

## Monetary developments – France • December 2019

### All resources of the French component of the M3 aggregate stall

In December, overnight deposits slow down (+ 10.7 % after + 11.4 % in November) as well as domestic resources included in M2-M1 (+ 2.8 % after + 3.4 % in November). Domestic resources included in M3-M2 decrease (- 0.8 % in December after + 4.0 % in November). This decline is mainly due to MMF shares which outstanding amount contracts (- 1.2 % after + 3.4 % in November).

Taking into account monetary assets and liabilities vis-à-vis other monetary union members i.e. the sharp growth of monetary external assets vis-à-vis other Monetary Union members (+ 37.4 %) reinforces the slowdown of the French component of M3 aggregate in December : + 5.8 % after + 7.3 % in November.

### France : Monetary Resources of Monetary Financial Institutions

|  | Outstandings<br>(in € Bn) (a) |             | Annual growth rate (in %) (a) |             |
|--|-------------------------------|-------------|-------------------------------|-------------|
|  | Dec-19                        | Oct-19      | Nov-19                        | Dec-19      |
| Overnight deposits   | 1 139                         | 11.8        | 11.4                          | 10.7        |
| <b>= Domestic resources included in M1</b>   | <b>1 139</b>                  | <b>11.8</b> | <b>11.4</b>                   | <b>10.7</b> |
| <i>Domestic resources included in M1, 3-month moving average</i>                   |                               | 11.4        | 11.7                          | 11.3        |
| Deposits with agreed maturity of up to 2 years                                     | 114                           | -5.4        | -5.4                          | -7.7        |
| + Saving accounts  | 702                           | 5.1         | 5.1                           | 4.8         |
| <b>= Domestic resources included in M2-M1</b>                                      | <b>816</b>                    | <b>3.4</b>  | <b>3.4</b>                    | <b>2.8</b>  |
| <i>Domestic resources included in M2-M1, 3-month moving average</i>                |                               | 4.3         | 4.2                           | 3.2         |
| MMF shares   | 239                           | 1.1         | 3.4                           | -1.2        |
| + Repurchase agreements  | 25                            | 16.8        | 5.0                           | 22.1        |
| + Debt securities issued with a maturity of up to 2 years                          | 57                            | 10.0        | 5.6                           | -6.7        |
| <b>= Domestic resources included in M3-M2</b>                                      | <b>321</b>                    | <b>3.9</b>  | <b>4.0</b>                    | <b>-0.8</b> |
| <i>Domestic resources included in M3-M2, 3-month moving average</i>                |                               | 1.3         | 2.9                           | 2.3         |
| <b>Sum of domestic resources included in M3</b>                                    | <b>2 276</b>                  | <b>7.5</b>  | <b>7.4</b>                    | <b>6.1</b>  |
| <i>Sum of domestic resources included in M3, 3-month moving average</i>            |                               | 7.2         | 7.6                           | 7.0         |
| + Monetary external liabilities vis-à-vis other monetary union members             | 233                           | 16.0        | 8.2                           | 8.6         |
| - Monetary external assets vis-à-vis other monetary union members                  | 53                            | 40.3        | 17.5                          | 37.4        |
| <b>= French component of euro area monetary aggregate M3</b>                       | <b>2 456</b>                  | <b>7.8</b>  | <b>7.3</b>                    | <b>5.8</b>  |
| <i>French component of euro area monetary aggregate M3, 3-month moving average</i> |                               | 7.3         | 7.5                           | 6.9         |

