

26 August 2021

## Monetary developments – France • July 2021

### Growth in the French component of aggregate M3 is stable at 7.9 %

On an annual basis, growth of the overnight deposits stabilizes in July at + 8.8 % (up from + 8.7 % in June and down from + 8.9 % in May 2021).

The growth of M2 – M1 aggregate is unchanged in July with + 6.4 % year-on-year, the slight slowdown in saving accounts (+ 8.6 %, down from + 8.7 % in June) is offset by a smaller decline in deposits with agreed maturity of up to 2 years (- 7.0 %, down from - 7.9 % in June).

The annual growth of M3-M2 aggregate becomes negative (- 0.5 %, down from + 2.0 % in June and + 7.2 % in May), the smaller contraction in outstandings of debt securities issued with a maturity of up to 2 years and in repurchase agreements (resp. - 13.4 % and - 27.1 % in July) being more than offset by the slowdown in MMF shares investments in July (+ 6.3 %, down from + 8.4 %).

After taking into account monetary assets and liabilities vis-à-vis other euro area members, the growth in the French component of aggregate M3 is almost unchanged in July 2021 (+ 7.9 % year-on-year, up from + 7.8 % in June and + 9.0 % in May 2021).

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

	Outstandings (in € Bn) (a)	Annual growth rate (in %) (a)		
		Jul-21	May-21	Jun-21
Overnight deposits	1 491	8.9	8.7	8.8
<b>= Domestic resources included in M1</b>	<b>1 491</b>	<b>8.9</b>	<b>8.7</b>	<b>8.8</b>
<i>Domestic resources included in M1, 3-month moving average</i>		13.0	10.2	8.8
Deposits with agreed maturity of up to 2 years	113	1.1	-7.9	-7.0
+ Saving accounts	811	9.4	8.7	8.6
<b>= Domestic resources included in M2-M1</b>	<b>924</b>	<b>8.2</b>	<b>6.4</b>	<b>6.4</b>
<i>Domestic resources included in M2-M1, 3-month moving average</i>		8.9	7.8	7.0
MMF shares	282	21.0	8.4	6.3
+ Repurchase agreements	30	-29.4	-12.9	-27.1
+ Debt securities issued with a maturity of up to 2 years	46	-21.0	-16.8	-13.4
<b>= Domestic resources included in M3-M2</b>	<b>359</b>	<b>7.2</b>	<b>2.0</b>	<b>-0.5</b>
<i>Domestic resources included in M3-M2, 3-month moving average</i>		6.3	6.1	2.9
<b>Sum of domestic resources included in M3</b>	<b>2 774</b>	<b>8.4</b>	<b>7.0</b>	<b>6.7</b>
<i>Sum of domestic resources included in M3, 3-month moving average</i>		10.6	8.8	7.4
+ Monetary external liabilities vis-à-vis other monetary union members	288	11.1	13.5	18.0
- Monetary external assets vis-à-vis other monetary union members	47	-7.9	-4.3	-4.7
<b>= French component of euro area monetary aggregate M3</b>	<b>3 014</b>	<b>9.0</b>	<b>7.8</b>	<b>7.9</b>
<i>French component of euro area monetary aggregate M3, 3-month moving average</i>		11.0	9.5	8.2

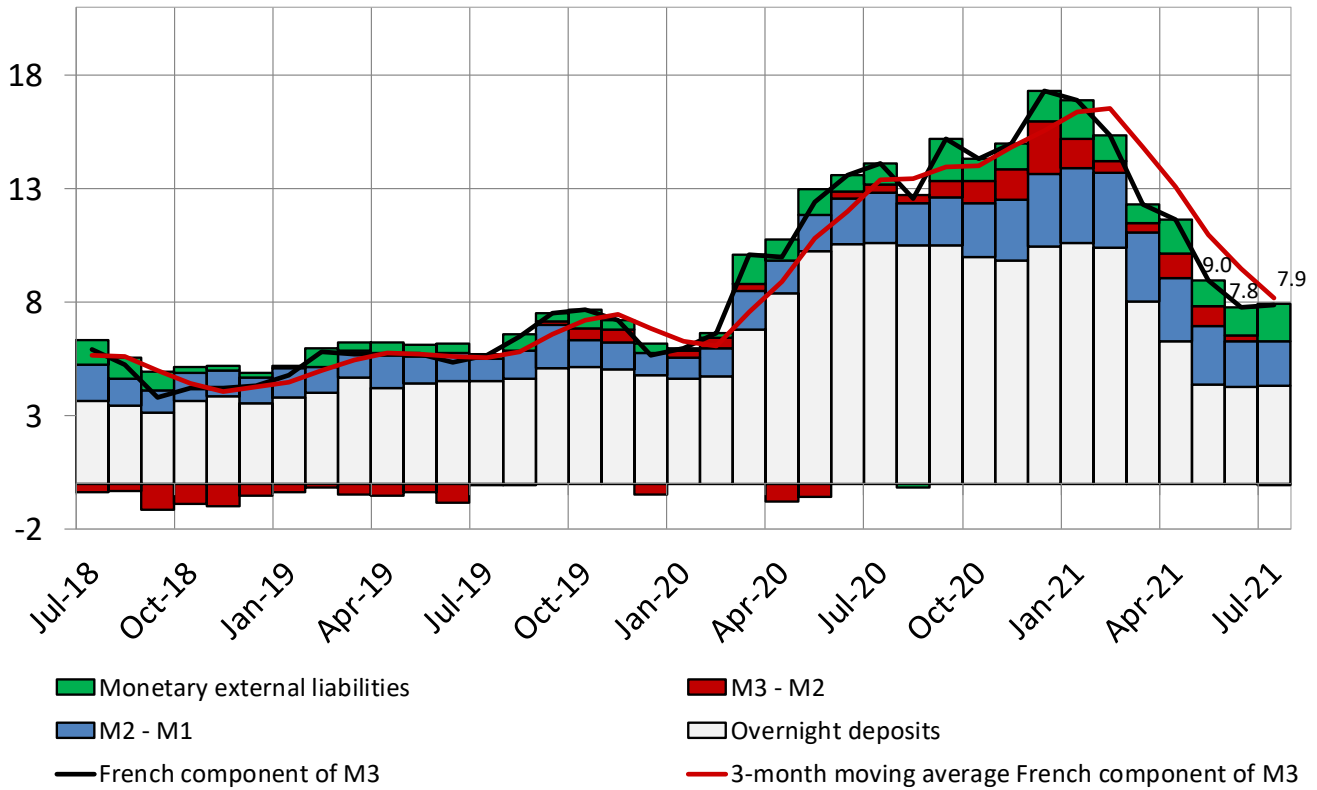
(a) Seasonally-adjusted data.

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.

