

Financial overview of investment Funds – France

Third quarter 2018

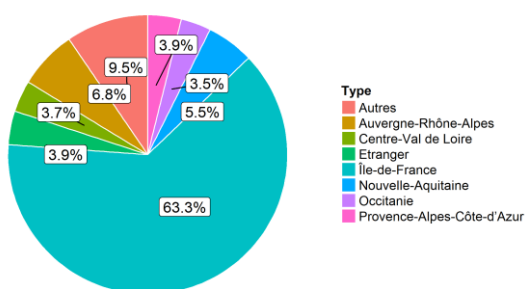
Strong growth in real estate funds, net withdrawal from equity funds

- 3rd quarter 2018:** Non-money market funds record negative outflows for the third consecutive quarter (-5 billion). In terms of investments, non-money market funds sell equities and investment fund shares (-3 billion each) as well as net deposits (-5 billion) to the benefit of debt securities and real estate assets (respectively 3 billion and 2 billion). Money market funds record net outflows of EUR 6 billion mainly due to withdrawals by resident (-7 billion) and non-Euro Zone investors (-4 billion). In return, they are net sellers of short term debt securities (-9 billion). The sales mainly concern securities issued by monetary and financial institutions (-17 billion) while securities issued by non-financial corporations were the subject of net acquisitions (+10 billion).
- Over one year:** Non-money market funds record net outflows of EUR 21 billion, mainly due to withdrawals from equity and mixed funds and especially from Euro Zone monetary and financial institutions (-15 billion). The sale of equities accelerates (-28 billion). Money market funds record significant outflows as well (-23 billion) particularly toward resident investors (-21 billion). These outflows lead to net sales of assets issued by credit institutions (-23 billion)
- Focus - Real Estate Funds:** In Q3 2018, net assets of real estate funds reach 104 billion. Building investments amount to EUR 60 billion, showing a 10 billion increase over the last 12 months, mainly located in Ile-de-France and more marginally in foreign countries (1.5 billion).

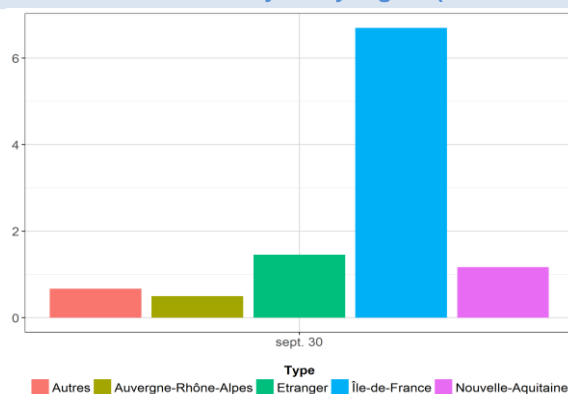
Focus

G3. REAL ESTATE FUNDS – BUILDING BREAKDOWN

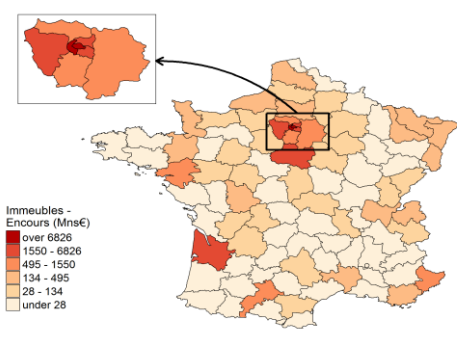
A – Stock by region (total: 60 billion)



B – Flows over one year by region (total: 10 billion)

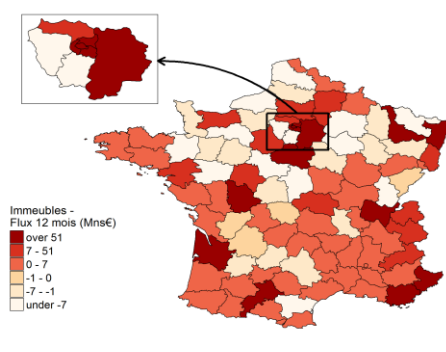


C – Map by Stock interval



Methodology: the clustering chosen is Kmean method, which spread out population between homogenous groups according to their level of stock building. The 1st group is composed by the 2 departments with the most stock of building.

D – Maps by flows Interval



Methodology: The classification chosen is quantile methods: each group is composed by the same number of department. The 1st group is composed by the 16 departments with the most flows over the 12 last months.

Investment funds assets and investors

(EUR billion)

Assets		Net flows (a)		Stocks Part (%)		Investors		Net flows (a)		Stocks Part (%)	
		2018Q3	4 moving quarters	2018Q3				2018Q3 (g)	4 moving quarters	2018Q3	
Non-money market funds	Total	-5	-21	1 288	100%	Total	-5	-21	1 288	100%	
by type of instrument	Debt securities up to 1 year	1	7	35	3%	Resident	-5	-4	1125	87%	
	Debt securities over 1 year	2	-11	361	28%	Insurance corporations	-2	-1	480	37%	
	Equity	-3	-28	470	36%	Households and NPSH	-1	-4	259	20%	
	Investment fund shares	-3	6	319	25%	Non money market funds	-1	-1	152	12%	
	Real estate assets	2	6	75	6%	General Government	-1	1	137	11%	
	Net deposits and loans and other assets (b)	-5	-1	28	2%	MFIs	0	0	46	4%	
by geographical area (c)	Resident	-1	-5	577	49%	Non-Financial corporations	0	2	45	3%	
	Non-Resident euro area	2	-14	400	34%	Other financial institutions	0	-1	6	1%	
	Non-Euro area	-3	-7	208	18%		0	0	0	0%	
by issuer (c)	Non-Financial corporations and others (d)	-1	-23	580	49%	Non-Resident euro area	-1	-15	137	11%	
	MFIs	-3	-5	170	14%	MFIs	-1	-15	126	10%	
	General Government	2	-2	107	9%	Non MFIs	0	0	11	1%	
	Others (e)	-1	5	327	28%	Non-Euro area	0	-1	27	2%	
	of which non money market funds	0	8	252	21%		0	0	0	0%	
Money market funds (f)	Total	-6	-23	311	100%	Total	-6	-23	311	100%	
by type of instrument	Debt securities up to 1 year	-9	-10	189	61%	Resident	-7	-21	265	85%	
	Debt securities over 1 year	2	-5	86	28%	Insurance corporations	-12	-9	98	31%	
	Investment fund shares	-1	-1	0	0%	Non-Financial corporations	9	-10	68	22%	
	Net deposits and loans and other assets (b)	1	-7	36	12%	Non money market funds	-2	-2	64	21%	
by geographical area (c)	Resident	0	-1	125	45%	Households and NPSH	-1	-1	6	2%	
	Non-Resident euro area	-2	-15	83	30%	General Government	-3	-2	11	3%	
	Non-Euro area	-5	1	68	25%	Credit Institutions	3	1	13	4%	
by issuer (c)		0	0	0	0%	Other financial institutions	-1	0	5	2%	
	MFIs	-17	-23	187	68%	Non-Resident euro area	4	-1	45	14%	
	Non-Financial corporations and others (d)	10	21	63	23%	MFIs	3	-2	39	13%	
	Others (e)	0	-9	24	9%	Non MFIs	0	0	5	2%	
	General Government	0	-4	1	1%	Non-Euro area	-3	0	2	1%	

Note: As from this publication, real estate funds are integrated in data; Rounding differences mean that an aggregate may not be exactly equal to the sum of its components.

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

(g) Quarterly holdings data are provisional and will be revised next quarter

