

29th April 2020

Monetary developments – France • March 2020

Driven by overnight deposits, the French component of monetary aggregate M3 accelerates significantly

Overnight deposits accelerate in March (+ 15.9 %, after + 11.2 % in February and + 10.8 % in January). The rise in term deposits (+ 10.2 % in March after + 0.2 % in February) and the stable growth of saving accounts (+ 4.4 % in March and February) allow domestic resources included in M2-M1 to increase by + 5.2 % (following + 3.8 % in February and + 2.7 % in January). The strong acceleration of repurchase agreements (+ 137.7 % after + 21.8 % in February) and the dynamism of debt securities issued with a maturity of up to two years offset the decline in money market fund (MMF) shares (- 12.3 % in March after - 1.1 % in February).

After taking into account monetary assets and liabilities vis-à-vis other monetary union members, the growth rate of the French component of the M3 aggregate strongly accelerates in March: + 10.3 % after + 6.7 % in February.

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Mar-20	Jan-20	Feb-20	Mar-20
Overnight deposits	1 207	10.8	11.2	15.9
= Domestic resources included in M1	1 207	10.8	11.2	15.9
<i>Domestic resources included in M1, 3-month moving average</i>		11.2	11.1	12.6
Deposits with agreed maturity of up to 2 years	126	-8.4	0.2	10.2
+ Saving accounts	717	4.6	4.4	4.4
= Domestic resources included in M2-M1	843	2.7	3.8	5.2
<i>Domestic resources included in M2-M1, 3-month moving average</i>		3.0	3.1	3.9
MMF shares	231	0.7	-1.1	-12.3
+ Repurchase agreements	57	15.8	21.8	137.7
+ Debt securities issued with a maturity of up to 2 years	70	5.3	12.2	15.3
= Domestic resources included in M3-M2	359	2.6	2.8	2.8
<i>Domestic resources included in M3-M2, 3-month moving average</i>		1.1	0.8	2.7
Sum of domestic resources included in M3	2 409	6.5	7.1	9.9
<i>Sum of domestic resources included in M3, 3-month moving average</i>		6.5	6.5	7.8
+ Monetary external liabilities vis-à-vis other monetary union members	255	8.2	11.6	13.6
- Monetary external assets vis-à-vis other monetary union members	51	36.1	64.9	9.3
= French component of euro area monetary aggregate M3	2 613	6.1	6.7	10.3
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		6.3	6.2	7.7

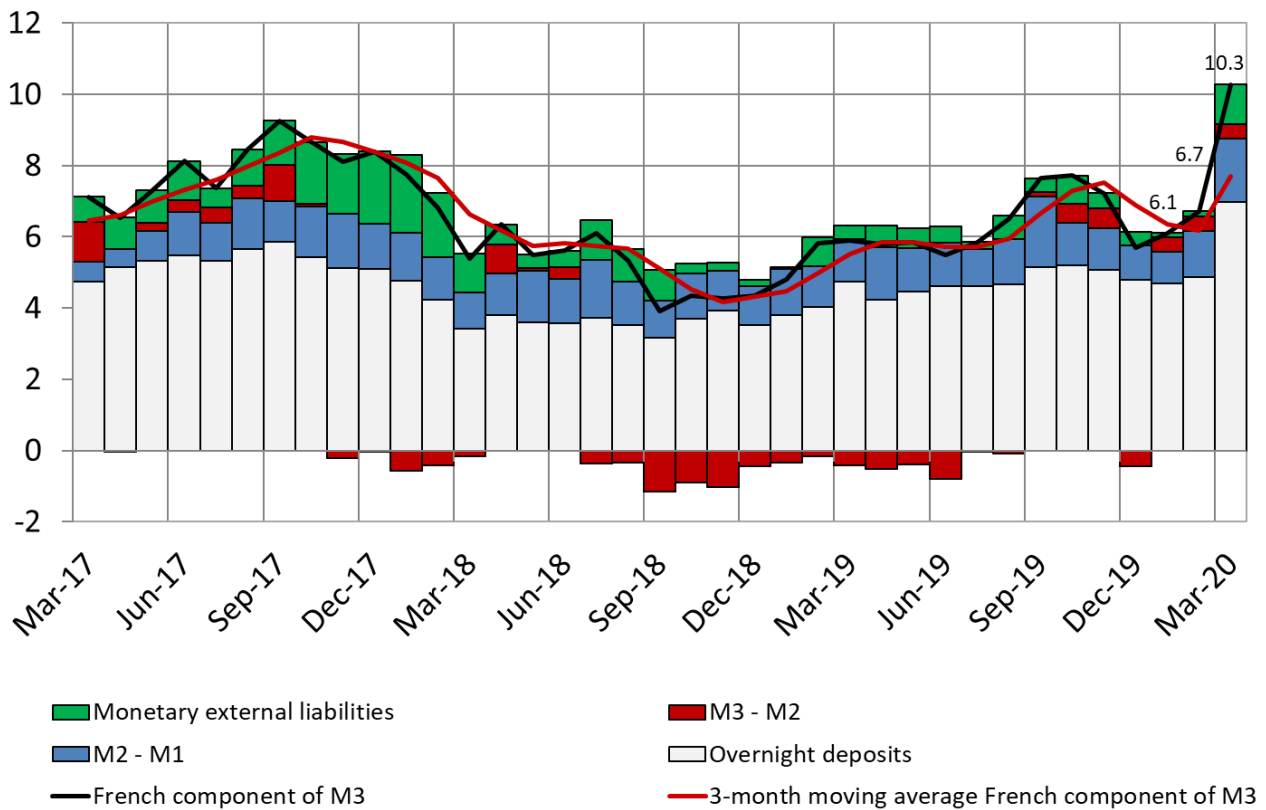
(a) Seasonally-adjusted data.

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, *sociétés 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.

