

27 July 2022

Monetary developments – France • June 2022

Investments in money market funds resume in June 2022

On an annual basis, growth in overnight deposits sets at +5.9% in June, lower to previous months.

The growth rate of the M2 - M1 aggregate increases in June (+6.5%, up from +4.0% in May) due to a rise in deposits with agreed maturity of up to two years (+11.4%, up from -6.5% in May). The growth of saving accounts is almost stable compared to last month (+5.7%, after +5.6% in May).

The M3-M2 aggregate, which includes money market fund shares, starts increasing again in June (+4.0%, up from +0.1% in May and -1.5% in April).

Overall, after taking into account gross monetary liabilities and assets vis-à-vis the rest of the euro area, the growth rate of the French component of the euro area monetary aggregate M3 rises slightly in June 2022 (+6.5%, up from +6.2% in May and +5.8% in April).

France : Monetary Resources of Monetary Financial Institutions

| | Outstandings (in € Bn) (a) | | Annual growth rate (in %) (a) | |
|--|-------------------------------|-------------|-------------------------------|------------|
| | Jun-22 | Apr-22 | May-22 | Jun-22 |
| Overnight deposits | 1 544 | 7.8 | 7.5 | 5.9 |
| = Domestic resources included in M1 | 1 544 | 7.8 | 7.5 | 5.9 |
| <i>Domestic resources included in M1, 3-month moving average</i> | - | 8.2 | 7.8 | 7.0 |
| Deposits with agreed maturity of up to 2 years | 129 | -9.5 | -6.5 | 11.4 |
| + Saving accounts | 844 | 5.9 | 5.6 | 5.7 |
| = Domestic resources included in M2-M1 | 972 | 3.8 | 4.0 | 6.5 |
| <i>Domestic resources included in M2-M1, 3-month moving average</i> | - | 4.0 | 3.9 | 4.8 |
| MMF shares | 258 | -4.9 | -5.1 | -0.9 |
| + Repurchase agreements | 39 | 52.4 | 71.6 | 29.2 |
| + Debt securities issued with a maturity of up to 2 years | 52 | -15.9 | -11.2 | 15.6 |
| = Domestic resources included in M3-M2 | 349 | -1.5 | 0.1 | 4.0 |
| <i>Domestic resources included in M3-M2, 3-month moving average</i> | - | -3.4 | -2.4 | 0.8 |
| Sum of domestic resources included in M3 | 2 865 | 5.3 | 5.4 | 5.8 |
| <i>Sum of domestic resources included in M3, 3-month moving average</i> | - | 5.3 | 5.2 | 5.5 |
| + Monetary external liabilities vis-à-vis other monetary union members | 280 | 13.4 | 14.6 | 11.0 |
| - Monetary external assets vis-à-vis other monetary union members | 43 | 20.3 | 9.5 | -6.1 |
| = French component of euro area monetary aggregate M3 | 3 102 | 5.8 | 6.2 | 6.5 |
| <i>French component of euro area monetary aggregate M3, 3-month moving average</i> | - | 5.8 | 5.8 | 6.2 |

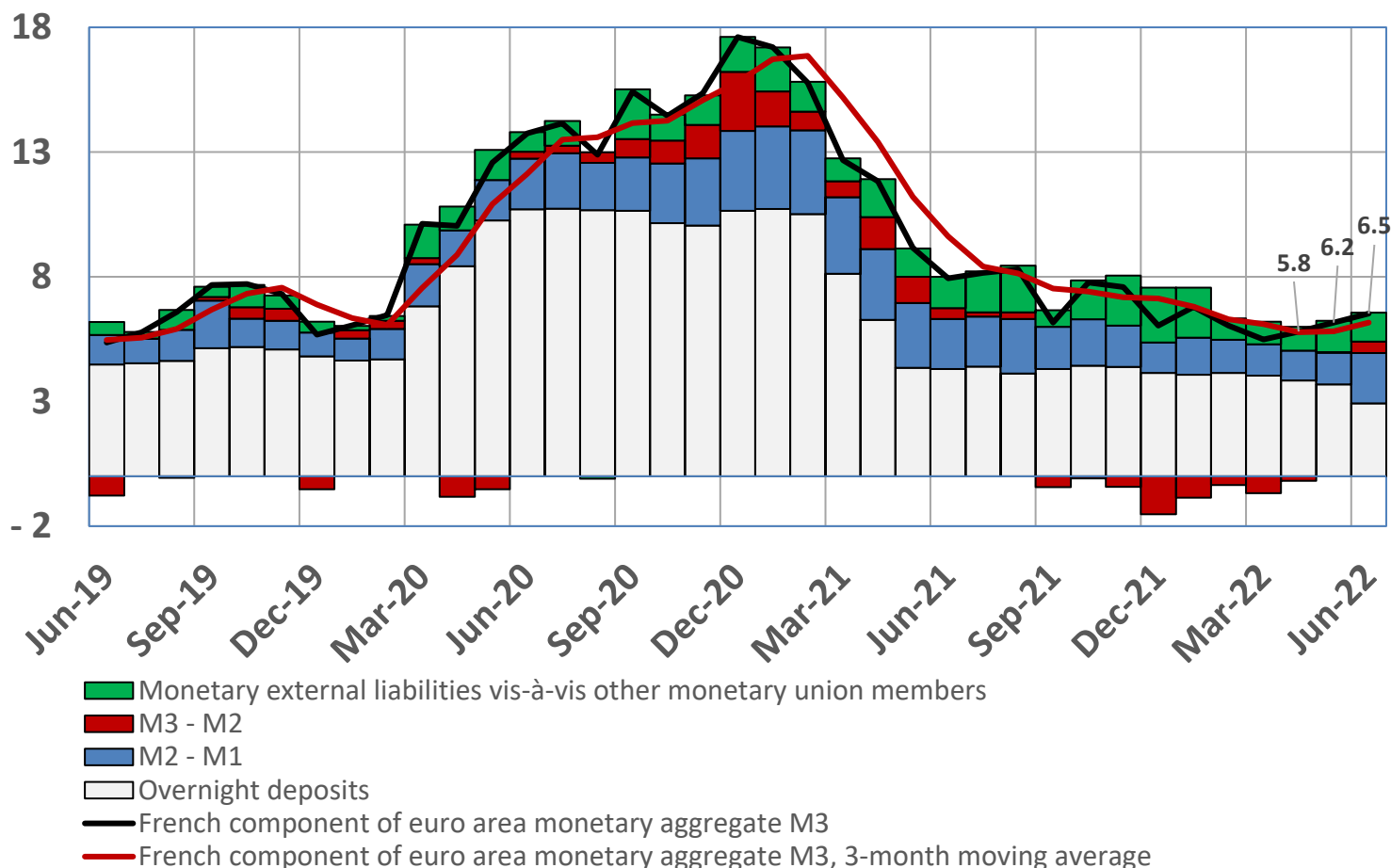
(a) Seasonally-adjusted data.

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.

