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A recovery slowed by bottlenecks

The German economy recovered visibly between the third and fourth waves of the pandemic, and there is a good chance that the recovery will continue in the fall. However, the development is being held back by the supply side. The supply shortages affecting raw materials and intermediate inputs and the bottle-necks crimping global logistics are proving to be more stubborn and long-lived than was assumed back in spring.

Ultimately, the recovery has been mainly driven by private consumption. However, private-consumption expenditure is still running well below its pre-crisis level. There are numerous plans for investments, but so far these have not been able to be realised quickly. There is generally no lack of demand; on the contrary, incoming orders are increasingly outstripping production capacity.

Despite all the burdens restricting production volumes, many companies still have scope for pushing through price increases in this situation. This is already reflected in higher rates of price increases, particularly at the upstream stages of the value chain.

Such a situation is more difficult to manage in terms of economic policy than was the case last year. Demand-supporting expenditure-oriented policies, which were helpful in 2020, are now of less use. The same applies to monetary policy, which must be careful to exit its asset purchase programmes, starting with the PEPP, which is specifically designed to address the pandemic emergency. More money is no longer part of the solution, but is indeed increasingly becoming the problem.

Berlin, 7th September 2021

Author:
Dr. Holger Schulz
Holger.Schulz@dsgv.de

A recovery slowed by bottlenecks

A second quarter marked by strong growth in Germany

The recovery is underway. The second quarter, in which the tally of Covid-19 infections was down significantly, achieved a 1.6 percent increase in GDP after adjustment for inflation and seasonal factors. Although the start of the quarter in April was still overshadowed by lockdown measures, overall this was no longer as consistently the case as during the first three months of the year. In addition to industry, which had been performing well for quite some time already, the gradual reopening progressively benefited the services sector in the course of the second quarter. Gross value added in the retail, transportation and hotel/restaurant sector came in 11 percent higher in real terms than in the same quarter of the previous year, which had been severely depressed by the pandemic. On the expenditure side of GDP, the accelerating recovery was driven primarily by consumer demand.

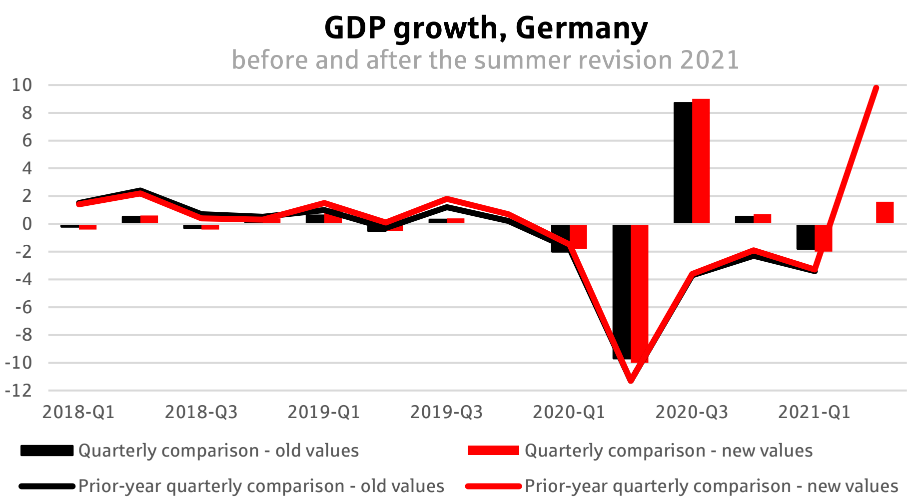
Revisions to the National Accounts:

A somewhat different pattern in the details

before and during the pandemic

The newly presented national-accounts figures for the second quarter were accompanied by medium-sized revisions to the numbers for the preceding periods back to the beginning of 2017. The starting position of the German economy before the pandemic and the trajectory during it now look somewhat different from those previously recorded on the basis of the new, more reliable data:

- Macroeconomic growth in 2019, at an annual rate of 1.1 percent in real terms, works out at almost double the 0.6 percent previously reported. Accordingly, the pre-pandemic starting situation was more robust than expected, despite the minor "industrial recession" prevailing at the time.
- During the pandemic, the cyclical trajectory, with its striking swings, naturally remained qualitatively unchanged, but some of the details have altered nonetheless. The seasonally-adjusted quarter-on-quarter growth rate now shows a double-digit figure of -10.0 percent for the deepest slump in the second quarter of 2020 but, according to the revision, the recovery in the third quarter of 2020 was correspondingly stronger.
- On a year-on-year basis, all quarters, both those marked by slumps during lockdowns and those characterised by recoveries, consistently show a slightly more positive performance than was the case beforehand.
- Thanks to this overall somewhat higher level of GDP, the annual growth rate for 2020 now also emerges in a somewhat more favourable light. At -4.6 percent, the rate of change is now 0.2 percentage points better than previously reported. And this was already the second data revision on this score - the first estimate by the Federal Statistical Office from the beginning of 2021 still foresaw a contraction of more than five percent for 2020.



