



EUROPEAN CENTRAL BANK

EUROSYSTEM

Update on T2 operations

Until October 2024

**AMI-Pay meeting
5 December 2024**



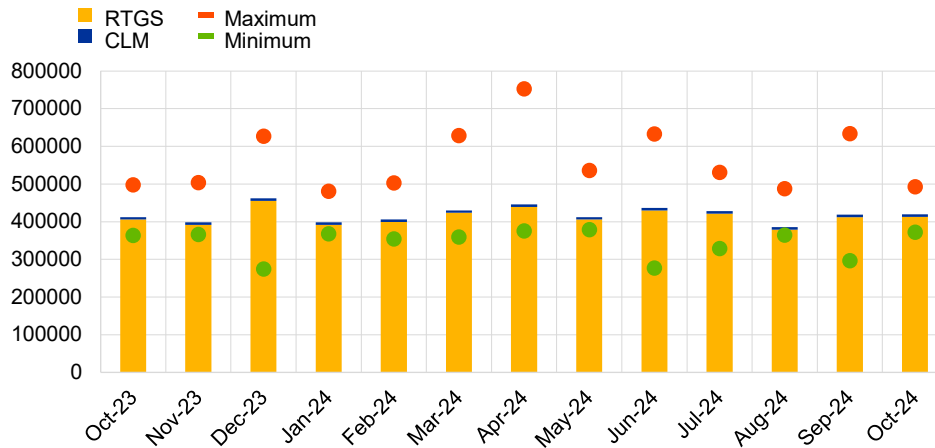
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Market Infrastructure Management Division

Overview

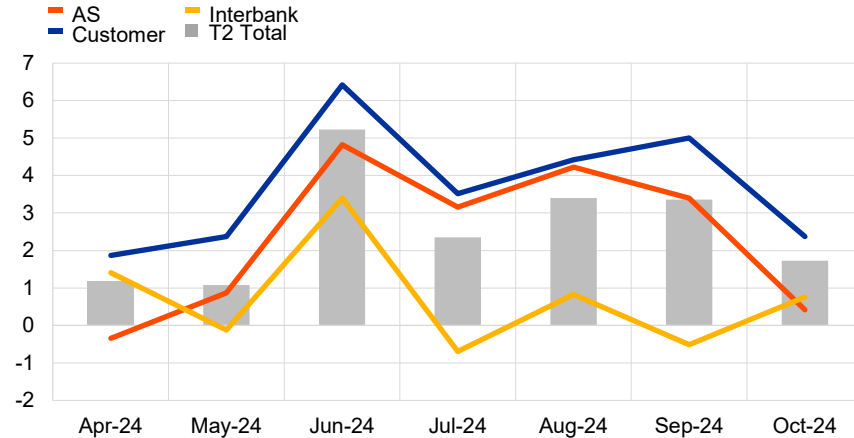
- 1 Traffic developments
- 2 Liquidity developments
- 3 System performance

Traffic settled in volume

Volume by service component
(daily average, minimum, maximum)



Growth rate by payment type
(year-on-year; percentages)



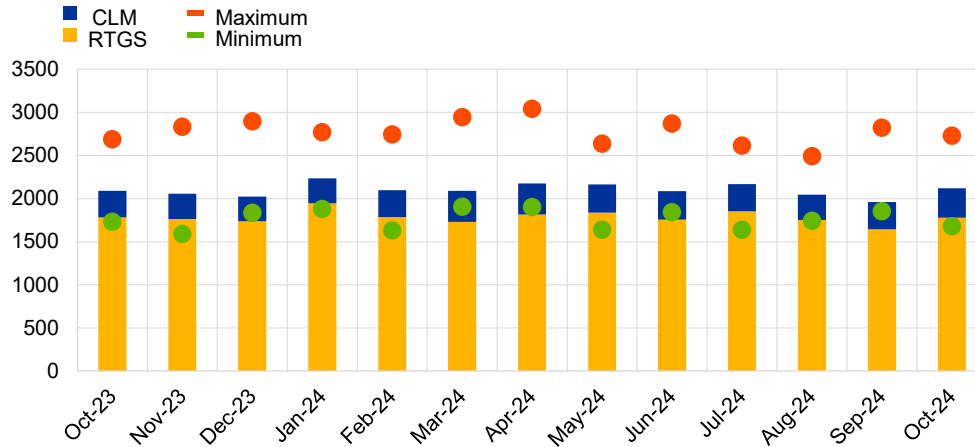
- Monthly figures continue to be above those of 2023
- Daily average traffic in October 2024 reached 420,000 transactions.
- Growth in traffic mainly steered by customer payments

