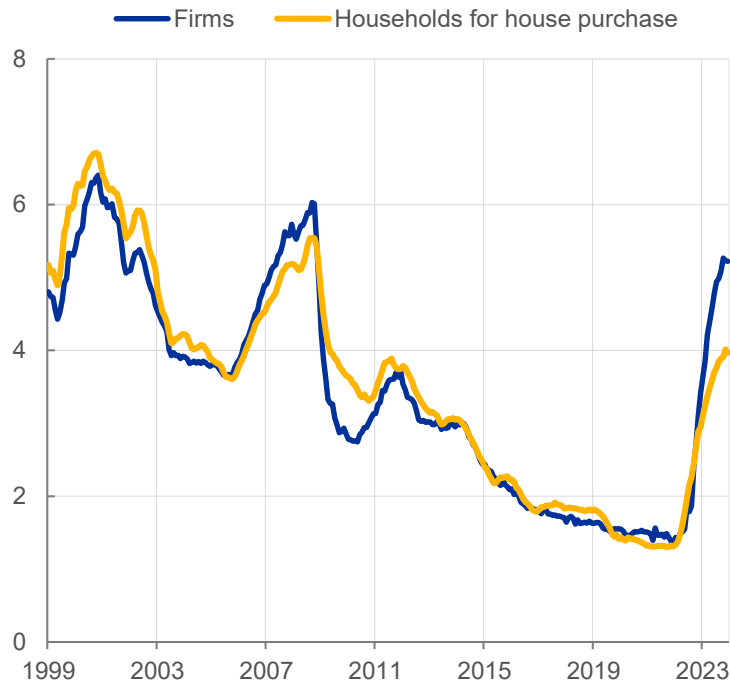


Strong transmission of monetary policy to funding costs and bank lending

Composite cost of borrowing

(percentages per annum)



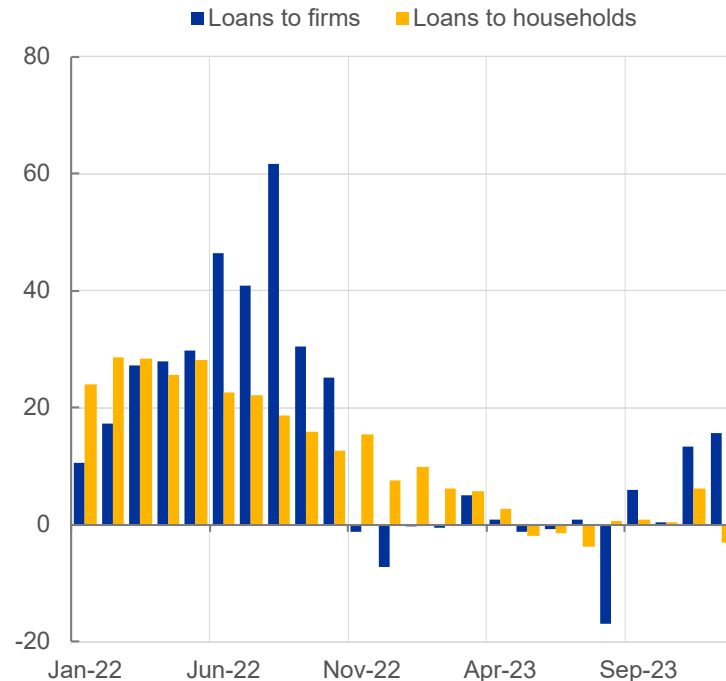
Sources: ECB (MIR) and ECB calculations.

Notes: The indicator for the total cost of bank borrowing for firms is calculated by aggregating short-term and long-term rates using a 24-month moving average of new business volumes.

Latest observation: December 2023.

Bank loans to firms and households

(monthly flows in EUR bn)



Source: ECB (BSI).

Notes: Loans to households and firms are adjusted for sales and securitisation. Loans to firms are also adjusted for cash pooling.

Latest observation: December 2023.