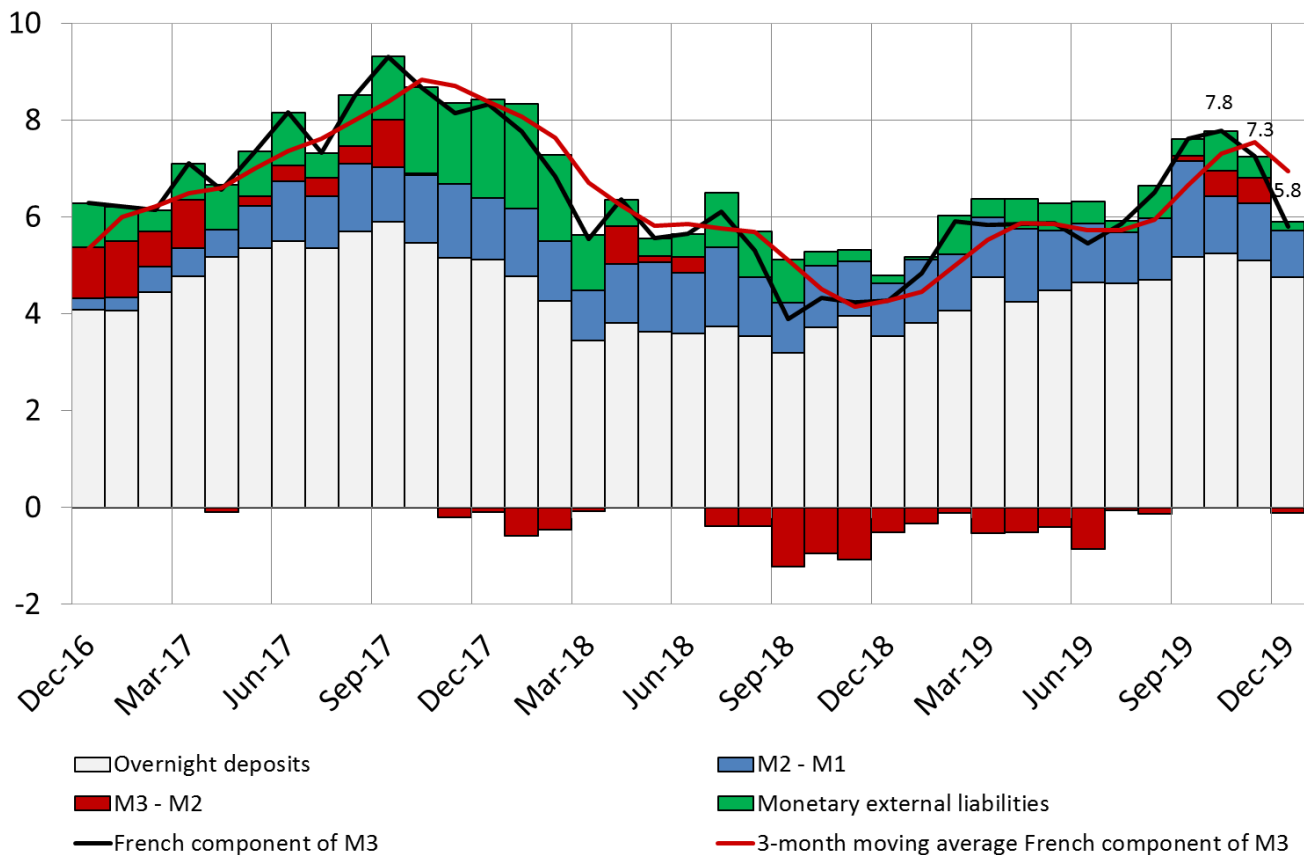
(a) Seasonally-adjusted data.

Source : BdF



## Contributions to the growth of the French component of M3

(Annual growth rate in %)



## Additional information

The outstanding amount of monetary claims (excluding coins and banknotes) consists of claims with an initial maturity of up to and including 2 years that monetary counterparts (basically households, non-financial corporations, general government excluding central government, insurance corporations, non-money market funds, investment funds and financial vehicle corporations) hold against monetary financial institutions (deposit-taking institutions, *so ciétés de financement* under French law, Caisse des dépôts et consignations, MMF and the central bank).

Saving accounts include regulated saving accounts, i.e. *livrets A*, *livrets de développement durable*, *comptes d'épargne logement*, *livrets d'épargne populaire*, and non-regulated saving accounts, i.e. *livrets jeunes* and *livrets ordinaires*. One part of the amounts held on regulated saving accounts is transferred by deposit-taking institutions to a fund managed by the Caisse des dépôts et consignations; the other part remains in banks' balance sheets. Debt securities with maturity of up to 2 years mainly include certificates of deposit (short term paper) issued by French deposit-taking institutions and subscribed by neither MMF nor deposit-taking institutions counterparts.

Annual growth rates are adjusted for reclassifications and revaluations but not for foreign exchange rate effects.

