

26<sup>th</sup> March 2020

## Monetary developments – France • February 2020

### Overnight deposits remain the main component explaining the progression of the M3 aggregate

Overnight deposits increased by + 11.2 % in February after + 10.9 % in January. The resumption in term deposits after a month of strong outflows (+ 0.3 % in February after - 7.9 % in January) offsets the slight slowdown in saving accounts (+ 4.4 % after + 4.6 %) and leads to an acceleration of domestic resources included in M2-M1 (+ 3.8 % in February after + 2.7 % in January). Domestic resources included in M3-M2 continue their progression (+ 3.0 % in February after + 2.6 % in January), the decline in money market fund (MMF) shares being offset by the very strong increase in repurchase agreements (+ 24.8 % after + 17.9 %) and debt securities issued with a maturity of up to 2 years (+ 12.7 % after + 5.5 %).

After taking into account monetary assets and liabilities vis-à-vis other monetary union members, the French component of the M3 aggregate growth rate accelerates again in February: + 6.7 % after + 6.1 % in January.

#### France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
		Feb-20	Dec-19	Jan-20
Overnight deposits	1 139	11.2	10.9	11.2
<b>= Domestic resources included in M1</b>	<b>1 139</b>	<b>11.2</b>	<b>10.9</b>	<b>11.2</b>
<i>Domestic resources included in M1, 3-month moving average</i>		11.7	11.3	11.1
Deposits with agreed maturity of up to 2 years	116	-7.6	-7.9	0.3
+ Saving accounts	711	4.8	4.6	4.4
<b>= Domestic resources included in M2-M1</b>	<b>827</b>	<b>2.9</b>	<b>2.7</b>	<b>3.8</b>
<i>Domestic resources included in M2-M1, 3-month moving average</i>		3.3	3.0	3.1
MMF shares	263	-4.1	0.7	-0.8
+ Repurchase agreements	25	20.7	17.9	24.8
+ Debt securities issued with a maturity of up to 2 years	66	-6.8	5.5	12.7
<b>= Domestic resources included in M3-M2</b>	<b>355</b>	<b>-3.1</b>	<b>2.6</b>	<b>3.0</b>
<i>Domestic resources included in M3-M2, 3-month moving average</i>		1.4	1.1	0.8
<b>Sum of domestic resources included in M3</b>	<b>2 321</b>	<b>5.8</b>	<b>6.5</b>	<b>7.2</b>
<i>Sum of domestic resources included in M3, 3-month moving average</i>		6.9	6.6	6.5
+ Monetary external liabilities vis-à-vis other monetary union members	257	10.5	8.1	11.0
- Monetary external assets vis-à-vis other monetary union members	59	34.0	36.0	64.1
<b>= French component of euro area monetary aggregate M3</b>	<b>2 519</b>	<b>5.7</b>	<b>6.1</b>	<b>6.7</b>
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		6.9	6.4	6.2

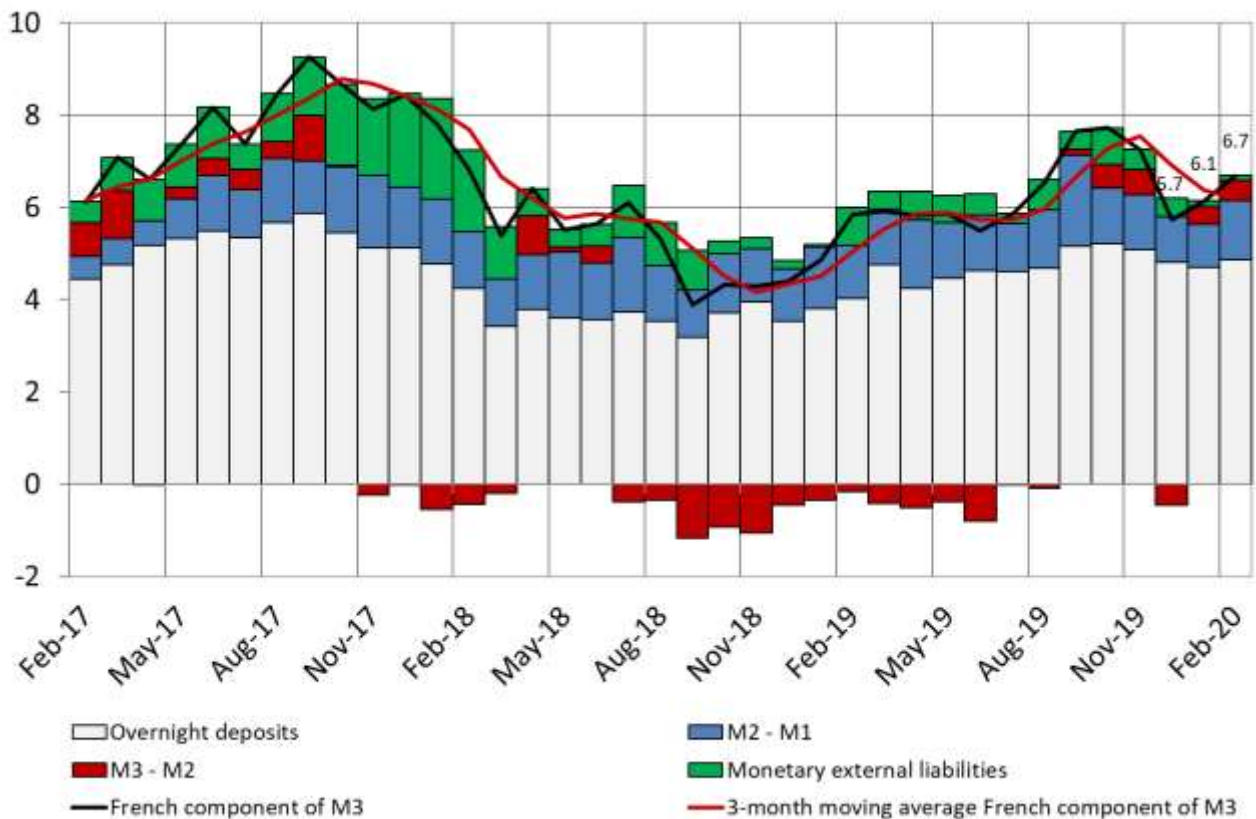
(a) Seasonally-adjusted data.

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.

