



EUROPEAN CENTRAL BANK

EUROSYSTEM

T2 traffic developments

Year-end figures and
intraday pattern of
payments

T2-CG meeting
15/02/2024

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Market Infrastructure Management Division



Overview

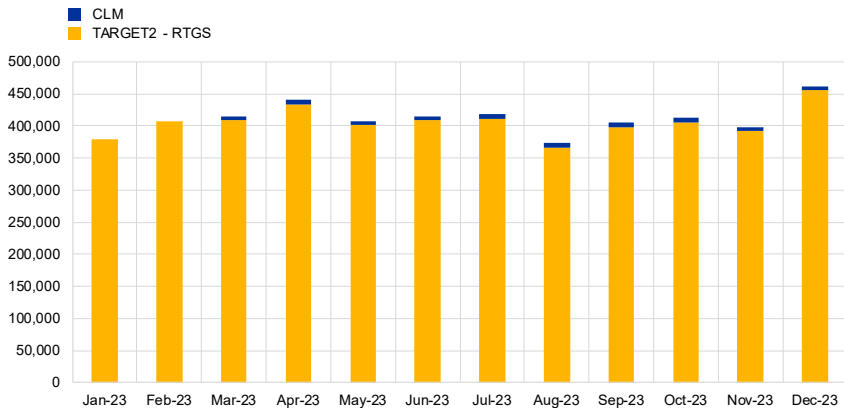
- 1 Traffic developments
- 2 Unsettled transactions
- 3 Intraday pattern of settled payments

Overview

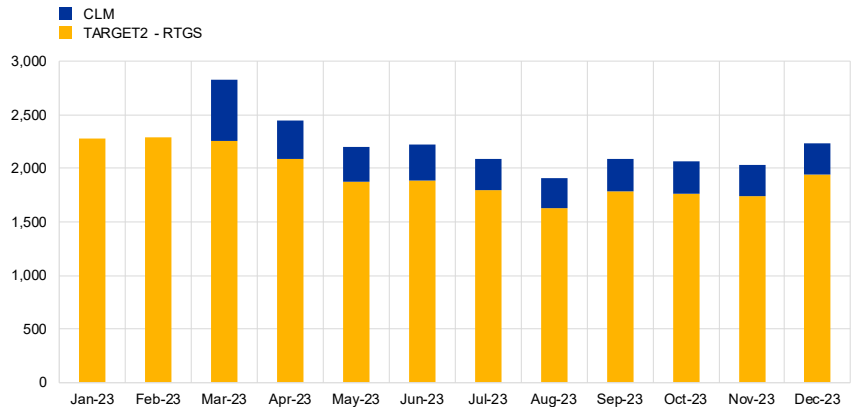
- 1** **Traffic developments**
- 2** Unsettled transactions
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Traffic settled in 2023

Volume



Value (€ bn)



- TARGET2/T2 daily traffic was generally steady in 2023 and in line with the previous year.
- After the go-live of the T2-T2S consolidated platform, the settled values increased, especially in March and April, and stabilised thereafter.

Note: the calculation methodology for T2 follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The TAG replicated it on the Analytical Environment data. Please note, however, that the methodology is still subject to refinements. Therefore, all figures may be revised.

Volume developments in 2023

		AS	Customer	Interbank	CBOs	LTs	Overall
Jan-Dec 2022	Total Volume	7,044,281	60,997,935	27,976,522	6,255,766		102,274,504
	Daily Avg	27,410	237,346	108,858	24,342		397,955
Jan-Dec 2023	Total Volume	7,060,737	66,126,963	28,235,124	2,449,318	323,207	104,408,254
	Daily Avg	27,689	259,321	110,726	9,605	1,267	409,444
Daily average growth		1.01%	9.26%	1.71%	-60.54%		2.88%

- 104 million transactions settled in total in 2023 in TARGET2/T2, which is the highest yearly traffic ever.
- Daily average traffic was approx. 410,000 transactions (+2.9%).
- The y-o-y growth was mainly driven by customer payments, which increased by over 9%.