Source: T2, TAG calculations.

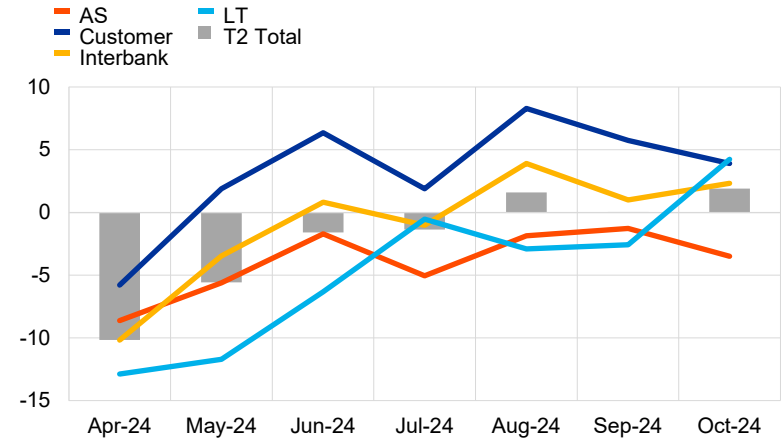
Note: the calculation methodology for T2 follows the T2 statistical framework defined by the TSWG for the DWH TRN10 report, which is expected to be largely in line with the previous TARGET2 traffic indicators.

Traffic settled in value

Settled value by service component
(daily average, € bn)



Growth rate by payment type
(year-on-year; percentages)



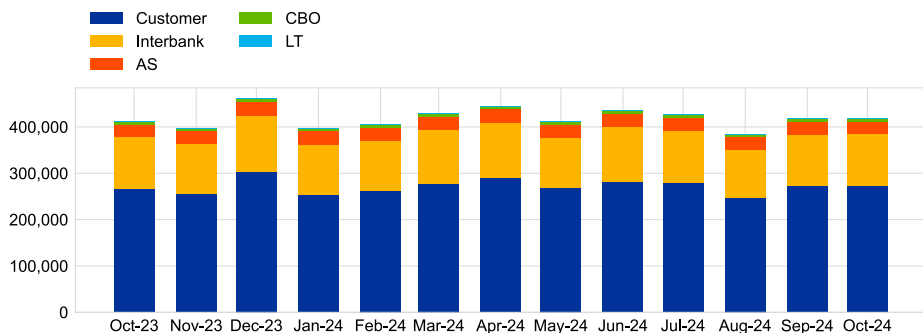
- Turnover had significantly decreased after the migration to T2 (mainly linked to change of statistical methodology)
- Daily turnover meanwhile recovered and stabilised around € 2,1 tn
- Variations of turnover mainly steered by interbank payments

Source: T2, TAG calculations.

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.

