



Paris, 19 March 2025

**PRESS RELEASE ON THE 2024 ANNUAL REPORT AND FINANCIAL STATEMENTS**

The Banque de France reports a loss of EUR 7.7 billion for 2024, after a release of EUR 10.1 billion from the Fund for General Risks. This sum will be allocated to retained earnings and will be absorbed by future profits. The Banque de France's net worth remains strong and highly positive at more than EUR 202.7 billion. Losses are expected to come down significantly in 2025.

## Financial statements for 2024

The normalisation of monetary policy that began in 2022 with the raising of key interest rates to combat high inflation has resulted in a sharp decline in monetary income. This effect can be seen across all central banks within and outside of the Eurosystem that pursued unconventional monetary policies. This is because under asset purchase programmes, securities acquired at low – or even negative – fixed rates over long maturities result in bank deposits on the liabilities side that are remunerated at the deposit facility rate, and thus represent an expense for central banks. Despite the reduction in key rates that began in the second half of 2024, the average deposit facility rate over the 2024 financial year was 3.7% (compared with 3.3% in 2023), giving rise to expenses that far exceeded the income generated by monetary policy assets.

Therefore, **net monetary income** continued to show a significant negative balance in 2024 that was comparable to that of the previous year: -EUR 15.3 billion against -EUR 14.9 billion in 2023. Indeed, the expenses associated with the remuneration of excess liquidity at the deposit facility rate remained high in 2024 despite rates beginning to decline and excess liquidity being reabsorbed within the Eurosystem (a EUR 700 billion decrease over the 2024 financial year). Meanwhile, the balance sheet contracted by almost EUR 81 billion, as securities purchased under the asset purchase programmes and long-term loans to credit institutions came to maturity in 2024.

This level of monetary losses constitutes **a peak**. In fact, the asymmetry between the cost of funds and the yield on assets will gradually be absorbed from 2025, with the interest rates associated with funds coming down, low-yielding assets gradually declining, and the volumes in question continually contracting. This mechanism has also resulted in significant losses for most central banks in developed countries including the European Central Bank (-EUR 7.9 billion) and the Bundesbank (-EUR 19.2 billion) in 2024.

**Income from financial assets held for own account** was down by EUR 5.4 billion. This change is mainly due to a less favourable basis of comparison as the sales of US dollar denominated assets that were carried out in 2023, generating capital gains of EUR 4 billion, were not repeated. This was further compounded by the increase in the cost of financing of assets held for own account due to higher average key rates in 2024 than in 2023.

**Net operating expenditure**, down to EUR 888 million in 2024 from EUR 895 million in 2023, remained tightly controlled and below the EUR 912 million ceiling set in the strategic plan.

Taking these expenses into account, profit before tax amounted to a loss of EUR 17.9 billion. This was offset by a EUR 10.1 billion release from the Fund for General Risks. In total, **the Banque de France reports a net loss of EUR 7.7 billion for 2024, which was allocated to retained earnings and will be cleared by future profits.**

At the end of 2024, the Banque de France maintained a financial position that was sufficiently sound to avoid any need for recapitalisation from the French government. After taking into account the loss for the 2024 financial year, its net worth – consisting of equity and unrealised capital gains on assets held – amounted to EUR 202.7 billion, up EUR 32.9 billion year on year due to the increase in the value of gold and foreign exchange assets in 2024.

---

**About the Banque de France.** The Banque de France is an independent institution with three core tasks: monetary strategy, financial stability, and the provision of services to the economy. It contributes to the definition of euro area monetary policy and ensures its implementation in France. It supervises banks and insurance companies, and works to mitigate risks. It also offers a range of economic services to businesses and private individuals.

Visit our website [www.banque-france.fr](http://www.banque-france.fr)

Follow us    