

## **Monetary Aggregates in OECD Countries**

**Yunus Özcan**

Istanbul Commerce University, Türkiye  
yozcan@ticaret.edu.tr

### **Abstract:**

Covid-19 made its first appearance at the beginning of the year 2020 and it has been on its way to becoming one of the most important pandemics in history. Since the first case, the negative effects of pandemic have been scaling up all over the world. There are about 220 million of coronavirus cases and the death toll due to this disaster overlaps 4,5 million people as of the end of July 2021. In response to negative effects of this pandemic, governments try to regulate their economy by implementing monetary policies. One of the most important policies is to maintain the monetary aggregates at accurate level. Monetary aggregates are defined as the broad measures of the amount of money in an economy at several levels such as currency and deposits, because of that, they are quite important for authorities in order to conduct their monetary policy precisely. With this study, it is aimed to analyze the changes in the monetary aggregates for OECD countries responding to the gradual development of coronavirus. Developments are examined for some specific countries like Turkey and as a whole for OECD countries. Based on OECD Data, the narrow money definition index (M1, based 2015) was slightly more than 148 points in March 2020 while exceeded 447 points in May 2021, representing about 2-fold increase in M1. For the broad money definition index (M3, based 2015), the value was around 133 points in March 2020 and reached 160 points in May 2021, indicating about 20% increase in M3 throughout the pandemic for OECD countries.

**Keywords:** Monetary Policy, Monetary Aggregates, OECD Countries

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