Source: Destatis

Consumption was the driver of the recovery in spring and summer 2021

The recovery, which proceeded satisfactorily over the second quarter, was primarily driven by the reemergence of consumption opportunities on the expenditure side of the gross domestic product. Private consumption increased by 3.2 percent on a seasonally-adjusted basis compared with the previous quarter. Compared with the same quarter of the previous year, which had recorded a sharp trough in production and consumption during the first lockdown of 2020, the increase in private-consumption expenditure came to 6.0 percent. Nonetheless, private consumption is still well below the pre-pandemic level.

The household savings rate declined somewhat in the second quarter, as a mirror-image of the - at least partial - revival in consumption. Household savings no longer reached the seasonally-adjusted record levels attained during the lockdowns in the second quarter of 2020 (20.3 percent) or the first quarter of 2021 (19.0 percent). However, at 16.8 percent most recently, the savings rate still remains at a significantly elevated level compared with normal conditions. That said, at least the trend towards a rebalancing between savings and consumption is right from the point of view of the ongoing recovery.

Government consumption, which was deliberately ramped up significantly during the pandemic to provide countercyclical support for the economic trajectory, is also continuing to contribute to macroeconomic growth at the present juncture. In real terms, this expenditure-side item rose by 1.8 percent in the second quarter compared with the previous quarter and by 3.7 percent year-on-year.

By contrast, investment activity and exports remained subdued over the second quarter. True, they were significantly higher in the second quarter than their levels a year previously, when they virtually collapsed completely. Compared with the previous quarter, however, the seasonally-adjusted real growth rate of 0.3 percent logged by both construction investment and investment in machinery and equipment barely compensated for the further decline sustained during the first quarter of 2021.

Hopes are being pinned on a revival of the investment components of GDP for the further phases of the recovery to enable a sustained upswing. In fact, there are currently a particularly large number of orders and plans for investment projects. The only downside is that they have not yet been realised.

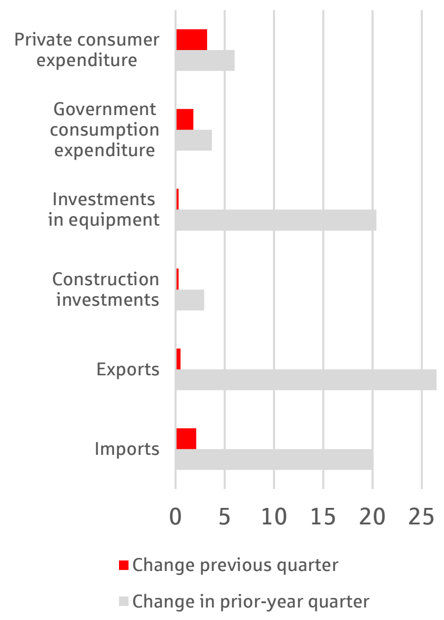
With a contribution of 0.1 per cent in the spring quarter, the balance of changes in inventories did make a very slight positive contribution to the reported overall real GDP growth rate of 1.6 percent. However, the large-scale inventory accumulation ("restocking") expected after the substantial inventory drawdowns of 2020 has not yet occurred. As a component of nominal GDP, inventory investment was actually negative once again in the second quarter of 2021. This was largely due to the persistent supply bottlenecks in many sectors, which have, quite simply, not allowed restocking to date.

A similar explanation can be found for exports, which made strong gains of 26.5 percent year-on-year, but whose momentum slowed quite considerably from the first to the second quarter, dwindling to a snail's pace of +0.5 percent. Here too, bottlenecks, for example in the logistics sector, are having a braking effect.

The recovery has also kicked in at the pan-European level

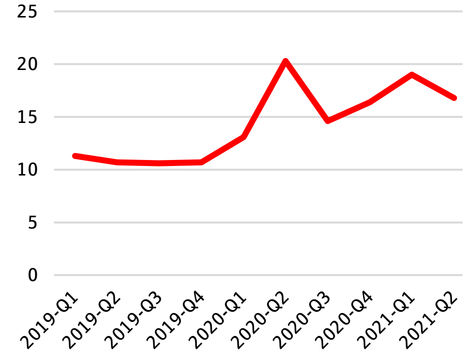
In the second quarter, the economy of the euro area as a whole expanded by a seasonally-adjusted 2.0 percent compared with the previous quarter, even slightly faster than aggregate economic output in Germany. And this was the

Expenditure Components of GDP in the second quarter (percentage change)



