.32	8.23	7.74	9.79	...	8.17	8.21	8.26	— 0.11	— 6.43
29			7.88	9.40	15.13	14.32	8.28	7.78	10.11	...	8.33	8.26	8.31	— 0.12	— 6.39

1 Unless stated otherwise. — 2 Rates in the compensation market, weighted with the amounts lent out. — 3 For monthly and weekly figures the latest rate in each case. — 4 Average of the lowest and highest rate for overnight money quoted daily in the Financial Times. — 5 Months: average of the tender rates at the weekly Treasury bill auctions (New York: Mondays, London: Fridays); weeks: average of the tender rates on the day of issue. — 6 Weekly average (Thursdays to Wednesdays). — 7 Three-

month deposits with big banks in Zurich; months: average of the rates reported on the three return dates (10th, 20th and last day of the month), as from July 1989 average of end-of-month figures. Figure for the last week = that for the last day of the month. — 8 The rates are based on quotations reported by Frankfurt and Luxembourg banks. — 9 Rates for three-month contracts. — p Partly provisional figures.

VI. Capital market

1. Sales and purchases of securities

DM million

Period	Bonds															
	Sales = total purchases (col. 2 plus col. 10 or col. 11 plus col. 15)	Sales									Purchases					
		Total	Domestic bonds 1							Foreign bonds 3	Total 4	Residents				Non-residents 7
			Total	Bank bonds			Public bonds 2	Industrial bonds	Banks 5			Non-banks 6	Bundesbank open market operations 5			
1	2	3	Mortgage bonds 4	Com-munal bonds 5	Bonds of specialised banks 6	Other bank bonds 7				8	9			10	11	12	13	14	15
1980	52,556	45,218	41,546	6,131	24,758	1,952	8,706	-1,263	4,934	7,338	52,261	17,338	33,166	1,757	294	
1981	73,076	66,872	70,451	6,856	36,729	4,863	22,002	-972	-2,608	6,204	74,528	17,565	57,149	-186	-1,453	
1982	83,709	72,726	44,795	9,217	36,099	4,503	-5,021	-634	28,563	10,983	81,437	43,093	36,672	1,672	2,272	
1983	91,270	85,527	51,726	8,510	28,312	7,358	7,545	-594	34,393	5,743	80,469	35,208	42,873	2,388	10,801	
1984	86,813	71,101	34,639	4,840	19,425	2,528	7,846	-201	36,664	15,712	72,995	26,432	50,020	-3,457	13,818	
1985	103,511	76,050	33,013	4,081	18,446	8,001	2,484	298	42,738	27,461	72,051	32,731	39,526	-206	31,460	
1986	103,877	87,485	29,509	5,149	13,121	9,718	1,520	200	57,774	16,392	44,798	31,297	12,433	1,068	59,079	
1987	112,951	88,190	28,448	-1,757	5,960	8,477	15,764	-27	59,768	24,761	77,958	44,319	34,350	-711	34,993	
1988	89,776	35,100	-11,029	-5,168	65	-2,911	-3,011	-100	46,228	54,676	87,690	33,454	53,834	402	2,085	
1989	118,902	78,409	52,418	3,976	489	8,968	38,984	344	25,649	40,493	96,406	15,106	81,986	-686	22,496	
1989 April	4,987	2,162	1,250	200	-768	105	1,713	-11	922	2,825	1,649	-3,049	4,807	-109	3,338	
May	9,961	9,932	6,246	71	2,394	369	3,412	-1	3,688	29	8,553	2,312	6,319	-78	1,408	
June	7,740	6,056	4,047	-43	-229	836	3,482	119	1,890	1,684	4,121	713	3,578	-170	3,619	
July	14,209	9,857	7,100	-252	1,830	708	4,814	-4	2,760	4,352	9,539	-114	9,792	-139	4,670	
Aug.	3,750	-623	1,699	245	-1,039	312	2,181	-14	-2,308	4,373	1,051	-3,374	4,472	-47	2,699	
Sep.	10,761	4,962	4,266	476	-345	1,244	2,892	135	562	5,799	8,460	4,242	4,245	-27	2,301	
Oct.	15,969	13,703	11,352	1,437	3,144	3,219	3,551	0	2,352	2,266	9,684	2,021	7,672	-9	6,286	
Nov.	17,203	16,327	10,973	1,171	560	1,255	7,987	0	5,355	876	11,041	3,483	7,479	79	6,163	
Dec.	4,507	3,744	1,420	-601	-2,847	914	3,954	-11	2,336	763	4,940	72	5,052	-184	-433	
1990 Jan.	24,176	22,505	18,891	58	3,927	2,248	12,658	-13	3,627	1,671	23,886	6,442	17,297	147	290	
Feb.	14,993	12,279	9,829	257	-2,109	2,490	9,191	-7	2,457	2,714	21,336	6,693	14,203	440	-6,344	
March	15,396	10,303	9,302	-845	-2,722	2,581	10,288	-1	1,002	5,093	20,725	5,013	15,769	-57	-5,329	
April	10,872	6,507	5,314	-697	-1,960	1,069	6,903	-11	1,204	4,365	9,724	-3,305	13,128	-99	1,149	
May p	21,679	19,782	5,890	-260	779	1,176	4,195	-4	13,896	1,897	18,008	4,647	13,393	-32	3,671	
Period	Shares											Memorandum items				
	Sales = total purchases (col. 17 plus col. 18 or col. 19 plus col. 22)	Sales		Purchases							Net securities transactions with non-residents (capital exports: -, capital imports: +)					
		Domestic shares 8	Foreign equities 9	Residents				Non-residents 12	Total	Bonds (col. 15 less col. 10)	Equities (col. 22 less col. 18)					
				Total 10	Banks 5, 11	Non-banks 6										
16	17	18	19	20	21	22	23	24	25							
1980	10,517	6,948	3,569	9,419	-284	9,703	1,098	-9,514	-7,043	-2,471						
1981	10,163	5,516	4,647	7,079	-336	7,415	3,084	-9,219	-7,656	-1,563						
1982	9,207	5,921	3,286	8,751	267	8,484	456	-11,542	-8,711	-2,830						
1983	15,589	7,271	8,318	13,134	692	12,442	2,456	-805	+5,058	-5,863						
1984	11,954	6,278	5,676	7,962	1,533	6,429	3,992	-3,579	-1,894	-1,684						
1985	18,469	11,009	7,460	11,256	2,480	8,776	7,213	+3,751	+3,999	-247						
1986	32,281	16,394	15,887	17,107	5,901	11,206	15,174	+41,973	+42,687	-713						
1987	16,610	11,889	4,721	17,952	3,791	14,161	-1,342	+4,169	+10,232	-6,063						
1988	34,322	7,528	26,794	30,993	3,303	27,690	3,329	-76,056	-52,590	-23,465						
1989	40,370	19,365	21,005	14,158	6,122	8,036	26,213	-12,790	-17,997	+5,207						
1989 April	3,526	1,546	1,980	2,943	327	2,616	583	-884	+513	-1,397						
May	729	130	599	1,194	-56	1,250	-464	+316	+1,379	-1,064						
June	3,921	2,205	1,716	2,850	-27	2,877	1,071	+1,290	+1,935	-645						
July	2,498	566	1,932	1,041	992	49	1,456	-157	+318	-475						
Aug.	2,234	1,455	779	-41	-308	267	2,275	-178	+1,674	+1,496						
Sep.	1,840	596	1,244	-497	1,150	-1,647	2,336	-2,406	-3,498	+1,093						
Oct.	1,948	2,006	-58	-5,418	211	-5,629	7,366	+11,443	+4,019	+7,424						
Nov.	7,527	5,361	2,166	2,345	916	1,429	5,181	+8,302	+5,286	+3,016						
Dec.	4,743	1,623	3,120	-273	1,247	-1,520	5,016	+700	-1,196	+1,896						
1990 Jan.	4,983	2,846	2,137	1,178	2,764	-1,586	3,806	+287	-1,381	+1,668						
Feb.	6,861	2,758	4,103	4,439	663	3,776	2,422	-10,738	-9,057	-1,681						
March	2,301	2,049	252	1,070	1,663	-593	1,231	-9,443	-10,422	+979						
April	3,701	2,293	1,408	4,733	1,984	2,749	-1,033	-5,657	-3,217	-2,440						
May p	3,964	2,749	1,215	4,960	-636	5,596	-996	-437	+1,774	-2,211						

1 Net sales at market values plus/less change in issuers' portfolios of their own bonds. — 2 Including Federal Railways and Federal Post Office. — 3 Net purchases (+) or net sales (-) of foreign bonds by residents; transaction values. — 4 Domestic and foreign bonds. — 5 Book values, statistically adjusted. — 6 Residual; also including purchases of domestic and foreign securities by domestic investment funds. — 7 Net purchases (+) or net sales (-) of domestic bonds by non-residents; transaction values. — 8 At issue prices. — 9 Net purchases (+) or net sales (-) of foreign equities

(including direct investment and investment fund units) by residents; transaction values. — 10 Domestic and foreign equities. — 11 Excluding shares under syndicate agreement. — 12 Net purchases (+) or net sales (-) of domestic equities (including direct investment and investment fund units) by non-residents; transaction values. — p Provisional.

Discrepancies in the totals are due to rounding.

2. Sales of bonds* issued by residents

DM million nominal value

Period	Total	Bank bonds 1					Industrial bonds 6	Public bonds 7	Memo item DM bonds issued by non-residents
		All bank bonds	Mortgage bonds 2	Communal bonds 3	Bonds of specialised banks 4	Other bank bonds 5			
Gross sales 8									
1987	245,370	149,971	18,187	67,578	18,560	45,644	340	95,060	25,087
1988	208,952	130,448	19,699	62,460	12,707	35,584	30	78,475	40,346
1989	253,262	183,904	23,678	61,500	25,217	73,509	300	69,058	33,591
1989 May	18,446	13,096	1,696	4,919	1,020	5,461	—	5,350	1,450
June	19,942	16,313	1,848	5,535	2,182	6,747	100	3,529	3,650
July	24,405	15,225	1,875	5,322	1,175	6,853	—	9,181	3,205
Aug.	13,279	11,168	1,374	3,773	1,438	4,584	—	2,111	1,225
Sep.	19,823	15,052	1,676	5,210	2,292	5,875	100	4,670	1,915
Oct.	28,104	21,129	3,125	7,367	4,198	6,439	—	6,974	1,785
Nov.	28,910	21,334	2,387	5,992	2,578	10,377	—	7,576	1,862
Dec.	26,179	20,644	1,903	5,249	5,041	8,451	—	5,536	3,920
1990 Jan.	37,372	28,335	1,587	7,751	3,521	15,476	—	9,037	2,955
Feb.	30,671	23,490	1,834	5,707	3,772	12,178	—	7,180	4,311
March	32,085	24,175	1,111	5,963	3,371	13,729	—	7,910	5,917
April	27,448	18,012	913	4,285	2,404	10,410	—	9,437	3,454
May	29,843	14,588	911	4,269	2,263	7,144	—	15,254	2,071
of which: Bonds with a maximum maturity according to the terms of issue of over 4 years									
1987	198,281	107,701	16,214	58,095	12,420	20,967	340	90,242	25,087
1988	169,746	93,757	16,890	50,948	8,742	17,178	30	75,958	39,771
1989	192,435	124,958	21,092	50,943	20,170	32,751	300	67,175	29,598
1989 May	12,476	7,645	1,361	3,842	406	2,036	—	4,830	1,350
June	14,810	11,180	1,590	4,635	1,872	3,083	100	3,529	3,400
July	20,000	10,820	1,710	4,457	964	3,688	—	9,181	3,055
Aug.	9,521	7,410	1,183	2,668	1,177	2,381	—	2,111	1,040
Sep.	14,453	9,683	1,486	4,270	1,821	2,107	100	4,670	1,565
Oct.	22,592	15,618	2,879	5,961	3,950	2,827	—	6,974	1,575
Nov.	22,156	14,580	1,972	4,929	2,198	5,480	—	7,576	1,412
Dec.	18,250	13,776	1,724	4,403	4,072	3,578	—	4,473	2,145
1990 Jan.	24,321	15,359	1,411	5,877	1,995	6,076	—	8,962	2,225
Feb.	21,176	13,996	1,679	4,207	2,777	5,333	—	7,180	3,703
March	22,630	14,869	997	4,140	2,610	7,121	—	7,760	5,587
April	20,003	10,617	730	2,981	1,754	5,151	—	9,387	3,349
May	23,549	8,585	663	2,943	1,573	3,407	—	14,964	2,071
Net sales 9									
1987	92,960	30,346	-1,472	6,846	8,803	16,171	-56	62,667	8,769
1988	40,959	-8,032	-4,698	1,420	-2,888	-1,869	-100	49,092	28,604
1989	80,594	52,813	3,780	929	9,155	38,947	254	27,530	22,843
1989 May	10,694	7,049	326	2,756	419	3,547	-1	3,646	381
June	5,643	4,166	-61	-276	842	3,661	99	1,377	2,820
July	9,330	6,490	-459	1,580	632	4,737	-4	2,844	2,347
Aug.	1,566	1,729	163	-864	339	2,090	-14	-148	657
Sep.	4,776	4,762	495	209	1,271	2,787	100	-86	1,355
Oct.	13,810	11,218	1,407	2,626	3,289	3,895	-0	2,593	853
Nov.	15,995	11,088	1,262	674	1,266	7,886	-0	4,907	1,392
Dec.	2,387	-755	-760	-3,834	759	3,081	-11	3,154	2,466
1990 Jan.	25,511	20,355	215	4,702	2,591	12,848	-13	5,169	1,900
Feb.	14,347	11,260	511	-1,646	2,917	9,478	-7	3,094	3,373
March	10,372	9,906	-756	-2,747	2,694	10,715	-1	467	4,709
April	7,868	5,774	-834	-1,981	1,751	6,839	-11	2,105	2,386
May	19,865	6,536	-221	954	1,442	4,360	-4	13,334	-532

* Excluding securities from pre-currency-reform issues and old savers' securities. — 1 Excluding registered bank bonds. — 2 Including ship mortgage bonds. — 3 Including Kommunalschatzanweisungen, Landesbodenbriefe, Bodenkulturschuldverschreibungen, bonds issued to finance shipbuilding and guaranteed by local authorities as well as bonds with other designations, provided that they were issued under section 8 (2) of the Act on Mortgage and Similar Bonds Issued by Public Banks. — 4 This includes all bearer bonds of the following banks: AKA-Ausfuhrkredit-Gesellschaft mbH, Bayerische Landesanstalt für Aufbaufinanzierung, Deutsche Genossenschaftsbank, Deutsche Siedlungs- und Landesrentenbank, Deutsche Verkehrs-Kredit-Bank AG, Industriekreditbank AG — Deutsche Industriebank, Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), Landwirtschaftliche Rentenbank, Deutsche Ausgleichsbank (formerly: Lastenausgleichsbank (Equalisation of Burdens Bank)) and building and loan associations. — 5 This item contains, in particular, bonds

issued by regional giro institutions, the proceeds of which are, in the main, extended as credit to trade and industry. Also including "uncovered" mortgage bonds, bearer bonds (including convertible and option bonds) issued by banks, and marketable savings bonds. — 6 Including convertible and option bonds issued by industrial borrowers. — 7 Including Federal Railways and Federal Post Office, but excluding bonds issued on behalf of the Equalisation of Burdens Fund. — 8 Gross sales means only initial sales of newly issued securities, not, however, resales of repurchased bonds. Securities sales in respect of which the buyer has not received any physical securities, for reasons connected with printing or for other reasons, are included. — 9 Gross sales less redemptions; the minus sign indicates an excess of redemptions over the amount newly sold during the period under review. Discrepancies in the totals are due to rounding.

VI. Capital market

3. Redemption of bonds * issued by residents

DM million nominal value

Period	Total	Bank bonds 1					Industrial bonds	Public bonds	Memo item DM bonds issued by non- residents
		All bank bonds	Mortgage bonds	Communal bonds	Bonds of specialised banks	Other bank bonds			
1987	152,411	119,623	19,660	60,734	9,758	29,471	396	32,395	16,318
1988	167,996	138,480	24,394	61,039	15,594	37,452	130	29,385	11,743
1989	172,669	131,093	19,901	60,570	16,062	34,560	46	41,529	10,748
1989 May	7,753	6,047	1,370	2,163	600	1,914	1	1,704	1,069
June	14,299	12,146	1,909	5,811	1,340	3,086	1	2,152	830
July	15,075	8,734	2,334	3,742	543	2,115	4	6,337	858
Aug.	11,713	9,440	1,211	4,637	1,099	2,493	14	2,259	568
Sep.	15,046	10,290	1,182	5,000	1,021	3,088	0	4,756	560
Oct.	14,294	9,912	1,718	4,741	909	2,545	0	4,382	932
Nov.	12,916	10,247	1,126	5,317	1,312	2,491	0	2,669	470
Dec.	23,792	21,399	2,663	9,083	4,282	5,371	11	2,382	1,454
1990 Jan.	11,861	7,980	1,372	3,049	930	2,628	13	3,868	1,055
Feb.	16,324	12,231	1,322	7,353	855	2,700	7	4,086	939
March	21,713	14,268	1,868	8,710	677	3,014	1	7,444	1,208
April	19,581	12,237	1,746	6,267	653	3,571	11	7,332	1,068
May	9,977	8,053	1,133	3,315	821	2,784	4	1,920	2,603

* Excluding securities from pre-currency-reform issues and old savers' securities. Including change in the amount held by trustees. Minus sign (—) indicates that the decline in the amount held by trustees was in excess of the redemptions. The

explanations given in Table VI, 2 (footnotes 2 to 7) regarding the individual categories of securities also apply to Tables VI, 3 and 4. — 1 Excluding registered bank bonds. Discrepancies in the totals are due to rounding.

4. Outstanding amount of bonds * issued by residents

DM million nominal value

End of year or month	Total	Bank bonds 1					Industrial bonds	Public bonds	Memo item DM bonds issued by non- residents
		All bank bonds	Mortgage bonds	Communal bonds	Bonds of specialised banks	Other bank bonds			
1983	777,874	584,458	129,001	307,553	44,358	103,547	2,366	191,050	87,603
1984	849,985	619,760	134,134	327,328	46,691	111,607	2,164	228,061	96,269
1985	929,353	654,628	138,588	346,565	55,022	114,453	2,388	272,337	117,387
1986	1,017,723	685,523	144,338	360,777	64,866	115,541	2,576	329,625	141,243
1987	1,110,682	715,870	142,866	367,622	74,748	130,633	2,520	392,292	150,011
1988	1,151,640	707,837	138,169	369,043	71,859	128,765	2,420	441,383	178,617
1989	1,232,236	760,650	141,948	369,973	81,015	167,714	2,672	468,914	201,460
1989 May	1,178,727	721,952	139,902	369,857	72,617	139,576	2,503	454,272	189,570
June	1,184,370	726,118	139,841	369,581	73,459	143,237	2,602	455,650	192,390
July	1,193,701	732,609	139,382	371,161	74,091	147,975	2,599	458,493	194,737
Aug.	1,195,267	734,337	139,544	370,298	74,430	150,065	2,584	458,346	195,394
Sep.	1,200,043	739,099	140,039	370,507	75,701	152,853	2,684	458,260	196,749
Oct.	1,213,854	750,317	141,447	373,133	78,990	156,747	2,684	460,853	197,602
Nov.	1,229,848	761,405	142,708	373,807	80,256	164,633	2,684	465,760	198,994
Dec.	1,232,236	760,650	141,948	369,973	81,015	167,714	2,672	468,914	201,460
1990 Jan.	1,257,747	781,005	142,162	374,675	84,350	179,818	2,660	474,082	203,360
Feb.	1,272,094	792,265	142,673	373,029	87,267	189,296	2,653	477,176	206,733
March	1,282,466	802,171	141,917	370,282	89,960	200,011	2,652	477,643	211,442
April	1,290,334	807,945	141,083	368,301	91,711	206,850	2,641	479,747	213,828
May	1,310,199	814,481	140,862	369,256	93,153	211,210	2,636	493,081	213,296
Maturity in years	Breakdown by remaining period to maturity 2 Position as at May 31, 1990								
4 and under over 4 but less than 10 10 and over	Issues falling due en bloc								
	721,340	509,484	64,210	236,759	51,356	157,159	624	211,232	87,601
	527,111	254,381	46,413	114,636	40,077	53,256	1,961	270,770	109,588
	16,886	5,806	1,361	2,731	1,030	684	—	11,081	11,118
4 and under over 4 but less than 10 10 to less than 20 20 and over	Issues not falling due en bloc								
	13,681	13,629	8,575	4,848	147	60	52	—	3,027
	22,185	22,185	13,476	8,112	543	52	—	—	1,640
	8,888	8,888	6,784	2,105	—	—	—	—	96
	107	107	42	65	—	—	—	—	227

* Excluding securities from pre-currency-reform issues and old savers' securities; including bonds temporarily held in the issuers' portfolios. — 1 Excluding bonds handed to the trustee for temporary safe custody and excluding registered bank bonds. — 2 Calculated from month under review until final maturity for issues falling

due en bloc and until mean maturity of the residual amount outstanding for issues not falling due en bloc. Discrepancies in the totals are due to rounding.

5. Changes in share circulation

DM million nominal value

Period	Circulation at end of period under review	Net increase or net decrease during period under review	Increase during period under review									Decrease during period under review		
			Cash payment 1	Ex-change of convertible bonds, etc.	Issue of bonus shares 2	Contri-bution of claims	Contri-bution of shares, mining shares, GmbH shares, etc.	Contri-bution of other real assets	Merger and transfer of assets	Change from a different legal form	Con- version of Reichs- mark capital	Re- duction of capital, and liquida- tion	Merger and transfer of assets	Change into a different legal form
1984	104,695	+ 3,624	2,982	10	612	0	118	164	138	640	—	854	121	65
1985	108,911	+ 4,216	3,761	8	842	29	193	452	197	318	—	945	566	73
1986	114,680	+ 5,769	4,543	17	1,050	20	554	11	160	1,030	—	1,017	476	123
1987	117,768	+ 3,088	3,072	9	425	176	184	62	527	1,060	—	1,165	992	269
1988	121,906	+ 4,137	2,712	0	1,226	28	1,070	290	86	847	—	1,241	409	470
1989	132,036	+ 10,132	4,728	2	767	232	546	785	25	3,936	—	571	107	211
1989 May	124,675	+ 259	96	—	103	—	—	0	3	82	—	26	—	—
June	127,454	+ 2,779	581	—	25	140	297	—	—	2,082	—	318	28	—
July	128,286	+ 832	182	—	235	—	125	200	—	95	—	5	—	0
Aug.	128,927	+ 641	390	—	129	8	35	301	21	68	—	65	35	210
Sep.	129,276	+ 350	273	—	40	—	0	—	0	90	—	41	12	0
Oct.	129,985	+ 709	491	—	47	84	—	1	—	93	—	6	—	—
Nov.	130,786	+ 801	706	—	87	—	39	5	1	—	—	7	30	—
Dec.	132,036	+ 1,250	418	—	92	—	—	267	—	479	—	7	—	1
1990 Jan.	132,320	+ 284	778	0	37	—	31	253	67	12	—	794	21	80
Feb.	133,417	+ 1,097	976	—	27	1	38	21	28	6	—	—	—	—
March	133,968	+ 551	312	—	—	—	—	—	—	240	—	—	—	1
April	136,151	+ 2,183	348	17	7	109	10	1,699	—	1	—	—	—	7
May	137,070	+ 919	889	—	9	—	11	66	—	114	—	—	—	170

1 Including share issues out of company profits. — 2 Issued under the Act on Capital Increases out of Company Resources and on the Profit and Loss Account of Decem-

ber 23, 1959, and the Companies Act of September 6, 1965, sections 207 to 220. Discrepancies in the totals are due to rounding.

6. Yields on domestic securities

% p.a.

