

Non-financial sector financial transactions – France • Q2 2020

NON-FINANCIAL CORPORATIONS*

FINANCIAL TRANSACTIONS (EUR billions)	YEAR		QUARTERS (SA)			
	2018	2019	2019 Q3	2019 Q4	2020 Q1	2020 Q2
Financial investment (a)	-1,0	32,2	17,9	8,4	30,8	139,1
- Currency and deposits	31,3	54,4	15,5	8,2	50,7	104,8
- Securities	-23,0	-12,8	-4,2	1,6	-39,2	42,3
<i>debt securities</i>	1,5	3,7	0,6	2,9	-9,2	-3,8
<i>money market fund shares</i>	-19,0	-9,1	-2,5	0,7	-28,1	48,7
<i>non-MMF investment fund shares</i>	-5,5	-7,3	-2,3	-2,0	-1,9	-2,6
- Other net financial assets (b)	-9,2	-9,4	6,6	-1,4	19,3	-8,0
Financing	51,7	107,5	61,0	29,7	46,5	137,2
- MFI loans	72,8	50,5	10,2	7,4	43,2	68,1
- Debt securities	28,8	39,3	18,4	4,2	6,2	58,6
- Shares and net equities (c)	-49,9	17,7	32,4	18,1	-2,9	10,5

(a) are excluded here several residual items

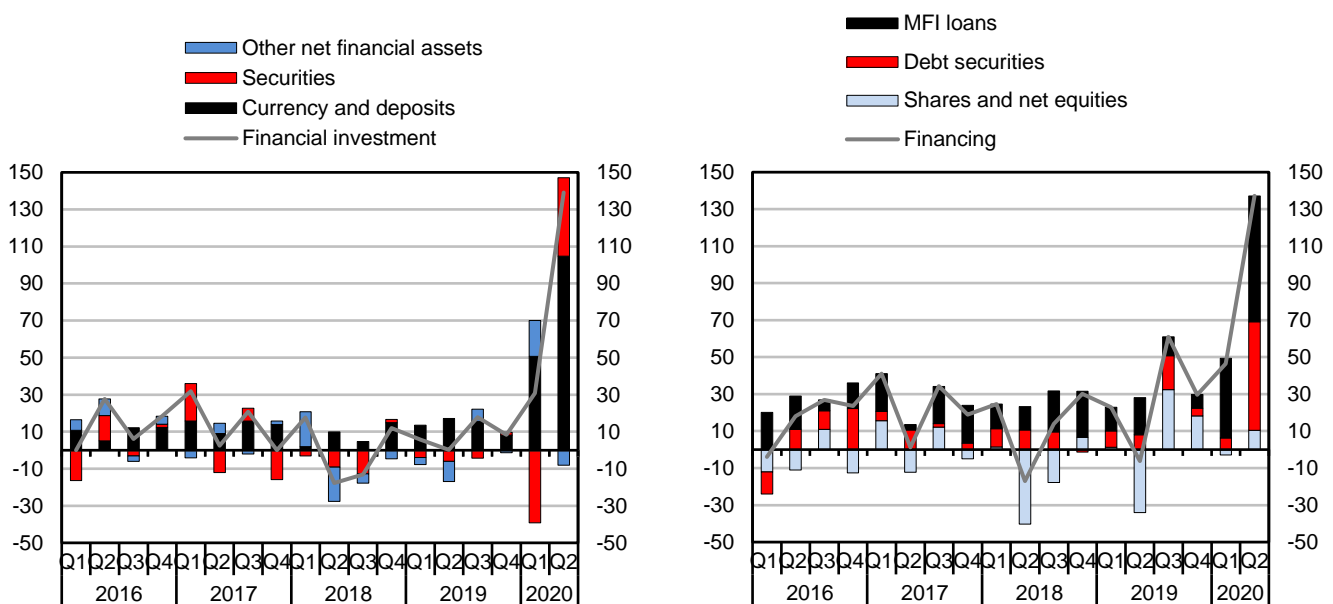
(b) mainly cross-border intercompany lending/borrowing

(c) including direct investment (equity capital and reinvested earnings)

In the second quarter of 2020, the financing of **non-financial corporations** (NFCs) increases very sharply in the context of the COVID-19 pandemic, driven by debt securities and MFI loans (notably State-guaranteed loans). At the same time, financial investment increases significantly compared with the previous quarter. NFCs accumulate deposits and securities in the form of money market fund shares, while other net financial assets decline.

