

27 September 2022

## Monetary developments – France • August 2022

### Rising interest rates drive up interest-earning deposits

On an annual basis, growth in overnight deposits is stable in August at +5.7%.

The growth rate of the M2 - M1 aggregate increases (+7.8%, up from +6.6% in July and +6.3% in June), driven by deposits with agreed maturity of up to 2 years (+20.7%, up from +14.0% in July) and by saving accounts (+6.0%, up from +5.6% in July and June 2022), at a time when the interest rate on these products is rising.

The M3-M2 aggregate continues to decline in August 2022 (-5.9%, after -6.9% in July), due to net sales of money market fund shares/units (-20.7%, after -21.3% in July 2022).

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 increases slightly in August 2022 (+5.9%, up from +5.5% in July).

#### France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
	Aug-22	Jun-22	Jul-22	Aug-22
Overnight deposits	1 566	6.0	5.7	5.7
<b>= Domestic resources included in M1</b>	<b>1 566</b>	<b>6.0</b>	<b>5.7</b>	<b>5.7</b>
<i>Domestic resources included in M1, 3-month moving average</i>	-	7.2	6.4	5.8
Deposits with agreed maturity of up to 2 years	138	11.2	14.0	20.7
+ Saving accounts	856	5.6	5.6	6.0
<b>= Domestic resources included in M2-M1</b>	<b>994</b>	<b>6.3</b>	<b>6.6</b>	<b>7.8</b>
<i>Domestic resources included in M2-M1, 3-month moving average</i>	-	4.7	5.7	6.9
MMF shares	211	-9.1	-21.3	-20.7
+ Repurchase agreements	45	28.9	53.3	50.3
+ Debt securities issued with a maturity of up to 2 years	32	11.1	41.0	47.0
<b>= Domestic resources included in M3-M2</b>	<b>287</b>	<b>-2.8</b>	<b>-6.9</b>	<b>-5.9</b>
<i>Domestic resources included in M3-M2, 3-month moving average</i>	-	-5.3	-5.1	-5.2
<b>Sum of domestic resources included in M3</b>	<b>2 846</b>	<b>5.0</b>	<b>4.5</b>	<b>5.0</b>
<i>Sum of domestic resources included in M3, 3-month moving average</i>	-	4.8	4.7	4.8
+ Monetary external liabilities vis-à-vis other monetary union members	291	11.9	12.2	10.1
- Monetary external assets vis-à-vis other monetary union members	55	-5.6	-15.0	-19.7
<b>= French component of euro area monetary aggregate M3</b>	<b>3 082</b>	<b>5.8</b>	<b>5.5</b>	<b>5.9</b>
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>	-	5.5	5.6	5.7

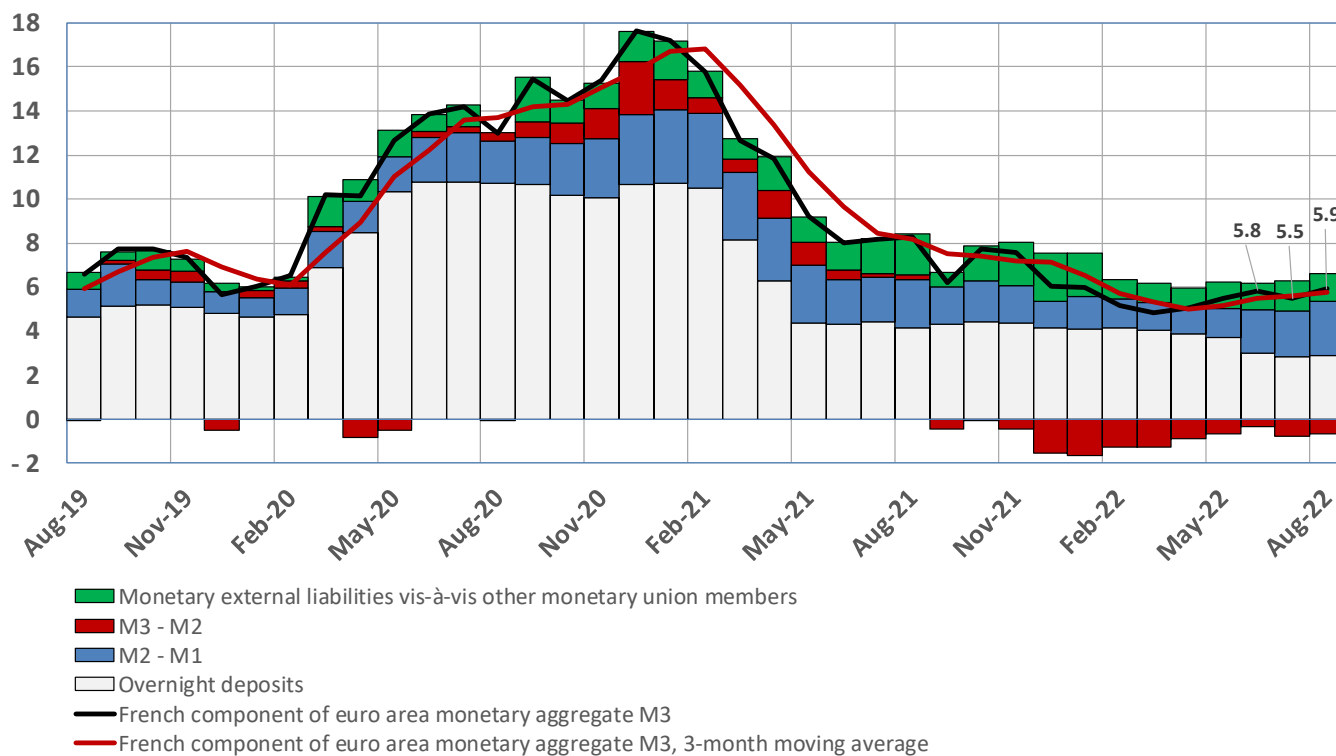
(a) Seasonally-adjusted data.

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.