Period	Fully taxed bonds 1										Memo item DM bonds issued by non-residents 2	Shares 3	
	Bonds issued during period under review (yields on newly issued bonds)					Bonds outstanding (yields on bonds outstanding)						including tax credit	excluding
	Bonds, total	of which				Bonds, total	of which						
		Mortgage bonds	Com-munal bonds	Industrial bonds	Public bonds		Mortgage bonds	Com-munal bonds	Industrial bonds	Public bonds			
1984	7.7	7.8	7.7	—	7.8	7.8	7.8	7.8	7.8	7.8	7.9	3.61	2.31
1985	6.9	7.0	7.0	7.4	6.9	6.9	7.0	7.0	7.1	6.9	7.3	2.47	1.58
1986	6.1	6.3	6.1	—	5.9	6.0	6.1	6.0	6.6	5.9	6.6	2.74	1.75
1987	5.9	5.9	5.8	6.7	6.0	5.8	5.9	5.8	6.6	5.8	6.4	4.42	2.83
1988	6.0	6.0	5.9	—	6.2	6.0	6.1	5.9	6.8	6.1	6.0	3.50	2.24
1989	7.0	7.1	7.1	—	6.9	7.1	7.2	7.2	7.2	7.0	7.1	2.85	1.82
1989 May	6.9	6.9	7.0	—	6.9	7.1	7.2	7.2	7.2	7.1	7.1	3.50	2.24
June	7.0	6.9	7.0	—	6.9	7.1	7.2	7.2	7.3	6.9	7.1	3.35	2.14
July	6.8	6.9	7.0	—	6.7	6.9	7.1	7.1	7.1	6.8	7.0	3.21	2.06
Aug.	6.8	6.8	6.9	—	6.7	6.9	7.0	7.0	6.9	6.8	7.0	3.11	1.99
Sep.	7.0	7.1	7.1	—	6.9	7.1	7.2	7.2	7.0	7.1	7.2	3.08	1.97
Oct.	7.3	7.4	7.4	—	7.1	7.4	7.6	7.6	7.6	7.3	7.5	3.27	2.09
Nov.	7.6	7.8	7.8	—	7.4	7.8	7.9	7.9	7.8	7.6	7.8	3.12	2.00
Dec.	7.8	7.8	7.8	—	7.7	7.8	7.9	7.9	7.9	7.6	7.8	2.85	1.82
1990 Jan.	7.8	7.9	8.0	—	7.5	8.0	8.1	8.1	7.9	7.9	8.1	2.77	1.77
Feb.	8.4	8.5	8.5	—	8.2	8.7	8.7	8.7	8.5	8.7	9.0	2.84	1.82
March	8.8	8.8	8.9	—	8.9	9.0	9.1	9.1	9.2	8.9	9.3	2.68	1.72
April	8.7	8.7	8.7	—	8.8	8.9	9.0	9.0	9.1	8.9	9.1	2.98	1.91
May	8.8	8.9	8.9	—	8.8	9.0	9.0	9.0	9.2	8.9	9.3	2.97	1.90
June	...	...	...	...	...	9.0	9.0	9.0	9.1	9.0	9.3	2.91	1.86

1 Bearer bonds with maximum maturities according to the terms of issue of over 4 years, if their mean residual maturities exceed 3 years. Convertible bonds, etc., bank bonds with unscheduled redemption, zero bonds, floating rate notes and foreign-currency bonds of domestic issuers are not included. Group yields for the various categories of securities are weighted with the amounts outstanding or (in the case of issue yields) the amounts sold of the bonds included in the calculation. Monthly figures

for yields on bonds outstanding are calculated on the basis of the yields on the four bank-week return dates of a month (including the yields on the last day of the preceding month); as from 1986 they are calculated on the basis of the yields on all the business days of a month. The annual figures are the unweighted means of the monthly figures. — 2 As far as quoted on German stock exchanges. — 3 Dividend yield; end of year or month. Source: Federal Statistical Office.

End of month	Number of enterprises covered	Total assets covered	Liquid funds 1 (except time balances with banks)	Time balances with banks 2	Investments (excluding time balances with banks)							
					Total	Mortgage loans, and land charges in annuity and other forms	Registered bonds, loans against borrowers' notes and other loans	Securities 3	Participations	Loans and advance payments on insurance policies	Real estate and equivalent titles	Equalisation claims 4
Reinsurance companies												
1987 June	31	40,593	204	728	39,661	104	9,689	16,713	10,279	—	2,833	43
Sep.	31	41,968	281	786	40,901	102	9,981	17,467	10,404	—	2,895	52
Dec.	31	43,125	343	752	42,030	101	10,142	17,184	11,429	—	3,123	51
1988 March	29	42,102	284	616	41,202	99	10,252	16,920	10,854	—	2,985	92
June	29	43,208	63	776	42,369	89	10,448	16,841	11,871	—	3,012	108
Sep.	30	44,793	252	742	43,799	90	11,271	17,168	12,123	—	3,015	132
Dec.	30	45,314	233	645	44,436	91	11,112	17,287	12,597	—	3,218	131
1989 March	29	47,032	262	613	46,157	93	11,127	18,254	13,271	—	3,127	285
June	30	48,357	207	1,010	47,140	92	11,152	18,927	13,621	—	3,063	285
Sep.	30	50,033	138	1,025	48,870	116	11,332	19,899	14,158	—	3,083	282
Dec.	30	50,617	153	822	49,642	117	11,638	19,214	15,227	—	3,162	284
1990 March p	29	50,767	112	748	49,907	151	11,500	18,985	15,627	—	3,226	418

* Source: Federal Supervisory Office for Insurance Enterprises. — 1 Cash balances, balances with the Bundesbank, postal giro account balances and balances on current accounts with banks. — 2 At fixed period or notice of one month or more. —

3 Excluding Debt Register claims; see footnote 4. — 4 Including other Debt Register claims, which used to be included in "Securities". — p Provisional.

8. Investment companies' sales receipts

DM million								
Period	Total	Domestic investment funds open to the general public				Domestic specialised investment funds (securities-based and open-end real estate funds)	Net acquisition of foreign investment fund units by residents	
		Total	Securities-based funds		Open-end real estate funds			
			Share-based funds 1	Bond-based funds				
1980	959	— 1,200	— 902	— 493	195	2,230	— 70	
1981	31	— 2,530	— 1,105	— 1,339	— 86	2,553	7	
1982	4,743	998	— 672	1,335	335	3,809	— 63	
1983	7,559	3,815	— 574	1,719	1,522	3,706	38	
1984	8,691	4,166	— 1,128	4,536	758	4,590	— 65	
1985	15,548	8,281	— 957	8,489	749	7,360	— 91	
1986	25,138	12,935	— 530	12,142	1,323	12,291	— 89	
1987	32,218	14,757	— 755	10,977	3,025	17,068	393	
1988	49,415	20,724	— 594	17,937	2,193	15,634	13,057	
1989	39,561	16,435	— 1	15,942	492	16,839	6,286	
1988 May	2,595	1,070	— 101	793	176	591	934	
June	3,208	1,406	— 59	1,318	147	1,023	779	
July	3,774	1,178	— 29	1,014	193	1,866	730	
Aug.	4,221	2,305	— 261	2,002	42	1,000	916	
Sep.	3,368	1,962	— 47	2,006	3	716	690	
Oct.	3,304	1,154	— 75	1,263	— 34	805	1,345	
Nov.	6,382	2,393	— 118	2,318	— 43	1,497	2,492	
Dec.	7,816	2,614	— 69	2,466	79	3,060	2,142	
1989 Jan.	7,080	3,023	— 76	2,876	71	2,065	1,992	
Feb.	5,221	2,803	— 42	2,788	— 27	1,313	1,105	
March	2,884	1,716	— 126	1,684	— 94	328	840	
April	3,891	1,534	— 12	1,516	6	1,503	854	
May	1,080	285	— 126	37	122	828	— 33	
June	1,748	562	— 97	616	43	1,262	— 76	
July	2,947	1,151	— 197	1,162	186	1,336	460	
Aug.	2,839	1,528	— 203	1,194	131	1,086	225	
Sep.	1,476	239	— 317	512	44	1,124	113	
Oct.	2,666	599	— 99	483	17	1,647	420	
Nov.	3,478	2,143	— 52	2,070	21	1,343	— 8	
Dec.	4,251	852	— 124	1,004	— 28	3,004	395	
1990 Jan.	4,047	1,432	— 332	760	340	2,539	76	
Feb.	3,635	1,724	— 230	1,516	— 22	2,011	— 100	
March	2,070	311	— 85	317	— 91	1,587	172	
April	1,722	353	— 246	109	— 2	1,364	5	
May	p 873	48	— 193	— 43	— 102	786	p 39	

1 Including mixed funds, which hold bonds among their assets as well as shares. — Discrepancies in the totals are due to rounding.

p Provisional.

VII. Public finance

1. Finances of the public sector *

DM billion																	
Period	Central, regional and local authorities 1										Social security funds 2			Public sector, total 3			
	Receipts		Expenditure								Balance of receipts and expenditure	Re-ceipts 6	Ex-pend-iture	Balance of receipts and expenditure	Re-ceipts	Ex-pend-iture	Balance of receipts and expenditure
	Total	of which Taxes	Total 4	of which					Financial aid 5								
				Person-nel ex-pend-iture	Other oper-ating ex-pend-iture	Current grants	Interest paid	Capital forma-tion									
1970 7	188.3	154.2	196.3	61.5	31.7	49.3	6.9	32.3	15.3	- 8.0	91.1	86.2	+ 4.9	267.4	270.6	- 3.2	
1975	297.2	242.1	361.5	119.0	51.9	105.2	14.8	47.8	22.5	- 64.3	189.5	192.3	- 2.8	459.6	526.7	- 67.1	
1980	452.7	365.0	510.1	164.0	76.5	142.1	29.7	62.4	35.4	- 57.4	275.2	271.6	+ 3.6	690.4	744.2	- 53.7	
1982	492.8	378.7	562.8	178.9	85.4	160.5	45.2	54.3	38.5	- 70.0	315.2	310.4	+ 4.8	763.6	828.7	- 65.2	
1983	515.2	396.6	570.5	183.9	89.0	158.1	51.4	50.4	37.7	- 55.3	315.7	316.9	- 1.2	791.9	848.4	- 56.4	
1984	538.5	414.7	584.9	186.7	93.2	160.8	53.6	49.4	41.0	- 46.3	328.2	331.1	- 2.8	828.1	877.3	- 49.2	
1985	565.0	437.2	604.3	193.6	97.3	165.5	56.0	52.0	39.4	- 39.3	343.6	341.7	+ 1.9	868.5	905.9	- 37.4	
1986	587.8	452.4	629.9	202.5	100.6	172.6	57.8	55.6	40.2	- 42.1	360.0	353.9	+ 6.1	907.0	943.0	- 36.0	
1987	602.0	468.7	653.0	211.1	103.4	182.4	58.6	57.2	39.9	- 51.0	374.2	370.7	+ 3.5	933.7	981.3	- 47.6	
1988 pe	620.2	488.1	673.7	216.6	105.6	192.1	60.5	57.6	40.4	- 53.5	393.6	394.9	- 1.3	967.0	1 021.9	- 54.9	
1989 pe	678.5	535.5	699.5	222.0	111.0	201.5	61.0	61.5	41.0	- 21.0	413.5	400.0	+ 13.5	1 042.5	1 050.0	- 7.5	
1988 1st qtr	136.1	113.7	148.3	43.9	21.2	47.2	18.6	8.8	8.7	- 12.1	91.9	96.9	- 4.9	216.9	234.0	- 17.1	
2nd qtr	138.8	115.0	150.1	44.9	20.9	49.2	13.9	10.6	10.2	- 11.3	96.0	96.9	- 0.9	222.6	234.7	- 12.1	
3rd qtr	146.5	122.2	153.8	44.9	22.5	48.1	14.3	13.6	10.6	- 7.2	97.5	97.8	- 0.3	232.5	240.0	- 7.5	
4th qtr	162.9	137.3	185.7	57.1	28.3	53.3	13.3	18.9	14.7	- 22.8	107.5	102.8	+ 4.7	259.2	277.3	- 18.1	
1989 1st qtr	145.9	124.3	155.7	45.3	22.3	52.4	18.2	9.1	8.7	- 9.8	98.1	98.7	- 0.6	229.9	240.3	- 10.4	
2nd qtr	159.3	127.1	156.1	45.5	22.4	51.7	14.0	12.1	10.0	+ 3.2	100.7	98.9	+ 1.9	246.9	241.9	+ 5.0	
3rd qtr	157.4	133.8	156.5	45.8	23.3	49.1	14.8	14.0	10.0	+ 0.8	102.2	99.9	+ 2.2	247.8	244.8	+ 3.1	
4th qtr	178.1	150.3	193.7	58.8	29.5	54.4	13.7	20.4	16.5	- 15.6	112.3	102.3	+ 9.9	279.8	285.5	- 5.6	
1990 1st qtr	150.5	127.1	165.2	47.4	23.9	55.3	18.8	10.1	10.1	- 14.7	104.9	104.0	+ 0.9	240.5	254.2	- 13.7	

* The budgetary definition used here differs from the methods employed for the government account of the national accounts and, in the case of the quarterly figures, in some respects also from the financial statistics. — 1 Federal Government, Länder Governments, local authorities, municipal special-purpose associations, Equalisation of Burdens Fund, ERP Special Fund, and EC shares. The quarterly figures, unlike the annual figures based on the annual accounts statistics of the Federal Statistical Office, do not include municipal special-purpose associations, hospitals keeping commercial accounts and various special accounts. For the receipts of Bundesbank profit see footnote 1 to Table VII, 2. — 2 Statutory pension insurance funds, Federal Labour Office, statutory health insurance and accident insurance institutions, agricultural old-age pension funds, and supplementary pension funds for government

employees. The annual figures differ from the sum of the quarterly figures, as the latter are all provisional. The quarterly figures for some fields of insurance are estimated. — 3 After adjustment for payments by the central, regional and local authorities to the social security funds. — 4 Including discrepancies in clearing transactions between the central, regional and local authorities. — 5 Expenditure on investment grants, loans and acquisition of participations. — 6 Including Federal Government liquidity assistance to the Federal Labour Office. — 7 Excluding municipal special-purpose associations and excluding supplementary pension funds for government employees. — pe Partly estimated. Discrepancies in the totals are due to rounding.

2. Finances of the Federal Government, Länder Governments and local authorities *

DM billion									
Period	Federal Government 1			Länder Governments 2, 3			Local authorities 3, 4		
	Receipts	Expenditure	Balance of receipts and expenditure	Receipts	Expenditure	Balance of receipts and expenditure	Receipts	Expenditure	Balance of receipts and expenditure
1970	88.6	87.6	+ 1.0	74.0	77.1	- 3.1	50.8	56.5	- 5.7
1975	125.0	160.0	- 35.0	126.4	146.3	- 19.9	92.0	101.2	- 9.2
1980	189.9	217.6	- 27.6	186.2	208.6	- 22.4	139.9	145.6	- 5.7
1982	208.9	246.6	- 37.7	199.6	224.2	- 24.6	145.8	153.0	- 7.3
1983	216.8	248.7	- 31.9	206.9	228.3	- 21.4	150.3	151.7	- 1.3
1984	225.2	253.9	- 28.6	216.1	234.3	- 18.2	155.8	154.7	+ 1.1
1985	236.7	259.4	- 22.8	226.2	243.3	- 17.1	163.6	162.9	+ 0.7
1986	240.6	263.9	- 23.3	236.4	254.1	- 17.7	170.8	172.5	- 1.7
1987	243.6	271.5	- 27.9	244.4	263.9	- 19.5	176.7	179.2	- 2.6
1988	242.2	278.2	- 36.0	253.9	270.3	- 16.4	185.4	185.2	+ 0.3
1989 pe	278.0	293.0	- 15.0	275.0	282.5	- 7.5	196.5	194.5	+ 2.0
1988 1st qtr	54.9	66.3	- 11.4	56.8	60.6	- 3.8	34.4	36.3	- 1.8
2nd qtr	59.3	67.4	- 8.1	56.7	60.1	- 3.4	38.0	37.2	+ 0.8
3rd qtr	60.1	67.8	- 7.7	60.3	61.7	- 1.4	40.5	39.5	+ 0.9
4th qtr	67.7	76.3	- 8.7	67.6	75.5	- 7.9	49.8	49.4	+ 0.4
1989 1st qtr	60.2	71.0	- 10.9	60.6	61.7	- 1.1	35.3	37.4	- 2.1
2nd qtr	73.2	70.6	+ 2.6	61.9	62.7	- 0.8	41.5	39.9	+ 1.6
3rd qtr	66.0	69.4	- 3.4	64.9	62.9	+ 2.0	42.7	41.1	+ 1.6
4th qtr	78.1	81.4	- 3.4	74.4	82.1	- 7.7	53.3	52.2	+ 1.1
1990 1st qtr	61.2	76.2	- 15.0	62.1	65.2	- 3.2	39.4	40.4	- 1.0

* See corresponding footnote to Table VII, 1. — 1 In this table the Bundesbank profit transfer is shown in full as Federal Government receipts. The Federal Government, by contrast, is showing only the scheduled amount of the Bundesbank profit as receipts in its budget as from 1989 (receipts over and above the scheduled amount will be used to repay due debt). — 2 Including Berlin, Bremen, Hamburg. — 3 The quarterly figures,

unlike the annual figures based on the annual accounts statistics of the Federal Statistical Office, do not include hospitals keeping commercial accounts and various special accounts. — 4 Annual figures for 1988 are partly estimated. — pe Partly estimated. Discrepancies in the totals are due to rounding.

3. Federal finance on a cash basis

DM billion										
Period	Cash receipts 1	Cash expenditure 1, 2	Cash surplus (+) or deficit (-)	Financing 3						Cash surplus (+) or deficit (-), cumulative from beginning of year
				Change						
				in cash resources 4	in Bundesbank advances	in market debt	in liabilities arising from investment assistance levy	Items in course of settlement	Seigniorage	
(a)	(b)	(c)	(d)	(e)	(f)					
1970	86.47	87.04	- 0.56	+ 1.74	+ 0.12	+ 1.84	-	- 0.03	0.38	- 0.56
1975	130.14	164.19	- 34.05	+ 3.13	- 1.08	+ 37.44	-	+ 0.01	0.80	- 34.05
1980	199.50	228.26	- 28.76	- 1.45	+ 1.34	+ 25.46	-	+ 0.04	0.48	- 28.76
1985	257.54	280.45	- 22.90	+ 0.74	- 1.77	+ 27.35	- 0.52	- 1.76	0.34	- 22.90
1986	266.01	289.51	- 23.50	- 0.75	+ 2.01	+ 21.04	- 0.02	- 0.60	0.32	- 23.50
1987	270.68	296.10	- 25.42	+ 3.47	- 2.01	+ 27.10	- 0.00	+ 3.39	0.42	- 25.42
1988	274.29	310.71	- 36.42	- 1.16	-	+ 34.69	- 0.00	-	0.56	- 36.42
1989	306.52	320.27	- 13.74	+ 2.43	-	+ 15.37	- 0.00	-	0.80	- 13.74
1989 May	21.35	25.44	- 4.09	- 0.33	+ 0.81	+ 2.82	- 0.00	-	0.14	- 9.49
June	28.27	25.77	+ 2.50	+ 3.64	- 0.81	+ 1.91	- 0.00	-	0.05	- 7.00
July	23.71	26.84	- 3.13	- 0.70	-	+ 2.37	- 0.00	-	0.06	- 10.13
Aug.	21.52	25.23	- 3.70	- 3.05	+ 2.33	- 1.72	- 0.00	-	0.04	- 13.83
Sep.	27.67	23.29	+ 4.38	+ 2.26	- 2.33	+ 0.08	- 0.00	-	0.14	- 9.45
Oct.	22.31	25.97	- 3.66	- 2.26	+ 0.04	+ 1.29	- 0.00	-	0.06	- 13.11
Nov.	23.18	30.75	- 7.57	+ 0.00	+ 1.86	+ 5.58	- 0.00	-	0.14	- 20.68
Dec.	40.24	33.32	+ 6.93	+ 5.03	- 1.90	- 0.07	- 0.00	-	0.06	- 13.74
1990 Jan.	19.45	29.70	- 10.25	- 3.43	-	+ 4.23	- 0.00	+ 2.52	0.08	- 10.25
Feb.	24.79	27.83	- 3.05	- 1.41	+ 0.59	+ 0.98	- 0.00	-	0.07	- 13.30
March	28.65	27.97	+ 0.68	- 0.12	+ 0.41	- 1.27	- 0.00	-	0.06	- 12.62
April	32.90	26.88	+ 6.02	+ 5.24	- 1.00	+ 0.16	- 0.00	-	0.06	- 6.61
May	22.43	27.20	- 4.77	+ 4.26	-	+ 8.91	- 0.00	-	0.12	- 11.38

1 The cash transactions recorded as cash receipts and cash expenditure comprise payments into and out of the accounts carried by the Bundesbank for the Federal Government. The cash receipts and cash expenditure differ from those shown in the official financial statistics primarily because they are recorded not at the time they are entered in the budgetary accounts but at the time of the actual receipt or outpayment,

and because transactions on behalf of the European Communities (which are entered not in the Federal budget but in appendices thereto) are carried out through the accounts of the Federal Government. — 2 Including small amounts of special transactions. — 3 Cash balance = column (a) less (b) less (c) less (d) less (e) less (f). — 4 Deposits with the Bundesbank and other credit balances.

4. Tax revenue of the central, regional and local authorities

DM million									
Period	Total	Central and regional authorities				Local authorities		Balance of untransferred tax shares 3	
		Total 1	Federal Government	Länder Governments	European Communities 2	Total	of which Berlin, Bremen, Hamburg		
1970	4 154,245	135,660	83,597	50,482	-	18,240	1,756	+ 237	
1975	242,068	208,747	120,012	81,560	5,933	33,273	3,193	+ 49	
1980	364,991	313,711	177,543	125,474	10,619	51,203	3,907	+ 78	
1985	437,201	375,642	207,930	152,516	15,193	61,469	5,102	+ 91	
1988	488,097	419,303	222,672	172,964	23,667	68,862	5,089	- 69	
1989	535,526	461,796	249,786	189,214	22,795	73,620	5,422	+ 111	
1989 2nd qtr	127,133	109,366	58,786	44,860	5,720	17,831	1,309	- 63	
3rd qtr	133,755	114,668	61,726	47,263	5,679	18,183	1,410	+ 904	
4th qtr	150,312	131,757	73,548	52,475	5,734	24,986	1,377	- 6,430	
1990 1st qtr	...	107,861	57,267	45,221	5,373	...	...	...
1989 May	...	32,782	17,727	13,171	1,884	...	...	...
June	...	46,176	24,490	19,780	1,906	...	...	...
July	...	35,812	19,646	14,276	1,890	...	...	...
Aug.	...	32,808	17,563	13,381	1,864	...	...	...
Sep.	...	46,048	24,518	19,606	1,924	...	...	...
Okt.	...	32,037	17,816	12,276	1,946	...	...	...
Nov.	...	32,627	17,637	13,056	1,933	...	...	...
Dec.	...	67,093	38,095	27,143	1,855	...	...	...
1990 Jan.	...	29,936	14,744	13,498	1,695	...	...	...
Feb.	...	33,873	18,832	13,168	1,873	...	...	...
March	...	44,052	23,692	18,555	1,806	...	...	...
April	...	30,713	17,074	11,789	1,850	...	...	...
May p	...	32,338	17,351	13,148	1,839	...	...	...

1 Including receipts from the Equalisation of Burdens levies which were paid until the end of the seventies (receipts 1970: DM 1,582 million, 1975: DM 1,241 million, 1980: DM 75 million). — 2 Including the (GNP-related) receipts accruing to the EC as from 1988 to the detriment of the Federal Government's tax revenue. — 3 Difference

between the local authorities' share in the income taxes received by the Länder cash offices in the period in question (see Table VII, 5) and the amounts passed on to the local authorities during the same period. — 4 Excluding anticyclical surcharge; including DM 109 million of levies on defence imports. — p Provisional.

