

Financial overview of Investment Funds¹ France Fourth quarter 2016

24 February 2017

Real estate funds assets reach €95 billion and almost two thirds of buildings are located in Paris area

- Real estate funds:** Especially due to strong subscriptions, their total balance sheet reaches €95 billion (after €72 billion in 2015, i.e. 32% over the year) of which €49 billion of directly held buildings. Half of these properties are offices. Regardless the nature of the building, the region Ile-de-France (including Paris) accounts for by almost two thirds (63%) of holdings.
- Money Market Funds:** in 2016, net inflows reach €25 billion (compared with +€21 billion in 2015). Subscriptions mainly come from resident and non-resident financial corporations (including insurance companies). Net investments are primarily oriented towards short-term debt securities (+€32 billion against -€7 billion for long-term maturities) contrasting with the two previous years. These assets reallocations result in a reduction of the average maturity of the debt portfolio (213 days at end 2016 vs. 240 days at end 2015). Finally, money market funds holdings are invested for 59% abroad.
- Non-Money Market Funds:** Despite positive net subscriptions in the last quarter 2016 (+€3 billion), net sales are recorded for the whole year (-€5 billions). These outflows arise from non-resident (outside the euro area) and residents (respectively -€7 billion and -€5 billion) while euro area investors are net buyers (+€7 billion). Funds invest mainly in short term debt securities (+€5 billion) and in other investment funds (+€8 billion) whereas they sell long term debt securities (-€7 billion) and equities (-€4 billion).

G1 – Real estate funds balance sheet
(in € billion)

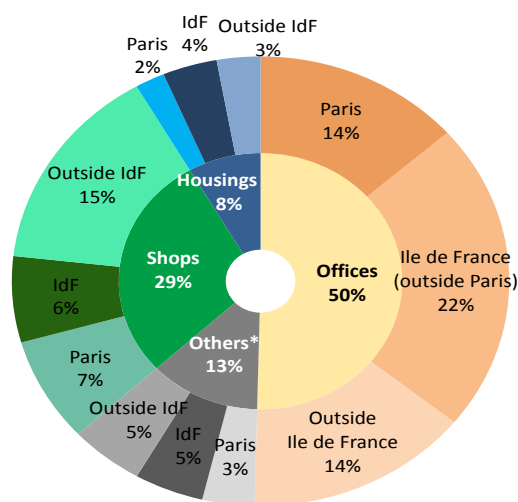
dec-2016	OPCI	SCPI (1)	Total
Real estate assets (2)	22	39	61
<i>of which buildings</i>	12	37	49
Equity	15	-	15
Investment funds shares	7	-	7
Debt securities	1	-	1
Other assets	5	2	7
Deposits	2	2	4
Total Assets	52	43	95
Investment fund shares/units	45	38	83
Loans	3	3	6
Other debts	4	2	6
Total Liabilities	52	43	95

SCPI and OPCI are two legal structures of French real estate funds

(1) Estimation based on annual reporting at end 2015

(2) including real estate claims (current account advances, deposits and guarantees and some shares in property investment companies)

G2 – Buildings breakdown (€49 billion)