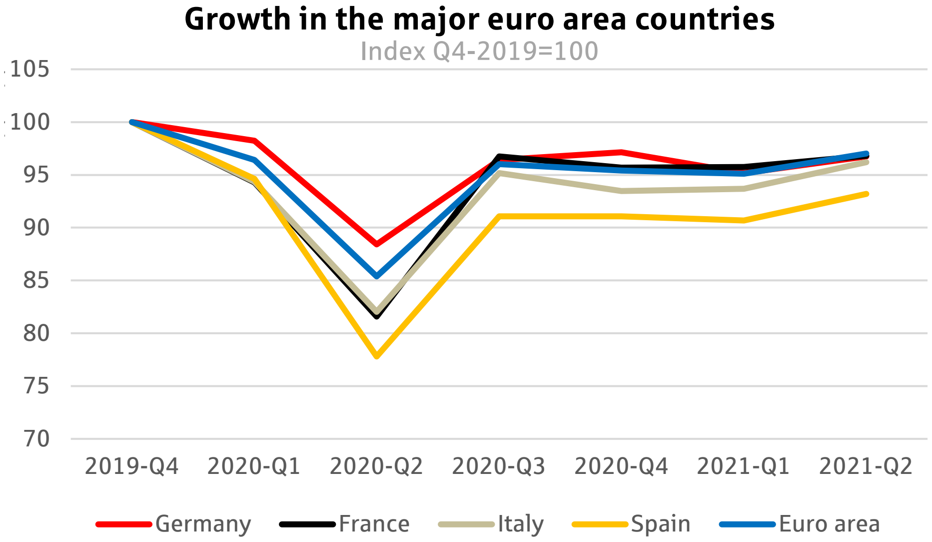
Source: Destatis

Savings rate of private households in Germany (seasonally-adjusted quarterly figures in percent)



Source: Destatis

case even though the GDP setback from the second lockdown around the turn of the year from 2020 to 2021 which had to be made up for was not as large in the other major countries as it was in Germany. Part of the strength of the catch-up can, of course, also be explained, if one zooms out somewhat further along the time axis, by the earlier drastic slump in the Mediterranean countries, which are more dependent on tourism than Germany.



Source: Eurostat

The robustness of Spain's recent quarter-on-quarter growth of 2.8 percent and of Italy's 2.7 percent showing in the second quarter are particularly encouraging because these two countries had the most catching-up to do. Above all the boot-shaped peninsular of Italy remains vulnerable with its high level of debt and is therefore in particularly urgent need of a vigorous economic recovery. In terms of momentum, France has recently been the growth laggard among the major nations in the euro zone: La Grande Nation witnessed growth of only 0.9 percent in the second quarter of 2021 and has not therefore been recovering any further of late. However, France did already make a big recovery leap early in the autumn of 2021. GDP in most major countries (except Spain) is expected to reach its pre-crisis level again by the end of 2021, unless new shocks interrupt the recovery.

The resurgent toll of Covid-19 infections is fuelling fears and dampening spirits in the late summer of 2021

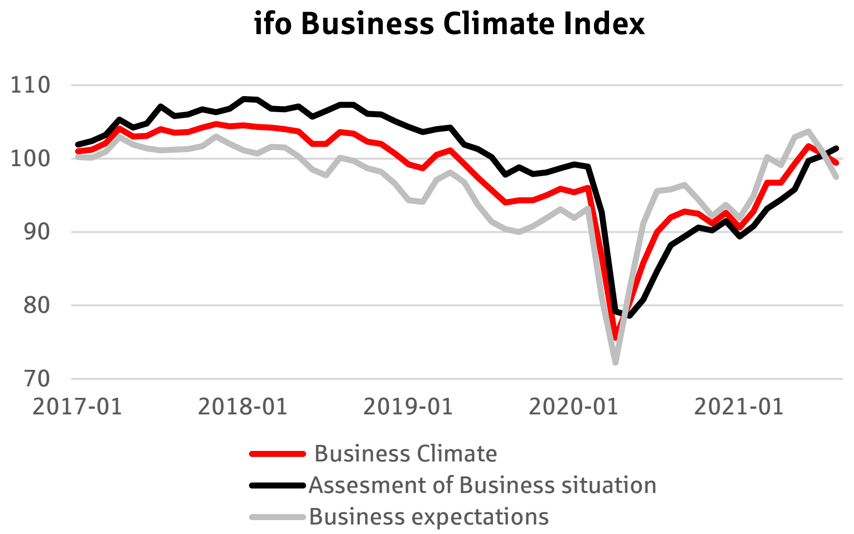
On the other hand, concerns about another wave of the pandemic are increasingly depressing the mood regarding the trend going forward for the autumn and winter of 2021/22. The rebound in the tally of Covid-19 infections demonstrates that the progress made so far in the vaccination rollout is not yet sufficient. Here, it is important to continue to canvass for as high a vaccination rate as possible. Even if vaccination does not completely prevent the disease from being transmitted, it at least significantly diminishes the risk of severe disease trajectories. A further broad-based lockdown is therefore unlikely, since most people in Germany have now had the opportunity to be vaccinated. The residual risk accordingly morphs from a societal task into more of a personal responsibility.

Another lockdown is unlikely…

Nonetheless, fears about another wave of infections are also being reflected in the economy. Individual behavioural changes and restraint if a new wave of the pandemic is rolling may at least slow down the recovery. The ifo Business-Climate Index lost ground in August for the second month in succession, mainly due to gloomier business expectations. By contrast, the current business situation is reckoned to be decidedly robust in the late summer of 2021. In the latest ifo survey from the end of August, the expectations component is below

…but underlying risks remain

the current-business-situation sub-index for the first time in quite a while - a warning sign that the recovery could falter. Admittedly, it would be wrong to overdramatise the decline in the ifo expectations component, as this is attributable mainly to "better" reports being shifted to "unchanged," without there being substantially more "deteriorations".



Source: ifo

A similar deterioration in sentiment has also been intermittently in evidence on equity markets. Where the recovery of the real economy was flanked by genuinely euphoric sentiment until mid-August, the trend in the DAX then reversed temporarily, with Germany's benchmark equity index remaining below its mid-August highs right up to the time of writing.

