

27th October 2020

Monetary developments – France • September 2020

Overnight deposits and saving accounts continue to pull up money growth

Over one year, overnight deposits have increased by + 23.8 % in September, after + 24.0 % in August.

The slightest contraction of deposits with agreed maturity of up to 2 years (- 2.2 % after - 5.4 %) and an increase in saving accounts (+ 8.0 %, after + 7.7 % in August) lead M2 - M1 aggregate's growth to a higher pace (+ 6.5 % after + 5.7 % in August).

M3 - M2 aggregate's acceleration (+ 5.4 % in September after + 2.6 % in August) is mainly due to an increase of the holding of MMF shares (+ 7.3 % at annual pace, after + 1.1 % in August).

All in all, the growth of the French component of M3 rose by + 15.7 % in September after + 12.8 % in August reflects the increase of monetary counterparts, i.e. the financing of the economy, combined with the effect of an increase by € 52 Bn of monetary external assets and liabilities vis-à-vis other monetary union members.

France : Monetary Resources of Monetary Financial Institutions

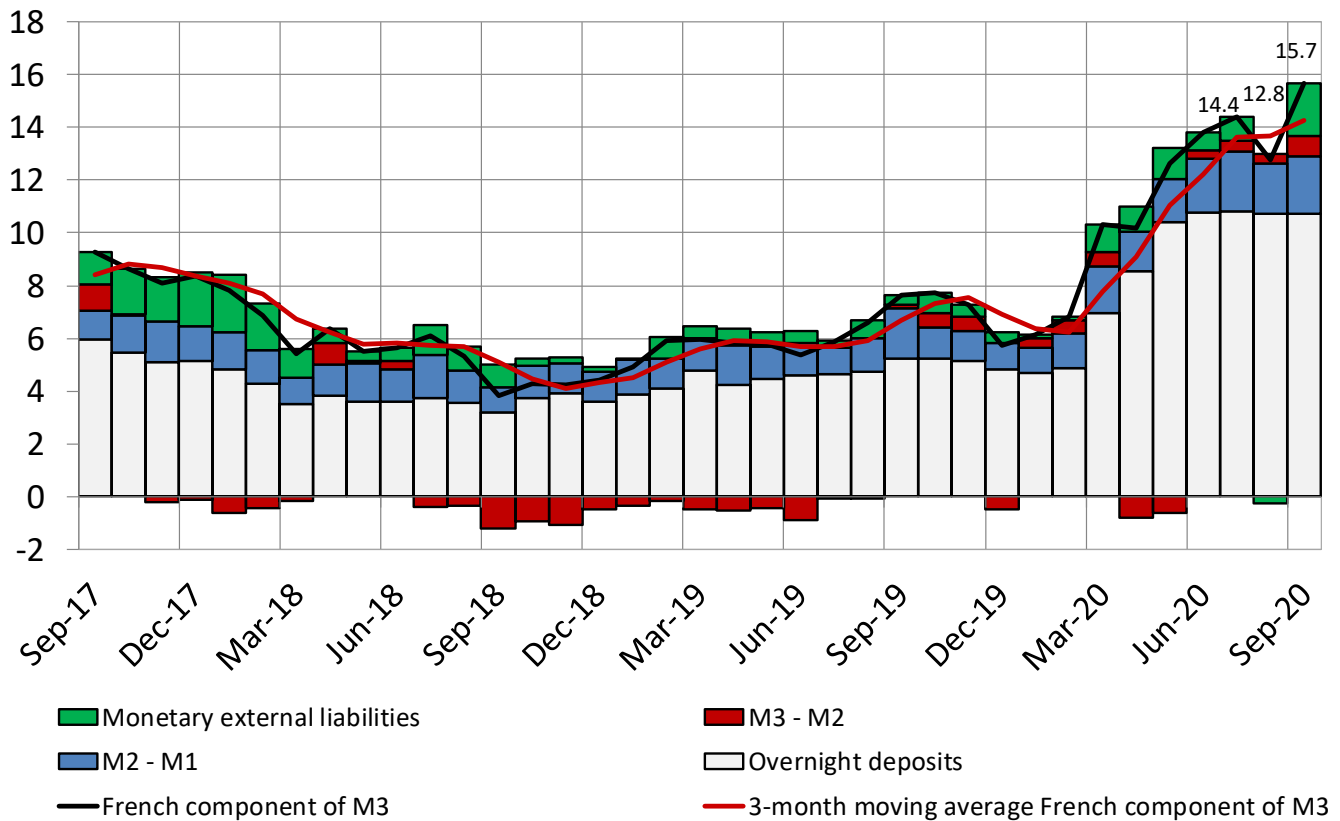
	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Sep-20	Jul-20	Aug-20	Sep-20
Overnight deposits	1 370	24.1	24.0	23.8
= Domestic resources included in M1	1 370	24.1	24.0	23.8
<i>Domestic resources included in M1, 3-month moving average</i>		23.9	24.1	24.0
Deposits with agreed maturity of up to 2 years	126	1.9	-5.4	-2.2
+ Saving accounts	757	7.5	7.7	8.0
= Domestic resources included in M2-M1	883	6.6	5.7	6.5
<i>Domestic resources included in M2-M1, 3-month moving average</i>		5.8	6.1	6.3
MMF shares	271	0.1	1.1	7.3
+ Repurchase agreements	40	99.8	95.0	39.3
+ Debt securities issued with a maturity of up to 2 years	47	-19.0	-22.6	-19.8
= Domestic resources included in M3-M2	359	2.8	2.6	5.4
<i>Domestic resources included in M3-M2, 3-month moving average</i>		0.2	2.6	3.6
Sum of domestic resources included in M3	2 611	14.5	14.1	14.7
<i>Sum of domestic resources included in M3, 3-month moving average</i>		13.7	14.3	14.5
+ Monetary external liabilities vis-à-vis other monetary union members	265	8.1	-5.1	14.8
- Monetary external assets vis-à-vis other monetary union members	42	-7.6	-10.0	-26.2
= French component of euro area monetary aggregate M3	2 834	14.4	12.8	15.7
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		13.6	13.7	14.3

(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.