Flows of financial investment and financing (SA)

EUR billions



(*) Accounting discrepancies can occur between yearly figures and the sum of quarterly flows due to rounding differences in the series used.

GENERAL GOVERNMENT*

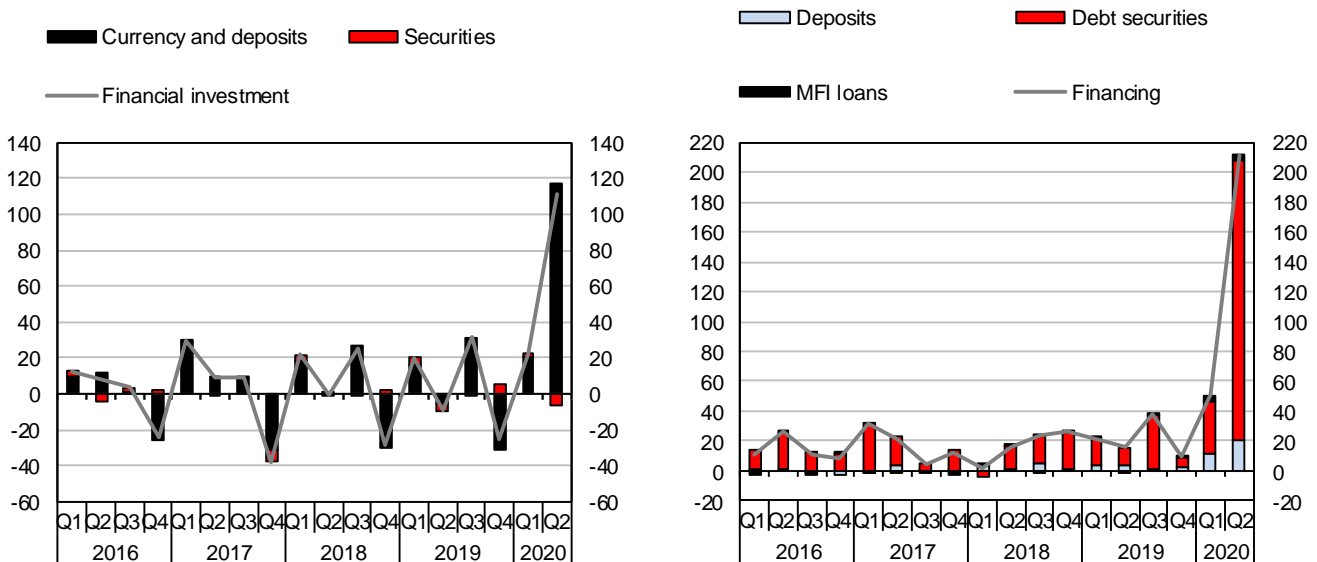
FINANCIAL TRANSACTIONS (EUR billions)	YEAR		QUARTERS (SA)			
	2018	2019	2019 Q3	2019 Q4	2020 Q1	2020 Q2
Financial investment (a)	17,5	16,3	31,3	-25,4	22,4	111,5
- Currency and deposits	13,6	11,6	31,5	-30,9	20,8	117,8
- Securities	3,9	4,7	-0,2	5,5	1,6	-6,3
<i>debt securities</i>	-4,2	0,8	-0,3	0,6	2,2	-10,7
<i>net equities</i>	0,1	-1,6	-1,2	0,0	0,2	-0,5
<i>investment fund shares</i>	8,1	5,6	1,3	4,9	-0,8	4,9
Financing	68,4	84,5	38,0	9,6	50,3	211,6
- Deposits	9,3	11,3	1,7	2,3	11,7	20,3
- MFI loans	1,9	1,3	0,8	0,7	3,7	3,1
- Debt securities	57,2	72,0	35,5	6,6	34,9	188,2

(a) are excluded here several residual items

In the second quarter, **general government** financing increases sharply, in relation to the rise in their issuance of debt securities to finance emergency measures in response to the health crisis. At the same time, financial investment increases sharply, driven by the rise in deposits. The flows of securities acquisition, on the other hand, become negative due to the decline in investment in debt securities.