Note: The overall amount also includes the residual payments from category 'Other'. The calculation methodology for T2 follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The TAG replicated it on the Analytical Environment data. Please note, however, that the methodology is still subject to refinements. Therefore, all figures may be revised.

Value developments in 2023 (€ bn)

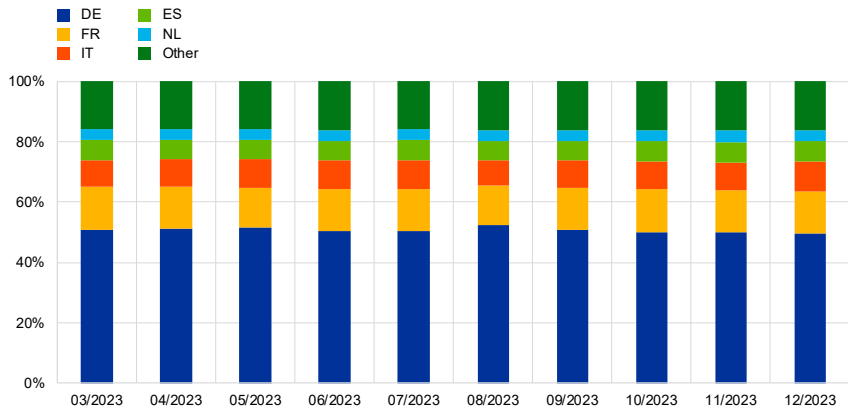
		AS	Customer	Interbank	CBOs	LTs	Overall
Jan-Dec 2022	Total Volume	102,593	63,664	290,754	111,898		568,908
	Daily Avg	399	248	1,131	435		2,214
Jan-Dec 2023	Total Volume	87,518	65,970	261,824	34,350	109,472	559,336
	Daily Avg	343	259	1,027	135	429	2,193
Daily average growth		-14.03%	4.44%	-9.19%	-68.97%		-0.95%

- TARGET2/T2 settled on average €2.1 tn daily in 2023.
- There was a slight decrease of turnover on a y-o-y basis, mainly driven by a strong decrease in central bank operation and interbank payment value.

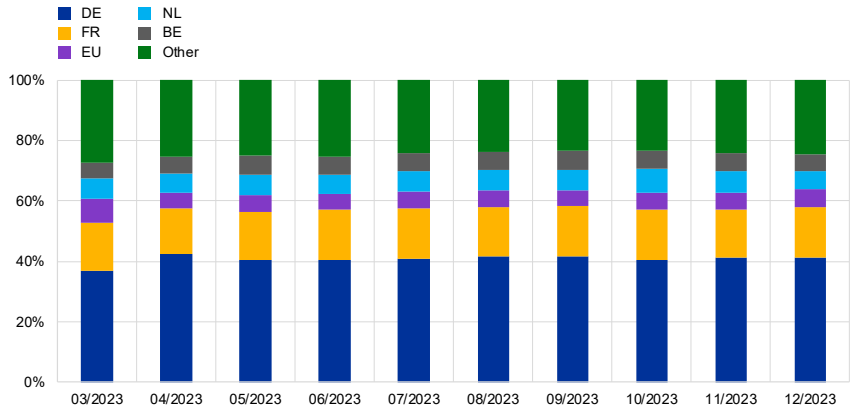
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Traffic by country in T2 in 2023

Volume



Value (€ bn)



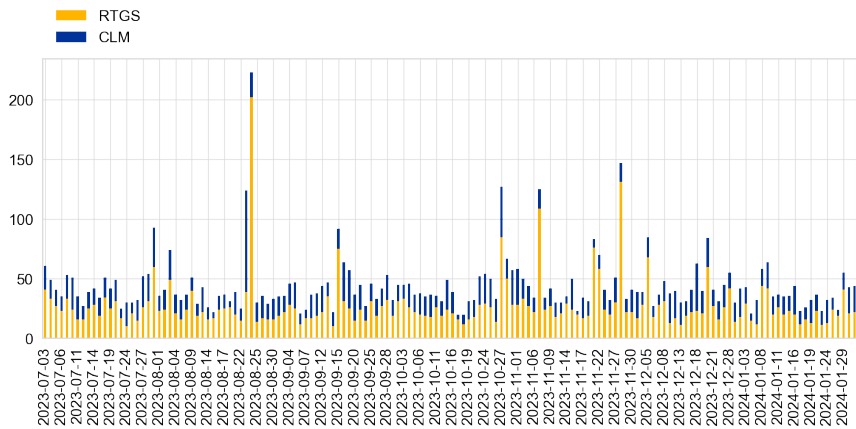
- Germany accounted for 51% of the total volume settled in T2 in 2023, followed by France with 14% and Italy for 9%.
- In value terms, Germany accounted for 41%, France for 16% and the Netherlands for 7% of the T2 traffic in the same period.

