

# Financial overview of investment Funds – France 1<sup>st</sup> quarter 2023

## Money market funds net purchases remain strong in 2023Q1

- In Q1 2023:**

**Non-monetary funds'** outflows amount to -9 billion (see table p.2). Insurance companies, households and public administrations are the main net sellers (-4, -2 and -2 billion respectively). In terms of investments, non-monetary funds mainly buy long-term debt securities (+5 billion), while focusing on financial sector issued securities (+6 billion) and, to a lesser extent, securities issued by residents outside the Euro Zone (+ 3 billion). Divestments mainly concern equities (-6 billion) and real estate assets (-5 billion).

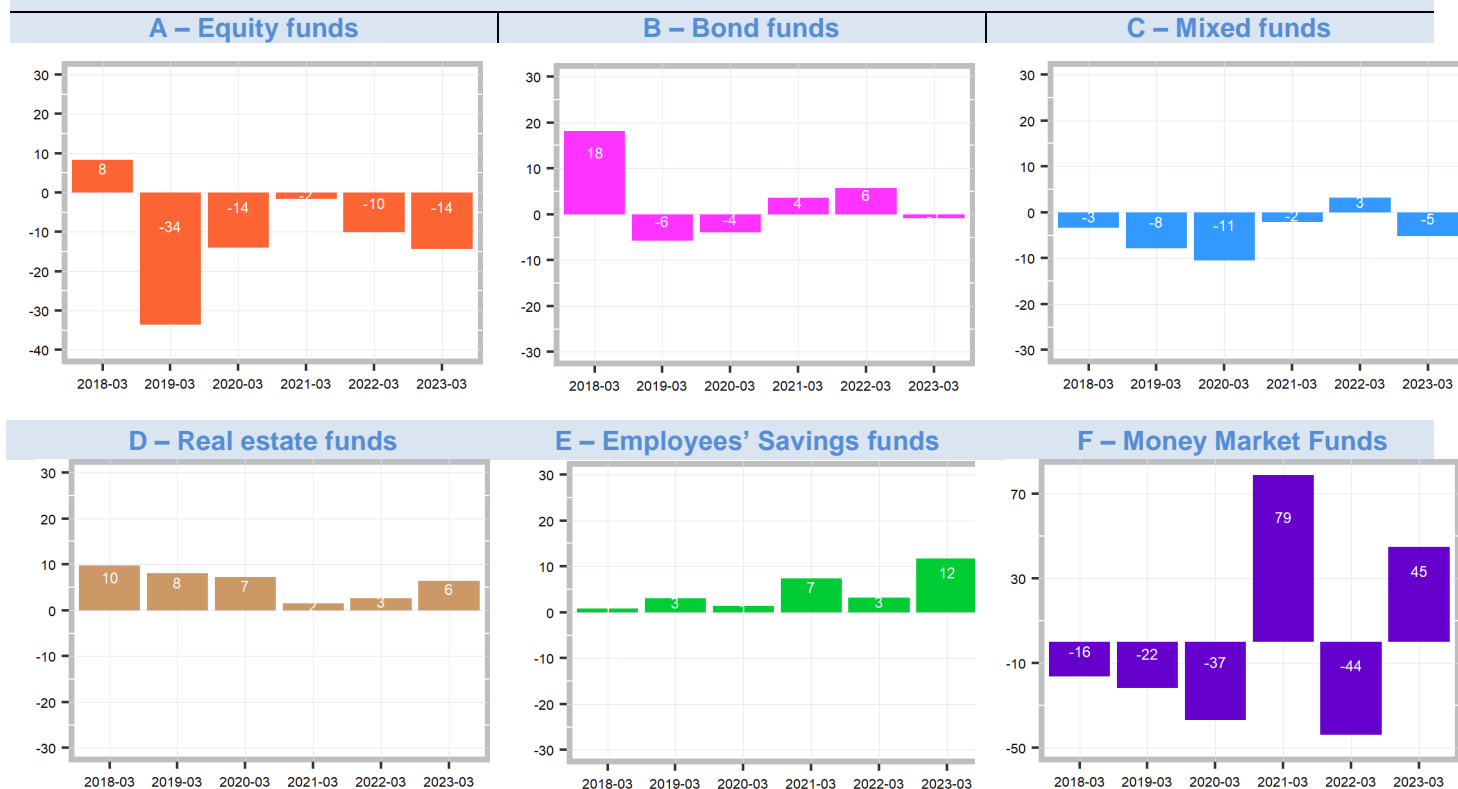
**Money market funds'** inflows amount to +21 billion, driven mainly by insurance companies' net purchases (+22 billion) and also public administrations (+6 billion). Money market funds invest funds collected mainly in short-term debt securities (+11 billion) and deposits (+5 billion). These investments benefit primarily to credit institutions (+22 billion).

