

Monetary developments – France • August 2019

August' growth rate of the money stock outpaces its medium-run trend

In August, overnight deposits remain noticeably dynamic (+ 10.9 % after + 10.8 %). The stability of the growth of saving accounts (+ 4.7 % after + 4.6 %) and the smaller decrease in deposits with agreed maturity (- 1.2 % after - 5.1 %) implies an acceleration of domestic resources included in M2-M1 (+ 3.7 % after + 3.0 %). Domestic resources included in M3-M2 slightly rise (+ 0.4 % after - 0.2 %).

After taking into account monetary external assets vis-à-vis other monetary union members, the pace of growth of the French component of the euro area monetary aggregate M3 passes the 6% mark for the first time since the beginning of February in 2018 (+ 6.5 % after + 5.8 % in July). Since January 2015, the average growth of the French component of the euro area monetary aggregate M3 is 5.5 %, a pace which is slightly greater than the one observed in average since the beginning of the Eurozone (5.2 %).

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Aug-19	Jun-19	Jul-19	Aug-19
Overnight deposits	1 105	10.6	10.8	10.9
= Domestic resources included in M1	1 105	10.6	10.8	10.9
<i>Domestic resources included in M1, 3-month moving average</i>		10.3	10.6	10.7
Deposits with agreed maturity of up to 2 years	126	-3.1	-5.1	-1.2
+ Saving accounts	700	4.9	4.6	4.7
= Domestic resources included in M2-M1	826	3.6	3.0	3.7
<i>Domestic resources included in M2-M1, 3-month moving average</i>		3.8	3.4	3.5
MMF shares	267	-5.1	-2.8	0.3
+ Repurchase agreements	20	-19.4	-4.0	-15.4
+ Debt securities issued with a maturity of up to 2 years	63	1.2	13.9	6.9
= Domestic resources included in M3-M2	350	-5.0	-0.2	0.4
<i>Domestic resources included in M3-M2, 3-month moving average</i>		-3.5	-2.5	-1.6
Sum of domestic resources included in M3	2 280	5.4	6.1	6.5
<i>Sum of domestic resources included in M3, 3-month moving average</i>		5.6	5.7	6.0
+ Monetary external liabilities vis-à-vis other monetary union members	255	6.0	5.2	9.3
- Monetary external assets vis-à-vis other monetary union members	57	7.7	13.7	22.7
= French component of euro area monetary aggregate M3	2 479	5.4	5.8	6.5
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		5.7	5.7	5.9

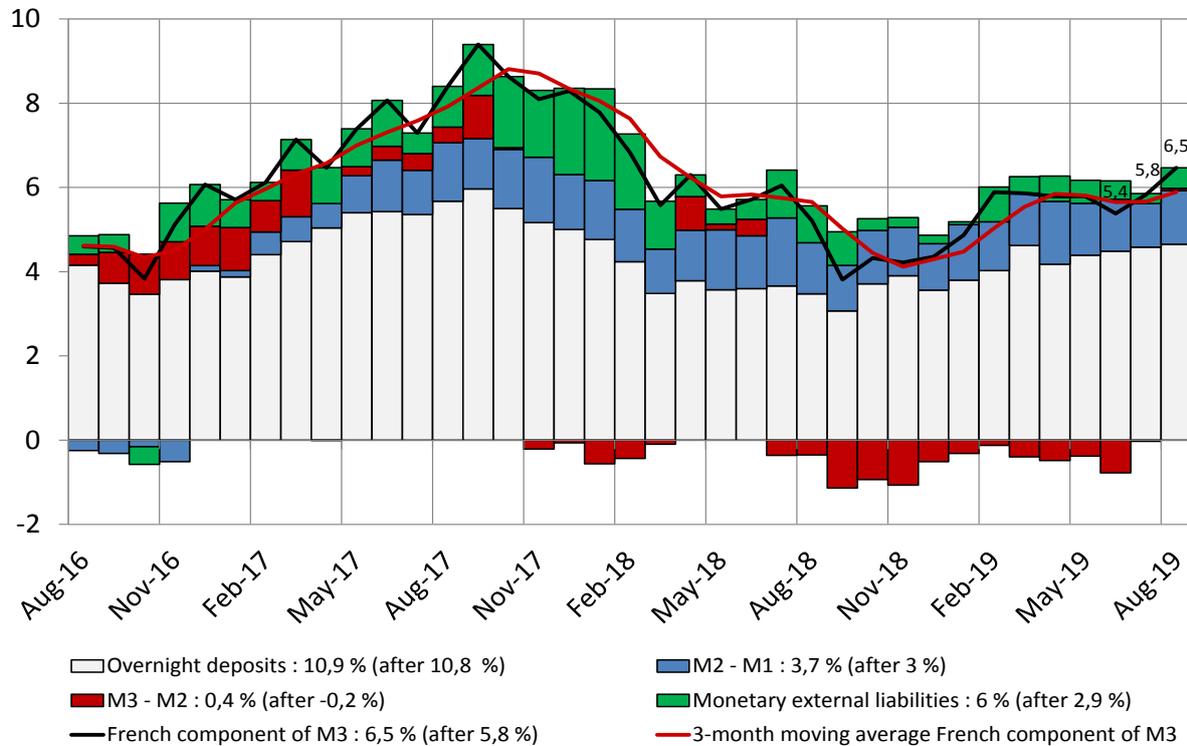
(a) Seasonally-adjusted data.

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.

