

27 July 2021

Monetary developments – France • June 2021

Slight slowdown in overnight deposits growth

The overnight deposits annual growth rate is down slightly in June and stands at + 8.4 % (down from + 8.9 % in May and + 13.1 % in April 2021).

The annual growth of M2 – M1 aggregate decreases (+ 6.4 % year-on-year, down from + 8.3 % in May) under the effect of both the slowdown in saving accounts (+ 8.7 %, down from + 9.4 % in May) and the decline in deposits with agreed maturity of up to 2 years (- 8.3 %, down from + 1.0 % in May).

The sharp slowdown in MMF shares investments in June (+ 7.9 %, down from + 22.2 %) moderates the aggregate growth M3 – M2, which settles at + 1.3 % over one year (down from + 7.4 % in May and after + 9.3 % in April).

After taking into account monetary assets and liabilities vis-à-vis other euro area members, the growth in the French component of aggregate M3 slows down again in June 2021 (+ 7.6 % year-on-year, down from + 9.1 % in May and + 11.8 % in April 2021).

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
		Jun-21	Apr-21	May-21
Overnight deposits	1 460	13.1	8.9	8.4
= Domestic resources included in M1	1 460	13.1	8.9	8.4
<i>Domestic resources included in M1, 3-month moving average</i>		17.8	13.1	10.1
Deposits with agreed maturity of up to 2 years	108	2.8	1.0	-8.3
+ Saving accounts	805	9.9	9.4	8.7
= Domestic resources included in M2-M1	914	8.9	8.3	6.4
<i>Domestic resources included in M2-M1, 3-month moving average</i>		9.6	8.9	7.8
MMF shares	262	27.9	22.2	7.9
+ Repurchase agreements	33	-31.3	-29.0	-12.4
+ Debt securities issued with a maturity of up to 2 years	49	-22.7	-20.4	-16.8
= Domestic resources included in M3-M2	344	9.3	7.4	1.3
<i>Domestic resources included in M3-M2, 3-month moving average</i>		5.4	6.6	6.0
Sum of domestic resources included in M3	2 718	11.1	8.5	6.8
<i>Sum of domestic resources included in M3, 3-month moving average</i>		13.1	10.8	8.8
+ Monetary external liabilities vis-à-vis other monetary union members	268	14.2	11.3	13.2
- Monetary external assets vis-à-vis other monetary union members	46	-10.8	-8.1	-4.6
= French component of euro area monetary aggregate M3	2 939	11.8	9.1	7.6
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		13.3	11.1	9.5

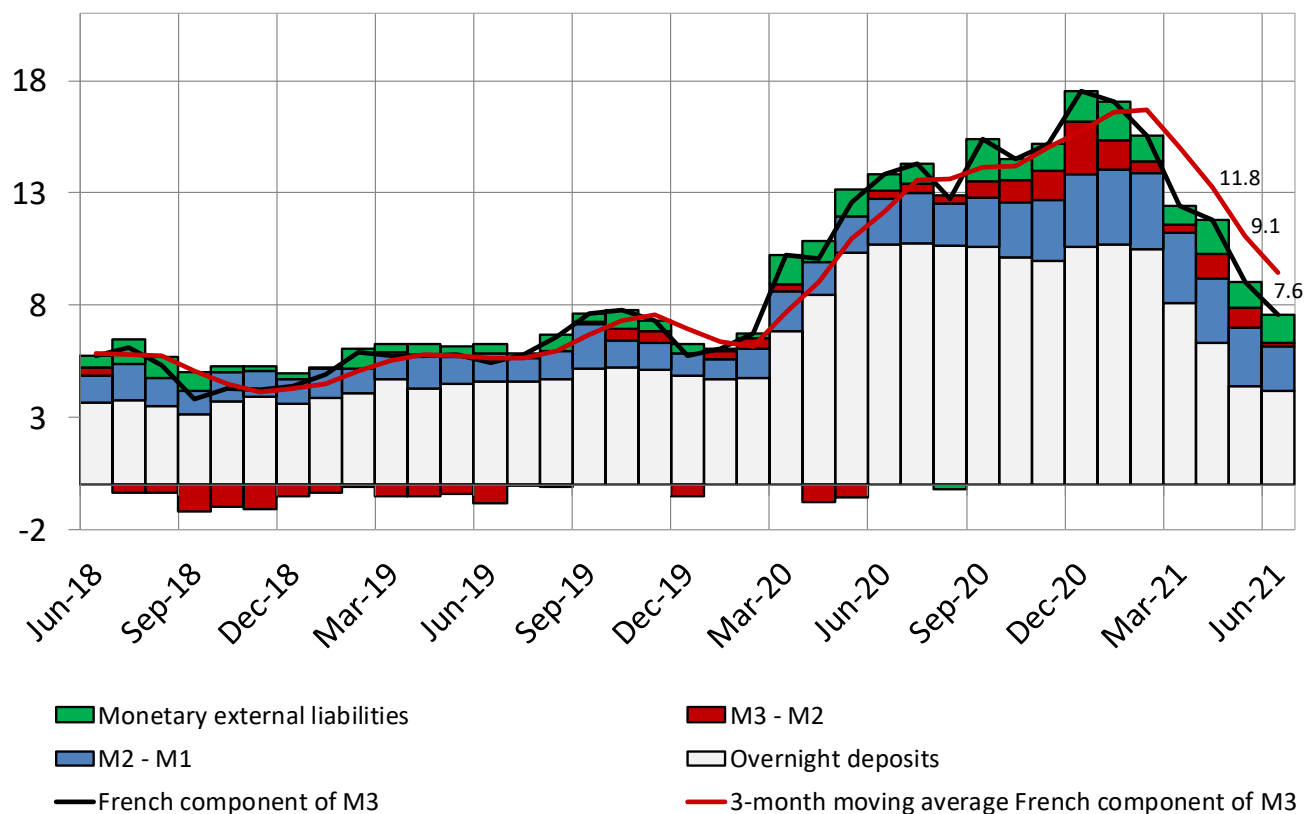
(a) Seasonally-adjusted data.

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.