Overview

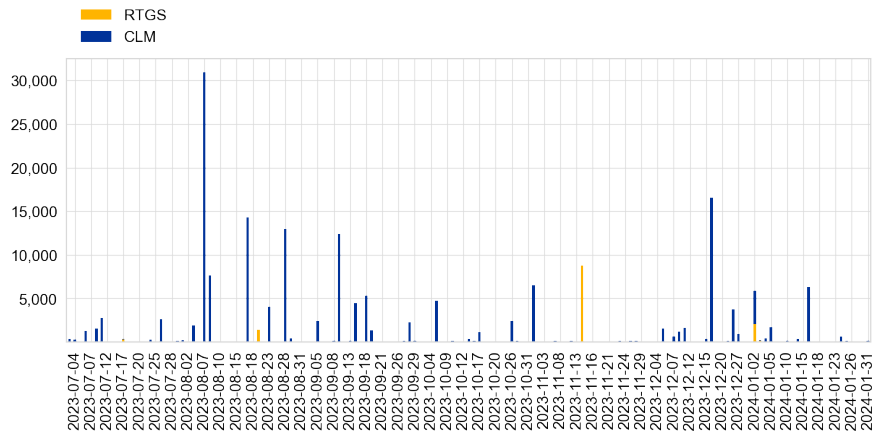
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Traffic unsettled in T2

Volume



Value (€ bn)



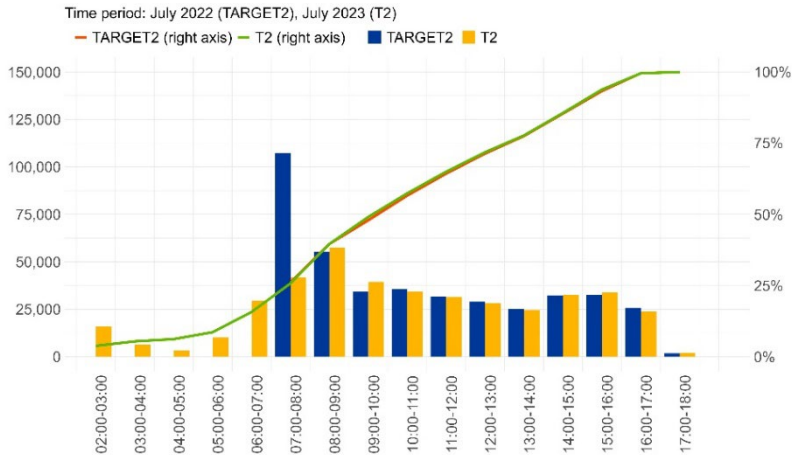
- The volume of non-settled payments was low in the last months. The higher levels were mostly registered on incident days.
- In value, the occasional spikes in value of non-settled payments were mainly due to cancelled overnight deposits.

Overview

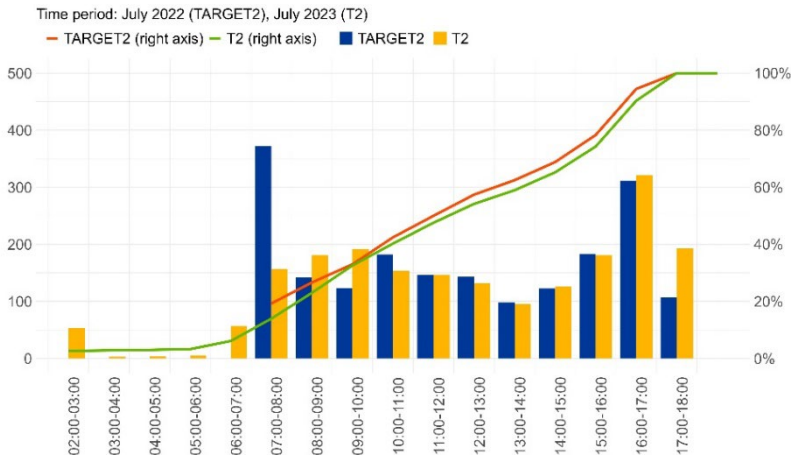
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Comparison of TARGET2 and T2 traffic