- Over a sliding year :**

**Non-monetary funds'** outstanding amounts remain almost stable over one year (-1 billion, see table p.2) despite withdrawals of 14 billion on equity funds (see G1) offset by positive flows on employee savings funds and real estate funds (+12 billion and +6 billion respectively, see G1). Asset managers are moving towards assets issued by MFIs and public administrations (+11 billion and +8 billion respectively). The asset allocation favor long-term debt securities (+15 billion) and investment fund shares (+8 billion) to the detriment of deposits and other investments (-20 billion) and real estate assets (-11 billion).

**Money market funds'** yearly subscriptions are strongly positive (+42 billion, see table p.2 and +45 billion in unconsolidated flows, see G1-F). Non-monetary funds and public administrations are the main buyers (+15 billion and +14 billion respectively), as well as non-resident MFIs (+12 billion). In terms of asset allocation, money market funds mainly acquired short-term debt securities (+51 billion) -mostly issued by resident MFIs- and sold long-term debt securities (-15 billion).

### G1. Net subscriptions by type of funds (cumulative flows over 4 quarters - Billion €)



## Investment funds assets and investors

(EUR billion)

| Assets                        |   | Net flows (a)                               |                   | Stocks Share (%) |                      | Investors                     | Flux nets (a)                 |                   | Encours     | Share (%)   |            |
|-------------------------------|---|---|-------------------|------------------|----------------------|-------------------------------|-------------------------------|-------------------|-------------|-------------|------------|
|                               |   | 2023Q1                                      | 4 moving quarters | 2023Q1           |                      |                               | 2023Q1 (g)                    | 4 moving quarters |             |             | 2023Q1     |
| <b>Non-money market funds</b> | <b>Total</b>                                | <b>-9</b>                                   | <b>-1</b>         | <b>1 461</b>     | <b>100%</b>          | <b>Total</b>                  | <b>-9</b>                     | <b>-1</b>         | <b>1461</b> | <b>100%</b> |            |
|                               | <b>by type of instrument</b>                | Debt securities up to 1 year                | 1                 | 1                | 24                   | 2%                            | <b>Resident</b>               | <b>-9</b>         | <b>7</b>    | <b>1301</b> | <b>89%</b> |
|                               |   | Debt securities over 1 year                 | 5                 | 15               | 380                  | 26%                           | Insurance corporations        | -4                | -13         | 536         | 37%        |
|                               |   | Equity                                      | -6                | 6                | 584                  | 40%                           | Households and NPSH           | -2                | 4           | 293         | 20%        |
|                               |   | Investment fund shares                      | -1                | 8                | 351                  | 24%                           | Non money market funds        | -1                | 18          | 182         | 12%        |
|                               |   | Real estate assets                          | -5                | -11              | 93                   | 6%                            | General Government            | -2                | 2           | 158         | 11%        |
|                               | Net deposits and loans and other assets (b) | -3  | -20               | 28               | 2%                   | MFIs                          | 0                             | -3                | 50          | 3%          |            |
|                               | <b>by geographical area (c)</b>             | Resident                                    | 1                 | 26               | 700                  | 52%                           | Non-Financial corporations    | 0                 | -2          | 66          | 5%         |
|                               |   | Non-Resident euro area                      | -5                | -4               | 402                  | 30%                           | Other financial institutions  | 0                 | 1           | 17          | 1%         |
|                               |   | Non-Euro area                               | 3                 | 8                | 238                  | 18%                           |                               |                   |             |             |            |