VII. Public finance

5. Tax revenue, by type

DM million

Period	Total 1	Joint taxes									Share in trade tax 4	Federal taxes 5	Länder taxes 5	EC share in customs duties	Memo item Local authorities' share in income taxes
		Income taxes 2						Turnover taxes 3							
		Total	Wage tax	As-sessed income tax	Corporation tax	Investment income tax	Total	Value-added tax	Turnover tax on imports						
1970	6 141,339	61,824	35,086	16,001	8,717	2,021	38,125	26,791	11,334	4,355	27,396	9,531	—	7,152	
1975	221,393	111,491	71,191	28,001	10,054	2,246	54,082	35,722	18,361	6,888	33,611	12,143	3,177	13,887	
1980	335,889	173,852	111,559	36,796	21,322	4,175	93,448	52,850	40,597	6,464	41,529	16,072	4,524	22,253	
1985	402,069	214,241	147,630	28,569	31,836	6,206	109,825	51,428	58,397	4,491	49,684	18,476	5,352	26,430	
1988	449,407	239,427	167,504	33,189	30,003	8,731	123,286	67,661	55,625	4,967	52,733	22,669	6,325	30,104	
1989	494,591	265,462	181,833	36,799	34,181	12,648	131,480	67,996	63,484	5,310	61,339	24,208	6,792	32,795	
1989 2nd qtr	116,739	61,326	41,839	7,316	7,999	4,172	31,507	15,391	16,116	1,254	14,734	6,229	1,689	7,373	
3rd qtr	122,959	67,989	45,744	9,532	8,791	3,922	30,968	15,288	15,679	1,305	15,126	5,924	1,648	8,291	
4th qtr	141,504	75,433	53,778	11,205	9,341	1,109	34,987	17,937	17,049	2,692	20,529	6,041	1,823	9,748	
1990 1st qtr	115,313	59,891	39,931	9,748	8,120	2,092	35,307	19,564	15,742	28	11,870	6,630	1,587	7,452	
1989 May	34,765	14,825	13,600	—	382	263	1,344	10,931	5,639	5,293	306	5,392	2,771	1,983	
June	49,699	32,333	14,867	8,620	7,453	1,393	10,354	4,915	5,440	3	4,697	1,750	562	3,523	
July	38,221	18,937	16,313	—	255	421	2,457	10,999	5,457	5,542	987	5,082	1,669	2,409	
Aug.	35,013	16,012	15,014	—	314	89	1,222	10,333	5,006	5,327	316	5,129	2,703	521	
Sep.	49,726	33,040	14,416	10,100	8,281	243	9,636	4,825	4,811	2	4,915	1,551	581	3,677	
Oct.	34,162	14,555	14,434	—	266	—	13	10,996	5,506	5,490	991	5,293	1,716	610	
Nov.	34,697	14,021	14,305	—	507	—	92	11,921	6,073	5,849	364	5,074	2,726	590	
Dec.	72,645	46,856	25,039	11,978	9,446	393	12,069	6,359	5,710	1,336	10,162	1,599	623	5,553	
1990 Jan.	32,386	17,541	15,881	447	489	725	11,767	6,809	4,958	—	23	800	1,845	456	
Feb.	35,655	12,781	12,081	—	195	1	894	13,816	8,504	5,312	47	5,614	2,811	588	
March	47,272	29,570	11,969	9,496	7,631	474	9,724	4,252	5,473	4	5,456	1,975	543	3,220	
April	32,543	12,778	12,495	—	297	—	296	11,551	5,848	5,703	964	4,872	1,791	588	
May p	34,277	13,249	12,937	—	11	—	396	11,491	5,888	5,603	381	5,307	3,281	569	

1 This total, unlike that in Table VII, 4, includes neither the revenue from Equalisation of Burdens levies, trade tax on returns and capital (less Federal and Länder shares in trade tax), tax on total wages paid, the taxes on land and buildings and other local authority taxes, nor the balance of untransferred tax shares. — 2 The yield of wage tax and assessed income tax was distributed among the Federal Government, the Länder Governments and the local authorities in the ratio of 43:43:14 as from 1970 and in the ratio of 42.5:42.5:15 as from 1980, and the yield of corporation tax and

investment income tax between the Federal Government and the Länder Governments in the ratio of 50:50 as from 1970. — 3 The Federal Government's share: 70 % in 1970, 68.25 % in 1975, 67.5 % in 1980, 65.5 % in 1985, 65 % as from 1986; the remainder went to the Länder Governments. As from 1975 the EC share must be deducted from the Federal Government's share stated. — 4 Federal Government and Länder Governments 50 % each. — 5 For breakdown see Table VII, 6. — 6 Including DM 109 million of levies on defence imports. — p Provisional.

6. Individual taxes of the Federal Government, Länder Governments and local authorities

DM million

Period	Federal taxes						Länder taxes						Local authority taxes		
	Mineral oil tax	Tobacco tax	Spirits taxes	Insurance tax	Other capital transaction taxes 1	Other Federal taxes 2	Motor vehicle tax	Property tax	Inheritance tax	Beer tax	Other Länder taxes	Trade tax 3	Taxes on land and buildings	Other local taxes 4	
1970	11,512	6,537	2,228	617	607	5,896	3,830	2,877	523	1,175	1,127	12,117	2,683	879	
1975	17,121	8,886	3,122	1,146	597	2,737	5,303	3,339	530	1,275	1,697	20,897	4,150	1,276	
1980	21,351	11,288	3,885	1,779	711	2,515	6,585	4,664	1,017	1,262	2,543	27,960	5,804	1,727	
1985	24,521	14,452	4,153	2,476	1,386	2,697	7,350	4,287	1,512	1,254	4,073	30,759	7,366	1,497	
1988	27,032	14,555	3,999	2,904	1,254	2,990	8,169	5,554	2,402	1,253	5,290	34,465	8,238	953	
1989	32,965	15,509	3,920	4,190	1,697	3,058	9,167	5,775	2,083	1,260	5,925	36,706	8,490	1,050	
1989 2nd qtr	8,186	3,661	900	793	396	798	2,644	1,374	494	331	1,386	9,018	2,351	280	
3rd qtr	8,299	3,894	861	936	475	662	2,279	1,400	493	354	1,397	9,493	2,366	242	
4th qtr	11,699	5,612	1,219	713	444	842	2,014	1,551	583	297	1,596	9,458	1,813	229	
1990 1st qtr	5,429	2,413	742	2,072	409	805	2,363	1,479	628	296	1,864	...	...	...
1989 May	2,951	1,475	273	305	110	278	864	1,189	158	100	460	...	...	...
June	2,748	947	326	239	167	272	871	102	185	123	469	...	...	...
July	2,781	1,332	345	227	151	246	852	87	156	118	456	...	...	...
Aug.	2,792	1,249	194	505	176	213	712	1,209	181	111	490	...	...	...
Sep.	2,725	1,313	323	204	148	202	715	105	156	125	451	...	...	...
Oct.	2,957	1,443	276	212	146	260	804	109	178	103	523	...	...	...
Nov.	2,806	1,292	264	305	161	246	609	1,317	169	103	530	...	...	...
Dec.	5,937	2,878	678	196	137	336	602	126	237	91	544	...	...	...
1990 Jan.	44	39	51	241	156	269	882	92	170	121	579	...	...	...
Feb.	2,711	921	181	1,161	349	291	604	1,234	224	83	665	...	...	...
March	2,674	1,453	510	670	—	97	245	878	152	233	91	620	...	...
April	2,582	1,339	295	98	334	223	911	91	205	96	488	...	...	...
May p	3,019	1,262	259	328	149	290	872	1,297	489	105	517	...	...	...

1 Securities transfer tax, company tax and stamp tax. — 2 Other excise taxes including the Federal Government's residual share in customs duties received and

income tax surcharge. — 3 On returns and capital and (up to 1980) on the yield of tax on total wages paid. — 4 As from 1974 including tax-like receipts. — p Provisional.

VII. Public finance

8. Changes in public sector indebtedness *

DM million

Item	Level at			Change					
	end-1988	end-1989 pe	end-March 1990 p	1989					1990
				Total	1st qtr	2nd qtr	3rd qtr	4th qtr pe	1st qtr p
Borrowers									
Federal Government 1	475,169	490,541	495,473	+ 15,371	+ 8,528	- 696	+ 737	+ 6,802	+ 4,933
Equalisation of Burdens Fund	(172)	(33)	(29)	(- 139)	(- 110)	(- 1)	(- 28)	(- 0)	(- 3)
ERP Special Fund	5,970	7,063	7,287	+ 1,093	+ 352	+ 125	+ 196	+ 420	+ 224
Länder Governments	302,560	310,624	309,046	+ 8,065	- 2,737	- 27	- 816	+ 11,645	- 1,578
Local authorities 2	119,316	121,000	121,200	+ 1,684	+ 484	-	+ 700	+ 500	+ 200
Total	903,015	929,228	933,007	+ 26,213	+ 6,627	- 598	+ 816	+ 19,367	+ 3,779
Types of debt									
Bundesbank advances	1,010	1,053	2,073	+ 43	+ 3,315	- 3,292	- 840	+ 860	+ 1,020
Treasury discount paper 3	5,449	12,147	14,240	+ 6,698	+ 1,196	+ 1,056	+ 1,824	+ 2,623	+ 2,093
Treasury notes / Treasury paper	51,164	50,478	48,564	- 885	- 413	- 140	+ 575	- 708	- 1,914
Five-year special Federal bonds 4	89,705	93,870	97,161	+ 4,165	- 2,517	+ 3,861	- 1,312	+ 4,133	+ 3,291
Federal savings bonds	34,895	33,366	32,349	- 1,529	- 75	- 176	- 821	- 457	- 1,018
Bonds 4	200,756	225,131	231,437	+ 24,375	+ 11,566	+ 2,545	+ 3,370	+ 6,895	+ 6,306
Direct lending by banks 5	477,457	473,369	468,568	- 4,088	- 6,291	- 3,656	- 1,155	+ 7,013	- 4,801
Loans from social security funds	7,171	6,904	6,651	- 267	- 155	- 91	+ 40	- 61	- 253
Other loans 5	21,045	18,925	18,028	- 2,120	+ 47	- 564	- 816	- 786	- 897
Old debt									
Commutation and compensation debt 4	1	1	1	- 0	- 0	- 0	- 0	- 0	- 0
Equalisation claims	14,281	13,903	13,855	- 378	- 46	- 141	- 47	- 144	- 48
Other 4, 6	2	2	2	- 0	- 0	- 0	- 0	- 0	- 0
Liabilities arising from the investment assistance levy	80	79	79	- 0	- 0	- 0	- 0	- 0	- 0
Total	903,015	929,228	933,007	+ 26,213	+ 6,627	- 598	+ 816	+ 19,367	+ 3,779
Creditors									
Banking system									
Bundesbank	13,287	12,887	14,506	- 400	+ 3,355	- 3,556	- 968	+ 770	+ 1,620
Banks	532,800	534,900	533,100	+ 2,100	+ 2,800	- 4,500	- 600	+ 4,400	- 1,800
Domestic non-banks									
Social security funds 7	7,200	6,900	6,700	- 300	- 200	- 100	+ 100	- 100	- 200
Other 8	163,028	168,541	183,400	+ 5,513	+ 7,272	- 1,442	- 4,215	+ 3,898	+ 14,859
Foreign creditors pe	186,700	206,000	195,300	+ 19,300	- 6,600	+ 9,000	+ 6,500	+ 10,400	- 10,700
Total	903,015	929,228	933,007	+ 26,213	+ 6,627	- 598	+ 816	+ 19,367	+ 3,779

* Excluding public authorities' mutual indebtedness. — 1 In 1980 the Federal Government took over the debts of the Equalisation of Burdens Fund. Since then they have been recorded among the Federal Government's figures together with the Federal debt proper; they are shown among the Equalisation of Burdens Fund's figures only as a memorandum item. — 2 Data other than end-of-year figures have been estimated. Including indebtedness of municipal special-purpose associations and municipal

hospitals. — 3 Excluding mobilisation and liquidity paper. — 4 Excluding bonds in the issuers' portfolios. — 5 Including loans raised abroad. — 6 Old debt mainly expressed in foreign currency in accordance with the London Debts Agreement. — 7 Excluding public bonds acquired by supplementary pension funds for government employees. — 8 Ascertained as a difference. — pe Partly estimated. — p Provisional.

9. Indebtedness of the Federal Government *

DM million														
End of month	Total	Bundesbank advances	Treasury discount paper 1		Federal Treasury paper	5-year special Federal bonds 2	Federal savings bonds	Bonds 2	Direct lending by banks 3	Indebtedness to non-banks		Old debt		Liabilities arising from the investment assistance levy
			Total	of which Treasury financing paper						Social security funds 4	Other 3	Equalisation and covering claims	Other 5	
1970 Dec.	47,323	7 2,301	1,700	—	2,900	—	575	8,665	11,800	4,019	1,680	11,605	2,078	—
1975 Dec.	108,502	—	11,553	123	5,585	—	9,802	18,160	38,206	9,336	3,390	11,306	1,163	—
1980 Dec. 6	232,320	1,336	5,963	2,818	18,199	8,641	24,080	43,234	100,979	2,517	16,099	11,044	227	—
1983 Dec.	341,444	—	13,918	3,483	13,054	47,255	15,906	67,161	148,653	2,864	21,313	10,732	51	540
1984 Dec.	367,297	1,773	9,314	2,931	12,924	61,244	21,101	78,055	151,355	2,567	17,703	10,643	2	615
1985 Dec.	392,356	—	9,282	3,525	15,473	71,955	25,921	92,600	147,001	2,254	17,217	10,552	1	100
1986 Dec.	415,390	2,015	8,084	2,653	23,220	80,105	28,128	119,180	126,288	1,968	15,862	10,458	1	82
1987 Dec.	440,476	—	5,267	1,747	38,458	84,417	31,128	143,469	111,904	1,712	13,680	10,361	1	80
1988 Dec.	475,169	—	5,263	1,475	44,202	89,705	34,895	172,059	106,196	1,633	10,875	10,259	1	80
1989 April	478,281	—	6,569	2,014	43,939	87,988	34,523	182,841	99,998	1,624	10,505	10,213	1	80
May	481,909	813	6,852	2,297	43,739	88,482	34,626	185,720	98,939	1,621	10,825	10,213	1	80
June	483,002	—	7,377	2,822	43,739	91,050	34,644	185,842	98,307	1,522	10,232	10,208	1	80
July	485,376	—	8,350	3,795	44,374	90,155	34,540	188,974	97,073	1,559	10,110	10,160	1	80
Aug.	485,991	2,333	8,563	4,570	44,374	90,585	34,576	186,556	97,372	1,510	9,882	10,160	1	80
Sep.	483,738	—	9,201	5,208	44,374	89,738	33,823	188,905	96,289	1,507	9,662	10,160	1	79
Oct.	485,074	44	9,811	5,818	42,783	89,798	33,701	193,069	94,760	1,483	9,385	10,160	1	79
Nov.	492,507	1,900	10,787	6,794	42,520	92,294	33,490	195,712	94,816	1,486	9,263	10,160	1	79
Dec.	490,541	—	11,823	7,830	43,367	93,870	33,366	195,765	92,110	1,399	8,605	10,155	1	79
1990 Jan.	494,770	—	13,056	9,063	43,367	96,215	32,838	197,895	91,245	1,398	8,571	10,107	1	79
Feb.	496,334	588	13,211	9,510	42,063	98,189	32,571	201,031	88,953	1,304	8,237	10,107	1	79
March	495,473	998	13,916	10,214	42,063	97,161	32,349	202,337	87,137	1,270	8,056	10,107	1	79
April	494,635	—	14,542	10,840	41,563	97,454	31,407	205,271	84,982	1,260	7,970	10,107	1	79
May	503,549	—	15,465	11,763	41,563	104,160	31,199	209,776	82,316	1,260	7,624	10,107	1	79

* Excluding indebtedness to central, regional and local authorities and special funds. — 1 Excluding mobilisation and liquidity paper. — 2 Excluding bonds in the issuers' portfolios. — 3 Including loans raised abroad. — 4 Up to 1976 including Debt Register claims; as from 1973 including loans granted by supplementary pension funds for government employees. — 5 Commutation and compensation debt, and old debt mainly expressed in foreign currency, in accordance with the London Debts Agreement; ex-

cluding bonds in own portfolios. — 6 In 1980 the Federal Government took over the debts of the Equalisation of Burdens Fund. Since then they have been recorded among the Federal Government's figures together with the Federal debt proper. — 7 Including DM 387 million of special Bundesbank credit to the Federal Government.

10. Indebtedness of the Federal Railways and Federal Post Office

DM million														
End of month	Total	Advances 1	Treasury bills	Treasury discount paper	Treasury notes	Bonds 2	Bank advances		Loans from non-banks 3		Commutation and compensation debt	Debt to central, regional and local authorities and ERP Special Fund	Memo item External indebtedness 6, pe	
							Postal giro and postal savings bank offices	Other banks 3, 4	Social security funds 5	Other 4				
Federal Railways														
1970 Dec.	17,005	165	336	400	987	6,071	46	4,980	369	1,566	88	1,996	—	
1975 Dec.	26,261	—	—	820	1,145	8,782	435	11,152	507	2,275	48	1,098	1,700	
1980 Dec.	32,595	—	—	231	1,033	14,184	491	12,893	206	3,056	19	483	4,200	
1984 Dec.	35,772	—	—	131	1,394	15,742	182	12,533	636	5,025	—	129	6,500	
1985 Dec.	36,153	—	—	131	1,924	16,551	81	11,765	755	4,862	—	83	8,000	
1986 Dec.	38,009	—	—	131	2,142	19,680	1	10,233	793	4,974	—	56	11,100	
1987 Dec.	40,770	—	—	131	2,452	23,031	—	9,127	827	5,165	—	39	13,000	
1988 Dec.	42,705	—	—	131	1,233	24,297	—	10,322	733	5,959	—	30	11,900	
1989 Sep.	42,613	510	—	131	1,138	23,021	—	9,868	724	7,179	—	42	12,100	
Dec.	44,140	121	—	722	1,489	23,195	—	10,765	753	7,062	—	33	12,100	
1990 March	44,291	60	—	722	1,489	24,288	—	9,934	742	7,023	—	33	12,400	
Federal Post Office														
1970 Dec.	20,300	—	—	300	1,030	4,348	5,558	6,276	717	1,674	10	387	—	
1975 Dec.	40,050	—	—	300	997	9,621	10,835	14,708	553	2,639	6	391	700	
1980 Dec.	33,859	—	—	—	944	7,790	16,063	6,901	348	1,719	2	93	1,500	
1984 Dec.	45,503	—	—	—	1,904	12,686	19,321	8,192	553	2,790	—	58	3,300	
1985 Dec.	50,315	—	—	—	1,688	16,665	19,702	9,004	456	2,747	—	54	5,200	
1986 Dec.	55,014	—	—	—	947	20,644	22,064	7,380	441	3,494	—	46	9,200	
1987 Dec.	61,116	—	—	—	589	28,223	21,533	7,002	408	3,319	—	42	10,400	
1988 Dec.	64,122	—	—	—	200	32,201	22,066	6,313	373	2,934	—	35	9,500	
1989 Sep.	64,045	—	—	—	200	32,401	22,319	5,849	365	2,886	—	25	8,700	
Dec.	66,161	—	—	—	200	32,401	23,919	5,703	365	3,548	—	25	8,500	
1990 March	63,614	—	—	—	—	31,601	23,937	5,102	346	2,614	—	15	7,900	

1 Advances of the Bundesbank or of the Deutsche Verkehrskreditbank. — 2 Including bonds issued to increase capital, which are redeemed by the Federal Government. — 3 Federal Railways: including credits or loans secured by depositing Treasury dis-

count paper. — 4 Including loans raised abroad. — 5 As from 1978 including loans of supplementary pension funds for government employees. — 6 Loans raised abroad and securities held by non-residents. — pe Partly estimated.

VII. Public finance

11. Loans raised by public authorities against borrowers' notes

DM million								
Period	Total 1	Central, regional and local authorities					Federal Railways 4	Federal Post Office
		Total	Federal Government 2	Länder Governments	Local authorities 3, 4	ERP Special Fund		
Level at end of year or month								
1970	90,170	72,159	17,855	13,609	39,399	1,296	8,958	9,053
1975	204,266	170,508	48,770	47,675	72,767	1,297	15,467	18,292
1980	360,617	334,429	118,957	118,417	93,775	3,280	17,128	9,060
1982	480,086	449,413	168,195	168,836	107,155	5,226	18,478	12,195
1983	504,246	474,502	172,415	186,560	109,935	5,592	18,455	11,289
1984	520,068	489,971	171,239	201,156	111,118	6,458	18,505	11,592
1985	527,510	497,702	166,115	213,501	111,799	6,287	17,547	12,261
1986	513,608	486,192	143,792	223,177	112,808	6,415	16,056	11,360
1987	515,708	489,779	127,003	241,083	115,980	5,713	15,157	10,772
1988 March	516,353	489,455	122,541	244,937	116,362	5,615	16,120	10,778
June	516,682	489,411	120,531	246,694	116,486	5,700	16,960	10,311
Sep.	521,448	494,432	120,355	250,473	117,849	5,755	17,216	9,800
Dec.	529,422	502,724	118,447	260,717	117,670	5,890	17,044	9,654
1989 March	523,284	496,482	113,727	258,398	118,335	6,022	17,239	9,563
June	520,424	492,700	109,804	258,333	118,376	6,187	18,484	9,240
Sep.	518,166	491,228	107,200	258,350	119,286	6,393	17,813	9,125
Dec. pe	524,043	496,486	101,893	268,049	119,791	6,753	18,616	8,941
1990 March p	515,873	490,063	96,241	266,710	120,005	7,107	17,733	8,077
Increase or decrease during period								
1975	+ 45,530	+ 44,521	+ 19,789	+ 17,030	+ 7,562	+ 140	+ 2,503	- 1,494
1980	+ 53,230	+ 51,404	+ 24,532	+ 21,032	+ 4,666	+ 1,174	+ 777	+ 1,050
1982	+ 40,958	+ 40,071	+ 10,340	+ 22,227	+ 6,993	+ 512	- 109	+ 996
1983	+ 24,161	+ 25,089	+ 4,220	+ 17,724	+ 2,780	+ 366	- 23	- 905
1984	+ 15,822	+ 15,469	- 1,176	+ 14,596	+ 1,183	+ 866	+ 50	+ 303
1985	+ 7,442	+ 7,731	- 5,124	+ 12,345	+ 681	- 171	- 958	+ 669
1986	- 13,902	- 11,510	- 22,323	+ 9,676	+ 1,009	+ 128	- 1,491	- 901
1987	+ 2,100	+ 3,587	- 16,789	+ 17,906	+ 3,172	- 702	- 899	- 588
1988	+ 13,714	+ 12,945	- 8,556	+ 19,634	+ 1,690	+ 177	+ 1,887	- 1,118
1989 pe	- 5,379	- 6,238	- 16,554	+ 7,332	+ 2,121	+ 863	+ 1,572	- 713
1988 1st qtr	+ 645	- 324	- 4,462	+ 3,854	+ 382	- 98	+ 963	+ 6
2nd qtr	+ 329	- 44	- 2,010	+ 1,757	+ 124	+ 85	+ 840	- 467
3rd qtr	+ 4,766	+ 5,021	- 176	+ 3,779	+ 1,363	+ 55	+ 256	- 511
4th qtr	+ 7,974	+ 8,292	- 1,908	+ 10,244	- 179	+ 135	- 172	- 146
1989 1st qtr	- 6,138	- 6,242	- 4,720	- 2,319	+ 665	+ 132	+ 195	- 91
2nd qtr	- 2,860	- 3,782	- 3,923	- 65	+ 41	+ 165	+ 1,245	- 323
3rd qtr	- 2,258	- 1,472	- 2,604	+ 17	+ 910	+ 206	- 671	- 115
4th qtr pe	+ 5,877	+ 5,258	- 5,307	+ 9,699	+ 505	+ 360	+ 803	- 184
1990 1st qtr p	- 8,170	- 6,423	- 5,652	- 1,339	+ 214	+ 354	- 883	- 864

1 Excluding Debt Register claims and cash advances. Including small amounts of mortgage debt, land charges and debts outstanding from previous purchases. — 2 Including the Equalisation of Burdens Fund. — 3 Data other than end-of-year figures

have been estimated. Including municipal special-purpose associations (as from 1975) and municipal hospitals. — 4 Including contractually agreed loans. — pe Partly estimated. — p Provisional.

12. Equalisation claims *

DM million					
Item	Total	Bundesbank	Banks 1	Insurance enterprises	Building and loan associations
I. Origin					
(1) Amount of equalisation claims allocated 2	22,229	5 8,683	7,615	5,865	66
(2) Scheduled and additional redemptions up to end of December 1989	8,324	—	4,517	3,764	43
(3) Amount of equalisation claims at end of December 1989	13,905	8,683	3,098	2,101	23
of which					
Held by the Fund for the Purchase of Equalisation Claims 3	2,096	—	1,203	882	11
II. Breakdown by debtor and type of interest					
(1) Breakdown by debtor					
(a) Federal Government	10,155	8,683	352	1,120	—
(b) Länder Governments	3,750	—	2,746	981	23
(2) Breakdown by type of interest					
(a) Non-interest-bearing equalisation claims	—	—	—	—	—
(b) 3 % equalisation claims	11,115	6 8,136	2,979	—	—
(c) 3 ½ % equalisation claims	2,123	—	3	2,097	23
(d) 4 ½ % equalisation claims	116	—	116	—	—
(e) 3 % special equalisation claims	4	—	—	4	—
(f) Non-interest-bearing debt certificate 4	547	547	—	—	—
(3) Total (1a plus 1b = 2a to 2f)	13,905	8,683	3,098	2,101	23

* Owing to differences in method, figures may deviate from those given in Tables VII, 7, 8 and 9. — 1 Including equalisation claims for postal giro and postal savings bank offices. — 2 Including title to equalisation claims which are already being serviced, i.e. on which interest and redemption are being paid, although they have not yet been inscribed in the Debt Registers. — 3 In accordance with section 8 ff. of the Act on the

Redemption of Equalisation Claims dated July 30, 1965. — 4 Non-interest-bearing debt certificate for providing Berlin (West) with funds. — 5 According to the Weekly Return of the Bundesbank as of December 31, 1989. — 6 In accordance with the Act Accompanying the Budget of 1983, article 9, bearing interest at the rate of only 1 % as from January 1, 1983.