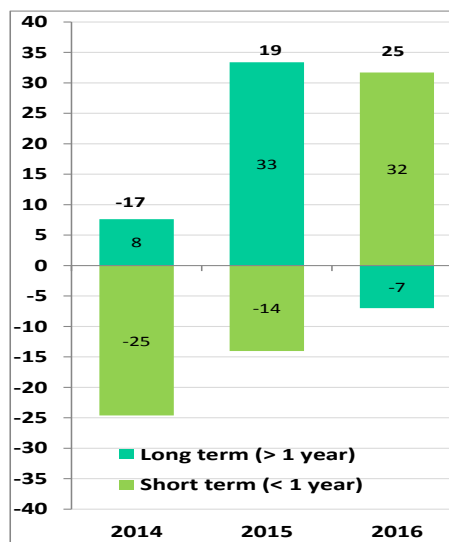


* others real estate buildings : warehouses, commercial spaces, others

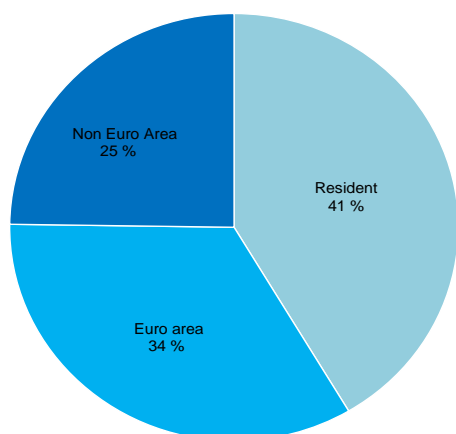
Real estate funds total net asset value amounts to €83 billion: €45 billion for OPCI and €38 billion for SCPI. OPCI net asset increases by €5 billion over the last six months (+€3 billion of net acquisitions and +€2 billion of valuation). OPCI invest mainly in securities (+€2 billion) and in property assets (+€1 billion). Property investments are mainly offices, which record an increase of two points compared with the first half of 2016. Investments abroad, of which more than one half is located in Germany, account for by nearly 2% of total real estate assets.

Money Market Funds

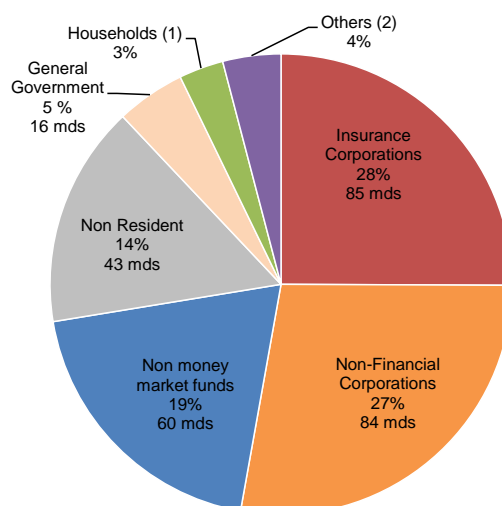
Debt securities, net inflows (EUR billions)



Geographical breakdown (in % of total balance sheet)



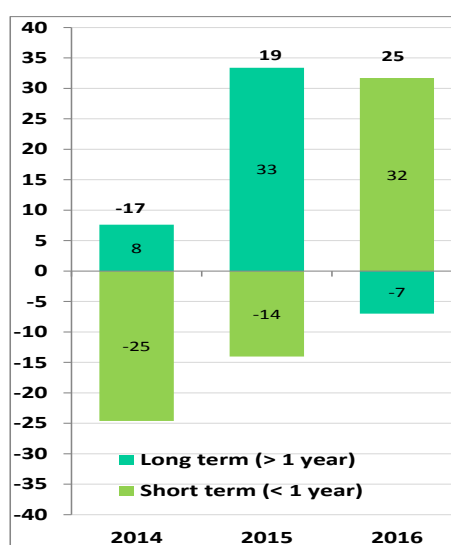
Breakdown by category of investor (in % of total balance sheet)



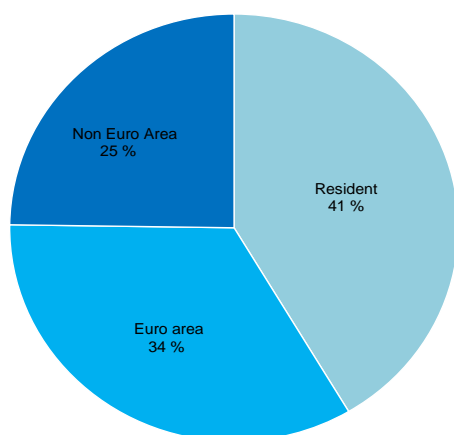
(1) Individuals, Unicorporated enterprises and non-profit institutions serving households
(2) Banks and other financial Institutions

Money Market Funds

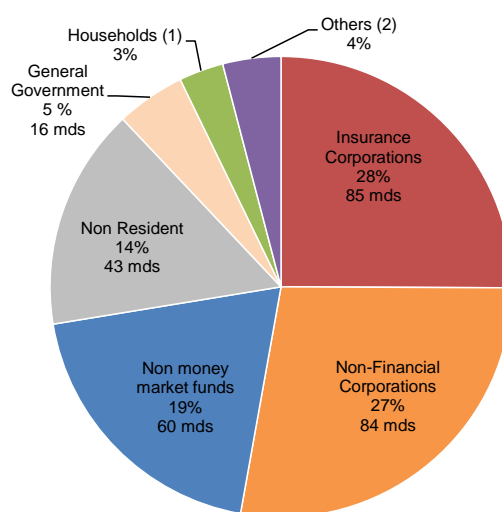
Debt securities, net inflows (EUR billions)



