

27 April 2016

The increase in the French monetary aggregate M3 remains strong

The overnight deposits growth rate decreases slightly in March 2016 (+ 13.3 %, after + 14.5 % in February) and nearly returns to its April 2015 value while remaining at a high level. The contraction in domestic resources included in M3-M2 goes down (- 1.0 %, after - 5.9 %) reflecting mainly the acceleration of MMF shares growth rate (+ 4.5 %, after + 0.6 % but mostly explained by a base effect). Overall, the growth rate of domestic resources included in M3 stands at + 5.0 %, after + 4.3 % in February. The growth rate of the French component of the euro area monetary aggregate M3 increases (+ 5.2 %, after + 4.3 %) mainly because of base effects.

France : monetary resources of Monetary Financial Institutions

| | Outstandings (in € Bn) (a) | | Annual growth rate (in %) (a) | |
|--|-------------------------------|-------------|-------------------------------|-------------|
| | Mar-16 | Jan-16 | Feb-16 | Mar-16 |
| Overnight deposits | 777 | 14.5 | 14.5 | 13.3 |
| = Domestic resources included in M1 | 777 | 14.5 | 14.5 | 13.3 |
| Deposits with agreed maturity of up to 2 years | 142 | 3.1 | 4.7 | 6.7 |
| + Saving accounts | 604 | -1.2 | -1.2 | -1.5 |
| = Domestic resources included in M2-M1 | 746 | -0.5 | -0.1 | 0.0 |
| MMF shares | 251 | 4.1 | 0.6 | 4.5 |
| + Repurchase agreements | 23 | -26.5 | -33.2 | -17.3 |
| + Debt securities issued with a maturity of up to 2 years | 57 | -16.2 | -16.3 | -13.9 |
| = Domestic resources included in M3-M2 | 332 | -2.7 | -5.9 | -1.0 |
| Sum of domestic resources included in M3 | 1855 | 4.8 | 4.3 | 5.0 |
| + Monetary external liabilities vis-à-vis other monetary union members | 173 | -7.2 | -0.4 | -0.1 |
| - Monetary external assets vis-à-vis other monetary union members | 34 | -12.6 | -15.7 | -23.0 |
| = French component of euro area monetary aggregate M3 | 1993 | 4.0 | 4.3 | 5.2 |

(a) Seasonally-adjusted data.

Source : BdF

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, 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. Amounts held on regulated saving accounts are partly transferred by deposit-taking institutions to a fund managed by the Caisse des dépôts et consignations. At the end of March 2016, €237 billion out of €604 billion were removed from the deposit-taking institutions 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.

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