13. Receipts, expenditure and assets of the wage and salary earners' pension insurance funds

DM million

Period	Receipts 1			Expenditure 1			Balance of receipts and expenditure	Assets 3					Memo item Administrative assets
	Total	of which		Total	of which			Total	Deposits 4	Securities 5	Mortgage and other loans 6	Real estate	
		Contributions	Federal payments		Pension payments 2	Pensioners' health insurance							
1970	51,450	42,388	7,290	47,717	38,132	4,649	+ 3,733	24,186	5,983	11,748	6,407	48	1,825
1975	91,432	76,270	11,073	94,361	72,666	12,390	- 2,929	39,903	7,808	16,298	15,731	66	3,274
1977	107,125	87,328	16,661	116,595	92,964	13,420	- 9,470	22,370	6,719	7,061	8,527	63	3,618
1978	115,659	93,786	19,598	120,593	98,773	11,670	- 4,934	16,518	5,966	4,537	5,944	72	3,791
1979	125,816	102,790	21,162	125,807	103,552	12,145	+ 9	16,201	7,200	3,892	5,045	64	3,864
1980	135,636	111,206	22,335	132,515	108,937	12,797	+ 3,121	18,804	10,279	3,783	4,679	64	3,929
1981	143,131	120,526	19,932	139,411	114,450	13,459	+ 3,720	21,783	13,809	3,618	4,294	63	4,013
1982	147,569	121,605	23,434	148,511	122,230	14,354	- 942	20,558	12,913	3,536	4,039	71	4,125
1983	146,697	121,112	23,662	151,498	127,304	12,943	- 4,801	15,125	7,890	3,416	3,756	62	4,265
1984	156,420	129,159	25,494	160,675	134,848	12,923	- 4,255	10,001	3,141	3,308	3,485	67	4,357
1985	165,949	137,662	26,601	164,540	140,539	11,081	+ 1,409	11,953	5,516	3,162	3,203	71	4,455
1986	174,797	145,891	27,248	167,982	145,736	9,940	+ 6,815	18,168	12,043	3,137	2,897	90	4,536
1987	178,594	148,286	28,579	174,707	152,521	9,334	+ 3,887	21,458	12,908	5,882	2,577	90	4,657
1988	186,880	153,807	31,123	183,376	159,749	9,225	+ 3,503	23,753	14,690	6,714	2,266	84	4,776
1989 pe	196,136	161,307	32,490	193,005	167,400	10,085	+ 3,131	26,395	17,599	6,734	1,978	84	4,871
1989 1st qtr	45,760	37,018	8,262	47,004	41,158	2,362	- 1,244	22,368	13,048	7,029	2,209	82	4,775
2nd qtr	46,957	38,352	8,043	47,286	41,075	2,387	- 329	21,703	12,455	7,026	2,139	83	4,835
3rd qtr	48,739	40,131	8,037	49,114	42,632	2,664	- 375	21,155	12,082	6,913	2,076	83	4,876
4th qtr	54,681	45,806	8,148	49,351	42,536	2,672	+ 5,330	26,395	17,599	6,734	1,978	84	4,871
1990 1st qtr	49,182	39,641	8,906	49,530	43,036	2,700	- 348	25,938	16,960	6,988	1,897	93	4,972

1 The annual figures differ from the sum of the quarterly figures, as the latter are all provisional. — 2 Payments by pension insurance funds to health insurance institutions under section 183 of the Reich Insurance Code have been deducted from pension payments. — 3 Excluding administrative assets; largely corresponds to fluctuation reserves. Level at the end of the year or quarter. — 4 Including cash resources. — 5 Including money market paper held up to 1978; including Debt Register claims

(until 1980). As from end-1986 including funds placed in security-based investment funds. — 6 Excluding loans to other social security funds; including participations. — 7 As from 1978 including pension insurance contributions paid for recipients of public financial benefits. — pe Partly estimated.
Source: Federal Minister of Labour and Social Affairs and Association of German Pension Insurance Funds.

14. Receipts, expenditure and assets of the Federal Labour Office

DM million

Period	Receipts			Expenditure				Balance of receipts and expenditure	Federal Government liquidity assistance	Assets 6			
	Total 1	of which		Total	of which					Total	Deposits 7	Securities	Loans 8
		Contributions	Levies 2		Unemployment relief 3, 4	Promotion of winter construction	Promotion of vocational training 4, 5						
1970	3,574	3,097	—	3,907	715	1,303	989	- 333	—	5,708	966	9 1,982	2,760
1975	9,234	7,787	899	17,836	10,749	1,120	3,612	- 8,602	7,282	1,765	159	281	1,325
1977	15,368	13,773	1,040	15,082	8,210	1,368	2,933	+ 286	—	3,249	2,181	266	801
1978	17,755	14,740	1,024	17,522	9,710	1,487	3,574	+ 232	—	3,466	2,656	221	589
1979	17,502	15,926	1,023	19,739	9,445	2,205	5,074	- 2,237	—	1,300	724	205	371
1980	19,050	17,321	1,139	21,674	10,122	1,974	6,327	- 2,625	1,840	589	220	144	225
1981	19,872	18,140	1,110	28,165	14,579	2,528	7,427	- 8,293	8,209	730	445	136	149
1982	26,314	24,287	1,267	33,365	20,243	2,218	6,956	- 7,051	7,003	771	530	131	111
1983	31,039	28,672	1,498	32,644	20,178	1,560	6,871	- 1,605	1,576	399	186	125	88
1984	32,805	30,446	1,401	29,644	15,936	1,613	7,652	+ 3,160	—	3,558	3,366	121	71
1985	32,043	29,492	1,409	29,737	15,314	1,442	8,486	+ 2,306	—	5,823	5,359	406	57
1986	31,649	29,122	1,433	31,862	14,928	1,347	10,499	- 213	—	5,506	5,191	248	68
1987	34,573	32,265	1,210	35,961	16,534	1,239	12,699	- 1,388	—	4,134	3,952	145	37
1988	35,869	33,716	1,131	40,844	19,032	1,021	15,086	- 4,975	1,024	126	0	97	29
1989	37,883	35,573	999	39,833	18,027	910	15,125	- 1,950	1,931	107	0	86	21
1989 1st qtr	8,607	8,123	176	10,693	5,035	505	3,786	- 2,086	2,190	120	0	93	28
2nd qtr	9,302	8,500	450	9,959	4,467	355	3,771	- 657	1,365	117	0	92	26
3rd qtr	9,318	8,864	215	9,068	4,127	36	3,522	+ 250	- 150	113	0	89	24
4th qtr	10,657	10,087	158	10,113	4,398	14	4,045	+ 544	- 1,474	107	0	86	21
1990 1st qtr	9,258	8,669	222	11,085	5,205	532	3,960	- 1,827	2,091	116	12	85	20

1 Excluding Federal Government liquidity assistance. — 2 Levies to promote winter construction and to pay bankruptcy compensation to employees. — 3 Unemployment benefits, follow-up unemployment assistance (up to 1980) and short-time working benefits. From 1990 including the integration allowance paid to resettlers from eastern Europe and emigrants from the GDR as a replacement for the unemployment benefits. — 4 Including contributions to the statutory health insurance, and, as from 1978, to the pension insurance funds. — 5 Vocational training, measures to foster the com-

mencement of work, rehabilitation and job creation measures. — 6 Excluding administrative assets. Level at the end of the year or quarter. As from end-1988 excluding liquid funds for budget-financing purposes. — 7 Including cash resources. — 8 Excluding loans out of budgetary expenditure; including participations. — 9 Including Debt Register claims and money market paper.
Source: Federal Labour Office.

VIII. General economic conditions

1. Origin, distribution and use of national product

Item	1985	1986	1987 p	1988 p	1989 p	1986	1987 p	1988 p	1989 p	1986	1987 p	1988 p	1989 p
	DM billion					Change from previous year in %				Percentage of total			
I. Origin of national product													
at current prices													
Gross value added													
Agriculture, forestry and fisheries	32.2	33.7	29.9	32.2	35.7	+ 4.4	- 11.2	+ 7.5	+ 11.2	1.7	1.5	1.5	1.6
Producing sector	745.5	788.0	805.0	842.2	896.3	+ 5.7	+ 2.2	+ 4.6	+ 6.4	40.5	39.9	39.7	39.7
Energy supply, 1 mining	68.0	67.6	70.3	70.2	72.3	- 0.5	+ 4.0	- 0.2	+ 3.0	3.5	3.5	3.3	3.2
Manufacturing	583.5	621.0	632.7	662.4	705.0	+ 6.4	+ 1.9	+ 4.7	+ 6.4	31.9	31.4	31.2	31.2
Construction	94.0	99.4	102.0	109.6	119.0	+ 5.7	+ 2.7	+ 7.5	+ 8.6	5.1	5.1	5.2	5.3
Distribution, transportation 2	275.1	286.6	291.5	304.6	320.7	+ 4.2	+ 1.7	+ 4.5	+ 5.3	14.7	14.4	14.4	14.2
Services 3	485.0	514.7	549.8	590.1	627.3	+ 6.1	+ 6.8	+ 7.3	+ 6.3	26.5	27.2	27.8	27.7
All enterprises	1,537.8	1,622.9	1,676.2	1,769.0	1,880.0	+ 5.5	+ 3.3	+ 5.5	+ 6.3	83.4	83.1	83.4	83.2
do. adjusted 4	1,453.6	1,539.2	1,593.9	1,684.5	1,791.2	+ 5.9	+ 3.6	+ 5.7	+ 6.3	79.1	79.0	79.4	79.2
Government	207.5	217.4	225.8	232.0	238.6	+ 4.8	+ 3.9	+ 2.7	+ 2.8	11.2	11.2	10.9	10.6
Households 5	36.4	39.8	42.5	44.4	46.5	+ 9.2	+ 6.7	+ 4.6	+ 4.7	2.0	2.1	2.1	2.1
All sectors	1,697.4	1,796.4	1,862.2	1,960.9	2,076.3	+ 5.8	+ 3.7	+ 5.3	+ 5.9	92.3	92.3	92.4	91.9
Gross domestic product 6	1,830.5	1,931.4	2,006.4	2,110.6	2,237.0	+ 5.5	+ 3.9	+ 5.2	+ 6.0	99.3	99.4	99.5	99.0
Net factor incomes from abroad	+ 13.8	+ 13.8	+ 11.4	+ 11.1	+ 23.4					0.7	0.6	0.5	1.0
Gross national product at market prices	1,844.3	1,945.2	2,017.7	2,121.7	2,260.4	+ 5.5	+ 3.7	+ 5.2	+ 6.5	100	100	100	100
II. Distribution of national product													
Wage and salary income 7	991.0	1,041.4	1,084.1	1,126.4	1,176.1	+ 5.1	+ 4.1	+ 3.9	+ 4.4	53.5	53.7	53.1	52.0
Entrepreneurial and property income	429.0	468.1	483.1	525.3	575.0	+ 9.1	+ 3.2	+ 8.7	+ 9.5	24.1	23.9	24.8	25.4
National income	1,420.0	1,509.5	1,567.3	1,651.7	1,751.1	+ 6.3	+ 3.8	+ 5.4	+ 6.0	77.6	77.7	77.8	77.5
III. Use of national product													
Private consumption	1,038.3	1,068.6	1,112.7	1,156.8	1,213.4	+ 2.9	+ 4.1	+ 4.0	+ 4.9	54.9	55.1	54.5	53.7
Government consumption	365.7	382.7	397.0	411.5	418.3	+ 4.7	+ 3.7	+ 3.7	+ 1.7	19.7	19.7	19.4	18.5
Machinery and equipment	153.9	161.4	170.5	184.9	207.6	+ 4.9	+ 5.6	+ 8.4	+ 12.3	8.3	8.4	8.7	9.2
Construction	207.0	216.0	219.5	234.3	255.3	+ 4.4	+ 1.6	+ 6.7	+ 9.0	11.1	10.9	11.0	11.3
Increase in stocks	- 0.7	+ 1.5	+ 5.5	+ 13.7	+ 25.1					0.1	0.3	0.6	1.1
Domestic expenditure	1,764.1	1,830.2	1,905.1	2,001.1	2,119.7	+ 3.7	+ 4.1	+ 5.0	+ 5.9	94.1	94.4	94.3	93.8
Foreign balance 8	+ 80.2	+ 115.0	+ 112.6	+ 120.6	+ 140.7					5.9	5.6	5.7	6.2
Exports	647.5	638.2	638.7	687.8	778.2	- 1.4	+ 0.1	+ 7.7	+ 13.2	32.8	31.7	32.4	34.4
Imports	567.3	523.3	526.1	567.2	637.6	- 7.8	+ 0.5	+ 7.8	+ 12.4	26.9	26.1	26.7	28.2
Gross national product at market prices	1,844.3	1,945.2	2,017.7	2,121.7	2,260.4	+ 5.5	+ 3.7	+ 5.2	+ 6.5	100	100	100	100
at 1980 prices													
Private consumption	864.0	893.4	924.8	949.9	966.2	+ 3.4	+ 3.5	+ 2.7	+ 1.7	55.3	56.3	55.8	54.6
Government consumption	315.3	323.4	328.1	335.4	332.8	+ 2.6	+ 1.5	+ 2.2	- 0.8	20.0	20.0	19.7	18.8
Machinery and equipment	130.5	135.9	143.4	154.2	169.2	+ 4.1	+ 5.6	+ 7.5	+ 9.7	8.4	8.7	9.1	9.6
Construction	184.6	189.6	189.0	198.0	208.4	+ 2.7	- 0.3	+ 4.7	+ 5.3	11.7	11.5	11.6	11.8
Increase in stocks	- 0.9	+ 3.9	+ 6.2	+ 13.4	+ 19.9					0.2	0.4	0.8	1.1
Domestic expenditure	1,493.5	1,546.1	1,591.6	1,650.9	1,696.5	+ 3.5	+ 2.9	+ 3.7	+ 2.8	95.8	96.9	97.0	95.9
Foreign balance 8	+ 84.6	+ 68.6	+ 50.4	+ 51.0	+ 72.7					4.2	3.1	3.0	4.1
Exports	545.7	545.9	550.5	582.4	643.1	+ 0.0	+ 0.8	+ 5.8	+ 10.4	33.8	33.5	34.2	36.4
Imports	461.1	477.3	500.2	531.5	570.4	+ 3.5	+ 4.8	+ 6.3	+ 7.3	29.6	30.5	31.2	32.2
Gross national product at market prices	1,578.1	1,614.7	1,641.9	1,701.8	1,769.2	+ 2.3	+ 1.7	+ 3.6	+ 4.0	100	100	100	100

Source: Federal Statistical Office. — 1 Including water supply. — 2 Including telecommunications. — 3 Banks, insurance enterprises, letting of dwellings and other services. — 4 Enterprises' gross value added less imputed remuneration for bank services. — 5 Including private non-profit organisations. — 6 Gross value added by all economic sectors plus turnover tax receipts and turnover tax withheld because of statutory special regulations and import levies (import duties, excise taxes on imports,

price adjustment levies and monetary compensatory amounts on imports of agricultural products). — 7 Including employers' contributions to social security funds and other social security expenditure by employers (inter alia on company old-age pension schemes). — 8 Including transactions in goods and services with the GDR. — p Provisional. Discrepancies in the totals are due to rounding.

2. Index of net output in the producing sector *

Adjusted for working-day variations

Period	Producing sector, total		of which											
			Basic and producer goods sector		Capital goods sector			Consumer goods sector			Construction			
	1985 = 100	Change from previous year in %	1985 = 100	Change from previous year in %	Total		of which			1985 = 100	Change from previous year in %	of which Textile industry	1985 = 100	Change from previous year in %
					1985 = 100	Change from previous year in %	Mechanical engineering	Road vehicle manufacture	Electrical engineering					
1986 average	102.3	+ 2.3	99.4	- 0.6	104.4	+ 4.4	105.5	104.8	104.9	102.2	+ 2.2	101.4	106.4	+ 6.4
1987 "	102.6	+ 0.3	99.3	- 0.1	104.8	+ 0.4	102.9	107.4	105.2	103.2	+ 1.0	100.4	106.0	- 0.4
1988 "	106.3	+ 3.6	105.6	+ 6.3	108.4	+ 3.4	105.4	107.5	110.7	106.2	+ 2.9	98.0	110.5	+ 4.2
1989 "	111.7	+ 5.1	108.9	+ 3.1	116.2	+ 7.2	115.6	115.7	120.7	110.5	+ 4.0	99.2	117.9	+ 6.7
1989 Feb.	104.8	+ 4.5	103.6	+ 4.0	108.7	+ 5.3	98.0	117.4	114.3	107.1	+ 2.5	101.5	90.0	+24.3
March	115.4	+ 4.2	112.8	+ 4.5	121.2	+ 5.3	118.0	125.1	126.1	117.2	+ 0.4	108.4	111.8	+29.5
April	113.3	+ 8.0	110.3	+ 5.3	119.1	+11.6	117.5	123.8	122.6	111.9	+ 6.9	103.5	121.3	+ 3.2
May	105.5	+ 1.3	107.1	+ 0.8	108.1	+ 2.5	105.8	111.9	110.2	102.0	+ 0.2	93.2	120.5	- 2.6
June	113.9	+ 5.7	111.8	+ 4.5	121.0	+ 7.5	122.4	122.2	124.3	111.8	+ 6.5	102.8	130.2	+ 3.2
July	106.7	+ 7.3	108.3	+ 2.6	109.2	+13.6	112.4	103.7	117.3	101.1	+ 6.0	83.2	126.3	+ 1.6
Aug.	102.6	+ 3.0	106.9	+ 1.8	99.8	+ 4.0	100.4	87.1	106.7	101.0	+ 3.3	80.4	125.2	+ 1.8
Sep.	116.9	+ 3.3	110.7	+ 1.0	123.5	+ 5.1	122.3	122.4	128.1	119.6	+ 2.4	108.3	134.9	+ 0.9
Oct.	124.5	+ 5.6	117.3	+ 2.4	129.2	+ 7.4	122.8	130.9	136.7	125.8	+ 5.8	115.9	143.8	+ 4.7
Nov.	120.2	+ 5.0	111.4	+ 2.0	126.6	+ 7.3	123.4	122.8	132.4	118.3	+ 4.9	104.0	127.2	+ 8.8
Dec.	112.3	+ 5.1	100.4	+ 1.1	125.3	+ 7.0	151.1	107.6	123.5	103.2	+ 5.3	87.6	92.2	+ 5.1
1990 Jan.	109.3	+ 5.1	107.5	+ 1.7	110.9	+ 8.2	99.9	120.6	114.0	112.3	+ 5.3	104.1	91.6	+ 0.9
Feb.	109.8	+ 4.8	105.3	+ 1.6	116.5	+ 7.2	111.4	122.9	121.9	112.7	+ 5.2	103.0	95.0	+ 5.6
March	123.0	+ 6.6	116.8	+ 3.5	130.6	+ 7.8	128.4	133.9	135.3	125.8	+ 7.3	112.3	123.2	+10.2
April	113.4	+ 0.1	109.9	- 0.4	118.4	- 0.6	117.3	119.8	122.5	113.8	+ 1.7	100.6	125.5	+ 3.5
May p	114.5	+ 8.5	111.8	+ 4.4	120.2	+11.2	121.5	120.3	123.3	110.7	+ 8.5	100.4	132.3	+ 9.8

Source: Federal Statistical Office. — * Results for kinds of activity units. — p Provisional.

3. Labour market *

Period	Employed persons 1		of whom							Short-time workers, thousands	Unemployed persons, thousands	Unemployment rate as a percentage of the		
			Wage and salary earners			Producing sector excluding construction and energy		Construction						
	Thousands	Change from previous year in %	Total 1, 2		Foreigners, thousands	Thousands	Change from previous year in %	Thousands	Change from previous year in %			total labour force 3	dependent labour force 3	Vacancies, thousands
			Thousands	Change from previous year in %										
1984 average	26,393	+ 0.2	23,351	+ 0.2	1,609	6,854	- 1.2	1,108	- 1.2	384	2,266	8.1	9.1	88
1985 "	26,593	+ 0.8	23,559	+ 0.9	1,568	6,938	+ 1.2	1,028	- 7.2	235	2,304	8.2	9.3	110
1986 "	26,960	+ 1.4	23,910	+ 1.5	1,570	7,059	+ 1.7	1,003	- 2.4	197	2,228	7.9	9.0	154
1987 "	27,157	+ 0.7	24,141	+ 1.0	1,577	7,057	- 0.0	986	- 1.8	278	2,229	7.9	8.9	171
1988 "	27,369	+ 0.8	24,348	+ 0.9	1,610	7,037	- 0.3	996	+ 1.0	208	2,242	7.7	8.7	189
1989 "	27,741	+ 1.4	24,713	+ 1.5	...	7,203	+ 2.4	999	+ 0.3	108	2,038	7.1	7.9	251
1989 May	27,641	+ 1.2	24,638	+ 1.5	...	7,154	+ 2.2	1,003	- 1.0	97	1,948	6.8	7.6	249
June	27,764	+ 1.4	...	...	1,689	7,189	+ 2.4	1,009	- 1.0	140	1,915	6.7	7.4	257
July	27,661	+ 1.3	...	...	...	7,244	+ 2.7	1,014	- 0.9	33	1,973	6.9	7.7	256
Aug.	27,808	+ 1.5	24,836	+ 1.5	...	7,293	+ 2.8	1,025	- 0.8	81	1,940	6.8	7.5	263
Sep.	28,105	+ 1.3	...	...	1,731	7,300	+ 2.7	1,026	- 0.7	46	1,881	6.6	7.3	289
Oct.	28,111	+ 1.3	...	...	...	7,294	+ 3.0	1,018	- 0.4	50	1,874	6.6	7.3	300
Nov.	28,087	+ 1.5	25,040	+ 1.6	...	7,304	+ 3.1	1,018	+ 0.3	43	1,950	6.8	7.6	293
Dec.	28,016	+ 1.7	...	...	...	7,276	+ 3.3	1,007	+ 1.0	50	2,052	7.2	8.0	277
1990 Jan.	27,866	+ 2.0	...	...	...	7,286	+ 2.7	974	+ 2.0	90	2,191	7.5	8.4	287
Feb.	27,922	+ 2.0	24,870	+ 2.2	...	7,318	+ 2.8	971	+ 2.5	105	2,153	7.4	8.2	302
March	28,046	+ 2.1	...	...	...	7,341	+ 2.7	p 995	p + 2.3	99	2,013	6.9	7.7	318
April	28,180	+ 2.2	...	...	...	7,337	+ 2.8	p 1,009	p + 1.5	65	1,915	6.6	7.3	325
May	pe 28,235	+ 2.1	...	...	...	...	...	...	...	44	1,823	6.2	7.0	335
June	...	...	...	...	...	...	...	...	...	38	1,808	6.2	6.9	337

Source: Federal Statistical Office; for employed foreigners, short-time workers, unemployed persons and vacancies: Federal Labour Office. — * Monthly figures: levels at end of month; employed persons: averages; short-time workers: levels at

mid-month. — 1 From 1987 provisional. — 2 Quarterly figures, computed as averages. — 3 Labour force (excluding the armed forces). — pe First preliminary estimate. — p Provisional.