Geographical breakdown (in % of total balance sheet)



Breakdown by category of investor (in % of total balance sheet)



(1) Individuals, Unicorporated enterprises and non-profit institutions serving households
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Investment funds assets and investors

(EUR billion)

Assets		Net flows (a)		Stocks Part (%)		Investors		Net flows (a)		Stocks Part (%)												
		4 moving quarters		2016Q4				4 moving quarters		2016Q4												
Money Market Funds (f)		Total		3	25	309	100%	Total		3	25	309	100%									
by type of instrument	Debt securities up to 1 year	1	32	171	55%	Resident	-4	10	261	84%	Insurance corporations	-14	6	77	25%							
	Debt securities over 1 year	-5	-7	94	30%		Non-Financial corporations	10	-5	86		28%	Non money market funds	1	6	60	20%					
	Investment fund shares	0	1	1	0%			Households and NPSH	-1	-4		10		3%	General Government	-1	4	15	5%			
	Net deposits and loans and other assets (b)	7	0	43	14%				Credit Institutions	-1		2		8		3%	Other financial institutions	1	2	5	1%	
by geographical area (c)	Resident	-2	10	110	41%	Non-Resident euro area				7	13	45		15%		MFIs		8	17	38	12%	
	Non-Resident euro area	0	12	90	34%		Non MFIs			-1	-4	7	2%	Non-Euro area				0	1	3	1%	
	Non-Euro area	-1	3	66	25%			MFIs		5	1	165	15%		Non MFIs			-1	-1	22	2%	
by issuer (c)	MFIs	-6	10	197	74%	Non-Resident euro area			4	7	136	12%	MFIs			5	8	114	10%			
	Non-Financial corporations and others (d)	-3	4	31	12%		Non-Euro area		-5	-7	20	2%		Non MFIs		-1	-1	22	2%			
	Others (e)	2	12	32	12%			Non-Euro area	-5	-7	20	2%			Non MFIs	-1	-1	22	2%			
	General Government	2	-1	5	2%				Non-Euro area	-5	-7	20				2%	Non MFIs	-1	-1	22	2%	
Non money market funds	Total	3	-5	1 099	100%	Total				3	-5	1 099	100%			Resident		4	-5	943	86%	
	by type of instrument	Debt securities up to 1 year	2	5	26		2%			Insurance corporations	16	8	394	36%				Households and NPSH	3	-10	217	20%
		Debt securities over 1 year	2	-7	346		32%	Non money market funds			0	4	135	12%	General Government				0	3	124	11%
		Equity	1	-4	425		39%		MFIs		-11	-5	38	3%			Non-Financial corporations		0	-1	28	3%
		Investment fund shares	0	8	274		25%				Other financial institutions	-4	-3	7					1%	Non-Resident euro area	4	7
Net deposits and loans and other assets (b)	-2	-7	27	2%	MFIs	5	8			114		10%	Non MFIs	-1		-1		22	2%			
by geographical area (c)	Resident	4	9	510		48%	Non-Financial corporations	0		-1		28		3%	Other financial institutions	-4		-3	7		1%	
	Non-Resident euro area	-6	-7	370		35%		Non-Euro area	-5	-7		20		2%		Non MFIs	-1	-1	22		2%	
	Non-Euro area	7	0	192		18%			Non-Euro area	-5	-7	20		2%			Non MFIs	-1	-1	22	2%	
by issuer (c)	Non-Financial corporations and others (d)	1	-1	521	49%	Non-Euro area	-5			-7	20	2%	Non MFIs	-1	-1			22	2%			
	MFIs	5	1	165	15%		Non-Euro area	-5		-7	20	2%		Non MFIs	-1	-1		22	2%			
	General Government	-1	-6	113	11%			Non-Euro area	-5	-7	20	2%			Non MFIs	-1	-1	22	2%			
	Others (e)	0	7	272	25%				Non-Euro area	-5	-7	20				2%	Non MFIs	-1	-1	22	2%	
of which non money market funds	-1	3	213	20%	Non-Euro area	-5				-7	20	2%	Non MFIs			-1		-1	22	2%		

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.

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