

# Financial overview of investment funds – France – Q1 2024

28 June 2024

## Outstanding amount in money market fund shares increases in Q1 2024

- The level of interest rates continues to encourage investment in **money market funds shares**, with net subscriptions of €48 bn over the year (cf. G1, for a €58 bn change in assets under management, cf. table p.2). Consolidated outstanding amounts of French MMF shares total €421 bn, versus €363 bn one year ago.

Holdings of MMF shares over a sliding year: insurance companies and other financial institutions remain the main buyers (+€16 bn and +€14 bn respectively), followed by households and NFCs (for €12 bn and €11 bn respectively).

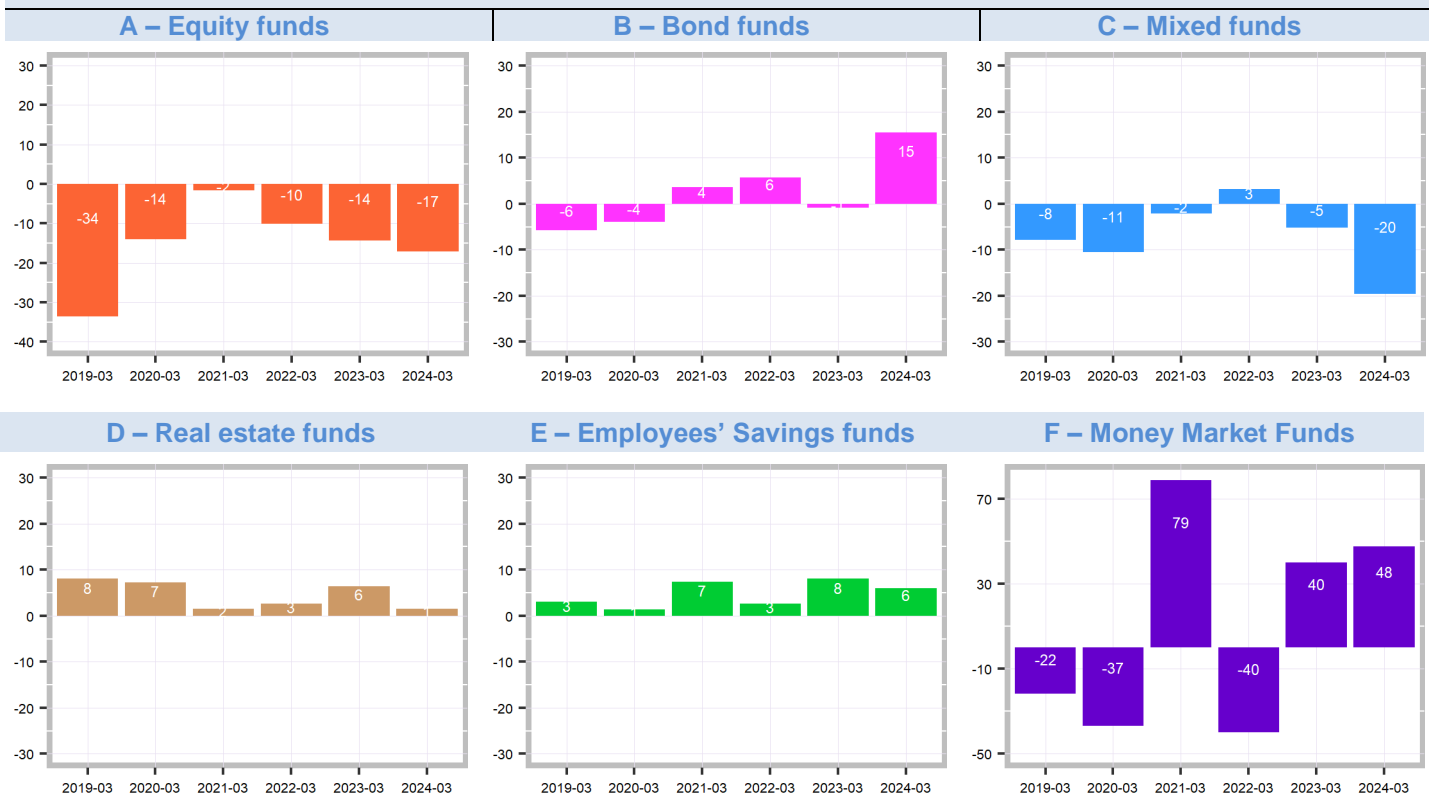
Changes in portfolio assets: over one year, French money market funds acquired €30 bn in short-term debt securities, €20 bn in long-term debt securities, from resident issuers for €26 bn and non-resident issuers for €22 bn. They also increased their deposits and other net investments by €9 bn.

