

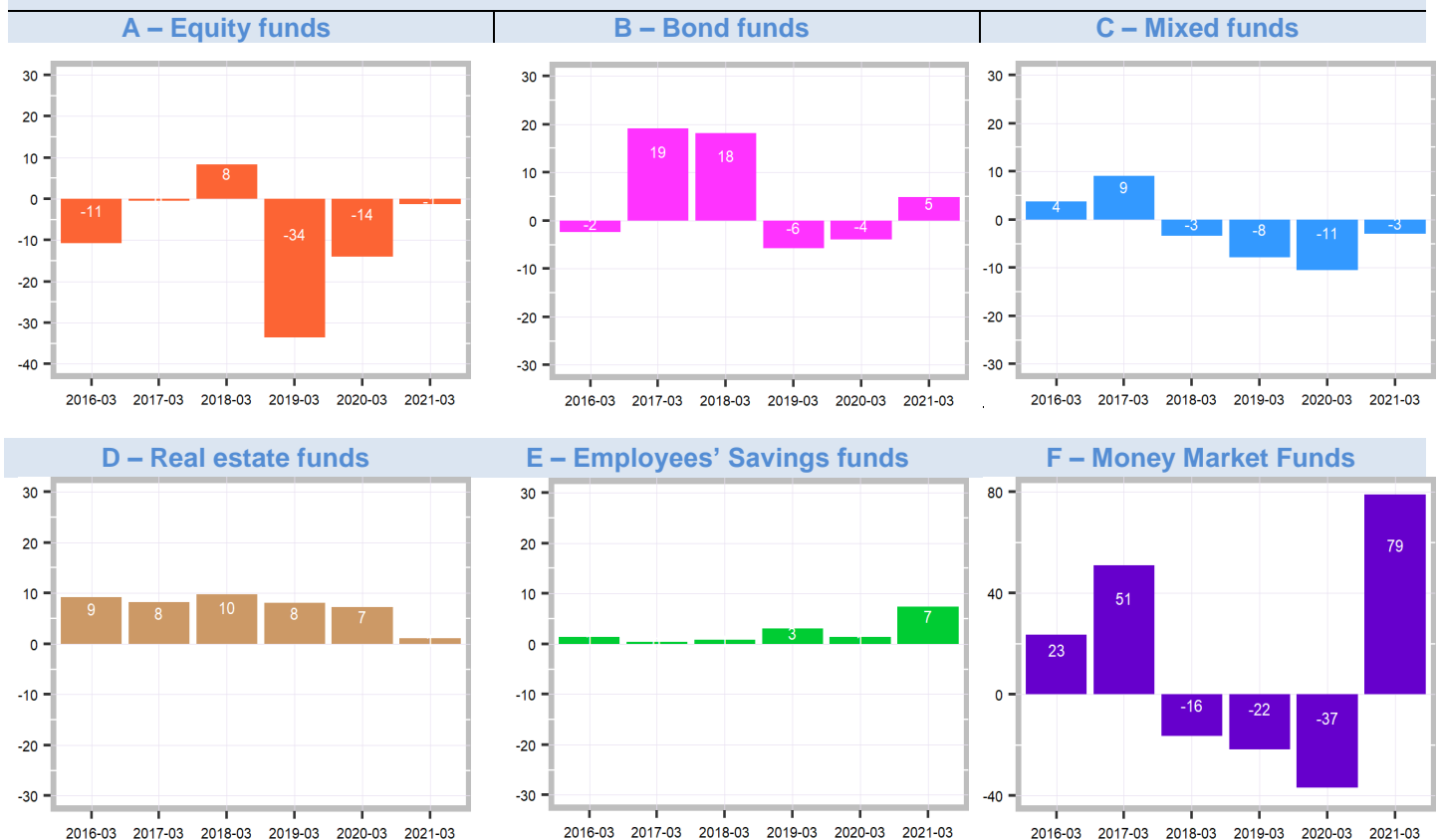
Financial overview of investment Funds – France