Share prices in China are falling much more sharply and have been doing so for much longer, namely since the end of May - despite the fact that, based on official figures, the pandemic in the People's Republic seemed to have been brought under control at such an early stage, with the economic recovery proceeding very strongly ever since the spring of 2020. In China, too, the forces of growth are clearly not growing skyward and are bumping up against tangible impediments on the ground.

Bottlenecks are slowing down the recovery

One palpable factor holding back the global recovery are the persistent logistical bottlenecks. There is still a shortage of raw materials, intermediate inputs and transport capacities. By now, moreover, these bottlenecks are proving more stubborn than originally assumed. They are clearly not just the result of overly cautious scheduling during the Covid-19 pandemic; it is more the case that certain availabilities and capacities have vanished in the longer term.

There is still a shortage of semiconductor products, and now not only in the automotive industry but also in other sectors. Some automobile manufacturers are again running short-time shifts, this time for reasons of material shortages. Over the last year and a half, auto production in Germany has at best shown a W-shaped pattern, where the last upstroke of the "W," hoped for in the second half of 2021 or in 2022 at the latest, has yet to materialise.

Originally merely anecdotal examples of bottlenecks have become a broad phenomenon

There is an international shortage of building timber, which is being bought up on the world market by demand-side agents from China and the USA as well as from Europe. Bitumen is scarce and expensive. The steel industry, which for years on end complained of overcapacities, is now experiencing supply bottlenecks for many grades and products.

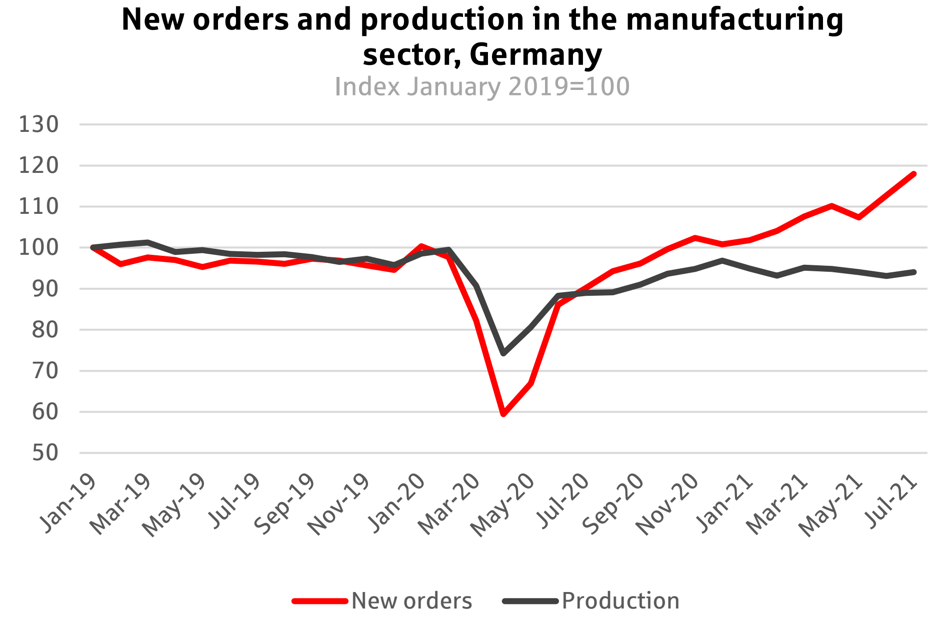
What is more, transport capacities are not keeping pace with the resurgence in global trade. Shipping freight rates are rising, containers are in short supply or else are located in the wrong places with respect to traffic with Asia. In Germany, there have also been restrictions in the railway segment as a result of the dual warning strike by train drivers. True, this latter phenomenon may not have been perceived with as much publicity as the cancellations in the passenger-traffic sphere. But in the freight-traffic domain in particular, the first two waves of strikes in August, with around five days lost, already caused serious damage to the flow of materials in Germany. The third, and longer, warning strike at the beginning of September is compounding the problem. Modes of transport cannot be substituted in the short term, and in the long term it would not be structurally helpful at all if traffic were actually to be taken off the raiatlway tracks. A diametrically opposite scenario is to be aimed at for ecological and other reasons.

Orders are outpacing production capabilities

Many industries are reporting bulging order books

That it is not a lack of demand that is holding back a faster recovery, but rather the impossibility, due to the pandemic, of making certain offers, or the various bottlenecks already alluded to, can likewise be gauged from the increasing divergence between incoming orders and production. The German Electrical and Electronic Manufacturers' Association (ZVEI), for example, has reported that orders received in the second quarter were 24.6 percent higher than in the same quarter of the previous year. The mechanical-engineering sector reports that, although it is continuing to accept orders, particularly within the context of long-standing customer relationships, processing and delivery times are becoming longer and longer. These are not just developments in individual sectors, but apply to large swathes of the economy, and almost across the board at least in the manufacturing sector.

Incoming orders recovered very quickly from their slump in 2020 and have continued to rise right up to the time of writing. In the meantime, the order intake is already even above the pre-Corona level. At first, it was foreign orders which spearheaded the rise, but most recently the upward trend is being buttressed equally by domestic and foreign orders. Most recently, foreign orders were again the main source.