Volume



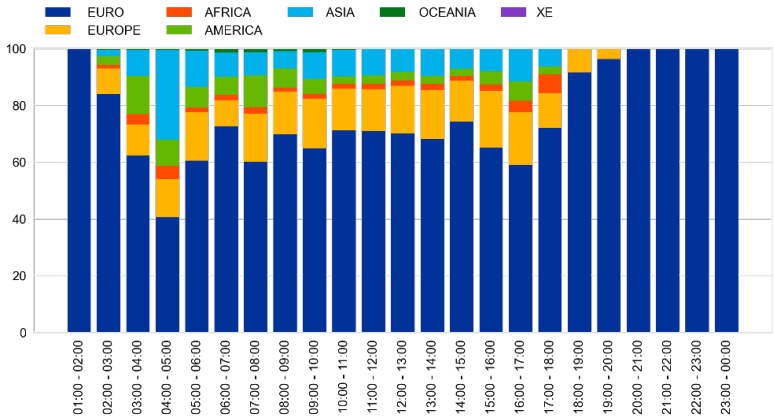
Value (€ bn)



- The earlier opening of T2-RTGS noticeably reduced the previous concentration of payments in TARGET2 processed in the morning.
- Settlement of transaction values is slightly more evenly distributed over the time of the day.

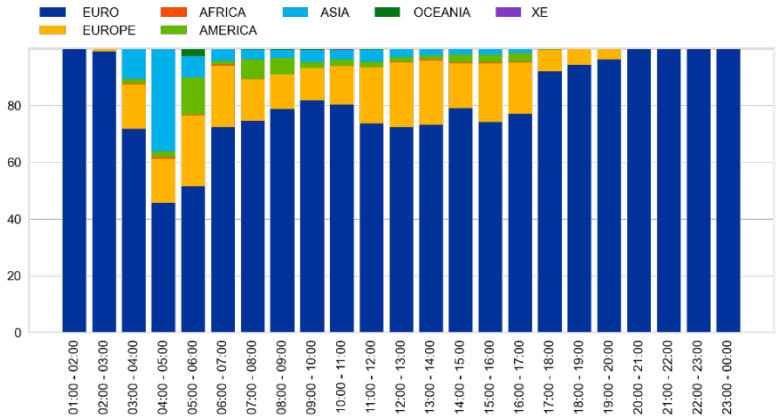
Transactions by originating country

Volume (shares)



Time windows when transactions are settled.

Value (shares)

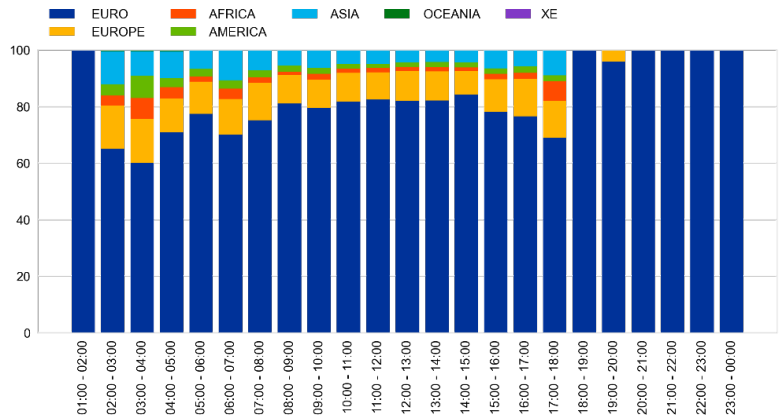


Time windows when transactions are settled.