First quarter 2021

Outflows for investment funds in Q1 2021

- In Q1 2021:** Money market funds record an outflow of 13 billion (see Table 2) in Q1 2021 after the record inflow of 80 billion observed over the year 2020 (Graph G1). These withdrawals come mainly from resident investors (-14 bn) and more particularly from non-financial companies (-14 bn). In response to these withdrawals, funds reduce their liquid assets, after favoring them in 2020, by -11 billion for deposits and -9 billion for short-term debt securities, to the benefit of debt securities with maturities of over one year (+6 bn).
 Non-money market funds see an outflow of 4 billion (see Table 2), following an inflow of 5 billion in 2020, mainly as a result of securities transactions by resident banks (MFIs), which sell 11 billion worth of securities. In response to this outflow, the funds adjust their investments by selling, on the assets side of their balance sheet, securities issued by residents (up to 10 billion).
- Over one year:** Money market funds collect 79 billion (72 billion in consolidated data). This inflow of liquidity is invested in residents' securities (+37 billion see table 2). In particular, the strong inflow benefit short-term debt securities (+48 bn) and partly awaited allocation, with net deposits and other assets up by 28 bn. On the investor side, resident non-financial corporations are the main subscribers to money market funds (+24 billion).
 Non-money market funds record net subscriptions of 8 billion (see table p.2), mainly from employee savings funds (+7 bn) and bond funds (+5 bn) (see G1). Investors are mainly residents (+10 bn). On the investment side, securities issued by non-money market funds are favored (+12 bn) at the expense of those issued by MFIs (-7 bn).

G1. Net subscriptions by type of funds (cumulative flows over 4 quarters - Billion €)



Investment funds assets and investors

(EUR billion)

Assets		Net flows (a)		Stocks Part (%)		Investors		Net flows (a)		Stocks Part (%)	
		2021Q1	4 moving quarters	2021Q1	2021Q1			2021Q1 (g)	4 moving quarters	2021Q1	2021Q1
Non-money market funds	Total	-4	8	1 371	100%	Total	-4	8	1 371	100%	
by type of instrument	Debt securities up to 1 year	0	-4	22	2%	Resident	-3	10	1242	91%	
	Debt securities over 1 year	2	0	372	27%	Insurance corporations	0	4	530	39%	
	Equity	-2	7	527	38%	Households and NPSH	2	9	286	21%	
	Investment fund shares	-3	8	334	24%	Non money market funds	1	5	157	11%	
	Real estate assets	0	4	90	7%	General Government	1	-6	155	11%	
	Net deposits and loans and other assets (b)	0	-8	26	2%	MFIs	-11	-9	47	3%	
by geographical area (c)	Resident	-10	1	604	48%	Non-Financial corporations	5	5	58	4%	
	Non-Resident euro area	5	2	420	33%	Other financial institutions	-1	2	9	1%	
	Non-Euro area	1	8	230	18%						
by issuer (c)	Non-Financial corporations and others (d)	-2	5	624	50%	Non-Resident euro area	-2	-5	104	8%	
	MFIs	-4	-7	160	13%	MFIs	-3	-6	89	6%	
	General Government	-2	-4	103	8%	Non MFIs	1	1	15	1%	
	Others (e)	4	17	367	29%	Non-Euro area	1	3	24	2%	
	<i>of which non money market funds</i>	2	12	270	22%						
Money market funds (f)	Total	-13	72	360	100%	Total	-13	72	360	100%	
by type of instrument	Debt securities up to 1 year	-9	48	209	58%	Resident	-14	47	283	79%	
	Debt securities over 1 year	6	-5	71	20%	Insurance corporations	7	6	105	29%	
	Investment fund shares	0	1	2	0%	Non-Financial corporations	-14	24	74	20%	
	Net deposits and loans and other assets (b)	-11	28	80	22%	Non money market funds	-6	-4	62	17%	
by geographical area (c)	Resident	4	37	133	48%	Households and NPSH	0	0	4	1%	
	Non-Resident euro area	-6	-2	82	29%	General Government	-4	3	12	3%	
	Non-Euro area	-1	9	66	23%	Credit Institutions	3	5	8	2%	
by issuer (c)	MFIs	2	23	172	61%	Other financial institutions	0	13	18	5%	
	Non-Financial corporations and others (d)	2	3	63	23%	Non-Resident euro area	4	16	66	18%	
	Others (e)	-1	-2	20	7%	MFIs	4	13	58	16%	
	General Government	-5	20	25	9%	Non MFIs	0	4	8	2%	
					Non-Euro area	-3	8	11	3%		

Note: As from this publication, real estate funds are integrated in data; Rounding differences mean that an aggregate may not be exactly equal to the sum of its components.

Source : Banque de France

- (a) Variation of outstanding amounts for Money Market Funds
- (b) net loans and net other assets include financial derivatives, non-financial assets and other receivables, net of other liabilities
- (c) excluding loans and other net assets ; only securities portfolio
- (d) Others added to Non-Financial Corporations include others Financial Institutions of the rest of the world (non MFIs as Insurance Corporations)
- (e) Others : Non Money Market funds, Insurance and other Financial Institutions
- (f) Consolidated Data: consolidated outstanding of money market fund shares or units do not include the resident securities held by money market funds themselves
- (g) Quarterly holdings data are provisional and will be revised next quarter