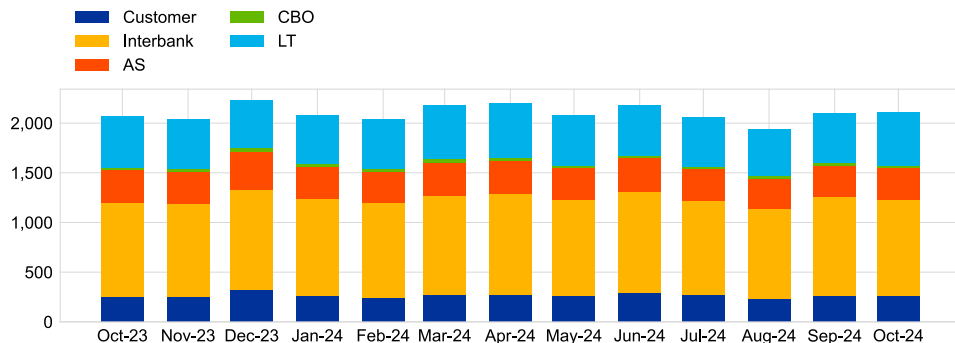
Traffic by payment type

Volume



- In October 2024, the daily average volume by category was:
 - Customer payments: 273,242
 - Interbank payments: 111,654
 - Ancillary payments: 27,349
 - Central bank Operations: 5,409
 - Liquidity transfers: 1,591

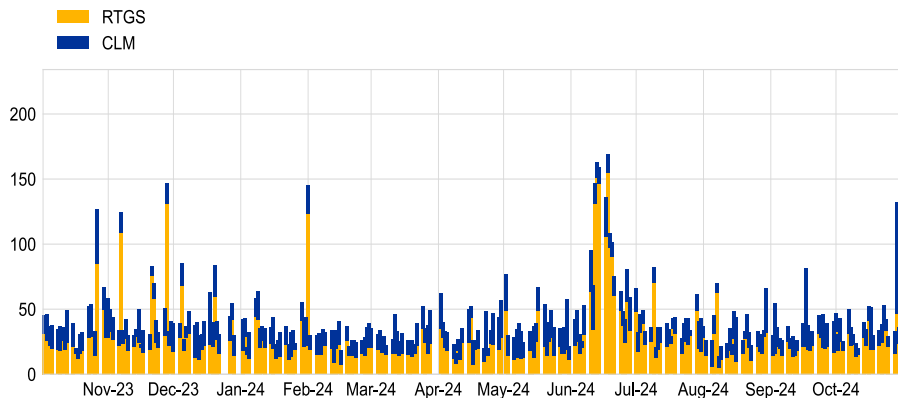
Value (EUR billion)



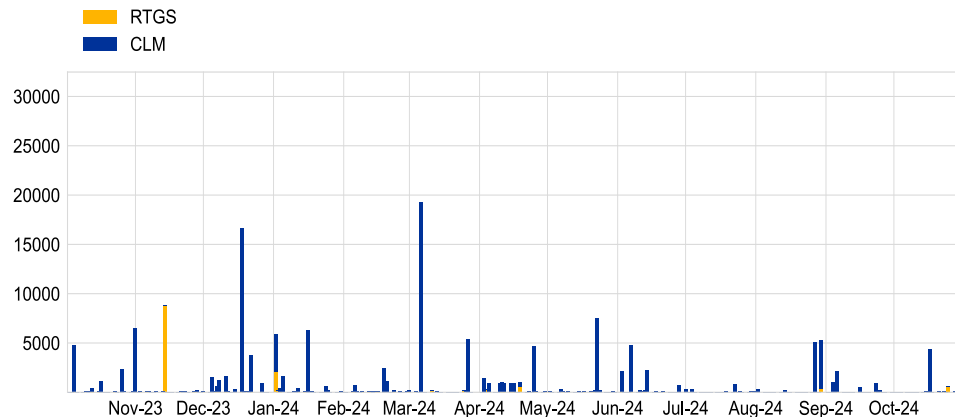
- In October 2024, the daily average value by category was:
 - Interbank payments: € 966 bn
 - Liquidity transfers: € 538 bn
 - Ancillary payments: € 318 bn
 - Customer payments: € 264 bn
 - Central bank Operations: € 24 bn