- Transactions based on (DWH) report TRN10 (value and volume from business perspective).
- Europe includes non-euro area countries (e.g., Switzerland and UK).

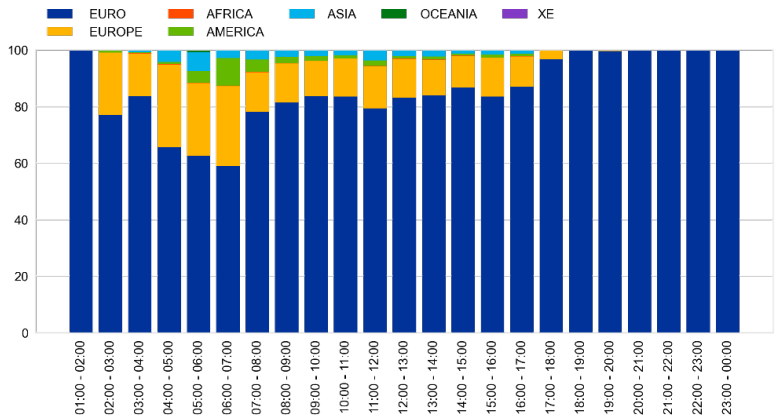
Transactions by ultimate beneficiary country

Volume (shares)



Time windows when transactions are settled.

Value (shares)



Time windows when transactions are settled.

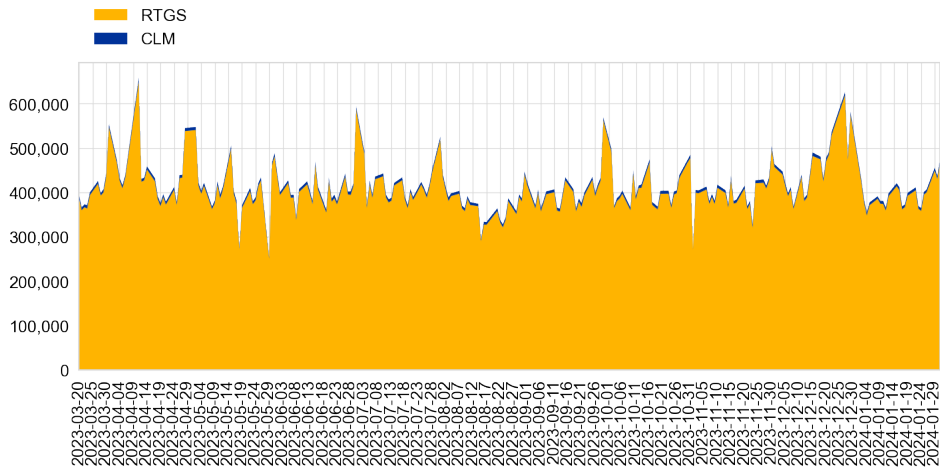
- Transactions based on (DWH) report TRN10 (value and volume from business perspective).
- Europe includes non-euro area countries (e.g., Switzerland and UK).

Thank you!