- By contrast, **non-money market funds** record net outflows of €12 bn over the year (see table p.2). Investors withdraw from equity and mixed funds (-€17 bn and -€20 bn, cf. G1), investing in bond and employee savings funds (+€15 bn and +€6 bn respectively).

Holdings of non-MMF shares: The decline in holdings of non-money market funds shares by non-money market funds, with a net outflow of -€13 billion over the year, is behind the overall net outflow. The other developments offset each other: insurance companies and households are net sellers of non-money market funds (-€7 bn and -€3 bn respectively), while general government, NFCs and MFIs are net buyers (+€5 bn, +€5 bn and +€3 bn). Non-residents are net sellers for €3 bn.

Changes in portfolio assets: Over the year, French non-money market funds invested mainly in long-term debt securities (+€21 bn), selling equities (-€15 bn) and reducing their deposits and other net investments (-€11 bn). They favored non-resident issuers (+€20 bn) to the detriment of residents (-€24 bn).

### G1. Net subscriptions by type of funds (cumulative flows over 4 quarters - Billion €)



## Investment funds assets and investors

(EUR billion)

Assets		Net flows (a)		Stocks Share (%)		Investors	Net flows (a)		Stocks Share (%)		
		2024Q1	4 moving quarters	2024Q1			2024Q1 (g)	4 moving quarters	2024Q1		
<b>Non-money market funds</b>	<b>Total</b>	-1	-12	1 574	100%	<b>Total</b>	-1	-12	1574	100%	
	<b>by type of instrument</b>	Debt securities up to 1 year	-1	-2	22	1%	<b>Resident</b>	-8	-9	1411	90%
		Debt securities over 1 year	7	21	423	27%	Insurance corporations	-5	-7	610	39%
		Equity	-4	-15	644	41%	Households and NPSH	-5	-3	305	19%
		Investment fund shares	-5	-8	372	24%	Non money market funds	-5	-13	181	12%
		Real estate assets	1	3	90	6%	General Government	2	5	168	11%
		Net deposits and loans and other assets	3	-11	23	1%	MFIs	2	3	51	3%
	<b>by geographical area (c)</b>	Resident	-9	-24	735	50%	Non-Financial corporations	4	5	76	5%
		Non-Resident euro area	4	20	457	31%	Other financial institutions	0	1	21	1%
		Non-Euro area	1	0	268	18%					
<b>by issuer (c)</b>	Non-Financial corporations and others	-2	-4	697	48%	<b>Non-Resident euro area</b>	5	-3	116	7%	
	MFIs	-1	-3	200	14%	MFIs	1	-7	68	4%	
	General Government	-1	-2	114	8%	Non MFIs	4	4	47	3%	
	Others (e)	0	5	450	31%	<b>Non-Euro area</b>	3	0	47	3%	
	<i>of which non money market funds</i>	-1	-1	306	21%						
<b>Money market funds (f)</b>	<b>Total</b>	24	58	421	100%	<b>Total</b>	24	58	421	100%	
	<b>by type of instrument</b>	Debt securities up to 1 year	20	30	288	68%	<b>Resident</b>	23	50	321	76%
		Debt securities over 1 year	5	20	57	13%	Insurance corporations	3	16	117	28%
		Investment fund shares	0	-1	1	0%	Non-Financial corporations	6	11	72	17%
		Net deposits and loans and other assets	-2	9	76	18%	Non money market funds	-5	0	75	18%
	<b>by geographical area (c)</b>	Resident	16	26	168	49%	Households and NPSH	8	12	15	4%
		Non-Resident euro area	3	14	108	31%	General Government	-1	-2	21	5%
		Non-Euro area	7	8	70	20%	Credit Institutions	0	0	4	1%
	<b>by issuer (c)</b>	MFIs	25	57	252	73%	Other financial institutions	12	14	16	4%
		Non-Financial corporations and others	2	-9	55	16%	<b>Non-Resident euro area</b>	0	8	95	22%
Others (e)		0	0	31	9%	MFIs	1	8	89	21%	
General Government		0	0	8	2%	Non MFIs	-1	0	6	1%	
					<b>Non-Euro area</b>	1	0	6	1%		

Note: As from this publication, real estate funds are integrated in data; Rounding differences mean that an aggregate may not be exactly equal to the sum of its components.

Source : Banque de France

(a) Variation of outstanding amounts for Money Market Funds

(b) net loans and net other assets include financial derivatives, non-financial assets and other receivables, net of other liabilities

(c) excluding loans and other net assets ; only securities portfolio

(d) Others added to Non-Financial Corporations include others Financial Institutions of the rest of the world (non MFIs as Insurance Corporations)

(e) Others : Non Money Market funds, Insurance and other Financial Institutions

(f) Consolidated Data: consolidated outstanding of money market fund shares or units do not include the resident securities held by money market funds themselves

(g) Quarterly holdings data are provisional and will be revised next quarter

