

Month-on-month change

In May 2015, M3 aggregate increased by 0.2 percent to 1,082 billion dirhams, mainly as a result of a rise by 1.5 percent in net international reserves and by 1.1 percent in net claims on the central government. Conversely, bank lending was down 0.2 percent.

The decline in bank lending is mainly due to the decrease by 2.5 percent in cash facilities to private nonfinancial corporations. On the other hand, consumer loans grew by 0.9 percent and real-estate loans by 0.2 percent, masking a 0.6 percent rise in housing loans as against a 1.2 percent drop in loans to real estate developers. Equipment loans remained almost at their same level of the previous month.

By component, M3 growth reflects mainly the rise by 1.1 percent in scriptural money and by 0.9 percent in currency in circulation. Conversely, time deposits with banks fell by 1.5 percent and money market fund shares/units held by institutional sectors fell by 1.3 percent.

Year-on-year change

M3 growth in May 2015 slowed down to 5.5 percent, from 6.8 percent in April. This change mainly reflects the drop by 8.3 percent in money market fund shares/units held by institutional sectors, after a 0.4 percent rise in the previous month, and a deceleration to 5.7 percent of time deposits with banks¹ from 18.6 percent a month earlier. Meanwhile, growth rates of demand deposits and currency in circulation stabilized at 4.6 and 5.3 percent, respectively.

M3 deceleration is due to the slowdown in bank lending to 2.5 percent in April and 2.1 percent in May. Conversely, net claims on the central government rose by 4.3 percent from 0.6 percent and net international reserves by 18 percent from 17.1 percent.

By economic purpose, the slowdown in bank lending is attributable to the decline by 2.1 percent in cash facilities, the stronger drop in loans to real-estate developers from 6.4 percent to 8 percent and to the slowdown in equipment loans to 1.9 percent from 1 percent. Meanwhile, consumer loans grew by 11.8 percent from 11.5 percent, while housing loans posted a similar growth rate as in the previous month, at 6.2 percent.

By institutional sector, loans to the private sector decelerated from 2.2 percent to 1.5 percent, following the higher drop of loans to private nonfinancial corporations from 0.3 percent to 1.5 percent. As to loans to households, they grew at a similar level than in the previous month, that is 5.2 percent.

¹ Mainly relating to a base effect, relating to the time deposits made by the OCP with banks in May 2014 in line with inflows from its international bond issuance.

Key indicators of monetary statistics

Million DH

	Outstanding amount	△		△ (%)	
	May-15	April-15	May-14	April-15	May-14
M1	659 098	6 657	33 075	1,0 ▲	5,3 ▲
M2	792 275	6 829	41 877	0,9 ▲	5,6 ▲
M3	1 082 226	1 739	56 437	0,2 ▲	5,5 ▲
Liquid investment aggregate	492 466	-4 803	53 579	-1,0 ▼	12,2 ▲
Currency in circulation	181 469	1 607	9 058	0,9 ▲	5,3 ▲
Banking deposits included from broad money⁽¹⁾	765 652	1 668	49 233	0,2 ▲	6,9 ▲
Demand deposits with the banking system	427 036	4 584	18 893	1,1 ▲	4,6 ▲
Time accounts and fixed-term bills	162 749	-2 497	8 781	-1,5 ▼	5,7 ▲
Securities of money market UCITS	55 073	-724	-4 962	-1,3 ▼	-8,3 ▼
Net international reserves	193 766	2 816	29 547	1,5 ▲	18,0 ▲
Net claims on central government	154 285	1 616	6 350	1,1 ▲	4,3 ▲
Lending to the economy	867 715	-526	13 623	-0,1 ▼	1,6 ▲
Loans of other depository corporations⁽²⁾	759 523	-309	13 093	0,0 ▼	1,8 ▲
Bank loans	752 205	-1 691	15 281	-0,2 ▼	2,1 ▲
By economic purpose					
Real estate loans	239 273	442	6 258	0,2 ▲	2,7 ▲
Home loans	174 308	1 047	10 211	0,6 ▲	6,2 ▲
Loans to property developers	61 509	-769	-5 323	-1,2 ▼	-8,0 ▼
Debtor accounts and overdraft facilities	168 835	-4 211	-3 544	-2,4 ▼	-2,1 ▼
Equipment loans	141 551	118	1 409	0,1 ▲	1,0 ▲
Consumer loans	45 629	428	4 824	0,9 ▲	11,8 ▲
Miscellaneous claims	102 308	947	-962	0,9 ▲	-0,9 ▼
Non-performing loans	54 608	586	7 296	1,1 ▲	15,4 ▲
By institutional sectors					
Other financial corporations	92 998	261	3 035	0,3 ▲	3,4 ▲
Public sector	47 870	-126	3 339	-0,3 ▼	7,5 ▲
Local government	12 765	62	389	0,5 ▲	3,1 ▲
Public nonfinancial corporations	35 105	-188	2 950	-0,5 ▼	9,2 ▲
Private sector	611 337	-1 825	8 907	-0,3 ▼	1,5 ▲
Other nonfinancial corporations	331 051	-2 652	-4 881	-0,8 ▼	-1,5 ▼
Households and NPISH ⁽³⁾	280 285	827	13 788	0,3 ▲	5,2 ▲

(1) All deposits opened by money-holding sectors with the banking system except regulated deposits and guarantee deposits.