Source: Destatis

In the above chart, we have directly compared production and new orders in German industry/manufacturing, indexing them to a uniform baseline from the beginning of 2019[1]. The minor "industrial recession" of 2019 looks similar in both time series. And the setbacks sustained during the first wave of the pandemic in spring 2020 also look similar. The first phase of the recovery in the autumn of 2020 likewise started similarly. But then production slowed down, while new orders spurted away to new heights. In the most recently published data the gap has widended even further in July.

At the end of 2020 and beginning of 2021, the positive news during the second lockdown was that industry was able to continue producing largely undisturbed. This news was justified as well, especially in stark contrast to the services sector, which was much more badly battered by the lockdown.

Now the ranking has reversed to a certain extent: service-providers are benefiting from the reopening measures that have occurred, while industry, despite its very upbeat order situation, is being held back as regards actual production by materials bottlenecks.

However, it holds true for service-providers as well that some production factors cannot be swiftly remobilised. The catering industry, for example, is complaining that it is having difficulty finding service staff now that it has reopened.

Less labour and less physical capital are in use

From a macroeconomic perspective, this could be described as a general braking effect on GDP due to bottlenecks affecting all factors of production. The volume of work is far from returning to its pre-crisis level. And physical capital formation has also suffered in recent years, as evidenced by low plant-and-equipment investment. The economy's overall production potential is likely to have been lastingly scarred by this crisis. And when considering the capital stock, account has not even been taken of the qualitative devaluation that some capital goods have experienced as a result of the process of structural change and of the behavioural changes accelerated by the pandemic, some of which are going to prove permanent.

Companies currently have scope for price increases

The situation described above, marked by numerous bottlenecks, is putting a considerable brake on companies' production capacity. Yet this is not necessarily negative for the earnings situation and robustness of the corporations in question. If unavailability of inputs affects an individual company, then that is indeed a problem; but if entire sectors and economies, and therefore competitors as well, are affected accordingly, then there is scope for passthrough to final retail prices.

Such a situation creates scope for margins to be increased

In such a situation, rising prices are not only permissible, but even make macroeconomic sense in order to enable efficient handling of the objectively now even scarcer scarcity. In such circumstances, allocation is only optimal, for example, when scarce chips are used where they are most urgently needed and where such acute shortages are being signalled by price and willingness to pay.

Depending on price elasticities on intermediate and final product markets, many companies should even be able to increase their margins in such a situation, in some cases significantly.

[1] Both time series here have been adjusted for season and working-day variations. With monthly data for production, such an adjustment is essential, otherwise the reported data would fluctuate extremely in thrall to calendar effects. In the case of incoming orders, the effect is smaller: as a rule, an order can be placed without problems even in a month with fewer working days. The adjustment factors are therefore significantly less sizeable for the “orders” time series. In our publication, we therefore always use the unadjusted data for orders, e.g. in the data appendix on page 12 below. In the very direct indexed comparison generated here, however, the working day-adjusted figures have been used for both series.

Bottlenecks are a problem for the pace of recovery, but not for companies' credit ratings.

Price pressure is likely to last longer than was being expected some months ago

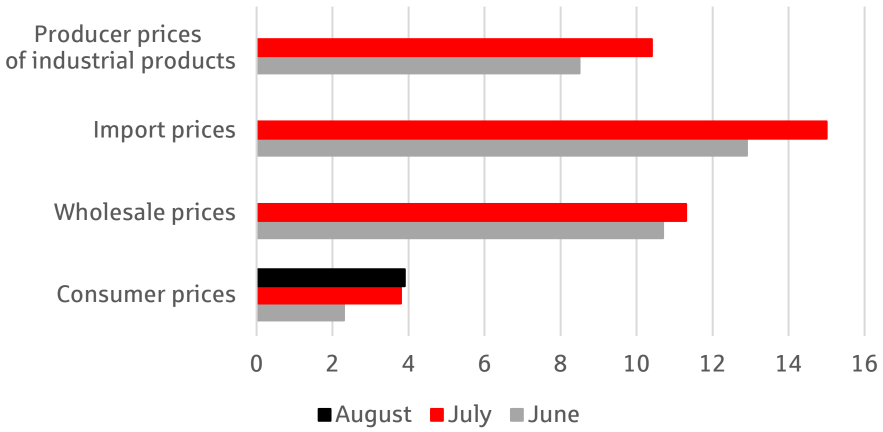
It is the final consumers who will ultimately have to dig deeper into their pockets due to this predicament. Purchasing power and liquidity are available at private households as well, with the savings rate having risen so sharply in recent years. These are definitely ingredients for a more sustained surge in prices.

However, the trend is currently being overlaid and exaggerated by special technical effects such as the temporary reduction in VAT during the second half of 2020. Most estimates therefore continue to assume that currently elevated price pressure is set to ease again.

Reports on price development repeatedly above expectations

Over the past six months, though, all the incoming data of relevance to price developments has consistently surprised on the upside. The fact that bottlenecks have become even tighter implies at least that the “price hump” will be evident on inflation charts for longer than previously anticipated. In addition, a certain pressure has already built up in the inflation pipeline at the various stages of the value chain - pressure which developments at the consumer-price level are not even indicating as yet.

