

25 February 2021

Monetary developments – France • January 2021

January 2021 is a continuation of the monetary developments of 2020

Overnight deposits continue to grow strongly in January (+ 23.6 %, up from + 23.3 % in December and + 22.0 % in November).

The increase in the M2 - M1 aggregate (+ 10.0 % year-on-year, up from + 9.6 % in December) is mainly due to the increase in saving accounts (+ 9.8 %, up from + 9.4 % in December).

The annual growth rate of M3 - M2 aggregate declines in January (+ 11.0 %, up from + 17.6 %), mainly due to a turndown in the growth of money market fund shares/units outstanding amounts (+ 17.6 %, up from + 23.8 %) and, to a lesser extent, to a further reduction in outstanding amounts of debt securities issued with a maturity of up to 2 years (- 23.5 %, up from - 11.0 % in December).

After taking into account monetary assets and liabilities vis-à-vis other monetary union members, the growth in the French component of the M3 aggregate decelerates slightly (+ 17.1 % year-on-year, up from + 17.6 % in December) but continues to follow an uptrend considering the average of the last 3 months (+ 16.6 %, up from + 15.8 % in December and + 15.1 % in November).

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
		Jan-21	Nov-20	Dec-20
Overnight deposits	1 398	22.0	23.3	23.6
= Domestic resources included in M1	1 398	22.0	23.3	23.6
<i>Domestic resources included in M1, 3-month moving average</i>		22.8	22.6	22.9
Deposits with agreed maturity of up to 2 years	126	2.9	10.8	10.7
+ Saving accounts	778	9.1	9.4	9.8
= Domestic resources included in M2-M1	904	8.2	9.6	10.0
<i>Domestic resources included in M2-M1, 3-month moving average</i>		7.3	8.4	9.3
MMF shares	305	11.3	23.8	17.6
+ Repurchase agreements	32	56.4	23.0	36.0
+ Debt securities issued with a maturity of up to 2 years	51	-14.9	-11.0	-23.5
= Domestic resources included in M3-M2	387	9.5	17.6	11.0
<i>Domestic resources included in M3-M2, 3-month moving average</i>		7.3	11.4	12.7
Sum of domestic resources included in M3	2 689	15.2	17.5	16.8
<i>Sum of domestic resources included in M3, 3-month moving average</i>		14.9	15.8	16.5
+ Monetary external liabilities vis-à-vis other monetary union members	254	8.4	11.0	9.3
- Monetary external assets vis-à-vis other monetary union members	43	-15.9	-14.8	-26.0
= French component of euro area monetary aggregate M3	2 900	15.2	17.6	17.1
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		15.1	15.8	16.6

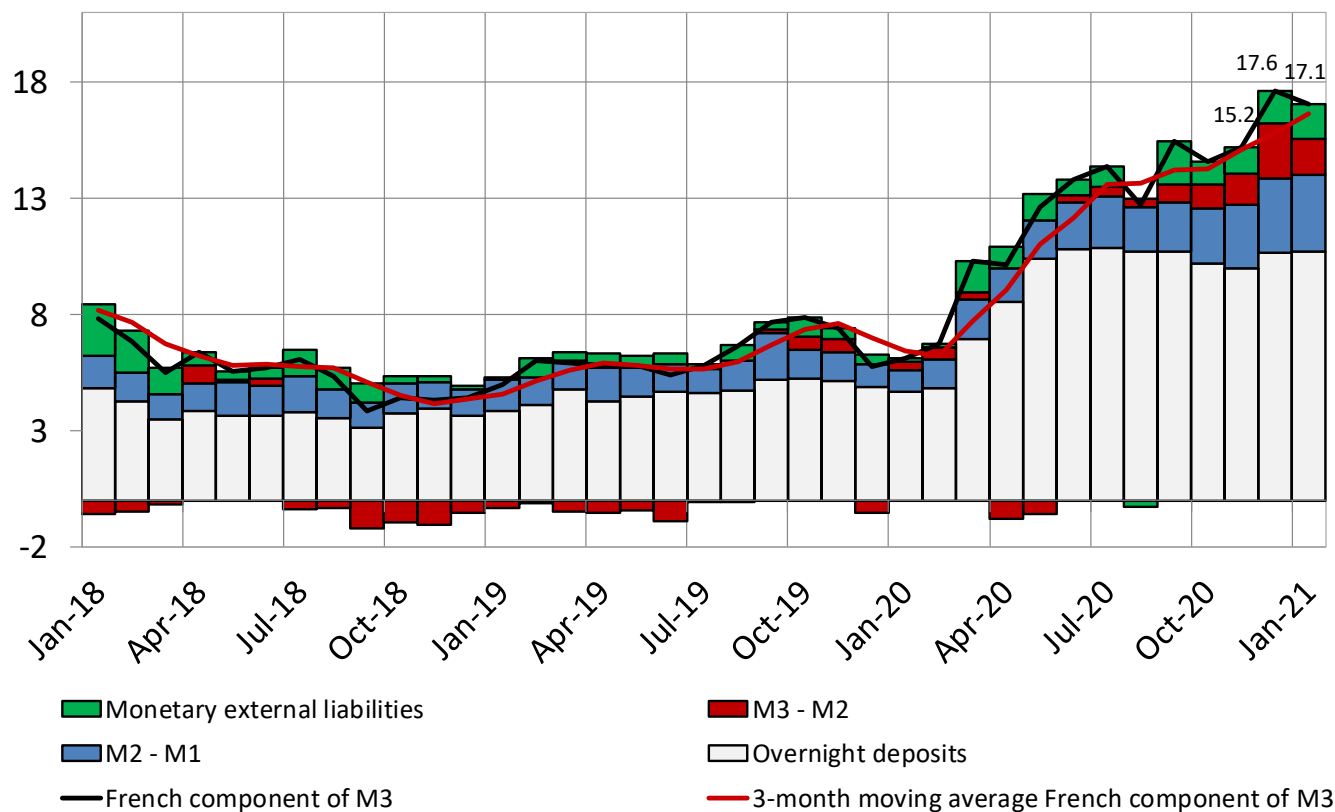
(a) Seasonally-adjusted data.

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.

