

29 April 2021

## Monetary developments – France • March 2021

### Lower increase for overnight deposits

At annual pace, the overnight deposits growth rate stands in March 2021 at + 17.7 % (down from + 23.3 % in February 2021). This movement, expected to continue until the end of spring, reflecting a normalization of the overnight deposits flows, after sharp increases observed during the first three months of the crisis in March (€ 62.4 Bn of cvs flow), April (€ 48.7 Bn) and May (€ 55 Bn) 2020.

The annual growth of M2 – M1 aggregate also moderates in March (+ 9.7 % year-on-year, down from + 10.3 % in February) due to a less progression of deposits with agreed maturity of up to 2 years (+ 4.7 %, down from + 9.9 % in February).

The annual growth rate of M3 – M2 continues its decrease in March (+ 2.3 %, down from + 3.7 % in February and + 9.2 % in January), the strong growth of investments in MMF shares (+ 21.4 %, up from + 6.7 %) does not offset the sharp drops in repurchase agreements and debt securities issued with a maturity of up to 2 years (resp. – 33.0 % et – 30.9 % in March).

After taking into account monetary assets and liabilities vis-à-vis other euro area members, the growth in the French component of the M3 slows down (+ 13.2 % year-on-year, down from + 15.6 % in February 2021 and + 6.7 % in February 2020).

### France : Monetary Resources of Monetary Financial Institutions

	Outstandings (in € Bn) (a)		Annual growth rate (in %) (a)	
	Mar-21	Jan-21	Feb-21	Mar-21
Overnight deposits	1 418	23.8	23.3	17.7
<b>= Domestic resources included in M1</b>	<b>1 418</b>	<b>23.8</b>	<b>23.3</b>	<b>17.7</b>
<i>Domestic resources included in M1, 3-month moving average</i>		23.1	23.5	21.6
Deposits with agreed maturity of up to 2 years	132	10.9	9.9	4.7
+ Saving accounts	792	9.8	10.4	10.5
<b>= Domestic resources included in M2-M1</b>	<b>924</b>	<b>10.0</b>	<b>10.3</b>	<b>9.7</b>
<i>Domestic resources included in M2-M1, 3-month moving average</i>		9.2	9.9	10.0
MMF shares	276	15.4	6.7	21.4
+ Repurchase agreements	38	30.0	45.6	-33.0
+ Debt securities issued with a maturity of up to 2 years	48	-22.5	-25.1	-30.9
<b>= Domestic resources included in M3-M2</b>	<b>362</b>	<b>9.2</b>	<b>3.7</b>	<b>2.3</b>
<i>Domestic resources included in M3-M2, 3-month moving average</i>		11.9	10.0	5.0
<b>Sum of domestic resources included in M3</b>	<b>2 705</b>	<b>16.6</b>	<b>15.6</b>	<b>12.6</b>
<i>Sum of domestic resources included in M3, 3-month moving average</i>		16.4	16.6	14.9
+ Monetary external liabilities vis-à-vis other monetary union members	282	11.9	5.3	13.1
- Monetary external assets vis-à-vis other monetary union members	42	-25.9	-28.4	-17.4
<b>= French component of euro area monetary aggregate M3</b>	<b>2 944</b>	<b>17.1</b>	<b>15.6</b>	<b>13.2</b>
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		16.6	16.8	15.3

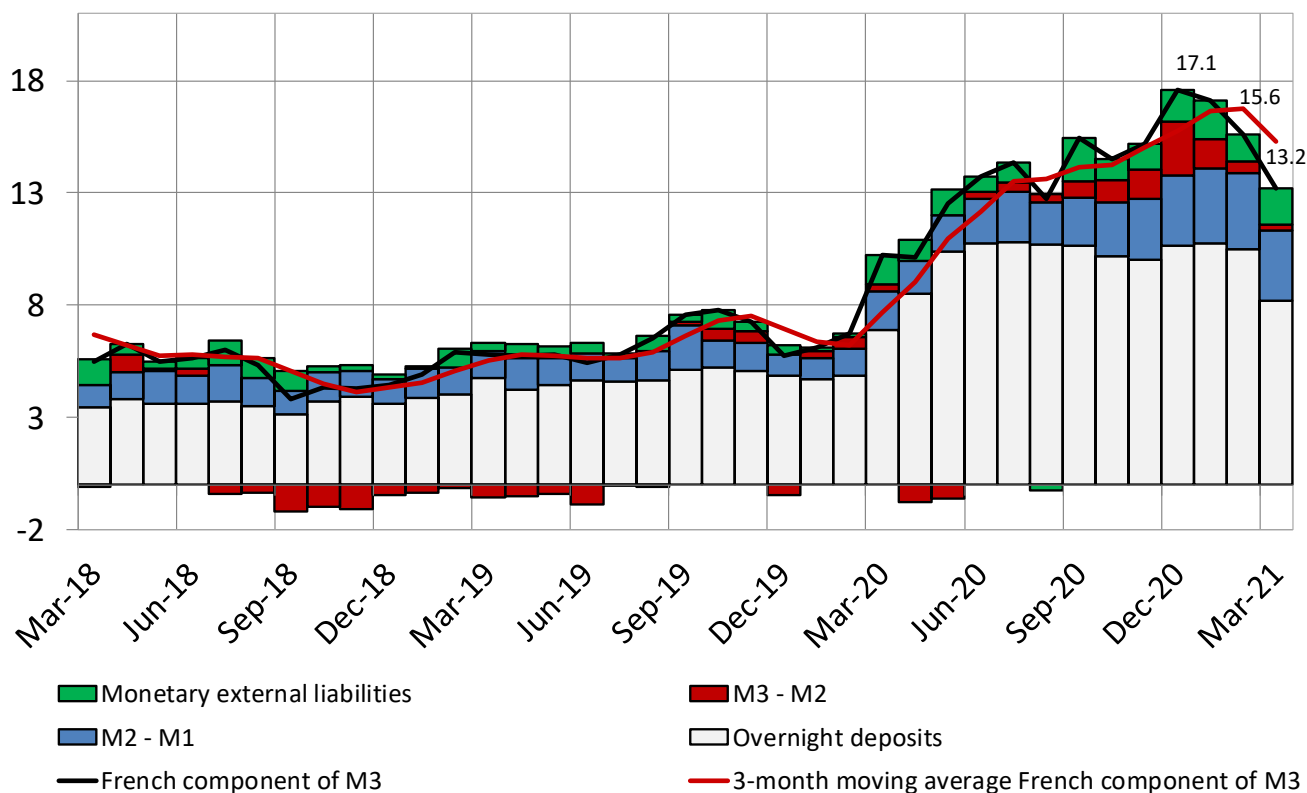
(a) Seasonally-adjusted data.

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.