(2) Banks and monetary UCITS

(3) Nonprofit Institutions Serving Households

Chart 1: Annual change in M3

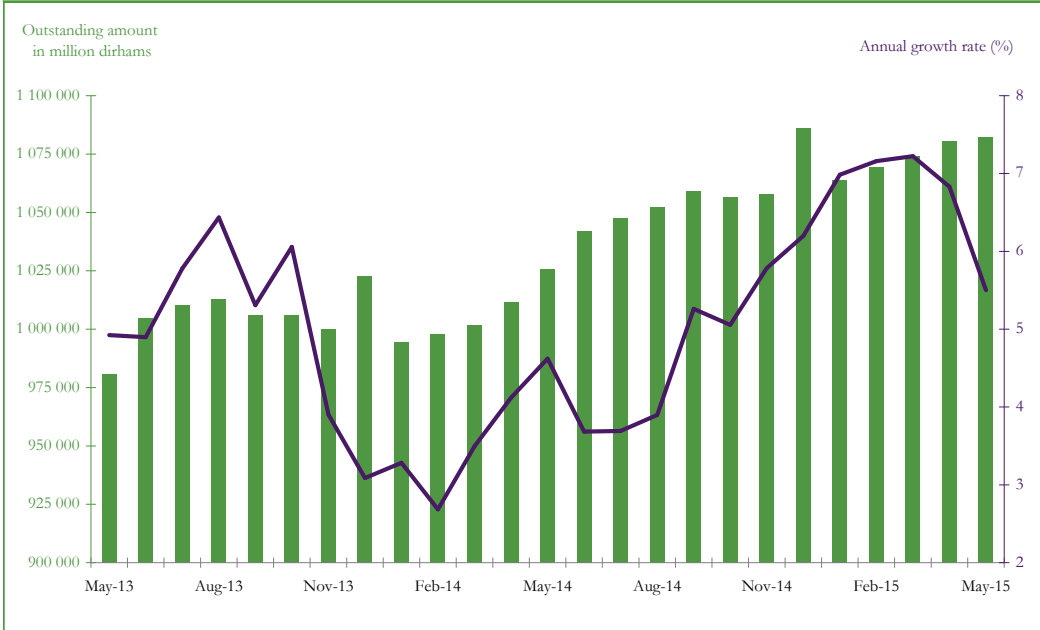


Chart 2: Annual change in M3 components

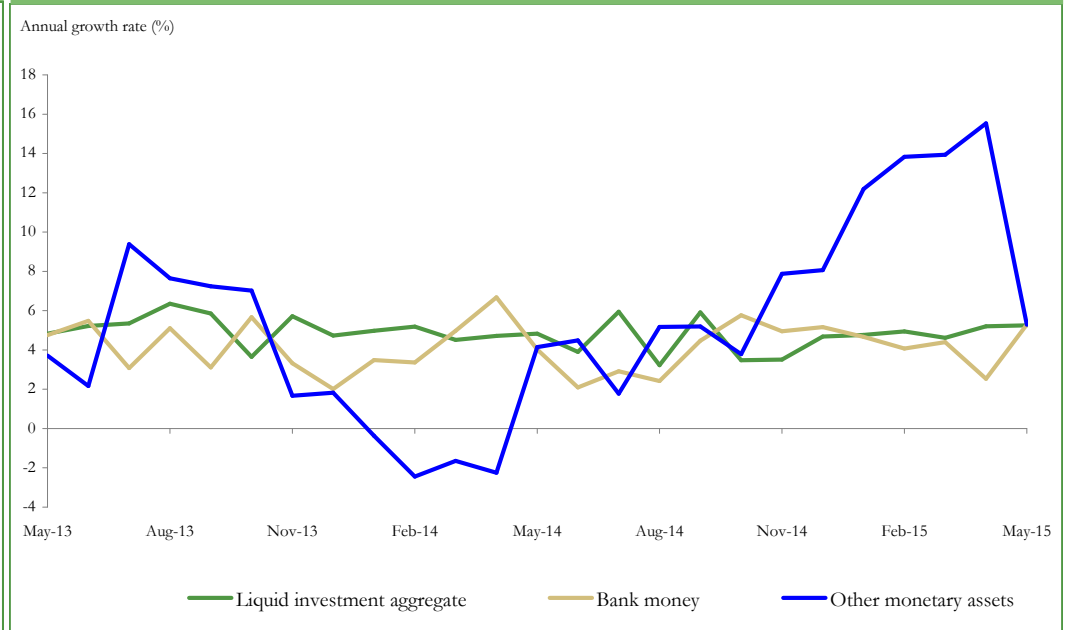


Chart 3: Change in Net international reserves



Chart 4: Annual change in bank loans by economic purpose