Traffic unsettled in T2

Volume



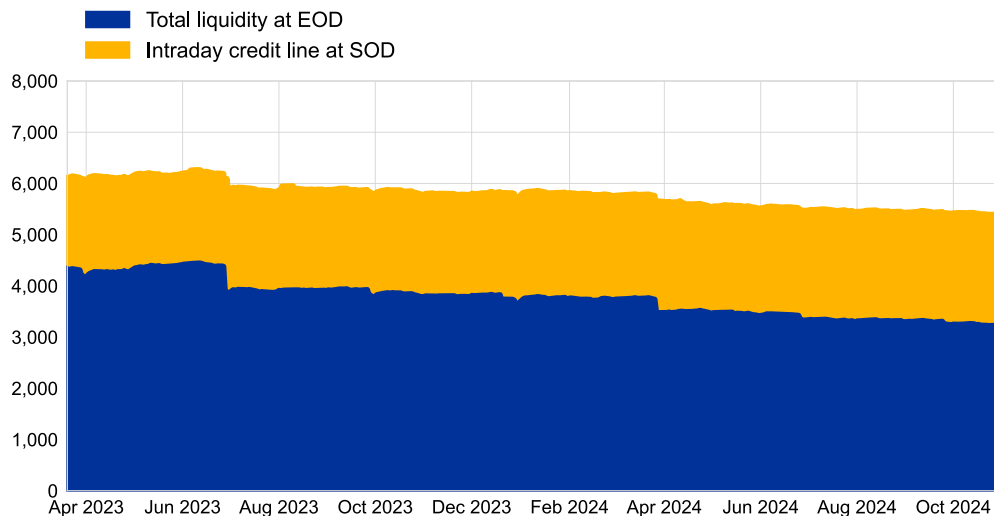
Value (EUR billion)



- The volume of non-settled payments is generally low.
- Unusual high volume of non-settled payments in CLM on 29 October: mostly standing facility orders, on the back of incident taking place on that day.
- In value, the occasional spikes in value of non-settled payments were mainly due to overnight deposits.

Overall payments capacity

Total liquidity at the end of day (EOD) & credit line set at the start of day (SOD)
(€ bn)



Source: T2, TAG calculations.

- September - October 2024: **total liquidity at EOD** was on average €3.3 trillion (-15.7% compared to the same period the previous year), while the **ICL set at SOD** was on average €2.2 trillion (8.7% higher compared to previous year).
- September - October 2024: The **overall payment capacity**, i.e. the sum of liquidity and ICL, stood on average at €5.4 trillion (-7.4% below the same period the previous year).
- The decline in the payments capacity is in line with the overall shrinkage of the Eurosystem balance sheet (as a result of TLTRO repayments and reduction of the monetary policy portfolio).

System performance

Technical availability

Since June 2024, the T2 system has maintained a technical availability rate of **100%**, with the exception of June (**99.87%**).

Most significant incidents to be reported (June 2024 – October 2024)

18 July 2024	On 18 July 2024, an incident occurred impacting the SWIFTNet Copy service. T2 participants using this service were unable to send and receive T2 messages in A2A mode for approximately 2 hours. Consequently, the T2 closing was delayed by 60 minutes.
30 August 2024	On 30 August 2024, an incident caused a slowdown and blocked ESMIG A2A traffic for about 2 hours. Due to pending very critical transactions and uncertainty regarding the expected resolution time, the central banks decided to activate ECONS II (from 10:08 to 10:55). Root cause and resolution: lack of disk space , which was solved by adding additional capacity.
29 October 2024	In the afternoon of 29 October 2024, (i) the processing of outgoing messages was blocked for approximately 40 minutes, and (ii) U2A instructions in the CLM and RTGS GUIs were unavailable for around 3 hours. Due to an internal issue, the change was not properly implemented, and T2 closed at 18:00. Only the cut-off for requesting standing facilities was extended, from 18:15 to 19:15.
31 October 2024	On 31 October 2024, an incident impacted CLM and RTGS GUIs access via U2A for about 1 hour (from 16:00 to 17:03).

Thank you!