

25 February 2022

Monetary developments – France • January 2022

Growth in overnight deposits decreases very slightly but remains robust

On an annual basis, growth of overnight deposits remains high in January at +8.3%, while showing signs of slowing down (+8.5% in December 2021 and +8.9% in November 2021).

The growth of the M2 - M1 aggregate increases (+4.8%, up from +3.9% in December) due to a smaller decline of term deposits with agreed maturity of up to 2 years (-5.8%, up from -13.3% in December 2021), while saving accounts remain on a robust growth rate.

The contraction of the M3-M2 aggregate reduces in January (-7.7%, up from -11.8% in December) mainly due to a smaller decrease in money market fund shares/units (-9.1%, up from -10.5% in December).

After taking into account gross monetary external liabilities and assets vis-à-vis other monetary union members, the growth rate of the French component of the M3 aggregate increases in January 2022 (+6.6%, up from +6.0% in December).

France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Jan-22	Nov-21	Dec-21	Jan-22
Overnight deposits	1 528	8.9	8.5	8.3
= Domestic resources included in M1	1 528	8.9	8.5	8.3
<i>Domestic resources included in M1, 3-month moving average</i>	-	8.9	8.8	8.6
Deposits with agreed maturity of up to 2 years	119	-7.0	-13.3	-5.8
+ Saving accounts	824	7.1	6.7	6.5
= Domestic resources included in M2-M1	943	5.2	3.9	4.8
<i>Domestic resources included in M2-M1, 3-month moving average</i>	-	5.6	5.0	4.6
MMF shares	261	-2.5	-10.5	-9.1
+ Repurchase agreements	39	19.4	-7.7	31.2
+ Debt securities issued with a maturity of up to 2 years	38	-24.0	-21.8	-23.2
= Domestic resources included in M3-M2	338	-3.6	-11.8	-7.7
<i>Domestic resources included in M3-M2, 3-month moving average</i>	-	-2.6	-5.5	-7.8
Sum of domestic resources included in M3	2 809	6.0	4.1	4.9
<i>Sum of domestic resources included in M3, 3-month moving average</i>	-	6.3	5.6	5.0
+ Monetary external liabilities vis-à-vis other monetary union members	310	26.3	27.1	25.8
- Monetary external assets vis-à-vis other monetary union members	47	23.1	11.5	14.6
= French component of euro area monetary aggregate M3	3 071	7.5	6.0	6.6
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>	-	7.2	7.1	6.7

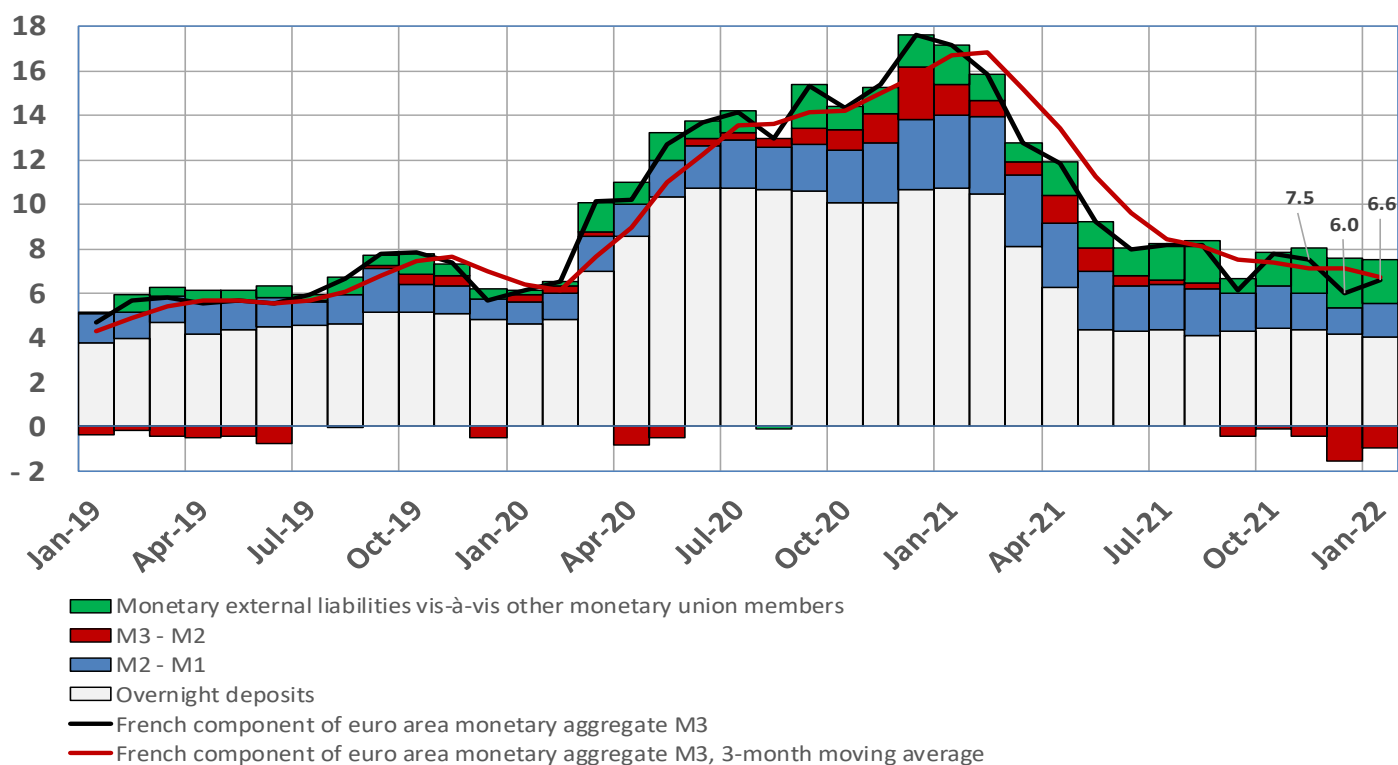
(a) Seasonally-adjusted data.

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.

With this publication, the method of seasonal adjustment (SA) of money aggregates has been revised, resulting in small revisions (for example, the annual growth rate of resident resources included in M1 is +8.3% in August 2021, compared to 8.6% with the old method). The changes consist in switching to the X13-ARIMA method, instead of TRAMO-SEATS, and in adjusting the sum of the twelve monthly seasonally adjusted flows of a calendar year to the annual sum of gross flows.

