

Monetary developments – France • February 2018

Monetary resources slow down again

Domestic monetary resources slowed down in February, for the sixth consecutive month (+5.4% after 5.9% in January, +8.9% in September 2017), mainly due to the deceleration of overnight deposits (+10.6% after +11.8% in January, +15.7% in September). The growth of domestic resources included in M2-M1 (deposits with agreed maturity up to two years and saving accounts) was also less strong (-3.5%, after 3.9% in January).

Taking into account assets and liabilities vis-à-vis the rest of the euro area, the growth of the French component of the monetary aggregate M3 decreased (+6.9%, after +7.7%).

France : monetary resources of Monetary Financial Institutions

| | Outstandings (in € Bn) (a) | | Annual growth rate (in %) (a) | |
|--|-------------------------------|-------------|-------------------------------|-------------|
| | Feb-18 | Dec-17 | Jan-18 | Feb-18 |
| Overnight deposits | 934 | 12.9 | 11.8 | 10.6 |
| = Domestic resources included in M1 | 934 | 12.9 | 11.8 | 10.6 |
| Deposits with agreed maturity of up to 2 years | 120 | -1.7 | 1.1 | -0.6 |
| + Saving accounts | 651 | 4.5 | 4.4 | 4.3 |
| = Domestic resources included in M2-M1 | 772 | 3.5 | 3.9 | 3.5 |
| MMF shares | 264 | -0.5 | -1.4 | -2.1 |
| + Repurchase agreements | 23 | 37.4 | 13.9 | 22.5 |
| + Debt securities issued with a maturity of up to 2 years | 59 | -13.1 | -17.0 | -13.6 |
| = Domestic resources included in M3-M2 | 345 | -0.9 | -3.6 | -2.9 |
| Sum of domestic resources included in M3 | 2 051 | 6.7 | 5.9 | 5.4 |
| + Monetary external liabilities vis-à-vis other monetary union members | 228 | 26.1 | 26.9 | 23.9 |
| - Monetary external assets vis-à-vis other monetary union members | 46 | 9.7 | 8.5 | 14.5 |
| = French component of euro area monetary aggregate M3 | 2 233 | 8.3 | 7.7 | 6.9 |

(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, 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.