VIII. General economic conditions

4. Index of orders received by the manufacturing sector*

1985 = 100; per calendar month

Period	Manufacturing sector						Basic and producer goods sector					
	Total	Change from previous year in %	Domestic orders	Change from previous year in %	Foreign orders	Change from previous year in %	Total	Change from previous year in %	Domestic orders	Change from previous year in %	Foreign orders	Change from previous year in %
1976 average	64.1	+ 13.5	70.5	+ 8.5	53.6	+ 26.4	65.8	+ 13.6	76.2	+ 12.2	49.3	+ 17.1
1977 "	64.8	+ 1.1	72.6	+ 3.0	52.0	- 3.0	63.8	- 3.0	72.5	- 4.9	50.1	+ 1.6
1978 "	68.0	+ 4.9	76.3	+ 5.1	54.3	+ 4.4	66.5	+ 4.2	74.6	+ 2.9	53.6	+ 7.0
1979 "	75.4	+ 10.9	83.5	+ 9.4	62.1	+ 14.4	75.8	+ 14.0	84.3	+ 13.0	62.4	+ 16.4
1980 "	78.3	+ 3.8	85.9	+ 2.9	65.7	+ 5.8	79.4	+ 4.7	87.6	+ 3.9	66.5	+ 6.6
1981 "	81.8	+ 4.5	84.9	- 1.2	76.7	+ 16.7	83.1	+ 4.7	87.7	+ 0.1	75.6	+ 13.7
1982 "	81.0	- 1.0	84.5	- 0.5	75.2	- 2.0	81.1	- 2.4	85.2	- 2.9	74.5	- 1.5
1983 "	84.5	+ 4.3	88.5	+ 4.7	77.8	+ 3.5	86.7	+ 6.9	90.6	+ 6.3	80.6	+ 8.2
1984 "	92.6	+ 9.6	94.0	+ 6.2	90.2	+ 15.9	96.0	+ 10.7	96.6	+ 6.6	95.1	+ 18.0
1985 "	100.0	+ 8.0	100.0	+ 6.4	100.0	+ 10.9	100.0	+ 4.2	100.0	+ 3.5	100.0	+ 5.2
1986 "	100.2	+ 0.2	102.4	+ 2.4	96.5	- 3.5	94.6	- 5.4	96.4	- 3.6	91.7	- 8.3
1987 "	100.4	+ 0.2	102.1	- 0.3	97.6	+ 1.1	93.8	- 0.8	94.3	- 2.2	93.0	+ 1.4
1988 "	110.2	+ 9.8	110.5	+ 8.2	109.8	+ 12.5	103.4	+ 10.2	102.9	+ 9.1	104.2	+ 12.0
1989 "	122.4	+ 11.1	122.4	+ 10.8	122.4	+ 11.5	110.3	+ 6.7	110.0	+ 6.9	110.7	+ 6.2
1989 March	132.7	+ 9.4	134.0	+ 9.7	130.5	+ 8.8	118.1	+ 5.5	115.7	+ 6.1	121.9	+ 4.6
April	126.1	+ 20.4	125.7	+ 19.5	126.8	+ 22.0	114.1	+ 14.9	112.5	+ 13.1	116.7	+ 17.8
May	114.8	+ 8.7	113.2	+ 6.3	117.4	+ 12.7	108.6	+ 4.2	108.0	+ 3.7	109.6	+ 5.0
June	130.4	+ 19.0	131.4	+ 20.1	128.8	+ 17.3	122.2	+ 14.6	120.5	+ 12.2	124.8	+ 18.6
July	114.0	+ 10.5	114.5	+ 8.8	113.2	+ 13.3	105.6	+ 8.8	106.8	+ 9.0	103.8	+ 8.6
Aug.	113.7	+ 8.3	114.9	+ 8.0	111.8	+ 8.9	103.9	+ 3.2	106.9	+ 4.6	99.1	+ 1.0
Sep.	125.7	+ 6.9	127.2	+ 6.4	123.2	+ 7.7	109.9	+ 1.5	110.8	+ 0.0	108.4	+ 3.9
Oct.	126.9	+ 12.0	128.8	+ 14.1	124.0	+ 9.0	115.5	+ 8.9	117.8	+ 9.6	112.0	+ 7.8
Nov.	125.6	+ 8.4	123.2	+ 7.9	129.4	+ 8.8	109.7	+ 2.1	110.1	+ 3.2	109.1	+ 0.5
Dec.	123.8	+ 4.6	121.9	+ 5.2	127.1	+ 3.8	96.9	- 6.7	95.9	- 3.4	98.6	- 11.2
1990 Jan.	125.1	+ 8.2	126.2	+ 9.3	123.2	+ 6.4	111.8	+ 2.0	112.0	+ 3.2	111.4	+ 0.0
Feb.	124.9	+ 4.9	124.7	+ 5.5	125.2	+ 3.9	107.9	- 1.1	108.9	+ 2.4	106.3	- 6.3
March r	140.5	+ 5.9	140.3	+ 4.7	140.7	+ 7.8	121.1	+ 2.5	120.8	+ 4.4	121.6	- 0.2
April	122.5	- 2.9	123.5	- 1.8	120.8	- 4.7	108.8	- 4.6	111.5	- 0.9	104.4	- 10.5
May p	129.0	+ 12.4	132.6	+ 17.1	123.2	+ 4.9	113.3	+ 4.3	116.9	+ 8.2	107.6	- 1.8

Period	Capital goods sector						Consumer goods sector					
	Total	Change from previous year in %	Domestic orders	Change from previous year in %	Foreign orders	Change from previous year in %	Total	Change from previous year in %	Domestic orders	Change from previous year in %	Foreign orders	Change from previous year in %
1976 average	60.9	+ 13.6	64.2	+ 5.1	56.4	+ 30.0	71.5	+ 13.7	77.5	+ 11.4	48.6	+ 30.6
1977 "	62.5	+ 2.6	69.4	+ 8.1	53.3	- 5.5	73.7	+ 3.1	80.1	+ 3.4	49.6	+ 2.1
1978 "	65.9	+ 5.4	74.2	+ 6.9	54.7	+ 2.6	77.4	+ 5.0	83.5	+ 4.2	53.8	+ 8.5
1979 "	72.7	+ 10.3	80.3	+ 8.2	62.5	+ 14.3	83.5	+ 7.9	89.7	+ 7.4	59.6	+ 10.8
1980 "	74.9	+ 3.0	81.8	+ 1.9	65.7	+ 5.1	87.0	+ 4.2	93.1	+ 3.8	63.5	+ 6.5
1981 "	79.4	+ 6.0	80.4	- 1.7	78.0	+ 18.7	87.3	+ 0.3	91.4	- 1.8	71.7	+ 12.9
1982 "	79.0	- 0.5	81.6	+ 1.5	75.4	- 3.3	87.1	- 0.2	90.1	- 1.4	75.9	+ 5.9
1983 "	81.1	+ 2.7	84.7	+ 3.8	76.1	+ 0.9	91.3	+ 4.8	94.4	+ 4.8	79.6	+ 4.9
1984 "	89.3	+ 10.1	90.7	+ 7.1	87.5	+ 15.0	96.9	+ 6.1	98.3	+ 4.1	91.7	+ 15.2
1985 "	100.0	+ 12.0	100.0	+ 10.3	100.0	+ 14.3	100.0	+ 3.2	100.0	+ 1.7	100.0	+ 9.1
1986 "	102.2	+ 2.2	105.4	+ 5.4	98.0	- 2.0	103.1	+ 3.1	103.3	+ 3.3	102.6	+ 2.6
1987 "	102.4	+ 0.2	105.1	- 0.3	98.9	+ 0.9	105.4	+ 2.2	105.6	+ 2.2	104.7	+ 2.0
1988 "	113.0	+ 10.4	113.9	+ 8.4	111.8	+ 13.0	112.8	+ 7.0	112.5	+ 6.5	114.2	+ 9.1
1989 "	128.7	+ 13.9	130.1	+ 14.2	126.9	+ 13.5	122.5	+ 8.6	120.8	+ 7.4	129.1	+ 13.0
1989 March	137.5	+ 13.4	142.6	+ 15.4	130.8	+ 10.6	141.7	+ 3.2	138.2	+ 1.6	155.4	+ 9.1
April	131.7	+ 25.3	132.9	+ 26.2	130.2	+ 24.1	128.4	+ 14.1	126.6	+ 12.5	135.7	+ 20.7
May	118.9	+ 11.9	117.5	+ 8.8	120.8	+ 16.0	112.1	+ 5.9	110.3	+ 3.8	119.1	+ 14.2
June	137.7	+ 22.4	143.1	+ 26.9	130.6	+ 16.6	120.8	+ 14.8	118.7	+ 14.0	129.1	+ 17.7
July	121.6	+ 11.5	123.7	+ 8.7	118.8	+ 15.6	103.6	+ 9.4	103.1	+ 8.9	105.6	+ 12.0
Aug.	117.4	+ 10.9	117.7	+ 10.1	117.1	+ 11.8	118.6	+ 8.7	119.1	+ 7.7	116.6	+ 12.5
Sep.	130.3	+ 9.9	133.6	+ 10.7	125.9	+ 8.8	137.6	+ 5.5	133.8	+ 4.0	152.0	+ 10.8
Oct.	129.9	+ 13.6	132.4	+ 17.6	126.5	+ 8.5	136.8	+ 11.9	134.7	+ 11.2	144.7	+ 14.2
Nov.	133.9	+ 11.3	130.1	+ 10.6	139.0	+ 12.0	125.6	+ 8.0	124.4	+ 7.1	130.2	+ 11.4
Dec.	143.5	+ 9.5	143.4	+ 9.4	143.5	+ 9.4	106.4	+ 4.1	106.1	+ 3.4	107.7	+ 7.3
1990 Jan.	132.5	+ 11.6	135.9	+ 13.2	127.9	+ 9.4	123.9	+ 6.9	122.5	+ 7.3	129.0	+ 5.5
Feb.	131.3	+ 6.6	131.4	+ 6.1	131.1	+ 7.3	133.3	+ 8.5	130.0	+ 7.7	146.0	+ 11.2
March r	146.4	+ 6.5	147.5	+ 3.4	145.0	+ 10.9	154.3	+ 8.9	149.4	+ 8.1	172.6	+ 11.1
April	128.9	- 2.1	129.9	- 2.3	127.5	- 2.1	125.1	- 2.6	124.5	- 1.7	127.6	- 6.0
May p	137.7	+ 15.8	143.7	+ 22.3	129.7	+ 7.4	127.9	+ 14.1	127.6	+ 15.7	129.1	+ 8.4

Source: Federal Statistical Office. — * Excluding food, drink and tobacco industry; r Figures partly revised by the Federal Statistical Office.
 results for kinds of activity units; figures excluding value-added tax. — p Provisional. —

5. Orders received by construction, and housing finance

Period	Orders received by construction 1							Orders on hand 1, 4 in construction		Estimated cost 5 of approved buildings		Capital promised for residential building 7, 8	
	Total		Building				Civil engineering 1985 = 100	1985 = 100	Change from previous year in %	DM million 6	Change from previous year in %	DM million	Change from previous year in %
	1985 = 100	Change from previous year in %	1985 = 100	Residential building	Industrial building 2	Public building 3							
1984 average	101.8	- 5.8	106.2	128.9	91.3	96.1	95.7	107.0	- 7.4	7,185	-20.2	8,513	.
1985 "	100.0	- 1.8	100.0	100.0	100.0	100.0	100.0	100.0	- 6.5	6,371	-11.3	8,673	+ 1.9
1986 "	109.1	+ 9.1	107.5	95.0	117.6	109.1	111.2	105.7	+ 5.7	6,551	+ 2.8	8,693	+ 0.2
1987 "	106.2	- 2.7	105.7	89.4	117.0	111.7	106.7	106.5	+ 0.8	6,421	- 2.0	8,479	- 2.5
1988 "	116.0	+ 9.2	118.2	100.0	138.5	107.3	113.1	109.3	+ 2.6	7,354	+ 14.5	8,565	+ 1.0
1989 "	132.2	+ 14.0	135.9	116.0	162.7	113.9	127.1	119.3	+ 9.1	p 8,304	p + 12.9	8,845	+ 3.3
1989 March	147.1	+ 6.2	149.6	136.9	175.2	116.7	143.7	123.6	+ 4.2	7,378	+ 9.9	8,566	- 9.5
April	140.6	+ 17.2	143.7	117.7	175.2	122.7	136.4	123.6	+ 8.3	8,320	+ 13.0	8,103	- 5.4
May	133.6	+ 8.4	134.9	111.2	164.5	113.9	131.7	123.6	+ 8.3	8,310	+ 3.7	8,062	-20.2
June	160.4	+ 16.4	155.4	133.6	187.2	126.1	167.4	123.6	+ 8.3	9,384	+ 20.6	9,266	- 6.2
July	139.3	+ 7.7	137.6	106.6	167.9	129.2	141.6	123.1	+ 10.2	9,414	+ 14.0	8,684	-11.6
Aug.	142.2	+ 14.9	141.1	113.1	172.4	124.4	143.8	123.1	+ 10.2	8,547	- 1.6	8,429	- 6.2
Sep.	151.9	+ 7.6	154.1	132.0	170.2	160.0	149.0	123.1	+ 10.2	8,562	+ 8.6	9,062	+ 13.9
Oct.	137.4	+ 15.9	143.0	126.2	171.0	112.8	129.7	117.6	+ 14.4	8,940	+ 2.4	10,251	+ 50.9
Nov.	119.0	+ 21.2	125.9	113.9	144.8	106.6	109.4	117.6	+ 14.4	8,247	+ 16.5	8,895	+ 29.9
Dec.	128.8	+ 24.1	141.8	127.9	172.8	99.4	110.7	117.6	+ 14.4	9,459	+ 44.5	11,881	+ 11.6
1990 Jan.	112.7	+ 28.9	129.2	114.9	157.7	93.0	89.9	133.5	+ 18.2	8,591	+ 32.8	7,691	+ 9.9
Feb.	127.2	+ 29.4	141.5	130.1	178.9	79.8	107.4	133.5	+ 18.2	7,824	+ 18.3	8,838	+ 11.2
March	177.9	+ 20.9	186.7	164.7	221.8	150.5	165.7	133.5	+ 18.2	10,580	+ 43.4	10,352	+ 20.8
April	152.4	+ 8.4	153.5	142.4	178.3	119.6	150.9	133.5	+ 18.2	...	...	8,378	+ 3.4
May	...	...	...	...	...	...	...	133.5	+ 18.2	...	...	7,989	- 0.9

Source: Federal Statistical Office; banking associations. — 1 Excluding value-added tax. — 2 Including Federal Railways and Federal Post Office. — 3 Excluding Federal Railways and Federal Post Office. — 4 End of quarter. — 5 Including value-added tax. — 6 Annual figures are ascertained separately and differ slightly from the aggregated monthly figures. — 7 Loans promised by savings banks, regional giro institutions,

public and private mortgage banks and building and loan associations for new housing construction, for the modernisation and upkeep of older flats, for the purchase of flats and residential buildings, as well as for the rescheduling of debts. — 8 Loans in respect of housing, but not connected with new housing construction, were not fully recorded prior to 1984. — p Provisional.

6. Retail turnover *

Period	of which												
	Enterprises 2 mainly dealing in											Department stores	
	Total		food, drink and tobacco		textiles, clothing, footwear, leather goods		household furniture and appliances 3		vehicles 4				
1986 = 100	Change from previous year in % not adjusted	price-adjusted 1	1986 = 100	Change from previous year in %	1986 = 100	Change from previous year in %	1986 = 100	Change from previous year in %	1986 = 100	Change from previous year in %	1986 = 100	Change from previous year in %	
1984 average	94.8	+ 2.6	+ 0.5	96.6	+ 2.2	92.8	+ 2.7	97.1	+ 2.4	84.9	+ 2.7	97.0	- 2.9
1985 "	97.1	+ 2.4	+ 0.7	98.1	+ 1.6	96.3	+ 3.8	96.4	- 0.7	87.7	+ 3.3	97.6	+ 0.6
1986 "	100.0	+ 3.0	+ 3.5	100.0	+ 1.9	100.0	+ 3.8	100.0	+ 3.7	100.0	+ 14.0	100.0	+ 2.5
1987 "	104.2	+ 4.2	+ 3.8	102.0	+ 2.0	102.9	+ 2.9	107.4	+ 7.4	109.0	+ 9.0	99.4	- 0.6
1988 "	108.3	+ 3.9	+ 3.4	106.1	+ 4.0	103.1	+ 0.2	115.2	+ 7.3	114.8	+ 5.3	101.2	+ 1.8
1989 " p, r	113.6	+ 4.9	+ 2.3	111.7	+ 5.3	104.7	+ 1.6	122.4	+ 6.3	125.1	+ 9.0	102.9	+ 1.7
1989 p, r May	111.6	+ 3.8	+ 1.3	112.7	+ 5.2	104.5	+ 2.3	108.5	+ 4.0	133.9	+ 3.0	85.9	+ 1.2
June	111.9	+ 7.5	+ 4.3	114.2	+ 7.9	88.4	+ 2.8	114.4	+ 9.8	148.2	+ 14.4	84.5	+ 1.4
July	108.0	+ 3.2	+ 0.4	108.9	+ 4.2	91.4	- 3.4	110.0	+ 3.9	125.5	+ 8.8	103.4	- 3.2
Aug.	107.1	+ 7.0	+ 4.4	110.2	+ 5.8	92.5	+ 9.3	111.0	+ 7.8	107.7	+ 6.3	93.5	+ 7.2
Sep.	109.1	+ 2.8	+ 0.4	109.4	+ 5.8	104.4	- 0.8	117.3	+ 4.5	112.7	- 1.9	86.4	+ 0.7
Oct.	117.9	+ 6.7	+ 3.7	111.6	+ 6.5	121.6	+ 1.1	131.3	+ 6.7	126.0	+ 13.5	96.7	+ 1.0
Nov.	125.5	+ 5.6	+ 3.0	117.9	+ 8.1	126.8	+ 1.2	143.9	+ 6.4	121.8	+ 5.5	131.6	+ 3.1
Dec.	145.6	+ 2.8	+ 0.1	136.5	+ 6.6	140.7	+ 0.2	181.6	+ 3.1	117.8	- 1.2	173.4	+ 4.5
1990 p, r Jan.	107.2	+ 8.5	+ 6.3	107.9	+ 9.8	96.0	+ 2.3	114.3	+ 6.7	112.3	+ 13.8	116.1	+ 1.1
Feb.	104.4	+ 7.1	+ 5.0	104.8	+ 6.9	85.6	+ 5.0	113.9	+ 7.3	122.5	+ 9.3	87.6	+ 4.2
March	126.9	+ 7.5	+ 5.6	123.0	+ 7.3	115.7	+ 5.5	134.5	+ 10.0	160.8	+ 7.8	99.7	+ 4.5
April	119.5	+ 6.3	+ 4.8	119.4	+ 11.0	108.7	+ 7.5	123.0	+ 6.3	146.5	- 1.1	94.8	+ 10.7
May	123.8	+ 10.9	+ 8.9	123.0	+ 9.1	115.4	+ 10.4	124.8	+ 15.0	154.5	+ 15.4	92.6	+ 7.8

Source: Federal Statistical Office. — * Including value-added tax. — 1 At 1980 prices. — 2 Excluding department stores and other enterprises not dealing mainly in a specific field. — 3 Including electrical equipment and apparatus as well as musical

instruments. — 4 Including vehicle parts and tyres. — p Provisional. — r Partly revised.

VIII. General economic conditions

7. Prices

Period	Index of producer prices of industrial products in domestic sales 1					Index of producer prices of farm products 1			Indices of prices in foreign trade		Indices of unit values in foreign trade r			Index of world market prices of raw materials 3, 4					
	Total		of which Products of			Total			of which Vegetable products	Exports	Imports	Exports	Imports		Terms of trade 2				
	1985 = 100	Change from previous year in %	the basic and producer goods sector	the capital goods sector	the consumer goods sector	1985 = 100	Change from previous year in %	1985 = 100								1980 = 100		1985 = 100	
								Exports								Imports	Exports		Imports
1980 average	81.9	+ 7.5	82.4	84.5	85.2	97.4	+ 1.6	100.8	83.8	80.3	100	100	100	114.6					
1981	88.3	+ 7.8	90.4	88.0	89.4	103.3	+ 6.1	107.5	88.7	91.2	106.3	113.8	93.4	122.0					
1982	93.5	+ 5.9	93.8	93.0	92.9	107.0	+ 3.6	106.3	92.5	93.3	110.9	114.5	96.9	115.9					
1983	94.9	+ 1.5	93.4	95.5	94.5	105.4	- 1.5	108.0	94.1	93.0	112.4	114.1	98.5	106.1					
1984	97.6	+ 2.8	97.2	97.6	97.5	104.1	- 1.2	107.3	97.4	98.6	116.3	120.8	96.3	103.9					
1985	100	+ 2.5	100	100	100	100	- 3.9	100	100	100	120.8	123.9	97.5	100.0					
1986	97.5	- 2.5	89.1	102.1	101.0	94.3	- 5.7	98.3	98.2	84.3	116.8	104.1	112.2	72.6					
1987	95.1	- 2.5	86.3	103.8	101.9	91.7	- 2.8	98.9	97.3	79.8	113.8	97.8	116.4	75.7					
1988	96.3	+ 1.3	87.9	105.5	103.8	91.8	+ 0.1	96.0	99.3	80.8	114.8	98.7	116.3	72.7					
1989	99.3	+ 3.1	93.4	107.8	106.5	99.8	+ 8.7	97.5	102.1	84.4	120.0	106.0	113.2	80.1					
1989 May	99.3	+ 3.4	94.4	107.8	106.4	98.3	+ 9.7	101.4	102.6	85.7	119.1	106.2	112.1	80.8					
June	99.2	+ 3.0	93.8	107.9	106.6	100.8	+ 10.9	100.9	102.6	85.2	120.0	108.7	110.4	79.0					
July	99.3	+ 3.0	92.8	108.1	106.8	101.7	+ 11.8	100.1	102.4	83.9	122.0	106.9	114.1	79.2					
Aug.	99.4	+ 3.0	93.2	108.0	106.8	103.8	+ 14.4	97.8	102.4	84.2	121.1	105.1	115.2	77.0					
Sep.	99.6	+ 3.0	93.6	108.2	107.0	105.3	+ 13.3	97.5	102.4	84.5	120.0	105.8	113.4	79.0					
Oct.	100.1	+ 3.4	93.7	108.4	107.2	102.9	+ 9.5	98.0	102.3	84.1	119.8	106.3	112.7	81.1					
Nov.	100.0	+ 3.1	92.9	108.4	107.3	101.3	+ 6.2	98.1	102.0	83.4	119.5	105.0	113.8	80.4					
Dec.	100.0	+ 2.9	93.3	108.4	107.4	100.7	+ 4.1	99.8	101.6	83.0	121.8	104.8	116.2	82.8					
1990 Jan.	100.1	+ 1.9	92.6	109.1	107.8	96.6	+ 0.6	101.0	101.7	82.5	118.2	103.3	114.4	85.2					
Feb.	100.1	+ 1.7	92.0	109.5	108.1	96.9	- 0.3	100.8	101.7	82.2	117.7	104.1	113.1	84.2					
March	100.2	+ 1.5	91.9	109.7	108.2	97.6	- 0.7	100.5	101.9	82.4	119.3	104.2	114.5	82.0					
April	100.7	+ 1.5	91.9	110.3	108.4	p 98.1	p + 0.3	103.7	102.1	81.8	118.6	102.4	115.8	78.8					
May	100.8	+ 1.5	91.7	110.5	108.8	p 98.9	p + 0.6	104.2	102.1	81.1	...	...	...	78.8		
June	...	...	...	...	...	...	...	...	...	...	...	...	...	74.8

Period	Overall price index for residential buildings 5		Price index for road construction 5		Cost of living index for all households						Cost of living excluding food and sources of energy 6			
	1980 = 100	Change from previous year in %	1980 = 100	Change from previous year in %	Total		Food	Other consumer goods	Services and repairs	Rents, including garage rents	Food		sources of energy 6	
					1985 = 100	Change from previous year in %					1985 = 100	Change from previous year in %	1985 = 100	Change from previous year in %
1980 average	100	+ 10.6	100	+ 12.7	82.8	+ 5.5	87.4	82.6	82.0	80.3	82.0	+ 5.5	83.4	+ 4.8
1981	105.7	+ 5.7	102.6	+ 2.6	88.0	+ 6.3	92.0	88.7	87.1	83.9	87.3	+ 6.5	87.7	+ 5.2
1982	109.2	+ 3.3	100.3	- 2.2	92.6	+ 5.2	96.5	93.3	91.9	88.5	92.0	+ 5.4	92.3	+ 5.2
1983	111.4	+ 2.0	99.5	- 0.8	95.7	+ 3.3	98.0	95.7	95.6	93.5	95.3	+ 3.6	95.8	+ 3.8
1984	114.3	+ 2.6	100.8	+ 1.3	98.0	+ 2.4	99.8	97.8	97.9	97.0	97.6	+ 2.4	98.1	+ 2.4
1985	115.1	+ 0.7	102.6	+ 1.8	100	+ 2.0	100	100	100	100	100	+ 2.5	100	+ 1.9
1986	116.8	+ 1.5	104.8	+ 2.1	99.9	- 0.1	99.6	97.7	102.3	101.8	99.9	- 0.1	101.6	+ 1.6
1987	119.2	+ 2.1	105.8	+ 1.0	100.1	+ 0.2	99.1	96.6	104.3	103.4	100.3	+ 0.4	102.7	+ 1.1
1988	121.7	+ 2.1	107.0	+ 1.1	101.4	+ 1.3	99.1	96.9	107.2	105.6	101.7	+ 1.4	104.4	+ 1.7
1989	126.0	+ 3.5	109.2	+ 2.1	104.2	+ 2.8	101.3	99.9	109.9	108.7	104.6	+ 2.9	106.8	+ 2.3
1989 May	125.7	+ 3.5	108.9	+ 1.8	104.3	+ 2.9	102.1	100.1	109.8	108.4	104.7	+ 3.2	106.7	+ 2.3
June	..	..	..	..	104.4	+ 2.9	102.4	99.9	110.1	108.6	104.7	+ 3.1	107.0	+ 2.5
July	..	..	..	..	104.3	+ 2.8	101.7	99.7	110.1	108.9	104.7	+ 2.8	107.0	+ 2.4
Aug.	..	..	..	..	104.2	+ 2.8	100.7	99.7	110.2	109.1	104.7	+ 2.7	106.9	+ 2.5
Sep.	..	..	..	..	104.4	+ 2.9	100.8	99.9	110.3	109.3	104.9	+ 2.8	106.9	+ 2.3
Oct.	..	..	..	..	104.7	+ 3.1	101.3	100.3	110.4	109.5	105.2	+ 3.0	107.2	+ 2.4
Nov.	..	..	..	..	104.9	+ 2.9	101.7	100.4	110.6	109.8	105.3	+ 2.8	107.4	+ 2.3
Dec.	..	..	..	..	105.2	+ 3.0	102.7	100.8	110.7	110.0	105.6	+ 2.9	107.6	+ 2.4
1990 Jan.	..	..	..	..	105.8	+ 2.7	103.9	101.1	111.5	110.6	106.1	+ 2.4	108.2	+ 2.4
Feb.	..	..	..	..	106.2	+ 2.7	104.8	101.2	112.2	110.9	106.4	+ 2.5	108.9	+ 2.6
March	..	..	..	..	106.3	+ 2.7	104.7	101.2	112.5	111.3	106.6	+ 2.5	109.0	+ 2.6
April	..	..	..	..	106.5	+ 2.3	105.6	101.1	112.6	111.7	106.7	+ 2.1	109.2	+ 2.5
May	..	..	..	..	106.7	+ 2.3	106.2	101.2	112.6	112.0	106.8	+ 2.0	109.5	+ 2.6
June	..	..	..	..	106.8	+ 2.3	106.0	101.1	112.9	112.3	106.9	+ 2.1	109.7	+ 2.5

Source: Federal Statistical Office; for index of world market prices: Hamburgisches Welt-Wirtschafts-Archiv. — 1 Excluding value-added tax. — 2 Index of export unit values as % of the index of import unit values. — 3 Food and industrial raw materials; on a dollar basis. — 4 Rebased from original base 1975 = 100. — 5 Including value-added tax. — 6 Mineral oil products, electricity, gas and coal as well as contributions

towards the cost of central heating, warm water and district heating (calculated by the Bundesbank). — p Provisional. — o Series levels not fully comparable (some items changed in 1988; the 1980 unit values are therefore partly estimated). — r 1989 revised.