Annex

Traffic settled in T2

Total daily traffic in volume by service

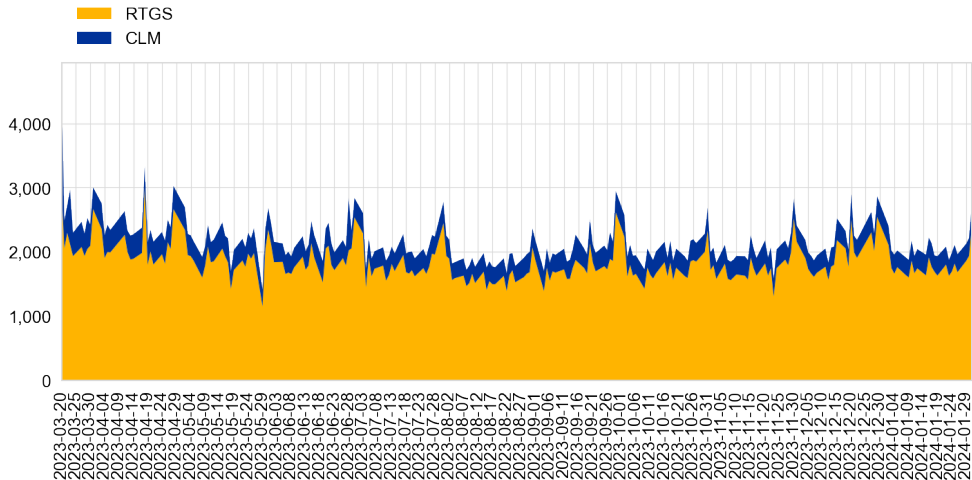


- Since its go-live, T2 settled an average of 411,602 payments (6,479 in CLM and 405,123 in RTGS) per day.
- Daily average volume per month:
 - November 2023: 398,037
 - December 2023: 461,642
 - January 2024: 398,353

Note: the calculation methodology follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The TAG replicated it on the Analytical Environment data. Please note, however, that the methodology is still subject to revisions and refinements. Therefore, all figures should be considered as preliminary.

Traffic settled in T2

Total daily traffic in value by service (€ bn)

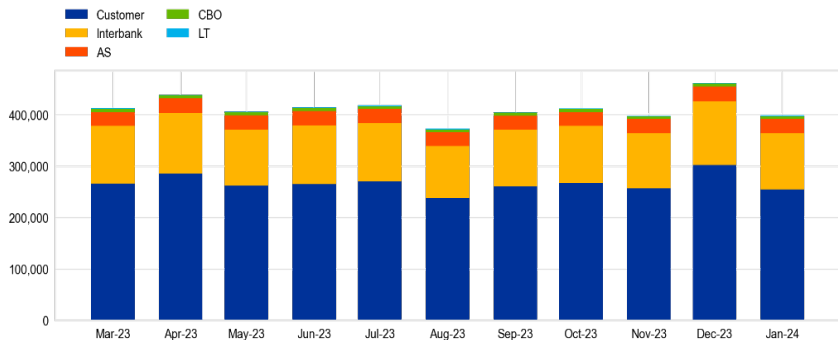


- Since its go-live, T2 settled an average of €2,160 bn (€321 bn in CLM and €1,839 bn in RTGS) per day.
- Daily average value per month:
 - November 2023: €2,034 bn
 - December 2023: €2,231 bn
 - January 2024: €2,076 bn

Note: the calculation methodology follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators. The TAG replicated it on the Analytical Environment data. Please note, however, that the methodology is still subject to revisions and refinements. Therefore, all figures should be considered as preliminary.

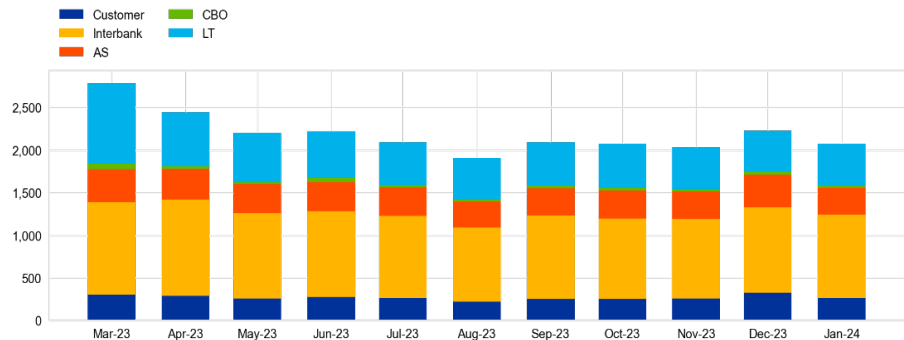
Traffic by country in T2

Volume



- In January 2024, the daily average volume by category was:
 - Customer payments: 254,170
 - Interbank payments: 108,762
 - Ancillary payments: 28,077
 - Central bank Operations: 5,478
 - Liquidity transfers: 1,620

Value (€ bn)



- In January 2024, the daily average value by category was:
 - Customer payments: €262 bn
 - Interbank payments: €976 bn
 - Ancillary payments: €321 bn
 - Central bank Operations: €26 bn
 - Liquidity transfers: €491 bn