

Glossary

Explanation of terms

The **asset purchase programme (APP)** refers to purchases of marketable debt instruments by the ECB.

Bunds are issued by Germany's federal government, most frequently with a maturity of 10 years, and are the German equivalent of U.S. Treasury bonds.

The **DAX** is a blue-chip stock-market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange.

The **deposit rate** is the rate banks receive when they make overnight deposits with the ECB

The **European Central Bank (ECB)** is the central bank for the Eurozone.

The **Eurozone**, also called the euro area, is a monetary union of 19 of the 28 European Union (EU) member states which have adopted the euro as their common currency.

Periphery countries are less developed than the core countries of a specific region. In the Eurozone, the **euro periphery** consists of the economically weaker countries such as Greece, Portugal, Italy, Spain and Ireland

Volatility is the degree of variation of a trading-price series over time.