8. Households' income

Period	Gross wages and salaries 1		Net wages and salaries 2		Government current transfers 3		"Mass income" 4		Disposable income 5		Private saving 6		Saving ratio 7
	DM billion	Change from previous year in %	DM billion	Change from previous year in %	DM billion	Change from previous year in %	DM billion	Change from previous year in %	DM billion	Change from previous year in %	DM billion	Change from previous year in %	%
1975	500.0	+ 3.6	369.9	+ 4.0	162.4	+25.0	532.3	+ 9.6	698.3	+ 10.3	112.9	+ 14.0	16.2
1976	534.2	+ 6.9	386.3	+ 4.4	173.1	+ 6.6	559.4	+ 5.1	739.7	+ 5.9	107.2	- 5.0	14.5
1977	571.4	+ 7.0	408.3	+ 5.7	186.5	+ 7.7	594.8	+ 6.3	786.8	+ 6.4	103.7	- 3.3	13.2
1978	610.1	+ 8.8	440.9	+ 8.0	196.0	+ 5.1	636.8	+ 7.1	839.9	+ 6.7	111.0	+ 7.1	13.2
1979	657.8	+ 7.8	477.5	+ 8.3	207.0	+ 5.6	684.5	+ 7.5	910.6	+ 8.4	125.6	+ 13.2	13.8
1980	714.3	+ 8.6	512.0	+ 7.2	221.9	+ 7.2	733.9	+ 7.2	978.1	+ 7.4	137.3	+ 9.3	14.0
1981	743.6	+ 4.1	530.8	+ 3.7	238.2	+ 7.3	769.0	+ 4.8	1 041.5	+ 6.5	153.7	+ 11.9	14.8
1982	756.8	+ 1.8	533.7	+ 0.6	249.7	+ 4.8	783.4	+ 1.9	1 065.4	+ 2.3	147.3	- 4.2	13.8
1983	770.7	+ 1.8	539.3	+ 1.0	254.0	+ 1.7	793.3	+ 1.3	1 097.7	+ 3.0	133.5	- 9.3	12.2
1984	796.9	+ 3.4	551.6	+ 2.3	255.6	+ 0.6	807.2	+ 1.7	1 150.5	+ 4.8	147.0	+ 10.1	12.8
1985	826.4	+ 3.7	565.1	+ 2.4	260.2	+ 1.8	825.3	+ 2.3	1 189.5	+ 3.4	151.1	+ 2.8	12.7
1986	867.9	+ 5.0	595.3	+ 5.3	269.3	+ 3.5	864.6	+ 4.8	1 235.2	+ 3.8	166.6	+ 10.2	13.5
1987 p	904.4	+ 4.2	614.5	+ 3.2	283.6	+ 5.3	898.1	+ 3.9	1 288.4	+ 4.3	175.7	+ 5.5	13.6
1988 p	939.1	+ 3.8	639.7	+ 4.1	297.0	+ 4.8	936.7	+ 4.3	1 344.1	+ 4.3	187.3	+ 6.6	13.9
1989 p	981.0	+ 4.5	661.6	+ 3.4	306.7	+ 3.3	968.3	+ 3.4	1 403.8	+ 4.4	190.4	+ 1.7	13.6
1989 p 2nd qtr	238.1	+ 4.1	159.7	+ 2.7	74.6	+ 3.8	234.3	+ 3.0	337.5	+ 4.7	38.9	- 1.2	11.5
3rd qtr	242.1	+ 4.3	164.4	+ 3.4	76.7	+ 3.2	241.0	+ 3.4	338.0	+ 4.0	37.7	+ 2.5	11.2
4th qtr	276.1	+ 4.4	182.3	+ 3.6	78.3	+ 3.2	260.6	+ 3.5	388.0	+ 4.3	59.5	+ 1.1	15.3
1990 p 1st qtr	238.4	+ 6.1	169.0	+ 8.8	80.7	+ 4.7	249.7	+ 7.4	364.9	+ 7.2	60.5	+ 11.4	16.6

1 Including employers' other social security expenditure (inter alia on company old-age pension schemes but excluding employers' contributions to social security funds). — 2 After deducting wage tax payable on gross wages and salaries and employees' contributions to social security funds. — 3 Social security pensions, maintenance payments and civil servants' pensions (net), less households' transfers to government. — 4 Net wages and salaries plus government current transfers. —

5 "Mass income" plus all households' property income and plus self-employed persons' private withdrawals from entrepreneurial income, less current transfers to non-residents. — 6 Including claims on company pension funds. — 7 Saving as a percentage of disposable income. — p Provisional. Discrepancies in the totals are due to rounding.

9. Pay rates and actual earnings*

Period	Overall economy						Producing sector (including construction)					
	Negotiated wage and salary level o				Wages and salaries per employee +		Negotiated wage and salary level				Wages and salaries per employee	
	on an hourly basis		on a monthly basis		1980 = 100	Change from previous year in %	on an hourly basis		on a monthly basis		1980 = 100	Change from previous year in %
	1980 = 100	Change from previous year in %	1980 = 100	Change from previous year in %			1980 = 100	Change from previous year in %	1980 = 100	Change from previous year in %		
1975	74.6	+ 9.3	74.8	+ 8.5	74.9	+ 6.3	73.7	+ 9.1	73.8	+ 9.1	71.9	+ 7.5
1976	79.0	+ 6.0	79.2	+ 5.9	79.7	+ 6.4	78.3	+ 6.2	78.4	+ 6.2	77.8	+ 8.3
1977	84.5	+ 6.9	84.7	+ 6.9	84.9	+ 6.5	84.2	+ 7.5	84.3	+ 7.5	83.0	+ 6.7
1978	89.3	+ 5.7	89.4	+ 5.6	89.3	+ 5.2	89.2	+ 5.9	89.2	+ 5.9	87.6	+ 5.5
1979	93.7	+ 4.9	93.7	+ 4.8	94.0	+ 5.2	93.5	+ 4.9	93.6	+ 4.9	93.4	+ 6.5
1980	100.0	+ 6.7	100.0	+ 6.7	100.0	+ 6.4	100.0	+ 6.9	100.0	+ 6.9	100.0	+ 7.1
1981	105.6	+ 5.6	105.5	+ 5.5	104.2	+ 4.2	105.7	+ 5.7	105.7	+ 5.7	105.3	+ 5.3
1982	109.9	+ 4.1	109.7	+ 4.0	107.6	+ 3.3	110.1	+ 4.1	110.0	+ 4.1	110.2	+ 4.7
1983	113.5	+ 3.3	113.3	+ 3.3	110.9	+ 3.0	113.7	+ 3.3	113.7	+ 3.3	114.5	+ 3.9
1984	116.8	+ 2.8	116.4	+ 2.8	114.1	+ 2.9	117.1	+ 3.0	117.1	+ 2.9	118.7	+ 3.7
1985	120.8	+ 3.4	119.6	+ 2.7	117.3	+ 2.8	122.0	+ 4.2	120.2	+ 2.7	122.8	+ 3.5
1986	125.8	+ 4.1	123.7	+ 3.5	121.4	+ 3.5	127.4	+ 4.4	124.7	+ 3.8	127.9	+ 4.2
1987 p	130.5	+ 3.8	128.0	+ 3.4	125.0	+ 3.0	132.1	+ 3.7	129.3	+ 3.7	132.2	+ 3.3
1988 p	134.9	+ 3.3	131.5	+ 2.7	128.8	+ 3.0	137.2	+ 3.8	132.8	+ 2.7	137.5	+ 4.0
1989 p	139.9	+ 3.7	135.0	+ 2.7	132.6	+ 3.0	142.4	+ 3.8	136.2	+ 2.6	142.5	+ 3.6
1989 p 2nd qtr	140.4	+ 3.7	135.2	+ 2.6	129.2	+ 2.7	142.9	+ 3.6	136.6	+ 2.7	142.1	+ 4.1
3rd qtr	141.0	+ 3.7	135.6	+ 2.6	130.3	+ 2.8	143.6	+ 3.8	137.0	+ 2.5	139.9	+ 3.1
4th qtr	141.5	+ 3.9	135.9	+ 2.6	147.9	+ 2.8	144.1	+ 3.9	137.2	+ 2.5	157.2	+ 2.8
1990 p 1st qtr	143.9	+ 5.1	137.9	+ 3.6	128.0	+ 3.9	145.2	+ 4.4	137.5	+ 2.6	136.0	+ 4.2
1989 p Sep.	141.2	+ 3.8	135.7	+ 2.6	.	.	143.8	+ 3.8	137.1	+ 2.5	136.4	+ 2.8
Oct.	141.3	+ 3.8	135.8	+ 2.6	.	.	144.0	+ 3.9	137.2	+ 2.5	142.1	+ 4.7
Nov.	141.5	+ 3.9	135.9	+ 2.7	.	.	144.1	+ 3.8	137.2	+ 2.5	184.5	+ 3.6
Dec.	141.6	+ 4.0	136.0	+ 2.7	.	.	144.2	+ 3.9	137.3	+ 2.5	144.8	+ 0.1
1990 p Jan.	143.7	+ 5.1	137.7	+ 3.5	.	.	145.1	+ 4.4	137.5	+ 2.6	137.8	+ 5.6
Feb.	143.8	+ 5.1	137.8	+ 3.5	.	.	145.2	+ 4.4	137.6	+ 2.6	131.2	+ 4.2
March	144.2	+ 5.2	138.1	+ 3.6	.	.	145.3	+ 4.5	137.6	+ 2.6	139.1	+ 2.8
April	147.8	+ 5.6	141.1	+ 4.8	.	.	151.3	+ 6.1	143.3	+ 5.0	139.2	+ 4.5
May	148.3	+ 5.5	141.6	+ 4.8	.	.	151.6	+ 6.0	143.5	+ 5.0	...	...

* In calculating the negotiated wage and salary level, lump-sum payments and across-the-board increases were added together and related to the entire duration of the wage agreements. — p Provisional. — o The rise since January 1990 in the general

allowances for public sector employees has been included. — + The figures given here for wage and salary earners take account of the results of the 1987 population census and the 1987 census of places of employment.

2. Foreign trade (special trade), by group of countries and country *

Group of countries/Country		1990						1989 r			Percentage of total exports or imports	
		1987	1988	1989 r	March	April	May p	March	April	May p		
												Change from previous year in %
		DM million										
All countries 1		Exports	527,377	567,654	641,041	60,949	52,441	55,783	+ 10.5	— 1.9	+ 9.3	100
		Imports	409,641	439,609	506,465	47,545	44,820	43,745	+ 12.4	+ 2.8	+ 8.2	100
		Balance	+ 117,735	+ 128,045	+ 134,576	+ 13,404	+ 7,620	+ 12,038				
I. Industrialised western countries		Exports	451,460	488,169	548,969	52,789	45,406	48,060	+ 11.1	— 1.8	+ 9.7	85.6
		Imports	339,780	364,183	418,809	39,666	37,624	36,419	+ 12.5	+ 2.7	+ 9.0	82.7
		Balance	+ 111,680	+ 123,987	+ 130,161	+ 13,123	+ 7,782	+ 11,641				
A. EC member countries 2		Exports	277,916	308,195	352,668	33,959	29,122	30,535	+ 10.2	— 2.1	+ 7.6	55.0
		Imports	215,612	227,362	258,660	24,920	23,287	22,540	+ 13.3	+ 3.2	+ 9.6	51.1
		Balance	+ 62,305	+ 80,833	+ 94,007	+ 9,040	+ 5,835	+ 7,995				
of which												
Belgium and Luxembourg		Exports	38,846	42,040	45,979	4,423	3,867	3,992	+ 6.5	— 4.0	+ 8.3	7.2
		Imports	29,129	31,160	34,968	3,417	3,187	3,266	+ 13.6	+ 2.5	+ 13.3	6.9
		Balance	+ 9,716	+ 10,880	+ 11,011	+ 1,006	+ 680	+ 726				
Denmark		Exports	11,165	11,282	12,103	1,139	978	1,042	+ 13.2	+ 1.8	+ 10.0	1.9
		Imports	7,670	8,281	9,237	840	833	833	+ 14.8	+ 18.0	+ 17.3	1.8
		Balance	+ 3,495	+ 3,001	+ 2,866	+ 299	+ 145	+ 209				
France		Exports	63,609	71,272	84,314	8,262	6,650	6,970	+ 9.3	— 2.1	+ 2.2	13.2
		Imports	47,482	53,052	60,403	5,931	5,216	4,708	+ 17.3	— 7.5	+ 4.4	11.9
		Balance	+ 16,127	+ 18,220	+ 23,911	+ 2,331	+ 1,434	+ 2,262				
Italy		Exports	46,056	51,652	59,807	5,904	5,172	5,503	+ 12.9	— 0.8	+ 11.4	9.3
		Imports	39,206	40,217	45,189	4,525	4,290	4,227	+ 19.3	+ 12.2	+ 17.2	8.9
		Balance	+ 6,850	+ 11,436	+ 14,618	+ 1,379	+ 882	+ 1,276				
Netherlands		Exports	46,088	49,189	54,395	5,186	4,542	4,664	+ 10.0	— 1.2	+ 10.9	8.5
		Imports	44,934	45,421	51,903	4,783	4,788	4,515	+ 3.5	+ 8.2	+ 5.3	10.2
		Balance	+ 1,153	+ 3,768	+ 2,493	+ 403	— 246	+ 149				
United Kingdom		Exports	46,632	52,874	59,359	5,196	4,782	4,992	+ 1.0	— 5.0	+ 5.0	9.3
		Imports	29,394	30,443	34,687	3,197	2,851	2,903	+ 12.1	— 3.9	+ 6.4	6.8
		Balance	+ 17,239	+ 22,431	+ 24,671	+ 1,999	+ 1,931	+ 2,089				
B. Other European countries		Exports	99,771	106,306	117,872	11,560	10,091	10,750	+ 16.3	+ 0.3	+ 14.8	18.4
		Imports	65,414	70,049	79,357	7,674	7,200	6,791	+ 16.4	+ 4.5	+ 11.2	15.7
		Balance	+ 34,357	+ 36,256	+ 38,516	+ 3,886	+ 2,891	+ 3,959				
of which												
Austria		Exports	28,410	31,868	35,269	3,457	3,139	3,222	+ 16.8	+ 5.6	+ 16.5	5.5
		Imports	17,293	18,917	20,995	2,154	1,975	1,918	+ 21.1	+ 9.1	+ 20.7	4.1
		Balance	+ 11,118	+ 12,951	+ 14,273	+ 1,303	+ 1,164	+ 1,304				
Norway		Exports	5,790	5,130	5,233	533	404	576	+ 32.7	— 4.0	+ 8.5	0.8
		Imports	5,535	6,155	7,240	609	593	521	+ 15.5	— 8.9	— 5.1	1.4
		Balance	+ 256	— 1,025	— 2,007	— 77	— 190	+ 55				
Sweden		Exports	15,842	16,650	18,353	1,727	1,475	1,532	+ 8.7	— 14.1	+ 8.5	2.9
		Imports	9,979	10,749	12,793	1,171	1,159	1,047	+ 7.9	+ 6.5	— 1.5	2.5
		Balance	+ 5,862	+ 5,902	+ 5,560	+ 556	+ 316	+ 485				
Switzerland		Exports	32,126	34,442	38,147	3,622	3,214	3,301	+ 9.0	— 0.7	+ 11.5	6.0
		Imports	18,968	19,653	21,237	1,999	1,859	1,874	+ 16.5	— 1.9	+ 15.8	4.2
		Balance	+ 13,158	+ 14,790	+ 16,910	+ 1,622	+ 1,355	+ 1,427				
C. Non-European countries		Exports	73,773	73,669	78,430	7,270	6,194	6,775	+ 7.7	— 3.5	+ 11.8	12.2
		Imports	58,755	66,772	80,792	7,073	7,137	7,088	+ 6.1	— 0.7	+ 5.3	16.0
		Balance	+ 15,018	+ 6,897	— 2,362	+ 197	— 943	— 313				
of which												
Canada		Exports	4,760	4,845	5,116	462	411	409	+ 1.3	— 4.9	— 0.3	0.8
		Imports	3,367	3,626	4,356	487	347	354	+ 36.8	+ 4.9	— 1.0	0.9
		Balance	+ 1,393	+ 1,219	+ 760	— 25	+ 64	+ 55				
Japan		Exports	10,545	13,111	15,268	1,594	1,287	1,442	+ 21.7	+ 1.2	+ 23.0	2.4
		Imports	25,245	28,366	32,143	2,902	2,864	2,689	+ 9.1	— 5.8	+ 4.9	6.3
		Balance	— 14,701	— 15,255	— 16,875	— 1,308	— 1,578	— 1,247				
United States		Exports	49,879	45,678	46,624	4,326	3,796	4,080	+ 7.7	— 0.1	+ 13.9	7.3
		Imports	25,613	29,095	38,265	3,219	3,380	3,519	+ 0.2	+ 2.5	+ 6.7	7.6
		Balance	+ 24,266	+ 16,583	+ 8,359	+ 1,107	+ 415	+ 561				
II. Centrally planned economies		Exports	22,994	24,723	29,306	2,551	2,084	2,174	+ 11.9	— 5.4	— 8.5	4.6
		Imports	19,471	20,461	25,143	2,286	2,311	2,206	+ 17.4	+ 12.8	+ 18.7	5.0
		Balance	+ 3,522	+ 4,262	+ 4,163	+ 265	— 226	— 32				
III. OPEC countries 3		Exports	14,295	15,463	16,402	1,544	1,211	1,562	+ 16.8	— 6.7	+ 24.5	2.6
		Imports	11,100	10,826	12,360	1,140	881	964	+ 12.0	+ 12.0	— 24.7	2.4
		Balance	+ 3,194	+ 4,638	+ 4,042	+ 403	+ 330	+ 598				
IV. Developing countries 4		Exports	37,788	38,474	45,351	3,982	3,653	3,921	— 0.2	— 0.1	+ 10.9	7.1
		Imports	39,028	43,859	49,828	4,430	3,984	4,138	+ 9.7	— 1.8	+ 6.9	9.8
		Balance	— 1,240	— 5,385	— 4,477	— 448	— 332	— 217				

* Compiled from the official foreign trade statistics. Exports (f.o.b.) by country of destination, imports (c.i.f.) by country of origin. A detailed breakdown of the regional structure of foreign trade is contained in the Statistical Supplements to the Monthly Reports of the Deutsche Bundesbank, Series 3, Balance of payments statistics, Table 2 (c). — 1 Including fuel and other supplies for ships and aircraft and other data

not classifiable by region. — 2 Including Portugal and Spain. — 3 OPEC (Organization of the Petroleum Exporting Countries): Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates and Venezuela. — 4 Excluding the OPEC countries. — p Provisional. — r Revised. Discrepancies in the totals are due to rounding.

IX. Foreign trade and payments

3. Service transactions with non-residents (Balances)

DM million

Period	Total 1	Travel	Transportation	Insurance	Investment income	Government transactions		Other service transactions			
						Total	Receipts from foreign military agencies 2	Total	of which		
									Commission fees, publicity and trade fair charges	Licences and patents	Wages and salaries 3
1983	- 6,614	-23,168	+ 9,272	- 120	+ 4,165	+ 14,772	+ 16,763	-11,535	- 6,347	- 1,503	- 2,475
1984	+ 4,748	-23,118	+ 9,731	- 229	+ 10,288	+ 17,722	+ 19,394	- 9,645	- 6,549	- 1,516	- 3,121
1985	+ 5,402	-23,732	+ 10,913	- 368	+ 9,301	+ 20,296	+ 21,561	-11,008	- 7,526	- 1,751	- 2,532
1986	+ 1,698	-25,365	+ 9,119	+ 116	+ 8,995	+ 19,584	+ 20,365	-10,750	- 6,987	- 2,174	- 2,067
1987	- 4,976	-27,857	+ 8,130	+ 385	+ 7,319	+ 19,163	+ 19,943	-12,116	- 7,190	- 2,438	- 2,086
1988	- 8,433	-28,918	+ 8,857	- 334	+ 9,103	+ 17,954	+ 19,127	-15,096	- 7,107	- 2,588	- 2,174
1989	+ 7,119	-29,082	+ 10,820	- 876	+ 22,092	+ 19,615	+ 20,705	-15,452	- 8,018	- 2,511	- 2,715
1989 1st qtr	+ 2,895	- 5,367	+ 2,442	- 95	+ 5,184	+ 4,598	+ 4,744	- 3,867	- 1,766	- 708	- 755
2nd qtr	+ 2,023	- 7,240	+ 2,661	- 214	+ 5,349	+ 5,233	+ 5,484	- 3,767	- 2,045	- 558	- 669
3rd qtr	- 2,540	-11,136	+ 2,723	- 410	+ 5,502	+ 4,806	+ 5,175	- 4,025	- 2,122	- 605	- 857
4th qtr	+ 4,741	- 5,339	+ 2,994	- 158	+ 6,057	+ 4,978	+ 5,301	- 3,792	- 2,084	- 640	- 434
1990 1st qtr	+ 1,016	- 5,845	+ 2,811	- 278	+ 4,389	+ 4,799	+ 5,020	- 4,860	- 2,308	- 1,079	- 820
1989 July	- 1,377	- 3,654	+ 1,012	- 137	+ 1,300	+ 1,529	+ 1,611	- 1,427	- 774	- 384	- 212
Aug.	- 931	- 4,195	+ 831	- 137	+ 2,127	+ 1,629	+ 1,781	- 1,186	- 663	- 128	- 228
Sep.	- 231	- 3,286	+ 880	- 137	+ 2,075	+ 1,648	+ 1,784	- 1,412	- 685	- 93	- 416
Oct.	+ 1,111	- 2,348	+ 872	- 53	+ 2,252	+ 1,529	+ 1,604	- 1,141	- 758	- 244	- 158
Nov.	+ 2,849	- 1,340	+ 921	- 53	+ 2,741	+ 1,707	+ 1,831	- 1,128	- 598	- 290	- 128
Dec.	+ 781	- 1,651	+ 1,201	- 53	+ 1,064	+ 1,742	+ 1,866	- 1,524	- 728	- 105	- 148
1990 Jan.	- 533	- 1,888	+ 850	- 50	+ 954	+ 1,403	+ 1,500	- 1,802	- 841	- 338	- 332
Feb.	+ 812	- 1,600	+ 1,027	- 50	+ 1,403	+ 1,487	+ 1,600	- 1,455	- 729	- 392	- 251
March	+ 737	- 2,356	+ 934	- 178	+ 2,032	+ 1,908	+ 1,920	- 1,603	- 738	- 349	- 237
April	+ 1,046	- 2,277	+ 887	- 100	+ 2,332	+ 1,667	+ 1,718	- 1,463	- 733	- 241	- 205
May p	+ 350	- 2,710	+ 940	- 100	+ 2,119	+ 1,350	+ 1,557	- 1,249	- 733	- 241	- 205

1 Excluding the expenditure on freight and insurance included in the c.i.f. import value, but including the receipts of German maritime shipping and of German insurance enterprises from services connected with merchandise transactions. — 2 Receipts in respect of goods and services supplied. — 3 Excluding remuneration of

foreign workers, who from the economic point of view are considered to be residents; wage remittances by foreign workers to their home countries are therefore included in transfer payments. — p Provisional. Discrepancies in the totals are due to rounding.