| <b>by issuer (c)</b>          | Non-Financial corporations and others (d)   | -7  | 5                 | 630              | 47%                  | <b>Non-Resident euro area</b> | <b>0</b>                      | <b>-4</b>         | <b>116</b>  | <b>8%</b>   |            |
|                               | MFIs  | 3   | 11                | 189              | 14%                  | MFIs                          | -1                            | -3                | 78          | 5%          |            |
|                               | General Government                          | 0   | 8                 | 115              | 9%                   | Non MFIs                      | 0                             | -1                | 38          | 3%          |            |
|                               | Others (e)                                  | 3   | 6                 | 407              | 30%                  | <b>Non-Euro area</b>          | <b>0</b>                      | <b>-3</b>         | <b>44</b>   | <b>3%</b>   |            |
|                               | <i>of which non money market funds</i>      | 1   | 4                 | 284              | 21%                  |                               |                               |                   |             |             |            |
| <b>Money market funds (f)</b> | <b>Total</b>                                | <b>21</b>                                   | <b>42</b>         | <b>363</b>       | <b>100%</b>          | <b>Total</b>                  | <b>21</b>                     | <b>42</b>         | <b>363</b>  | <b>100%</b> |            |
|                               | <b>by type of instrument</b>                | Debt securities up to 1 year                | 11                | 51               | 258                  | 71%                           | <b>Resident</b>               | <b>26</b>         | <b>28</b>   | <b>271</b>  | <b>75%</b> |
|                               |   | Debt securities over 1 year                 | 3                 | -15              | 37                   | 10%                           | Insurance corporations        | 22                | 4           | 101         | 28%        |
|                               |   | Investment fund shares                      | 2                 | 0                | 2                    | 0%                            | Non-Financial corporations    | 2                 | 7           | 61          | 17%        |
|                               |   | Net deposits and loans and other assets (b) | 5                 | 5                | 67                   | 18%                           | Non money market funds        | 3                 | 15          | 76          | 21%        |
|                               | <b>by geographical area (c)</b>             | Resident                                    | 10                | 30               | 141                  | 48%                           | Households and NPSH           | -1                | 0           | 4           | 1%         |
|                               |   | Non-Resident euro area                      | 4                 | 8                | 93                   | 31%                           | General Government            | 6                 | 14          | 23          | 6%         |
|                               |   | Non-Euro area                               | 1                 | -4               | 62                   | 21%                           | Credit Institutions           | -1                | -3          | 4           | 1%         |
|                               | <b>by issuer (c)</b>                        | MFIs  | 22                | 48               | 194                  | 66%                           | Other financial institutions  | -6                | -10         | 2           | 1%         |
|                               |   | Non-Financial corporations and others (d)   | 0                 | -1               | 64                   | 21%                           | <b>Non-Resident euro area</b> | <b>-3</b>         | <b>15</b>   | <b>86</b>   | <b>24%</b> |
| Others (e)                    |   | -3  | -7                | 30               | 10%                  | MFIs                          | -2                            | 12                | 79          | 22%         |            |
| General Government            |   | -3  | -5                | 8                | 3%                   | Non MFIs                      | -3                            | 2                 | 6           | 2%          |            |
|                               |   |   |                   |                  | <b>Non-Euro area</b> | <b>-2</b>                     | <b>-1</b>                     | <b>6</b>          | <b>2%</b>   |             |            |

Note: 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

