

Monetary developments – France • November 2019

The French component of the M3 aggregate decelerates slightly

Overnight deposits sustain their dynamic stance while slowing down in November (+ 11.5 % after two months of a + 12.0 % growth). Like the previous month, the growth of domestic resources included in M2-M1 is + 3.5 %, the decrease of deposits with agreed maturity being offset by the robust growth of saving accounts (+ 5.1 %). Despite the progression of MMF shares, domestic resources included in M3-M2 are not growing as fast as they did in October (+ 2.6 % after + 3.6 %). This may be explained by the severe slowdown of repurchase agreements (+ 4.7 % in November after + 17.2 % in October) and, to a lesser extent, by the winding down of debt securities with a maturity of up to two years.

After taking into account monetary assets and liabilities vis-à-vis the other Monetary Union members, the French component of euro area M3 aggregate slows down in November : + 7.3 % after + 7.8 % in October.

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Nov-19	Sep-19	Oct-19	Nov-19
Overnight deposits	1 132	12.0	12.0	11.5
= Domestic resources included in M1	1 132	12.0	12.0	11.5
<i>Domestic resources included in M1, 3-month moving average</i>		11.2	11.6	11.8
Deposits with agreed maturity of up to 2 years	117	9.3	-5.3	-5.2
+ Saving accounts	697	5.2	5.2	5.1
= Domestic resources included in M2-M1	814	5.8	3.5	3.5
<i>Domestic resources included in M2-M1, 3-month moving average</i>		4.2	4.3	4.3
MMF shares	256	-0.5	1.0	1.6
+ Repurchase agreements	22	28.6	17.2	4.7
+ Debt securities issued with a maturity of up to 2 years	60	-4.2	10.4	6.2
= Domestic resources included in M3-M2	338	0.7	3.6	2.6
<i>Domestic resources included in M3-M2, 3-month moving average</i>		-0.2	1.1	2.3
Sum of domestic resources included in M3	2 284	7.9	7.5	7.2
<i>Sum of domestic resources included in M3, 3-month moving average</i>		6.8	7.3	7.5
+ Monetary external liabilities vis-à-vis other monetary union members	243	11.9	15.4	10.1
- Monetary external assets vis-à-vis other monetary union members	54	43.2	36.0	15.8
= French component of euro area monetary aggregate M3	2 473	7.6	7.8	7.3
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		6.7	7.3	7.6

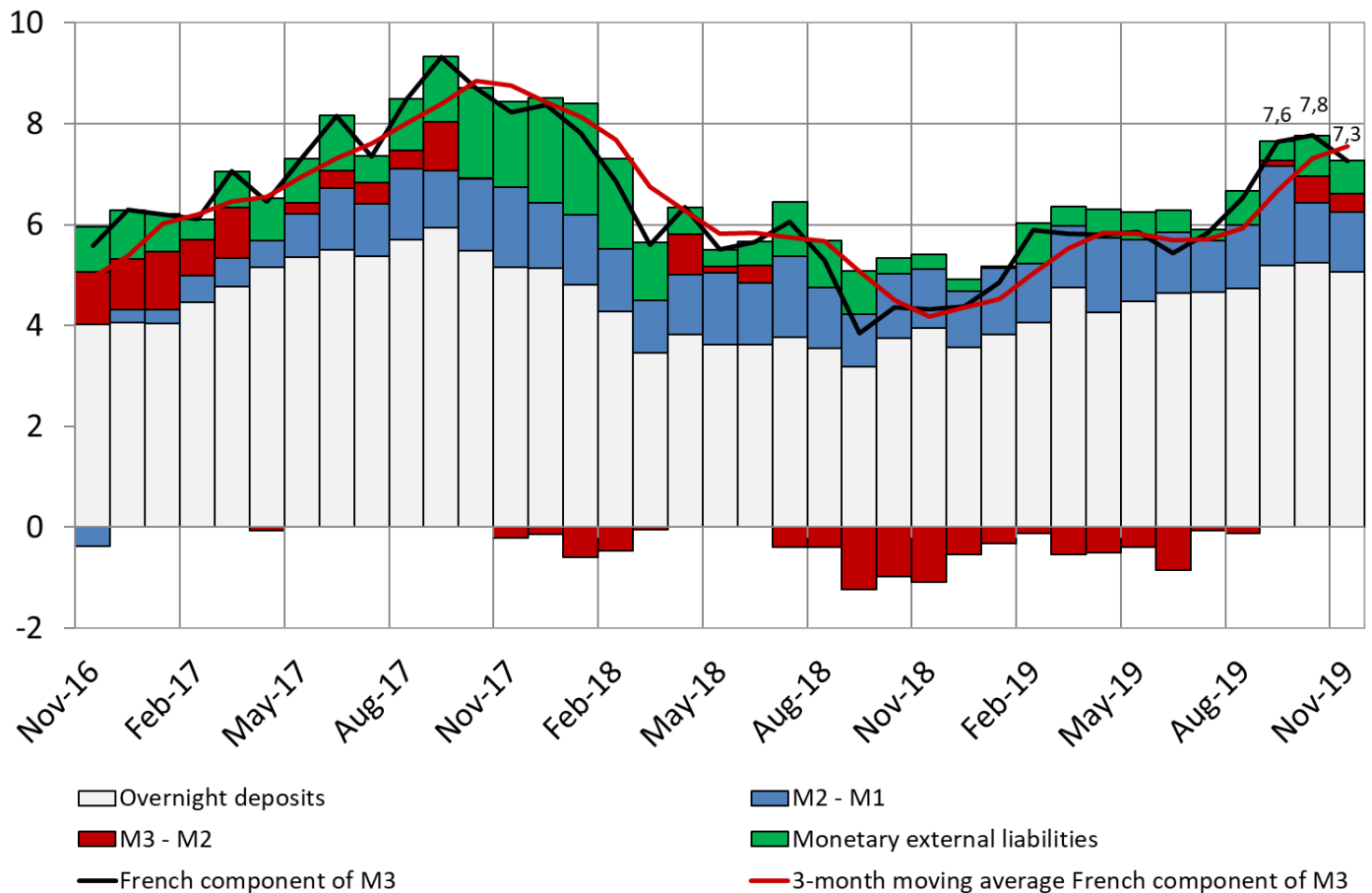
(a) Seasonally-adjusted data.

Source : Banque de France



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.