4. Transfer payments to and from non-residents (Balances)

DM million

Period	Total	Private 1				Official 1					
		Total	Remittances by foreign workers 2	Maintenance payments and pensions	Other payments	Total	Indemnification payments	International organisations		Maintenance payments and pensions 3	Other payments
								Total	of which European Communities		
1983	-25,205	-11,650	- 8,300	- 2,025	- 1,325	-13,555	- 1,717	- 7,695	- 6,092	- 3,926	- 217
1984	-29,723	-11,970	- 9,000	- 2,343	- 626	-17,753	- 1,629	- 9,084	- 7,456	- 6,155	- 885
1985	-29,091	-11,386	- 7,950	- 2,440	- 996	-17,706	- 1,591	- 9,951	- 8,222	- 5,082	- 1,080
1986	-27,056	-11,258	- 7,450	- 2,318	- 1,490	-15,797	- 1,546	- 9,833	- 7,929	- 4,502	+ 85
1987	-28,911	-10,867	- 7,300	- 2,222	- 1,345	-18,044	- 1,523	-11,801	- 9,862	- 4,693	- 27
1988	-31,863	-12,373	- 7,350	- 2,068	- 2,956	-19,489	- 1,464	-14,377	-12,235	- 4,923	+ 1,275
1989	-34,631	-12,877	- 7,500	- 2,276	- 3,101	-21,754	- 1,427	-14,921	-12,884	- 5,117	- 289
1989 1st qtr	- 7,209	- 3,033	- 1,950	- 598	- 485	- 4,176	- 388	- 2,421	- 1,608	- 1,228	- 138
2nd qtr	- 8,154	- 3,379	- 1,950	- 517	- 912	- 4,775	- 339	- 3,687	- 3,372	- 1,248	+ 499
3rd qtr	- 9,814	- 3,498	- 1,900	- 565	- 1,033	- 6,316	- 352	- 4,458	- 3,885	- 1,315	- 191
4th qtr	- 9,455	- 2,968	- 1,700	- 596	- 672	- 6,487	- 347	- 4,355	- 4,019	- 1,326	- 459
1990 1st qtr	- 8,601	- 3,801	- 1,900	- 567	- 1,334	- 4,800	- 343	- 3,522	- 2,595	- 1,306	+ 371
1989 July	- 3,705	- 1,343	- 650	- 204	- 489	- 2,362	- 116	- 1,802	- 1,404	- 457	+ 14
Aug.	- 3,233	- 1,172	- 650	- 224	- 297	- 2,062	- 120	- 1,449	- 1,325	- 428	- 65
Sep.	- 2,875	- 983	- 600	- 136	- 246	- 1,892	- 116	- 1,206	- 1,156	- 429	- 140
Oct.	- 2,947	- 654	- 550	- 179	+ 75	- 2,293	- 117	- 1,557	- 1,462	- 451	- 167
Nov.	- 3,048	- 1,046	- 500	- 216	- 330	- 2,002	- 115	- 1,201	- 1,013	- 439	- 247
Dec.	- 3,460	- 1,268	- 650	- 201	- 417	- 2,192	- 115	- 1,596	- 1,544	- 436	- 45
1990 Jan.	- 2,261	- 1,251	- 600	- 189	- 462	- 1,010	- 111	- 527	+ 81	- 448	+ 76
Feb.	- 3,094	- 1,191	- 650	- 215	- 326	- 1,903	- 121	- 1,493	- 1,384	- 411	+ 121
March	- 3,246	- 1,359	- 650	- 163	- 546	- 1,887	- 112	- 1,502	- 1,292	- 447	+ 174
April	- 3,423	- 1,365	- 650	- 218	- 496	- 2,058	- 112	- 1,421	- 1,395	- 442	- 82
May p	- 3,250	- 1,250	- 650	- 170	- 430	- 2,000	- 114	- 1,196	- 1,166	- 450	- 138

1 Transfer payments are classified as "Private" or "Official" according to the sector to which the German party concerned belongs. — 2 Estimated, after allowing for currency exported by foreign workers travelling home. — 3 Including payments by the

social security funds. — p Provisional. Discrepancies in the totals are due to rounding.

5. Capital transactions with non-residents *

DM million											
Item	1987	1988	1989	1989				1990			
				1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	March	April	May p
I. Long-term capital transactions											
1. Total net German investment abroad											
(increase/capital exports: —)	—62,546	— 97,909	— 92,193	—31,760	—15,740	—25,538	—19,155	—37,686	—14,734	— 8,732	— 5,667
Direct investment	—16,364	—19,820	—25,294	— 4,942	— 5,221	— 5,763	— 9,368	— 9,473	— 2,535	— 2,026	— 1,244
in shares	— 4,599	— 8,576	—11,729	— 2,079	— 1,936	— 1,995	— 5,719	— 7,045	— 407	—1,008	— 1,114
in other capital interests	— 6,360	— 7,832	— 7,276	— 1,223	— 1,536	— 1,744	— 2,773	— 1,503	— 796	— 621	— 501
other investment	— 5,405	— 3,412	— 6,288	— 1,639	— 1,749	— 2,024	— 876	— 925	— 1,332	— 396	+ 372
Securities investment	—24,883	—72,894	—49,769	—22,975	— 6,896	—16,482	— 3,415	— 8,925	— 4,938	— 4,765	—1,998
in shares 1	— 122	—18,218	— 9,276	— 5,449	— 2,359	— 1,959	+ 491	+ 553	+ 155	— 399	— 101
in bonds	—24,761	—54,676	—40,493	—17,526	— 4,538	—14,523	— 3,906	— 9,478	— 5,093	— 4,365	—1,897
of which											
DM bonds issued by non-residents 2	— 3,288	—12,236	—14,279	— 6,641	— 2,611	— 2,560	— 2,466	— 7,896	— 3,294	— 1,980	— 1,160
Long-term credit transactions	—18,558	— 2,423	—13,870	— 3,009	— 2,852	— 2,459	— 5,550	—18,340	— 6,914	— 1,453	— 2,196
of which											
Public sector lending to developing countries 3	— 3,259	— 3,492	— 3,906	— 626	— 950	— 1,058	— 1,272	— 1,256	— 656	— 140	— 281
Other capital movements 4	— 2,741	— 2,772	— 3,260	— 835	— 770	— 833	— 823	— 948	— 348	— 489	— 229
2. Total net foreign investment in the Federal Republic of Germany (increase/capital imports: +)											
Direct investment	+ 3,417	+ 2,405	+ 11,157	+ 2,915	+ 1,459	+ 1,803	+ 4,980	+ 274	+ 1,453	+ 2,123	+ 923
in shares	+ 452	— 2,310	+ 2,880	— 1,002	— 429	+ 34	+ 4,277	+ 127	+ 19	+ 1,845	+ 150
in other capital interests 5	— 380	+ 266	+ 2,757	+ 2,044	— 122	+ 910	— 74	— 1,045	+ 339	+ 208	+ 802
other investment	+ 3,346	+ 4,449	+ 5,519	+ 1,873	+ 2,011	+ 859	+ 777	+ 1,193	+ 1,096	+ 69	— 30
Securities investment	+33,200	+ 7,724	+45,828	— 5,160	+ 9,983	+15,703	+25,301	— 4,050	— 4,117	— 1,729	+ 2,525
in shares 1	— 1,794	+ 5,639	+23,332	+ 2,394	+ 1,619	+ 6,033	+13,286	+ 7,332	+ 1,212	— 2,878	— 1,146
in bonds	+34,993	+ 2,085	+22,496	— 7,554	+ 8,365	+ 9,669	+12,015	—11,382	— 5,329	+ 1,149	+ 3,671
of which											
Government and municipal bonds 6	+33,301	+15,237	+22,173	— 5,380	+ 9,184	+ 7,773	+10,595	—10,443	— 5,441	+ 885	+ 3,807
Credit transactions	+ 2,893	+ 1,083	+12,602	+ 1,453	+ 4,805	+ 2,500	+ 3,844	+ 6,814	+ 2,177	+ 819	+ 788
of which											
Loans against borrowers' notes	—12,253	—11,543	— 4,294	— 2,140	— 831	— 1,691	+ 368	— 740	— 359	— 297	— 184
Other capital movements	— 58	— 173	— 137	— 30	— 23	— 29	— 55	— 100	+ 21	+ 114	— 2
Overall balance of long-term capital transactions	—23,095	— 86,870	— 22,743	—32,583	+ 485	— 5,561	+14,916	—34,748	—15,199	— 7,406	— 1,433
II. Short-term capital transactions											
1. Banks 7											
Assets	—15,443	— 30,134	— 81,008	+12,568	—29,338	—16,174	—48,064	+13,762	+ 1,488	— 2,758	— 4,473
Liabilities	+ 9,300	+10,108	+24,347	+ 6,788	+13,833	— 2,121	+ 5,847	+ 7,219	— 128	+ 3,634	— 1,300
Balance	— 6,143	—20,026	—56,661	+19,356	—15,505	—18,295	—42,217	+20,981	+ 1,360	+ 876	— 5,773
2. Enterprises and individuals											
Financial operations 7											
Assets	— 9,513	—12,263	—49,117	—21,361	—16,046	— 2,592	— 9,119	—20,452	— 3,475	— 2,688	+ 594
Liabilities	— 3,419	— 1,311	+11,185	+ 3,432	+ 2,140	+ 4,626	+ 987	+ 9,166	+ 2,750	+ 2,247	— 2,949
Balance	—12,932	—13,574	—37,932	—17,929	—13,906	+ 2,034	— 8,132	—11,286	— 725	— 440	— 2,355
Trade credits 7, 8											
Assets	+ 1,205	—16,163	—13,685	— 5,122	— 5,554	— 481	— 2,528	— 6,571	— 3,178	— 620	
Liabilities	+ 678	+ 7,750	+ 7,131	+ 107	+ 3,107	— 455	+ 4,372	— 437	+ 1,009	+ 395	
Balance	+ 1,883	— 8,413	— 6,554	— 5,015	— 2,447	— 936	+ 1,844	— 7,008	— 2,169	— 225	
Balance	—11,049	—21,987	—44,486	—22,944	—16,353	+ 1,098	— 6,288	—18,294	— 2,894	— 665	
3. Official											
Overall balance of short-term capital transactions	—15,815	—40,265	—105,476	— 5,849	—32,710	—18,520	—48,397	— 795	— 2,253	+ 516	
III. Balance of all statistically recorded capital movements (net capital exports: —)											
	—38,910	—127,135	—128,219	—38,432	—32,225	—24,081	—33,481	—35,543	—17,452	— 6,889	

* Increase in assets and decrease in liabilities: —; decrease in assets and increase in liabilities: +. — 1 Including investment fund units. — 2 At the time of issue, excluding shares of foreign syndicate members. — 3 As defined by the DAC. — 4 Mainly private real estate and Federal Government participations in international organisations. — 5 Mainly shares in private limited companies. — 6 Including bonds issued by the Federal Railways and Federal Post Office. — 7 The transaction values shown here are mostly derived from changes in totals. As far as possible, purely statistical

changes have been eliminated. The transaction values of the balance of payments in short-term capital transactions may therefore deviate from the changes in totals shown in Tables IX, 7 and 8. — 8 Credit terms and advance payments in merchandise and service transactions, including long-term assets and liabilities which cannot be shown separately; figures for the latest month are not yet available. — p Provisional. Discrepancies in the totals are due to rounding.

IX. Foreign trade and payments

6. External position of the Bundesbank *

(a) Levels according to the Weekly Return

DM million

End of year or month	Monetary reserves and other claims on non-residents							Liabilities to non-residents			Net external position (col. 1 less col. 8)
	Total	Monetary reserves					Loans and other claims on non-residents 4	Total	Liabilities arising from external transactions 5	Liabilities to the EMCF 3 in connection with the European Monetary System	
		Total	Gold	Foreign currency balances 1	Reserve position in the International Monetary Fund and special drawing rights 2	Claims on the EMCF 3 in connection with the European Monetary System (net) 2					
1	2	3	4	5	6	7	8	9	10	11	
1984	84,079	81,623	13,688	37,500	16,094	14,341	2,456	15,152	15,152	—	68,927
1985	86,004	83,555	13,688	39,502	13,180	17,186	2,449	18,338	18,338	—	67,666
1986	94,036	91,592	13,688	50,195	11,389	16,321	2,444	23,556	23,556	—	70,480
1987	122,630	120,192	13,688	68,280	9,273	28,953	2,437	20,234	20,234	—	102,396
1988	97,126	94,689	13,688	50,183	9,264	21,554	2,437	27,249	27,249	—	69,877
1989	99,959	97,527	13,688	58,308	8,229	17,303	2,432	51,642	51,642	—	48,317
1989 June	97,198	94,761	13,688	50,945	8,981	21,147	2,437	44,523	44,523	—	52,675
July	96,071	93,633	13,688	54,779	8,951	16,215	2,437	45,048	45,048	—	51,023
Aug.	97,663	95,226	13,688	56,491	8,921	16,126	2,437	45,974	45,974	—	51,689
Sep.	97,623	95,191	13,688	56,569	8,808	16,127	2,432	48,628	48,628	—	48,995
Oct.	101,473	99,041	13,688	56,233	8,808	20,313	2,432	50,699	50,699	—	50,774
Nov.	100,695	98,263	13,688	58,246	9,021	17,308	2,432	50,833	50,833	—	49,862
Dec.	99,959	97,527	13,688	58,308	8,229	17,303	2,432	51,642	51,642	—	48,317
1990 Jan.	100,908	98,476	13,688	58,782	8,103	17,904	2,432	51,646	51,646	—	49,262
Feb.	102,729	100,297	13,688	60,651	8,054	17,904	2,432	51,764	51,764	—	50,965
March	102,201	99,769	13,688	60,338	7,839	17,905	2,432	52,534	52,534	—	49,668
April	103,335	100,903	13,688	60,979	7,838	18,399	2,432	52,666	52,666	—	50,668
May	104,991	102,559	13,688	62,738	7,734	18,399	2,432	53,203	53,203	—	51,788
June	105,745	103,313	13,688	63,506	7,719	18,400	2,432	52,696	52,696	—	53,048

(b) Supplementary figures on "Reserve position in the International Monetary Fund and special drawing rights" and "Claims on the EMCF in connection with the European Monetary System"

DM million

End of year or month	Reserve position in the IMF and special drawing rights						Claims on the EMCF in connection with the European Monetary System			
	Total	Reserve position in the IMF		Special drawing rights			Total	ECU balances 8	Difference between ECU value and book value of the reserves contributed 9	Other claims 9
		Drawing rights within the reserve tranche 6	Loans under special borrowing arrangements 7	Total	Allocated	Accepted				
1	2	3	4	5	6	7	8	9	10	
1984	16,094	9,174	2,632	4,288	3,736	552	14,341	42,008	— 27,666	—
1985	13,180	7,418	1,955	3,807	3,273	533	17,186	39,822	— 22,637	—
1986	11,389	6,462	1,007	3,920	2,874	1,046	16,321	31,661	— 16,297	957
1987	9,273	5,779	388	3,106	2,716	389	28,953	39,975	— 18,027	7,005
1988	9,264	5,957	—	3,307	2,901	406	21,554	37,969	— 16,415	—
1989	8,229	5,166	—	3,063	2,701	361	17,303	32,125	— 14,823	—
1989 June	8,981	5,796	—	3,185	2,901	284	21,147	36,799	— 15,652	—
July	8,951	5,773	—	3,178	2,901	277	16,215	32,358	— 16,143	—
Aug.	8,921	5,703	—	3,218	2,901	317	16,126	32,269	— 16,143	—
Sep.	8,808	5,590	—	3,218	2,901	317	16,127	32,270	— 16,143	—
Oct.	8,808	5,590	—	3,218	2,901	317	20,313	32,699	— 15,391	3,006
Nov.	9,021	5,708	—	3,313	2,901	413	17,308	32,699	— 15,391	—
Dec.	8,229	5,166	—	3,063	2,701	361	17,303	32,125	— 14,823	—
1990 Jan.	8,103	5,157	—	2,947	2,701	245	17,904	31,496	— 13,592	—
Feb.	8,054	5,086	—	2,967	2,701	266	17,904	31,497	— 13,592	—
March	7,839	4,884	—	2,955	2,701	254	17,905	31,498	— 13,592	—
April	7,838	4,883	—	2,955	2,701	254	18,399	30,742	— 12,343	—
May	7,734	4,781	—	2,953	2,701	252	18,399	30,743	— 12,343	—
June	7,719	4,771	—	2,947	2,701	246	18,400	30,743	— 12,343	—

* Valuation of the gold holdings and the claims on non-residents according to the provisions of the Commercial Code (until end-1986: Companies Act) and the Bundesbank Act (assets according to the lower-value method, i. e. purchase value or lowest value on a balance sheet date). In the course of the year, valuation at the balance sheet rates of the preceding year. — 1 Mainly US dollar assets. — 2 For breakdown see Table (b). — 3 European Monetary Cooperation Fund. — 4 Loans to the World Bank only. — 5 Including mobilisation and liquidity paper sold to non-residents by the Bundesbank (see sections 42 and 42a of the Bundesbank Act). — 6 Comprising

subscription payments in cash and Deutsche Mark callings by the IMF to finance its sales of Deutsche Mark (net) to other countries. — 7 Including the "Witteveen Facility". — 8 Resulting from the provisional contribution of gold and dollar reserves and from transfers from other central banks. — 9 Assets resulting from the very short-term financing mechanism and from short-term monetary support. Discrepancies in the totals, including discrepancies from Table II, 1, are due to rounding.

7. Assets and liabilities of domestic banks (excluding the Bundesbank) vis-à-vis parties outside the Federal Republic of Germany*

DM million																	
End of reporting period	Claims on parties outside the Federal Republic of Germany									Liabilities to parties outside the Federal Republic of Germany							
	Total	Short-term				Long-term				Total	Short-term 5			Long-term 6, 7			
		Total	Claims on		Notes and coins in foreign currencies	Total	Claims on		Securities and participations 4		Total	Total	Liabilities to		Total	Liabilities to	
			banks 1, 2	non-banks 1, 3			banks 1	non-banks 1					banks 1, 5	non-banks 1		banks 1, 6	non-banks 1
1985	283,337	115,561	103,747	11,351	463	167,776	61,232	86,135	20,409	182,627	104,662	72,872	31,790	77,965	62,524	15,441	
1986	353,286	173,470	160,515	12,465	490	179,816	66,015	86,884	26,917	192,958	103,622	75,693	27,929	89,336	66,729	22,607	
1987	373,901	180,320	164,728	15,102	490	193,581	76,700	89,161	27,720	202,978	106,228	77,682	28,546	96,750	67,610	29,140	
1988	417,853	216,189	198,058	17,581	550	201,664	76,104	92,399	33,161	229,419	120,097	94,878	25,219	109,322	77,106	32,216	
1989	513,406	292,752	270,356	21,817	579	220,654	80,397	97,766	42,491	267,212	141,230	112,376	28,854	125,982	88,055	37,927	
1989 May	433,662	226,189	206,995	18,405	789	207,473	76,381	94,437	36,655	265,268	147,274	121,851	25,423	117,994	86,378	31,616	
June	446,707	238,328	218,278	19,200	850	208,379	76,409	94,850	37,120	265,405	145,148	118,541	26,607	120,257	87,136	33,121	
July	448,614	240,610	221,440	18,334	836	208,004	75,267	94,970	37,767	257,742	136,786	110,731	26,055	120,956	87,323	33,633	
Aug.	457,750	248,102	228,733	18,700	669	209,648	75,844	95,529	38,275	261,418	138,592	111,638	26,954	122,826	87,913	34,913	
Sep.	463,132	251,016	231,313	19,051	652	212,116	75,874	96,268	39,974	263,964	140,391	113,208	27,183	123,573	87,401	36,172	
Oct.	467,799	255,714	236,158	18,933	623	212,085	75,897	95,924	40,264	266,727	141,472	114,208	27,264	125,255	87,844	37,411	
Nov.	495,998	277,653	256,202	20,817	634	218,345	79,254	97,314	41,777	267,448	141,382	113,481	27,901	126,066	88,930	37,136	
Dec.	513,406	292,752	270,356	21,817	579	220,654	80,397	97,766	42,491	267,212	141,096	112,242	28,854	126,116	88,189	37,927	
1990 Jan.	510,057	283,165	260,062	22,477	626	226,892	83,422	98,606	44,864	273,010	143,788	113,705	30,083	129,222	88,945	40,277	
Feb.	514,657	280,060	256,966	22,440	654	234,597	87,987	100,297	46,313	278,901	148,558	119,750	28,808	130,343	88,860	41,483	
March	520,980	278,081	252,972	24,388	721	242,899	93,218	101,409	48,272	281,165	149,248	120,275	28,973	131,917	90,784	41,133	
April	525,609	280,233	252,934	26,557	742	245,376	93,374	102,380	49,622	283,233	151,717	121,647	30,070	131,516	r 90,305	41,211	
May p	534,329	285,895	259,797	25,257	841	248,434	93,198	104,789	50,447	284,072	151,223	120,030	31,193	132,849	91,071	41,778	

* Excluding the assets and liabilities of the foreign branches of domestic banks vis-à-vis parties outside the Federal Republic of Germany. Statistical increases and decreases have not been eliminated. The assets also include those long-term bank claims changes in which are ascribed to official capital transactions in the balance of payments. To this extent the changes in totals are not comparable with the figures shown in Table IX, 5. The assets and liabilities in foreign currencies are valued at the middle rates on the reporting date. — 1 Including the associated international organisations. — 2 For Deutsche Mark claims payable on demand, the level at the end

of the previous year is used for accounting reasons. — 3 Including Treasury bills and Treasury discount paper issued outside the Federal Republic of Germany. — 4 Including the working capital of the foreign branches of domestic banks. — 5 Including repurchase commitments (which do not have to be shown in the balance sheet); for lack of detailed records, they are attributed to the banking sector. — 6 Including the working capital of the branches of foreign banks. — 7 Excluding liabilities arising from bearer bonds outstanding. — p Provisional. — r Revised.

8. Assets and liabilities of domestic enterprises vis-à-vis non-residents*

(excluding banks)

DM million																		
End of reporting period	Claims on non-residents								Liabilities to non-residents									
	Total	from short-term financial operations				from long-term financial operations				Total	from short-term financial operations			from long-term financial operations				
		Total	Claims on		foreign non-banks 1	Total	Claims on		from trade credits		Total	Total	Liabilities to		Total	Liabilities to		from trade credits
			foreign banks	foreign non-banks 1			foreign banks	foreign non-banks					foreign banks 2	foreign non-banks 1		foreign banks	foreign non-banks	
1985	174,981	33,287	12,224	21,063	18,289	1,504	16,785	123,405	185,725	66,988	46,694	20,294	38,391	18,416	19,975	80,346		
1986	197,163	59,178	37,337	21,841	18,348	1,834	16,514	119,637	168,776	54,179	35,917	18,262	39,982	16,414	23,568	74,615		
1987	203,344	64,569	42,204	22,365	20,482	1,740	18,742	118,293	172,607	52,743	34,106	18,637	44,571	15,580	28,991	75,293		
1988	222,223	69,158	44,437	24,721	20,838	1,862	18,976	132,227	186,419	51,700	32,916	18,784	51,676	15,799	35,877	83,043		
1989	269,292	102,016	64,745	37,271	25,407	2,214	23,193	141,869	206,712	62,576	35,486	27,090	55,362	15,313	40,049	88,774		
1989 May	257,931	94,008	68,228	25,780	24,771	2,022	22,749	139,152	193,481	55,647	34,932	20,715	55,165	16,138	39,027	82,669		
June	260,488	93,553	66,500	27,053	24,734	2,033	22,701	142,201	197,437	57,176	35,281	21,895	55,404	15,941	39,463	84,857		
July	257,446	92,932	66,431	26,501	24,933	1,986	22,947	139,581	196,148	57,237	35,246	21,991	55,719	15,830	39,889	83,192		
Aug.	257,220	94,741	67,801	26,940	25,195	1,941	23,254	137,284	198,046	59,896	36,411	23,485	56,028	16,039	39,989	82,122		
Sep.	262,387	94,370	64,888	29,482	25,901	1,972	23,929	142,116	201,204	61,728	36,844	24,884	55,074	15,276	39,798	84,402		
Oct.	278,382	108,549	73,600	34,949	25,736	2,057	23,679	144,097	204,677	63,423	37,799	25,624	55,213	15,230	39,983	86,041		
Nov.	282,589	110,407	75,200	35,207	25,788	2,146	23,642	146,394	208,653	65,889	39,433	26,456	55,277	15,636	39,641	87,487		
Dec.	269,292	102,016	64,745	37,271	25,407	2,214	23,193	141,869	206,712	62,576	35,486	27,090	55,362	15,313	40,049	88,774		
1990 Jan.	280,687	114,502	76,229	38,273	25,280	2,364	22,916	140,905	207,875	64,482	38,797	25,685	57,615	16,917	40,698	85,778		
Feb.	284,083	115,414	80,557	34,857	26,420	2,354	24,066	142,829	212,371	68,710	40,326	28,384	57,123	16,597	40,526	86,538		
March	292,009	119,359	84,298	35,061	26,799	2,343	24,456	145,845	217,315	71,754	41,491	30,263	58,014	17,077	40,937	87,547		
April	294,456	120,802	86,532	34,270	27,359	2,390	24,969	146,295	221,336	74,381	41,908	32,473	59,413	17,264	42,149	87,542		
May p		121,046	86,467	34,579	27,604	2,548	25,056			71,486	41,251	30,235	59,743	17,389	42,354			

* Including the assets and liabilities vis-à-vis non-residents of resident individuals. Statistical increases and decreases have not been eliminated; to this extent the changes in totals are not comparable with the figures shown in Table IX, 5. — 1 In-

cluding balances on clearing accounts. — 2 Including endorsement liabilities in respect of bills discounted abroad. — p Provisional.