Year-on-year price increases in Germany,
in percent



Source: Destatis

One “surprise” is that wholesale prices, import prices, and producer prices all turn out to have increased by double-digit percentages in Germany in the summer of 2021. Granted, these categories all saw their inflation rates falling a year ago, without this effect being passed on to final consumer prices. Some of the inflation spikes being witnessed at the present juncture thus constitute a countermovement. But only a minority of the spikes in question can be explained in this way: the price declines observed a year ago were more in the order of 1 to 5 percent.

Breaking down the double-digit increase in producer prices for industrial products, it was primarily the prices for intermediate inputs that have risen disproportionately, along with customarily volatile energy prices. Intermediate inputs increased in price by a whopping 15.6 percent from July 2020 to July 2021. That fits in with the explanation provided for bottlenecks at this particular stage of the value chain.

Spillovers into wage dynamics, or their absence, will have a decisive bearing

In the long term, in the wake of the current surge in the inflation trend, the decisive factor will be how wage dynamics develop. So far, wage demands have been decidedly moderate. This also applies to the train drivers' strike, to which attention has already been drawn: although this strike indeed exacerbated the tense logistics situation on the ground in the real economy, a 3.2 percent settlement seems low in inflation-adjusted terms, regardless of whether one takes as a basis the collective-bargaining periods demanded by the unions or the multi-year collective-bargaining periods offered by the state-owned railway company, given the pace at which inflation is running at the moment.

For 2020, the German Federal Statistical Office has reported aggregate increases in collectively-agreed pay (including special payments) of 2.0 percent. This is lower than the rates from 2017 to 2019 (2.6 to 3.2 percent), which can be explained by the special situation caused by the pandemic and by widespread short-time working. In the first two quarters of 2021, collectively-agreed wage increases grew even more moderate, weighing in at 1.3 and 1.9 percent respectively.

A shift in economic policy from demand-side stimulation to a supply-side policy geared to structural improvements is called for

In the USA, on the other hand, more pressure has already built up in the price pipeline, with the labour market also contributing to such stronger inflation dynamics. Admittedly, the USA is still suffering from pandemic-related underemployment. But how exactly this is to be assessed is subject to great uncertainty. With this caveat in mind, it does appear nevertheless that US employment dynamics and wage momentum are steadily increasing.

The Chairman of the Federal Reserve therefore described inflation as a cause for concern for the first time at the (this time virtual) international central-bank symposium at Jackson Hole held in late August. Amid the virtual mountains of Wyoming, the Fed also signalled that the "tapering" process which the market was anticipating, i.e. a gradual scaling-back of Fed bond purchases, may therefore already begin sometime during the remaining months of 2021.

The capital markets have received this signal positively and without disruptions, welcoming it as a sign of stability. In any case, there would still be a long way to go after the onset of tapering before the federal funds target rate was raised for the first time in the new cycle. During the first stage of tapering, only still positive net purchases would be reduced. The monetary-policy braking path is a long one.

The ECB should make its one-sided long-term commitments more flexible

This definitely also applies to the ECB, which has committed itself for the very long term with forward guidance, longer-term tenders and a whole variety of purchase programmes. As regards inflation and real economic momentum, the euro area is admittedly still well behind the USA, yet the rate of consumer-price inflation accelerated to no less than 3.0 percent (initial estimate) in August in the eurozone as well. And this was not just a function of energy prices: industrial goods (excluding energy) became more expensive by a relatively eye-catching 2.7 percent. The ECB should therefore now take another look at least at its Pandemic Emergency Purchase Programme (PEPP).

It is true that the economic trend and the cyclical recovery in the euro area are not yet as solid as one might wish. But if the reason for this is no longer on the demand side but rather on the supply side, as a result of the various bottlenecks, weakening economic momentum is not an argument for continued stimulus.

On the contrary, inflation is now rising not despite but because of lower production. It does not make sense to further boost demand, which - as shown above - is by no means lacking.

