EUROPEAN CENTRAL BANK

EUROSYSTEM

The Global Euro Starts at Home



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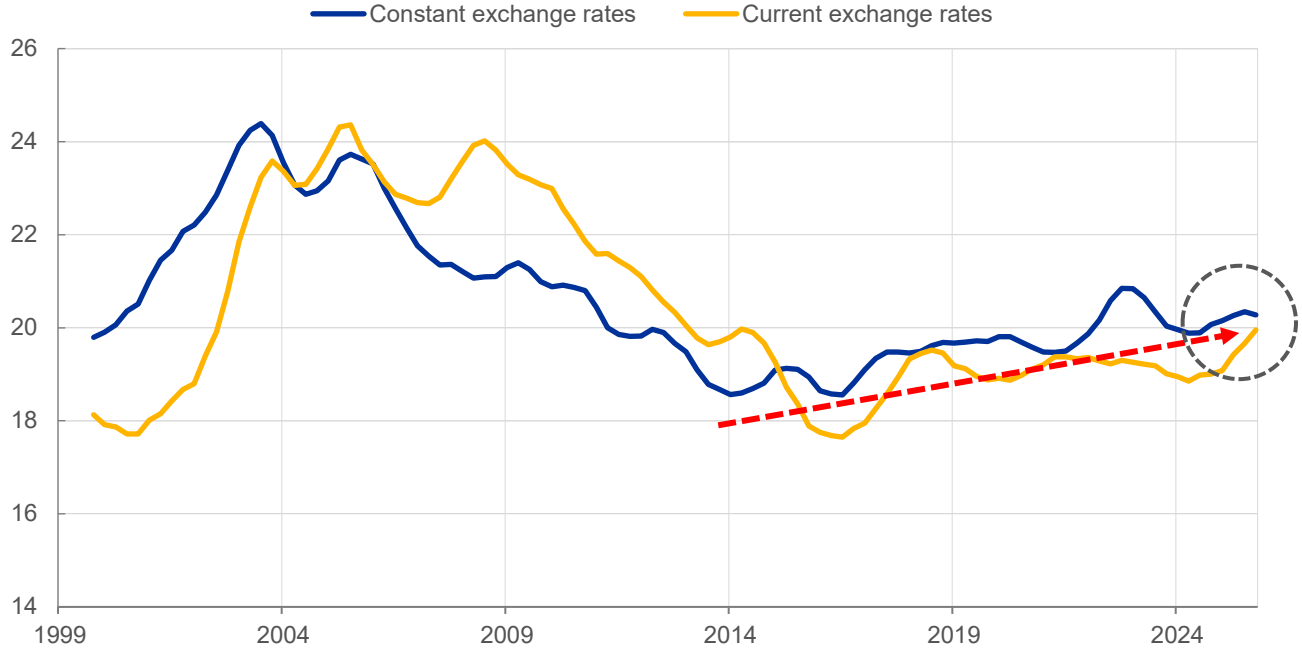
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The views expressed are mine and do not necessarily reflect the views of the ECB or Eurosystem

The international role of the euro increased moderately in 2025

Composite index of the international role of the euro

(percentages; four-quarter moving averages)



Sources: Bank for International Settlements (BIS), International Monetary Fund (IMF), CLS Bank International, Ilzetzki, Reinhart and Rogoff (2019) and ECB calculations.
Notes: Arithmetic average of the shares of the euro at constant (current) exchange rates in (i) outstanding international debt securities (excluding home currency issuance), (ii) outstanding loans by banks outside the euro area to borrowers outside the euro area, (iii) outstanding deposits with banks outside the euro area from creditors outside the euro area, (iv) global foreign exchange settlements, (v) global foreign exchange reserves and (vi) global exchange rate regimes. Indicators (i) to (iii) are taken from the BIS, indicator (iv) from the Continuous Linked Settlement (CLS) system operated by CLS Bank International and indicator (v) is from the IMF. Indicator (vi) is from the IMF from 2010 onward. Before 2010, it is estimated using data from Ilzetzki, E., Reinhart, C. and Rogoff, K., "Exchange Arrangements Entering the Twenty-First Century: Which Anchor will Hold?", The Quarterly Journal of Economics, Vol. 134, Issue 2, May 2019, pp. 599-646. The latest observation are for the fourth quarter of 2025.

The relevance of the international role of the euro for the ECB

ECB mandate: medium-term price stability



Inflation and monetary policy
(Trade invoicing in euro shields euro area inflation from exchange rate swings)

Economic benefits for the euro area
(Lower borrowing costs, more strategic autonomy, insulation from shocks)

Aligned policy agenda
(Policies that strengthen the euro's global role are the same policies needed to make the euro area more robust)

Opening for the euro to enhance its global appeal – provided European policy makers create the necessary conditions and put words into action



Economic resilience
(Single Market, savings and investments union, joint financing of public goods)

Legal and institutional integrity
(Rule of law)

Geopolitical credibility

The ECB plays a role in three ways



Pillar of Europe's institutional strength

ECB independence and price stability mandate



Issuer of a currency designed for the digital payment age

Digital euro
Tokenised finance
Cross-border payments



Provider of backstop liquidity to central banks abroad

Enhanced EUREP facility