

27<sup>th</sup> August 2020

## Monetary developments – France • July 2020

### The growth rate of overnight deposits is stabilising

Regarding aggregate M1, in July, overnight deposits increase by € 19 Bn, fall back from June (27 Bn) and May (55 Bn), but remains over levels observed prior to the COVID-19 crisis. As this flow is almost identical to the € 18 Bn flow observed in July 2019, the annual growth rate is therefore almost stable (+ 23.6 %, after + 23.7 % in June).

The growth rate of M2 – M1 aggregate is still increasing (+ 6.7 % after + 6.0 % in June and + 4.9 % in May) mainly driven by saving accounts: + 7.5 % (after + 6.7 % in June). With a growth rate down to + 0.5 % in July, after + 2.4 % in June, M3 - M2 aggregate is almost unchanged.

As a whole, after taking into account monetary assets and liabilities *vis-à-vis* other monetary union members, the M3 French component growth is strengthening in July: + 13.9 %, after + 13.6 % in June.

### France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
		Jun-20	Apr-20	May-20
Overnight deposits	1 366	22.9	23.7	23.6
<b>= Domestic resources included in M1</b>	<b>1 366</b>	<b>22.9</b>	<b>23.7</b>	<b>23.6</b>
<i>Domestic resources included in M1, 3-month moving average</i>		19.1	21.9	23.4
Deposits with agreed maturity of up to 2 years	121	-1.7	1.6	2.1
+ Saving accounts	747	6	6.7	7.5
<b>= Domestic resources included in M2-M1</b>	<b>868</b>	<b>4.9</b>	<b>6</b>	<b>6.7</b>
<i>Domestic resources included in M2-M1, 3-month moving average</i>		4.8	5.1	5.9
MMF shares	257	-12.9	-2.4	-2.8
+ Repurchase agreements	42	99.8	81.2	103
+ Debt securities issued with a maturity of up to 2 years	54	-0.1	-3.6	-1.8
<b>= Domestic resources included in M3-M2</b>	<b>353</b>	<b>-4.2</b>	<b>2.4</b>	<b>0.5</b>
<i>Domestic resources included in M3-M2, 3-month moving average</i>		-2	-2.5	-0.4
<b>Sum of domestic resources included in M3</b>	<b>2 587</b>	<b>12.2</b>	<b>14</b>	<b>14</b>
<i>Sum of domestic resources included in M3, 3-month moving average</i>		10.7	12	13.4
+ Monetary external liabilities vis-à-vis other monetary union members	256	11	5	7.9
- Monetary external assets vis-à-vis other monetary union members	50	-4.6	-8.3	-7.6
<b>= French component of euro area monetary aggregate M3</b>	<b>2 793</b>	<b>12.4</b>	<b>13.6</b>	<b>13.9</b>
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		10.9	12	13.3

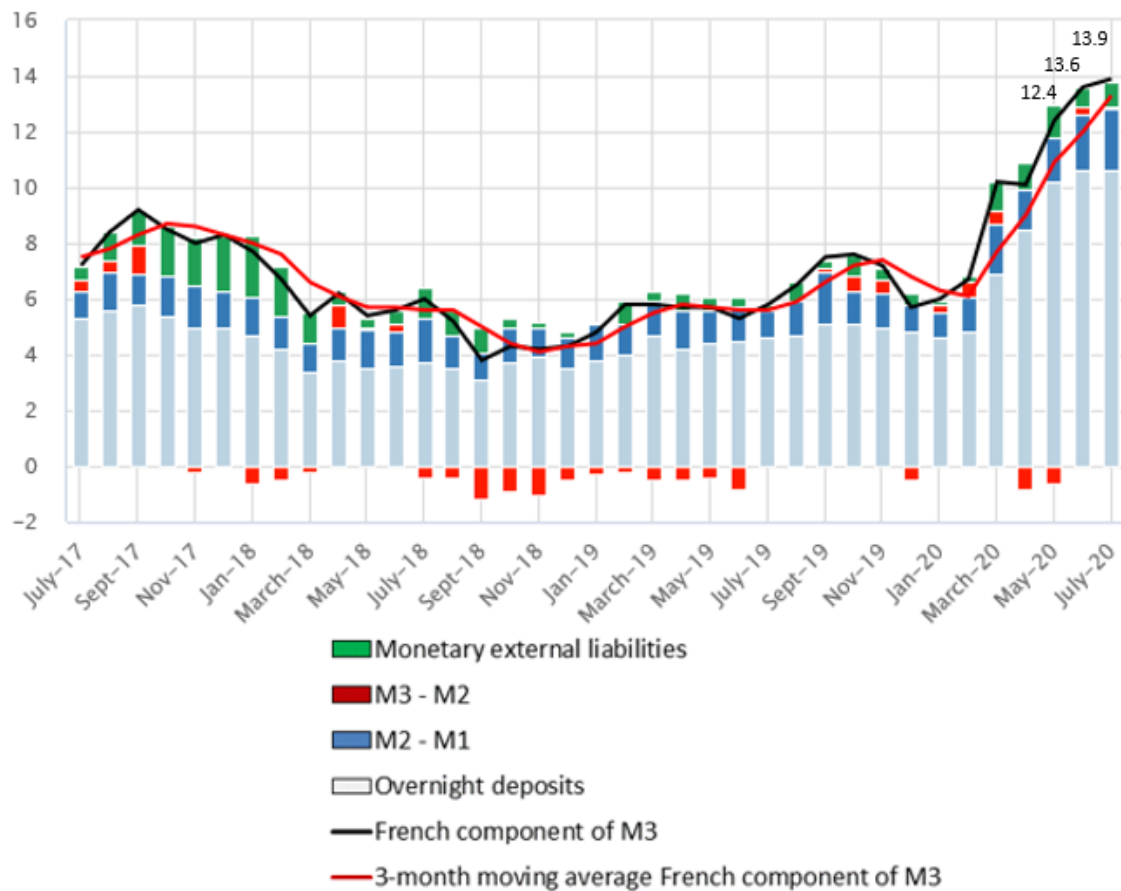
(a) Seasonally-adjusted data.

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.

