

OECD Target indicators for Short Term Financial Indicators

Indicator	Definition	Measure
Interest Rate (Nominal)		
Overnight interbank rate	A term to describe call-money rates. Call money and day-to-day loans play a predominant role in interbank money dealings and between banks and money market dealers.	% p.a.
Short-term rate (3-month interbank offer rate)	The three-month interbank offer rate is attached to loans given and taken amongst banks for any excess or shortage of liquidity over several months.	% p.a.
Long-term rate (10-year government bonds)	These rates are principally yields on the secondary market of government securities. Generally, the yield is calculated at the pre-tax level and before deductions for brokerage costs and commissions and is derived from the relationship between the present market value of the bond and that at maturity, taking into account also interest payments paid through to maturity.	% p.a.
Share Prices		
Share Price Index	The targeted variable for share prices is national all-share or broad indices. They are price indices and not return indices, i.e. they exclude dividend payments. The monthly indices are where possible averages of daily closing quotations.	100=2015
Monetary Aggregates		
Narrow Money, M1	The target definition for narrow money covers all coins and notes plus personal money in current accounts that may be used as means of payment (currency i.e., banknotes and coins, plus overnight deposits).	Monthly stock figures, expressed in current price ("nominal" terms), measured as end of period stock data.
Broad Money, M3	M3 comprises M2 and marketable instruments issued by the MFI sector. Certain money market instruments, in particular money market fund (MMF) shares/units and repurchase agreements are included in this aggregate. A high degree of liquidity and price certainty make these instruments close substitutes for deposits. As a result of their inclusion, M3 is less affected by substitution between various liquid asset categories than narrower definitions of money and is therefore more stable.	Monthly stock figures, expressed in current price ("nominal" terms), measured as end of period stock data.
<p>The OECD has no standard guidelines for compiling Monetary Aggregates data. The European Central Bank's framework for constructing Euro area monetary aggregates is consistent with IMF principles and non-euro EU countries are also required to report data to ECB according to the framework as are EU candidate countries as part of their application process. A useful IMF link for national methodologies is the IMF Monetary & Financial Statistics Manual and the IMF compilation guide</p>		