

TABLE 5.2

**Determinants of M3
January-June**

	Change (RM million)	
	2005	2006
M3	34,633.6	26,536.6
Net claims on Government	-13,755.3	-8,026.9
Claims on private sector	15,382.6	19,433.0
Loans	20,631.9	19,133.6
Securities	-5,249.3	299.4
Net external operations	31,290.5	24,653.2
Bank Negara Malaysia	32,476.2	24,010.6
Banking system	-1,185.7	642.6
Other influences	1,715.8	-9,522.7

M1: Currency in circulation + Demand deposits

M2: M1 + Narrow quasi-money

M3: M2 + Deposits placed with other banking institutions

Source: Bank Negara Malaysia.