IX. Foreign trade and payments

9. External value of the Deutsche Mark *

End-1972 = 100 1

External value of the Deutsche Mark 2		against the currencies of the countries participating in the exchange rate mechanism of the European Monetary System (EMS)							against the currencies of the other EC countries		
Yearly or monthly average	against the US dollar	French franc	Italian lira	Dutch guilder	Belgian and Luxembourg franc	Spanish peseta	Danish krone	Irish pound	Pound sterling	Greek drachma	Portuguese escudo
1973	121.7	105.3	121.7	104.0	105.1	109.4	104.7	116.4	116.4	121.5	108.1
1974	124.7	117.1	139.4	103.1	108.2	111.4	108.6	125.0	125.0	126.6	115.2
1975	131.3	109.8	147.1	102.1	107.5	116.7	107.8	138.8	138.8	141.5	122.2
1976	128.1	119.7	183.3	104.3	110.2	132.9	110.8	167.4	167.4	157.8	141.6
1977	138.9	133.3	210.7	105.0	111.0	163.9	119.5	186.6	186.6	171.5	195.1
1978	160.7	141.4	234.4	107.0	112.7	190.6	126.7	196.4	196.4	196.2	258.9
1979	175.9	146.2	251.3	108.7	115.0	183.1	132.6	201.5	194.7	216.8	315.2
1980	177.6	146.5	261.0	108.6	115.7	197.2	143.2	202.4	179.2	251.2	325.3
1981	143.1	151.4	278.5	109.6	118.1	204.1	145.5	207.8	166.2	262.9	321.9
1982	132.9	170.4	308.7	109.3	135.2	226.0	158.4	219.4	178.3	295.0	387.1
1983	126.5	187.8	329.4	111.0	143.9	280.4	165.3	238.0	195.5	369.6	511.6
1984	113.6	193.4	342.1	112.0	146.0	282.4	168.0	245.2	199.6	425.0	609.8
1985	110.3	192.3	360.4	112.0	145.1	289.7	166.3	242.8	200.0	510.4	690.6
1986	149.0	201.2	380.7	112.0	148.0	322.8	172.2	260.6	238.5	694.2	816.8
1987	179.5	210.7	399.9	111.9	149.4	343.3	175.7	283.0	257.2	809.9	928.0
1988	183.8	213.7	410.7	111.8	150.5	331.5	177.0	282.7	242.2	867.8	970.4
1989	171.6	213.7	404.5	112.0	150.7	314.8	179.5	283.7	246.0	928.6	990.8
1986 April	141.7	199.6	379.5	112.0	146.6	316.7	170.3	248.8	222.2	672.3	780.1
May	144.6	200.7	380.1	111.8	146.8	317.7	170.8	248.4	223.1	673.7	789.4
June	144.1	200.8	380.3	111.8	146.9	319.6	171.1	249.4	224.4	678.9	797.4
July	149.7	202.8	380.5	111.9	148.0	319.2	172.7	252.5	232.5	690.3	814.4
Aug.	156.2	205.3	381.7	112.0	148.9	325.0	173.7	272.0	246.5	701.6	836.9
Sep.	158.0	206.3	382.6	112.1	149.0	328.2	174.6	275.2	251.7	711.5	850.2
Oct.	160.7	206.2	383.4	112.2	149.3	332.3	174.0	277.4	264.2	725.2	866.4
Nov.	159.0	206.0	383.5	112.2	149.4	335.7	174.2	277.4	262.0	737.8	871.5
Dec.	161.8	206.8	384.5	112.3	149.6	337.7	174.5	277.9	264.4	758.3	882.5
1987 Jan.	173.4	210.0	392.7	112.0	149.3	348.5	175.1	282.7	270.2	779.9	906.9
Feb.	176.4	209.8	394.2	112.1	148.9	352.5	174.3	284.0	271.2	787.9	916.0
March	175.7	209.6	394.2	112.2	148.9	350.8	173.8	282.9	258.9	787.8	909.7
April	177.9	209.8	395.3	112.1	149.0	350.5	174.0	282.8	256.0	790.9	914.6
May	180.4	210.5	400.3	111.9	149.1	350.0	173.7	282.6	253.4	801.0	919.6
June	177.2	210.4	401.1	111.9	149.1	347.1	173.9	282.2	255.1	804.1	922.4
July	174.5	209.7	401.1	111.8	149.1	343.3	175.1	282.2	254.3	809.7	923.9
Aug.	173.4	210.3	401.4	111.9	149.3	338.2	177.0	282.6	254.9	814.3	926.1
Sep.	177.8	210.3	400.6	111.8	149.3	334.6	177.9	282.7	253.6	820.6	931.9
Oct.	178.8	210.5	400.8	111.8	149.7	329.0	177.4	282.3	252.6	826.6	936.3
Nov.	191.7	213.9	408.4	111.8	150.5	336.4	178.2	284.4	253.3	844.5	961.4
Dec.	197.3	213.6	408.5	111.8	150.5	338.9	178.0	284.5	253.1	851.0	966.9
1988 Jan.	195.1	212.6	407.6	111.6	150.3	339.3	177.3	284.5	253.9	856.7	970.1
Feb.	189.8	212.8	408.1	111.5	150.4	337.0	176.5	284.0	253.5	858.2	966.9
March	192.0	213.8	410.0	111.5	150.4	335.0	176.7	282.9	246.2	860.4	968.5
April	192.6	213.8	411.6	111.4	150.5	331.2	177.2	282.9	240.9	860.9	966.9
May	190.3	213.3	411.9	111.3	150.2	330.6	176.8	282.8	238.8	861.3	965.4
June	183.5	212.5	411.5	111.7	150.4	330.4	175.5	281.9	241.9	860.0	965.4
July	174.8	212.3	410.5	112.0	150.5	331.0	175.5	281.4	240.4	860.5	963.8
Aug.	170.7	213.2	410.2	112.1	150.6	328.6	176.5	281.6	236.0	862.1	962.2
Sep.	172.6	214.3	413.3	112.1	150.8	332.5	177.3	281.9	240.5	870.9	975.7
Oct.	176.9	214.9	412.9	112.0	150.7	330.1	177.9	282.5	239.2	878.3	976.5
Nov.	184.2	215.2	411.9	112.0	150.7	328.8	178.1	282.8	239.0	889.7	983.0
Dec.	183.6	215.2	408.8	112.1	150.7	323.5	178.3	282.6	235.8	894.2	979.8
1989 Jan.	176.1	214.7	406.5	112.1	150.6	313.0	178.8	282.5	232.4	892.3	970.9
Feb.	174.0	214.5	405.7	112.1	150.7	312.2	179.6	283.3	232.8	897.3	970.9
March	172.8	213.5	407.0	112.1	150.6	311.2	180.0	283.3	236.3	904.9	974.9
April	172.3	213.0	406.5	112.0	150.5	310.4	179.6	283.4	237.7	914.4	977.3
May	165.2	213.1	403.2	112.0	150.5	312.4	179.7	282.7	238.3	913.9	977.3
June	162.7	213.7	401.7	111.9	150.6	319.8	179.7	283.1	245.9	923.3	985.5
July	170.1	213.6	401.0	112.0	150.6	314.0	179.4	283.0	246.1	928.7	990.4
Aug.	167.3	212.8	398.1	112.0	150.4	312.8	179.4	283.3	245.9	926.2	988.8
Sep.	165.0	212.7	398.8	112.0	150.5	312.8	179.4	283.4	246.6	930.4	990.4
Oct.	172.6	213.8	406.6	112.1	151.1	318.0	179.9	284.1	255.1	954.1	1,008.2
Nov.	176.0	214.2	407.0	112.1	150.9	318.4	179.3	285.3	262.6	968.0	1,018.6
Dec.	185.1	215.2	411.6	112.1	151.2	322.9	179.4	286.8	272.2	990.0	1,036.4
1990 Jan.	190.5	214.4	413.4	112.0	150.7	324.1	179.0	285.9	270.6	1,003.2	1,042.8
Feb.	192.3	213.9	411.2	112.0	150.2	322.9	178.1	285.1	276.0	1,012.6	1,041.9
March	189.1	212.6	408.7	111.8	149.3	320.6	176.8	283.7	273.0	1,023.8	1,044.7
April	190.9	211.6	407.0	111.8	148.7	316.9	176.1	282.0	273.6	1,043.1	1,046.5
May	193.9	212.1	407.2	111.7	148.4	312.4	175.9	282.0	271.0	1,057.5	1,044.7
June	191.4	211.9	406.8	111.8	147.8	308.5	175.7	282.0	262.6	1,051.1	1,038.3

* For the method of calculation see the article "Revision of the method of calculating the external value of the Deutsche Mark and foreign currencies" in Monthly Report of the Deutsche Bundesbank, April 1989, p. 43. — 1 The figures for the end of 1972 are in principle based on the central rates at the time, but in the case of the pound sterling,

the Irish pound and the Canadian dollar, whose exchange rates were floating, the market rates at the end of 1972 were taken as a basis instead. — 2 The indices for the groups of countries are weighted geometric means of bilateral nominal external values. — 3 Excluding the United Kingdom, Greece and Portugal, which are not participating in

IX. Foreign trade and payments

against the currencies of other countries							against the currencies of the countries participating in the EMS 3	against the currencies of the EC countries	Total (against the currencies of 18 industrial countries)	Real external value of the Deutsche Mark (measured by consumer prices) 4	Yearly or monthly average
Japanese yen	Swiss franc	Austrian Schilling	Swedish krona	Finnish markka	Canadian dollar	Norwegian krone					
106.7	99.7	101.3	109.8	112.7	122.2	104.6	109.4	110.7	110.7	109.4	1973
117.9	96.6	99.9	114.8	114.4	122.5	103.6	118.0	119.2	117.0	108.2	1974
126.3	88.1	97.9	113.0	117.3	134.1	103.0	117.5	121.3	119.2	103.4	1975
123.2	83.3	98.5	115.9	120.4	126.9	105.1	130.1	136.4	126.4	103.7	1976
120.8	86.8	98.4	129.5	136.5	148.5	111.3	142.2	150.0	136.2	105.1	1977
109.4	74.6	100.0	150.7	161.0	184.3	126.6	151.5	160.1	143.3	105.7	1978
125.2	76.2	100.9	156.6	166.7	207.1	134.0	156.7	164.9	150.6	106.0	1979
130.5	77.4	98.5	155.9	161.0	208.4	131.9	159.6	165.3	151.5	100.2	1980
102.1	73.0	97.5	150.0	149.9	172.3	123.2	165.3	167.8	143.1	90.5	1981
107.2	70.1	97.2	173.1	155.8	164.7	128.8	181.5	183.8	150.4	92.0	1982
97.4	69.0	97.3	201.2	171.4	156.6	138.7	195.6	199.5	155.9	92.4	1983
87.4	69.3	97.2	194.8	165.9	147.7	139.0	200.4	205.0	153.8	87.9	1984
84.8	70.0	97.2	196.1	165.7	151.4	141.8	202.8	207.8	154.0	85.4	1985
81.1	69.5	97.2	220.1	183.9	208.0	165.8	211.1	222.6	168.2	90.6	1986
84.2	69.6	97.3	236.3	192.3	239.2	181.9	218.4	232.6	178.9	93.9	1987
76.4	69.9	97.3	233.8	187.4	227.4	180.0	220.7	232.5	177.4	91.3	1988
76.8	73.0	97.3	229.7	179.4	204.1	178.2	219.4	232.3	175.7	89.0	1989
80.5	70.2	97.1	213.1	176.9	197.5	152.4	209.6	218.4	164.7	89.3	1986 April
78.3	69.8	97.2	214.7	179.7	199.7	161.4	210.1	219.0	165.1	89.3	May
78.5	69.1	97.2	215.8	182.3	201.1	165.1	210.3	219.4	165.3	89.4	June
77.1	68.0	97.3	219.6	185.0	207.6	168.2	211.3	221.8	167.0	90.0	July
78.1	67.6	97.3	224.9	188.0	217.8	172.8	213.1	225.7	170.2	91.4	Aug.
79.3	68.0	97.3	226.8	189.1	220.1	174.3	213.8	227.2	171.5	91.8	Sep.
81.6	68.7	97.3	229.9	191.8	224.2	177.9	214.1	229.5	173.8	92.5	Oct.
84.1	69.8	97.3	230.1	192.1	221.5	180.2	214.2	229.3	174.2	92.5	Nov.
85.3	70.2	97.3	232.3	193.4	224.3	183.2	214.8	230.3	175.5	93.2	Dec.
87.1	70.4	97.3	238.2	196.0	237.4	187.2	217.4	233.6	179.4	95.3	1987 Jan.
87.9	70.9	97.3	238.4	196.0	236.5	186.1	217.6	233.9	180.2	95.5	Feb.
86.4	70.3	97.2	234.1	192.9	233.1	183.1	217.4	231.9	178.6	94.5	March
82.5	69.3	97.2	233.4	191.6	235.7	181.3	217.6	231.7	177.8	93.7	April
82.2	69.0	97.2	234.3	191.3	243.0	180.5	218.5	232.1	178.3	94.0	May
83.2	69.6	97.2	233.5	191.0	238.3	178.9	218.5	232.3	178.1	93.7	June
85.1	69.8	97.2	233.3	190.6	232.3	177.3	218.2	231.9	178.0	93.5	July
83.1	69.5	97.2	233.8	190.4	230.9	177.3	218.3	232.2	177.4	92.8	Aug.
82.7	69.5	97.3	235.6	190.3	235.0	177.8	218.1	231.9	177.9	92.5	Sep.
83.2	69.6	97.3	236.0	189.8	235.0	178.3	218.0	231.6	178.1	92.4	Oct.
84.2	69.0	97.3	241.7	193.1	253.4	185.1	220.7	234.2	181.6	94.3	Nov.
82.2	68.3	97.3	243.5	194.2	259.2	189.3	220.7	234.2	181.9	94.6	Dec.
80.8	68.3	97.3	241.8	191.7	252.1	186.3	220.2	233.9	181.0	94.3	1988 Jan.
79.7	68.8	97.2	238.6	190.4	242.0	183.2	220.2	233.8	179.8	93.7	Feb.
79.3	69.4	97.2	237.3	189.5	241.1	182.9	220.7	233.1	179.7	93.1	March
78.2	69.4	97.2	235.6	188.1	238.9	179.9	220.7	232.3	179.1	92.6	April
77.1	69.9	97.2	233.4	186.7	236.4	177.0	220.5	231.7	178.2	92.1	May
75.9	69.8	97.3	232.4	186.5	224.4	176.3	220.3	232.0	177.0	91.3	June
75.5	69.7	97.3	230.3	186.7	212.0	176.4	220.2	231.7	175.3	90.3	July
74.1	70.4	97.2	229.7	185.8	209.7	177.0	220.5	231.2	174.2	89.2	Aug.
75.3	70.9	97.3	230.9	186.1	212.8	179.5	221.4	232.8	175.7	89.6	Sep.
74.1	71.0	97.2	230.7	185.9	214.3	179.8	221.5	232.7	175.9	89.5	Oct.
73.7	70.4	97.3	233.0	186.1	225.1	182.1	221.4	232.6	176.9	90.2	Nov.
73.6	70.7	97.3	231.9	185.0	220.5	180.0	220.8	231.6	176.3	89.9	Dec.
72.6	71.4	97.2	228.7	182.1	210.7	176.6	219.9	230.2	174.2	89.2	1989 Jan.
72.1	71.4	97.3	228.4	182.2	207.7	175.9	219.8	230.2	173.8	89.0	Feb.
73.1	72.2	97.3	228.9	180.9	207.4	176.6	219.6	230.7	174.2	89.0	March
73.9	73.9	97.3	227.8	176.1	205.7	176.1	219.2	230.7	174.4	88.8	April
74.1	74.4	97.3	226.0	175.0	198.0	175.1	218.9	230.4	173.2	88.0	May
76.1	72.5	97.3	225.9	175.7	195.9	175.9	219.2	232.0	173.7	88.1	June
77.6	72.3	97.3	228.6	177.2	203.3	178.0	218.8	231.8	175.3	88.7	July
76.7	72.3	97.3	227.2	177.1	197.6	177.2	218.1	231.1	174.3	87.8	Aug.
77.8	72.6	97.4	226.6	177.6	196.0	176.9	218.2	231.3	174.3	87.7	Sep.
79.7	73.3	97.4	231.3	180.0	203.8	180.4	220.0	234.4	177.6	89.2	Oct.
82.1	74.2	97.4	235.0	182.7	206.9	182.7	220.1	235.8	179.5	90.1	Nov.
86.3	75.6	97.4	241.9	186.0	216.0	186.7	221.4	238.5	183.5	92.1	Dec.
89.7	75.2	97.3	244.2	186.0	224.1	187.5	221.3	238.2	185.0	92.7	1990 Jan.
90.9	74.5	97.4	243.6	5 —	231.2	187.2	220.6	236.9	184.9	92.6	Feb.
94.0	74.4	97.3	242.0	185.7	224.3	187.5	219.4	237.0	185.0	92.3	March
98.2	74.0	97.3	242.7	185.9	223.4	188.2	218.5	236.3	185.8	92.3	April
96.7	71.6	97.3	243.8	185.6	228.8	188.0	218.4	235.9	185.4	p 92.0	May
95.6	71.0	97.3	242.1	184.6	225.6	186.4	218.0	234.2	183.9	...	June

the exchange rate mechanism, but including Spain, which has been participating in the exchange rate mechanism since June 19, 1989. The EMS did not come into force until March 13, 1979; the weighted external value against the currencies of the countries currently participating in the exchange rate mechanism is shown for the

period prior to this date, too. — 4 Weighted external value against the currencies of 18 industrial countries after adjustment for the differences in inflation rates (geometric means). — 5 Official exchange rate quotation suspended. — p Provisional.

11. Average official exchange rates on the Frankfurt Exchange *

Spot middle rates in Deutsche Mark

Period	Telegraphic transfer									
	Amsterdam	Brussels	Dublin	Helsinki	Copenhagen	Lisbon	London	Madrid	Milan/Rome	
	100 guilders	100 francs	1 Irish pound	100 markkaa	100 kroner	100 escudos	1 pound sterling	100 pesetas	1,000 lire	
Annual average										
1985	88.664	4.957	3.113	47.441	27.766	1.717	3.785	1.728	1.5394	
1986	88.639	4.859	2.906	42.775	26.815	1.451	3.184	1.549	1.4557	
1987	88.744	4.813	2.671	40.890	26.275	1.275	2.941	1.457	1.3862	
1988	88.850	4.777	2.675	41.956	26.089	1.219	3.124	1.508	1.3495	
1989	88.648	4.772	2.665	43.836	25.717	1.194	3.081	1.588	1.3707	
Monthly average										
1988 Nov.	88.670	4.772	2.673	42.224	25.921	1.203	3.163	1.520	1.3454	
Dec.	88.609	4.771	2.675	42.484	25.897	1.207	3.206	1.545	1.3558	
1989 Jan.	88.590	4.774	2.676	43.160	25.825	1.218	3.253	1.597	1.3633	
Feb.	88.577	4.771	2.669	43.144	25.705	1.218	3.248	1.601	1.3660	
March	88.631	4.774	2.669	43.440	25.655	1.213	3.199	1.606	1.3617	
April	88.643	4.777	2.668	44.635	25.701	1.210	3.180	1.610	1.3635	
May	88.714	4.777	2.674	44.903	25.685	1.210	3.172	1.600	1.3746	
June	88.773	4.776	2.670	44.743	25.692	1.200	3.075	1.563	1.3798	
July	88.682	4.776	2.671	44.344	25.735	1.194	3.072	1.592	1.3822	
Aug.	88.694	4.780	2.669	44.383	25.738	1.196	3.074	1.598	1.3920	
Sep.	88.690	4.777	2.668	44.243	25.731	1.194	3.066	1.598	1.3896	
Oct.	88.567	4.760	2.661	43.661	25.659	1.173	2.963	1.572	1.3631	
Nov.	88.619	4.765	2.650	43.023	25.745	1.161	2.879	1.570	1.3617	
Dec.	88.593	4.757	2.636	42.254	25.733	1.141	2.777	1.548	1.3463	
1990 Jan.	88.673	4.771	2.644	42.253	25.798	1.134	2.794	1.542	1.3405	
Feb.	88.712	4.787	2.652	—	25.923	1.135	2.842	1.548	1.3476	
March	88.811	4.817	2.665	42.333	26.116	1.132	2.769	1.559	1.3559	
April	88.845	4.837	2.681	42.283	26.223	1.130	2.763	1.577	1.3618	
May	88.913	4.844	2.681	42.357	26.243	1.132	2.790	1.600	1.3610	
June	88.851	4.866	2.681	42.570	26.272	1.139	2.879	1.620	1.3623	
Difference between buying or selling rate and middle rate, in Deutsche Mark										
	0.110	0.010	0.007	0.100	0.060	0.010	0.007	0.005	0.0050	

Period	Telegraphic transfer								
	Montreal	New York	Oslo	Paris	Stockholm	Tokyo	Vienna	Zurich	
	1 Canadian dollar	1 US dollar	100 kroner	100 francs	100 kronor	100 yen	100 Schillings	100 francs	
Annual average									
1985	2.1577	2.9424	34.210	32.764	34.160	1.2338	14.230	120.016	
1986	1.5619	2.1708	29.379	31.311	30.449	1.2915	14.223	120.918	
1987	1.3565	1.7982	26.687	29.900	28.341	1.2436	14.217	120.588	
1988	1.4307	1.7584	26.942	29.482	28.650	1.3707	14.222	120.060	
1989	1.5889	1.8813	27.230	29.473	29.169	1.3658	14.209	115.042	
Monthly average									
1988 Nov.	1.4385	1.7497	26.633	29.276	28.742	1.4206	14.220	119.176	
Dec.	1.4689	1.7555	26.947	29.273	28.873	1.4207	14.215	118.740	
1989 Jan.	1.5371	1.8304	27.460	29.337	29.274	1.4408	14.225	117.610	
Feb.	1.5589	1.8521	27.563	29.368	29.312	1.4504	14.217	117.568	
March	1.5615	1.8653	27.458	29.503	29.249	1.4320	14.215	116.172	
April	1.5740	1.8704	27.533	29.578	29.386	1.4163	14.209	113.543	
May	1.6353	1.9503	27.693	29.566	29.624	1.4117	14.213	112.721	
June	1.6527	1.9809	27.570	29.474	29.637	1.3758	14.207	115.828	
July	1.5926	1.8941	27.246	29.485	29.285	1.3478	14.209	116.108	
Aug.	1.6384	1.9260	27.368	29.601	29.465	1.3638	14.207	116.035	
Sep.	1.6518	1.9526	27.406	29.613	29.554	1.3449	14.205	115.665	
Oct.	1.5891	1.8665	26.879	29.461	28.942	1.3134	14.206	114.430	
Nov.	1.5650	1.8305	26.542	29.413	28.496	1.2751	14.201	113.080	
Dec.	1.4989	1.7414	25.970	29.265	27.678	1.2123	14.202	110.956	
1990 Jan.	1.4453	1.6918	25.865	29.375	27.416	1.1669	14.210	111.590	
Feb.	1.4006	1.6760	25.901	29.445	27.491	1.1514	14.200	112.648	
March	1.4434	1.7045	25.869	29.625	27.667	1.1132	14.208	112.782	
April	1.4495	1.6882	25.773	29.774	27.591	1.0659	14.213	113.477	
May	1.4150	1.6617	25.793	29.699	27.462	1.0822	14.211	117.259	
June	1.4351	1.6840	26.018	29.729	27.655	1.0942	14.214	118.201	
Difference between buying or selling rate and middle rate, in Deutsche Mark									
	0.0040	0.0040	0.060	0.080	0.080	0.0015	0.020	0.100	

* Calculated from daily quotations. Figures on average rates for previous years, on daily rates and on the daily exchange rate movements of the US dollar are to be found in the Statistical Supplements to the Monthly Reports of the Deutsche Bundesbank.

Series 5, The currencies of the world. — 1 Quotation suspended from Jan. 30 to March 5, 1990. — 2 Quotation suspended from Jan. 26 to Feb. 16, 1990.

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