The situation now is structurally quite different from that in 2020

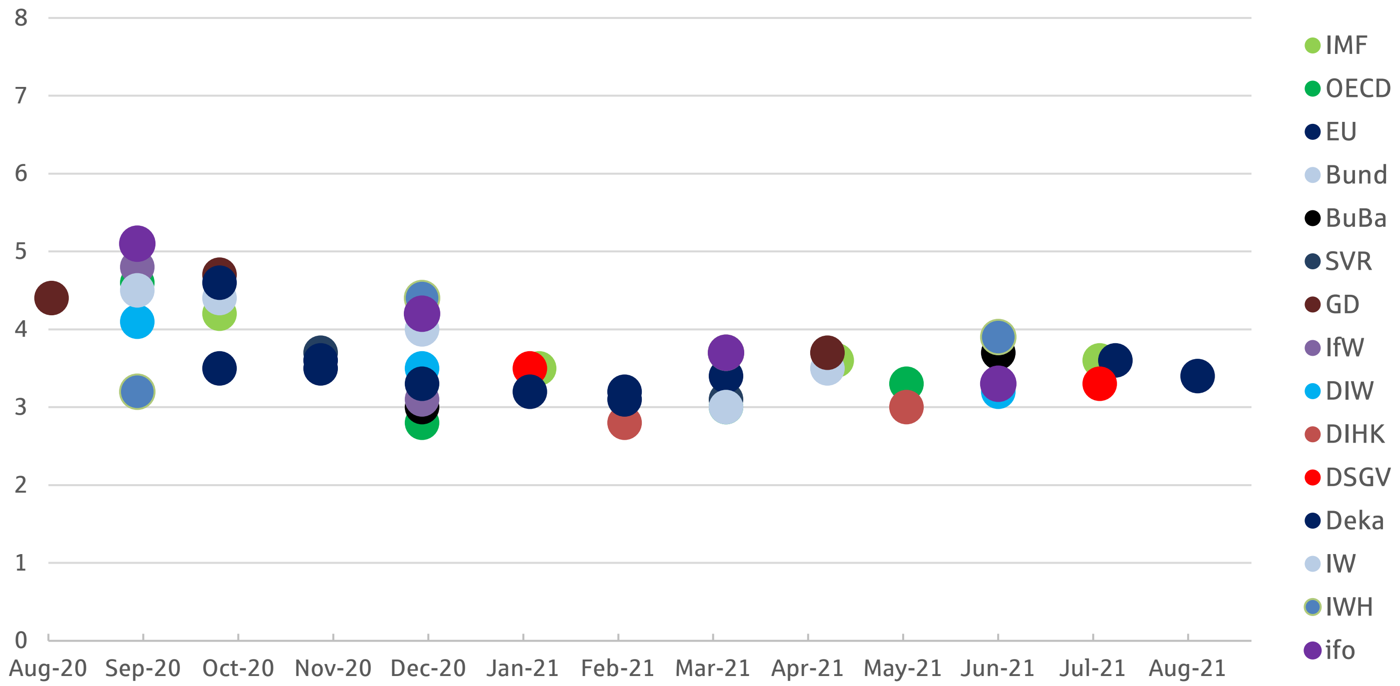
A similar argument applies in the case of fiscal policy too. While it was right in the acute lockdown of 2020 to preserve purchasing power, to avoid downward spirals and, in line with Keynesian principles, to engage in “deficit spending,” such an approach is no longer helpful in today's changed situation. There is still enough money and demand from the economic-policy side in the pipeline for the foreseeable future, for example in the form of the Next Generation EU Recovery Fund. What is now imperative is to ensure that the projects launched with this money truly add up to investment in qualitative terms. These projects must promote infrastructure and productivity, i.e. address the areas that are currently part of the bottleneck problem.

A. Growth of world economic regions, year-on-year change

	2019	2020	2021*	2022*
World trade volume	0.9%	-8.3%	9.7%	7.0%
GDP - World	2.8%	-3.2%	6.0%	4.9%
USA	2.2%	-3.5%	7.0%	4.9%
Japan	0.3%	-4.8%	2.8%	3.0%
China	5.8%	2.3%	8.1%	5.7%
Euro area	1.3%	-6.4%	4.6%	4.3%
Germany	0.6%	-4.6%	3.6%	4.1%

* International Monetary Fund projections from July 2021

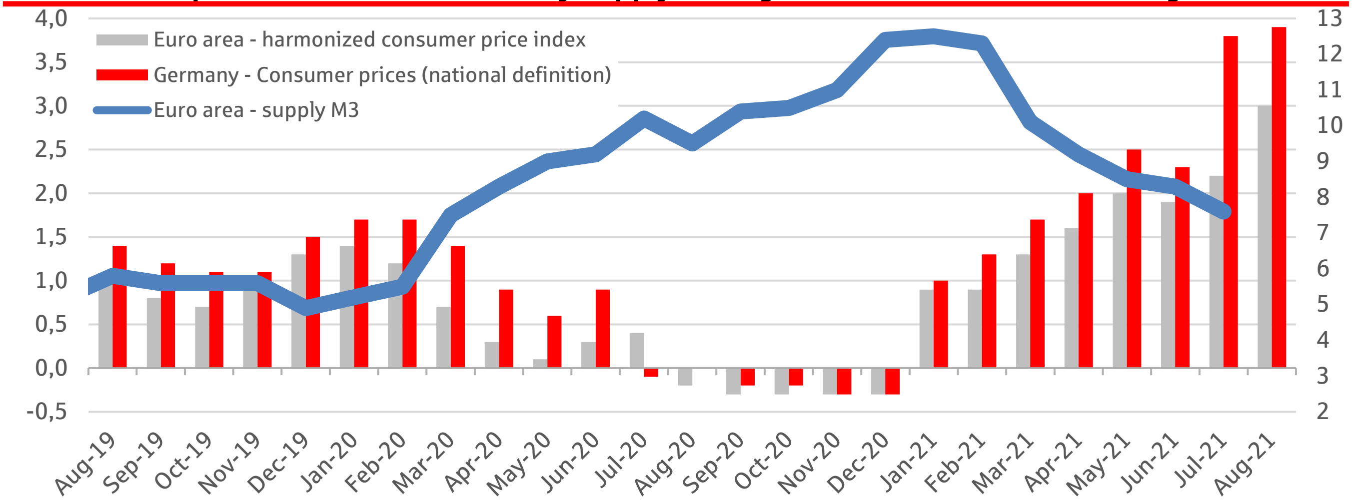
B. Economic growth forecasts for Germany for 2021, in %.



