Money & Credit: Eurozone TARGET2

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thinking outside the box
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**Figure 1.**

**ECB Official TARGET2**

NET BALANCES (billion euros, nsa)

- Belgium (Jan=27.6)
- Finland (Jan=63.3)
- France (Jan=-20.9)
- Germany (Jan=811.4)
- Greece (Jan=-26.2)
- Italy (Jan=-383.2)
- Luxemborg (Jan=-217.1)
- Netherlands (Jan=55.5)
- Portugal (Jan=-74.9)
- Spain (Jan=-390.3)

D = On July 26, 2012, ECB President Mario Draghi pledged to do "whatever it takes" to defend the euro.

Source: Haver Analytics.

**Figure 2.**

**ECB Eurosystem TARGET2**

NET BALANCES (billion euros, nsa)

- Germany (Jan=811.4)
- Germany, Finland, Luxemborg & Netherlands (Jan=1147.4)
- Rest of the Euro Area** (Jan=-882.1)

* TARGET2 is an interbank payment system for the real-time processing of cross-border transfers throughout the European Union. TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) was replaced in November 2007 by TARGET2.
** Belgium, France, Greece, Ireland, Italy, Portugal and Spain.

Source: Haver Analytics.
Figure 3.
ECB EUROSYSTEM TARGET2* NET BALANCES
(billion euros, nsa)
- Germany (811.4)
- Finland+Germany+Netherlands (Jan=930.2)
- Italy+Spain (Jan=-773.6)
- PIIGS: Portugal+Italy+Ireland**+Greece+Spain (Jan=-833.6)

* TARGET2 is an interbank payment system for the real-time processing of cross-border transfers throughout the European Union. TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) was replaced in November 2007 by TARGET2.
Source: Haver Analytics.

Figure 4.
ECB EUROSYSTEM TARGET2* NET BALANCES
(yearly change, billion euros, nsa)
- Germany (Jan=-56.7)
- Finland+Germany+Netherlands (Jan=-102.9)
- Italy+Spain (Jan=109.2)
- PIIGS: Portugal+Italy+Ireland+Greece+Spain (Jan=140.9)

* TARGET2 is an interbank payment system for the real-time processing of cross-border transfers throughout the European Union. TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) was replaced in November 2007 by TARGET2.
Source: Haver Analytics.
Figure 5. ECB OFFICIAL TARGET2* NET BALANCES (billion euros, nsa)

End of Period (2nd Generation; May 2008-Present) (-253.7)

* TARGET2 is an interbank payment system for the real-time processing of cross-border transfers throughout the European Union. TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) was replaced in November 2007 by TARGET2.
Source: Haver Analytics.

Figure 6. ECB OFFICIAL TARGET2* NET BALANCES (billion euros, nsa)

Average (1st and 2nd Generation) (-247.5)

* TARGET2 is an interbank payment system for the real-time processing of cross-border transfers throughout the European Union. TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) was replaced in November 2007 by TARGET2.
Source: Haver Analytics.
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