

26th June 2020

Monetary developments – France • May 2020

Continued strong growth of overnight deposits

The annual growth rate of overnight deposits gains again almost four points in May (+ 23.1 %, after + 19.3 % in April and + 15.6 % in March).

The increase in the growth rate of domestic resources included in M2-M1 (+ 4.9 % after + 4.4 % in April and + 5.3 % in March) is attributable to that of saving accounts (+ 6.0 % in May after + 5.5 % in April) and a smaller decrease in time deposits (- 1.8 % in May after - 2.3 % in April).

The contraction in money market fund shares (- 13.7 % in May after - 17.3 % in April), in particular, explains the decline in the M3-M2 aggregate.

Overall, after taking into account assets and liabilities vis-à-vis the rest of the euro area, the French component of the M3 aggregate accelerates in May: + 12.5 % after + 10.1 % in April.

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	May-20	Mar-20	Apr-20	May-20
Overnight deposits	1 317	15.6	19.3	23.1
= Domestic resources included in M1	1 317	15.6	19.3	23.1
<i>Domestic resources included in M1, 3-month moving average</i>		12.5	15.4	19.3
Deposits with agreed maturity of up to 2 years	114	10.8	-2.3	-1.8
+ Saving accounts	734	4.4	5.5	6.0
= Domestic resources included in M2-M1	848	5.3	4.4	4.9
<i>Domestic resources included in M2-M1, 3-month moving average</i>		4.0	4.5	4.8
MMF shares	229	-10.7	-17.3	-13.7
+ Repurchase agreements	40	155.4	136.6	92.9
+ Debt securities issued with a maturity of up to 2 years	62	15.1	1.4	0.0
= Domestic resources included in M3-M2	332	3.8	-5.4	-4.9
<i>Domestic resources included in M3-M2, 3-month moving average</i>		3.2	0.6	-2.2
Sum of domestic resources included in M3	2 497	10.0	9.9	12.1
<i>Sum of domestic resources included in M3, 3-month moving average</i>		7.9	9.0	10.7
+ Monetary external liabilities vis-à-vis other monetary union members	259	12.9	8.7	12.2
- Monetary external assets vis-à-vis other monetary union members	48	9.6	-6.4	-4.7
= French component of euro area monetary aggregate M3	2 708	10.3	10.1	12.5
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		7.7	9.1	11.0

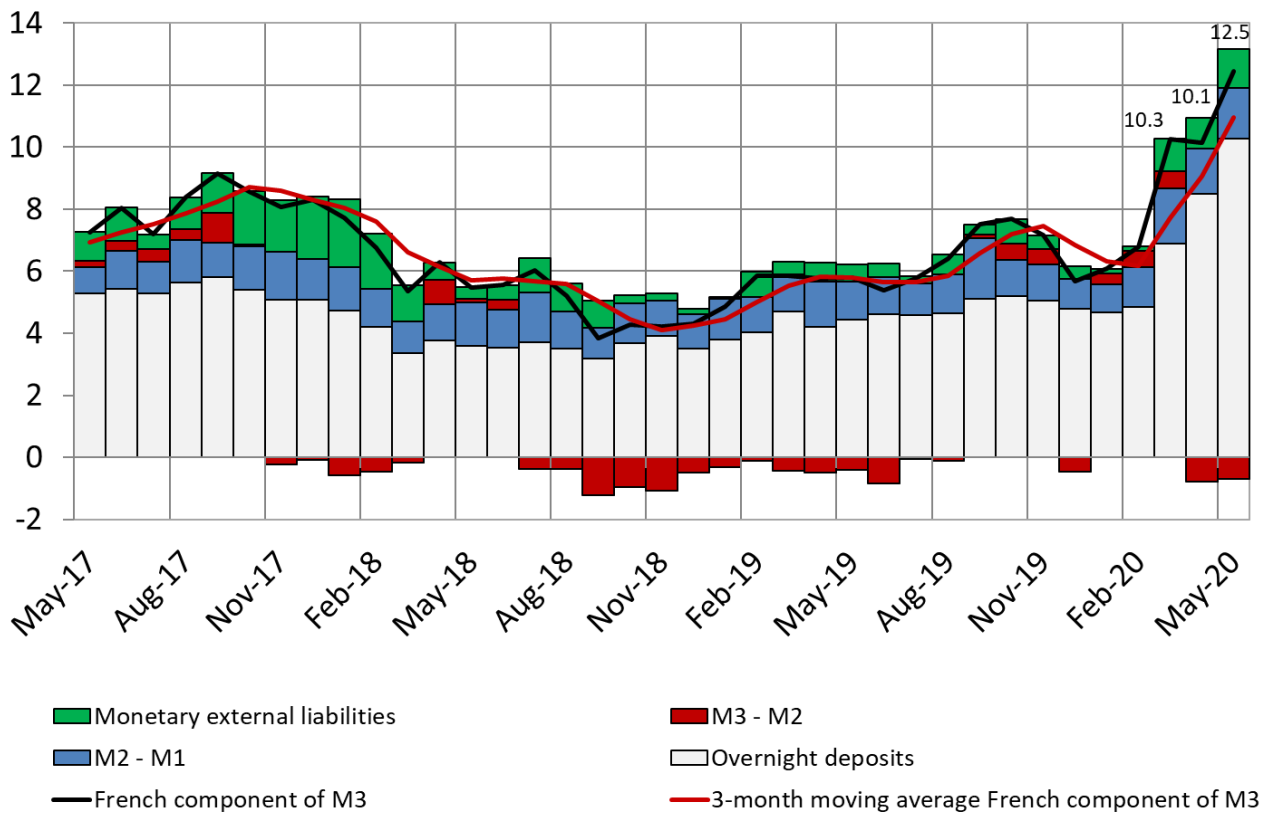
(a) Seasonally-adjusted data.

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.