C. GDP in the euro area and in Germany

	2020 real vs. previous year	Q III - 2020	Q IV - 2020	Q I - 2021	Q II - 2021
		Real change from the same quarter of the previous year and seasonally-adjusted real change from the previous quarter			
Euro area GDP	-6.4%	-4.0% +12.4%	-4.6% -0.6%	-1.3% -0.3%	-13.6% +2.0%
Germany GDP	-4.6%	-3.6% +9.0%	-1.9% +0.7%	-3.3% -2.0%	+9.8% +1.6%
Private consumption	-6.0%	-3.4% +11.5%	-5.7% -2.7%	-9.1% -5.2%	+6.0% +3.2%
Gross fixed capital formation	-2.2%	-3.1% +4.5%	+1.5% +2.4 %	-1.4% -0.7%	+7.5% +0.5%
Exports	-9.3%	-9.1% +17.5%	-3.1% +4.6%	-0.5% +1.4%	+26.5% +0.5%
		Level, not rate of change; quarterly figures seasonally adjusted			
Savings rate	16.1%	14.6%	16.4%	19.0%	16.8%

D. Consumer prices (left scale) and money supply M3 (right scale), annual rates of change in %.



E. Monthly economic indicators Germany

	April	May	June	July	August
Prices (national definition)	Change compared to the same month of the previous year				
Consumer prices	2.0%	2.5%	2.3%	3.8%	3.9%
- Excluding food and energy (core inflation)	1.3%	1.9%	1.7%	2.7%	-
Producer price of industrial products	5.2%	7.2%	8.5%	10.4%	-
Import prices	10.3%	11.8%	12.9%	-	-
Sentiment indicators					
ifo Business Climate Index	96.7	99.3	101.8	100.7	99.4
ZEW Economic Sentiment	70.7	84.4	79.8	63.3	40.4
Incoming orders	Change compared to the same month of the previous year				
Manufacturing industry	80.2%	55.1%	30.2%	20.9%	-
Domestic	63.7%	43.8%	20.3%	20.6%	-
External	93.0%	64.2%	38.9%	21.1%	-
Capital goods producers	116.3%	67.3%	25.9%	22.8%	-
Production	Working-day-adjusted change compared to the same month of the previous year				
Total manufacturing industry	27.6%	16.6%	5.4%	5.7%	-
Thereof construction	4.0%	2.8%	-0.9%	3.6%	-
thereof industry	35.0%	20.4%	7.0%	6.4%	-
Foreign trade	Change compared to the same month of the previous year				
Exports	47.6%	36.6%	23.6%	-	-
Imports	33.6%	32.5%	27.1%	-	-
Labour market	Unemployment rate / change in the jobless total compared to the same month of the previous year (in 1,000s)				
Unemployment rate	6.0%	5.9%	5.7%	5.6%	5.6%
Jobless total	+127	-126	-239	-320	-377
Employed persons (with place of work in GER)	-201	+51	+162	+280	-
Employees subject to social security	+245	+407	+463	-	-

F. Commodity, foreign exchange and financial markets

	May	June	July	August	6th Sep 2021
Brent **oil price** in US $	68.53	73.16	75.17	70.61	72.26 (27.8.)
Exchange rates					
USD / EUR	1.2146	1.2047	1.1822	1.7772	1.1864
JPY / EUR	132.57	132.63	130.35	129.28	130.34
Equity markets					
DAX benchmark German share index, EOM	15,421	15,531	15,544	15,835	15,932
Change compared to the same month of the previous year	33.1%	26.2%	26.2%	22.3%	-
Money and capital market interest rates					
Call money (€STR)	-0.565%	-0.565%	-0.566%	-0.568%	-0.568% (3rd)
1-month money (EURIBOR)	-0.56%	-0.55%	-0.56%	-0.56%	-0.55% (3rd)
3-month money (EURIBOR)	-0.54%	-0.54%	-0.54%	-0.55%	-0.55% (3rd)
Average running yield of German govt. bonds with a residual maturity of of ten years	-0.17%	-0.23%	-0.48%	-0.46%	-0.39%
Interest rates of credit institutions, for new business					
Overnight deposits of private households in D	0.00%	-0.01%	-0.01%	-	-
for comparison across the euro area	0.01%	0.01%	0.01%	-	-
Deposits from private households up to 1 year in D	0.01%	-0.04%	0.02%	-	-
for comparison across the euro area	0.16%	0.14%	0.16%	-	-
Corporate loans up to € 1 million over 5y in D	1.56%	1.54%	1.52%	-	-
for comparison across the euro area	1.54%	1.63%	1.46%	-	-

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Charlottenstrasse 47
D-10117 Berlin
Tel: +49 30 20225-5303
dsgv-Volkswirtschaft@dsgv.de
www.dsgv.de

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Responsible
Dr. Thomas Keidel - DSGV
Director
Head of Department Financial Markets & Economics
Thomas.Keidel@dsgv.de

Dr. Reinhold Rickes – DSGV
Chief Economist
Representative Head of
Department Financial Markets & Economics
Reinhold.Rickes@dsgv.de

Author
Dr. Holger Schulz
Holger.Schulz@dsgv.de

Note
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