Flows of financial investment and financing (SA)

EUR billions



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HOUSEHOLDS*

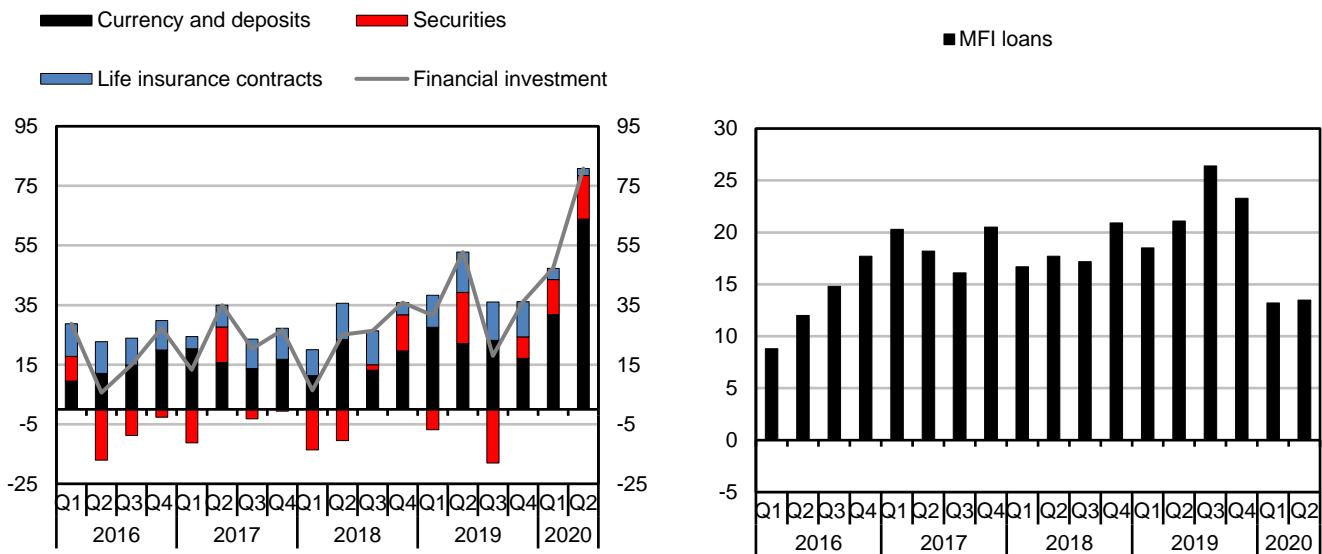
FINANCIAL TRANSACTIONS (EUR billions)	YEARS		QUARTERS (SA)			
	2018	2019	2019 Q3	2019 Q4	2020 Q1	2020 Q2
Financial investment (a)	93,7	138,3	18,0	36,1	47,4	80,8
- Currency and deposits	67,4	89,9	23,1	17,1	31,8	63,8
<i>of which transferable deposits</i>	32,7	41,5	10,9	7,1	20,2	33,2
<i>passbook savings</i>	26,1	32,7	8,1	7,5	9,3	23,9
<i>home saving plans</i>	6,3	6,3	1,7	1,4	2,1	3,1
- Securities	-10,1	-0,7	-18,0	7,2	11,7	14,6
<i>debt securities</i>	-5,9	-4,5	-0,6	-1,0	-1,3	-0,1
<i>listed shares</i>	4,5	-2,2	-2,5	4,2	2,9	4,4
<i>unlisted shares and other equities</i>	10,4	18,7	3,6	4,6	7,7	3,7
<i>money market fund shares</i>	-1,4	-0,9	0,2	-0,2	-0,4	0,4
<i>non-MMF investment fund shares</i>	-17,8	-11,8	-18,7	-0,4	2,8	6,2
- Life insurance and pension plans	36,3	49,0	12,9	11,8	3,9	2,4
<i>of which non-unit linked contracts</i>	18,8	44,7	11,9	10,1	-1,4	-0,7
Financing	72,4	89,2	26,4	23,3	13,2	13,5
- MFI Loans	72,4	89,2	26,4	23,3	13,2	13,5

(a) are excluded here several residual items

In the second quarter, the dynamic of financial investment made by **households** gains momentum. Transferable deposits continue to grow strongly, due to the 40 days of lockdown in April and May, which hampered consumption. Investment in passbook savings accounts also firms up due to these "forced savings". Investment in securities also increases, driven by listed shares and non-MMF investment fund shares, while flows of life insurance and pension plans are lower. Flows of MFI loans remain positive and at the same level as in the first quarter, but are less dynamic than in the previous years.

Flows of financial investment and financing (SA)

EUR billions



Source and compilation:
Direction Générale des Statistiques, des Études et de l'International



(*) Accounting discrepancies can occur between yearly figures and the sum of quarterly flows due to rounding differences in the series used.