

Counterparts of monetary aggregate M3 represents rest of consolidated balance sheet, which remains after calculation of M3. The following scheme shows simple design of consolidated balance sheet:

Assets	Liabilities
Credit to residents	M3
External assets	External liabilities
Remaining assets (including Fixed assets)	Longer-term financial liabilities
	Remaining liabilities (including deposits placed with central government)

Considering that M3 includes also liabilities of central government monetary nature, this scheme does not balance, and the difference is contribution of central government liabilities:

$M3 = \text{Credit to residents} + \text{Net external assets} - \text{Longer-term financial liabilities} + \text{other items}$

Loans to residents including loans claims and non-negotiable securities

Credit to residents including – Loans to residents + debt securities issued by residents and shares and equities issued by residents

External assets include positions to non-residents in following items: cash in foreign currencies, holdings of debt securities and shares and other equity, loans, holdings of gold, SDR (special drawing right, currency issued by International Monetary fund)

External liabilities include received deposits and loans from non-residents and counterpart of SDR, issued units of money market funds held by non-residents

Net external assets = External assets – External liabilities

Longer-term financial liabilities include position vis a vis other residents sector in following items: Deposits with agreed maturity over 2 years, deposits redeemable at notice over 3 months, debt securities issued over 2 years, capital and reserves