

**On a monthly basis**, M3 rose 1.3 percent in February 2016, due to the increase of net foreign reserves by 1.9 percent, and of claims on the economy by 0.8 percent, especially those of money market funds. As for bank lending, it remained virtually unchanged compared to the previous month. Meanwhile, net claims on the Central Government fell 5.8 percent from one month to the other.

The stagnation of bank lending covers divergent developments by category. In fact, loans grew 1 percent for equipment, 0.7 percent for housing and 0.8 percent for consumption. On the other hand, liquidity facilities and property development loans declined by 1.2% and 1.4% respectively.

**Year-on-year**, M3 growth rate accelerated from 4.8 percent in January to 5.7 percent. This development particularly includes an increase of sight deposits with banks by 8.3 percent, as against 5.5 percent, a slower decline in money market fund shares held by economic agents from 13.4 percent to 9.8 percent, as well as a deceleration in the growth rate of both term deposits, from 10.5 percent to 8.9 percent, and banknotes in circulation, from 7.4 percent to 7 percent.

By counterpart, M3 growth was mainly due to the acceleration of bank credit to 1.4 percent from 1.2 percent and a rise in net international reserves by 27.6 percent from 24.9 percent. Conversely, net claims on the central government dropped 4.6 percent after rising 1.8 percent in January 2016.

The analysis of annual change in bank credit by economic object shows acceleration by 1.5 percent from 0.6 percent of the rise in equipment loans and a slighter drop in cash loans to 4 percent from 4.3 percent. Real estate loans slowed down to 0.9 percent from 1.1 percent in January, due to a stronger contraction of loans to real estate development from 10.6 percent to 10.9 percent, while housing loans increased 5.7 percent from 5.5 percent. With respect to consumer loans, their growth remained virtually unchanged at 5.2 percent.

By institutional sector, bank credit to the nonfinancial sector grew by 0.9 percent from 0.5 percent in January, as a result of a lesser drop in loans to the public sector (excluding the central government) to 1.7 percent from 3 percent and an increase by 1.1 percent from 0.8 percent in loans to the private sector. Indeed, loans to private nonfinancial corporations fell back to their level of January 2015 after dropping by 1.4 percent, while the growth rate of loans to households decelerated to 2.4 percent from 3.5 percent.

## Key indicators of monetary statistics

Million DH

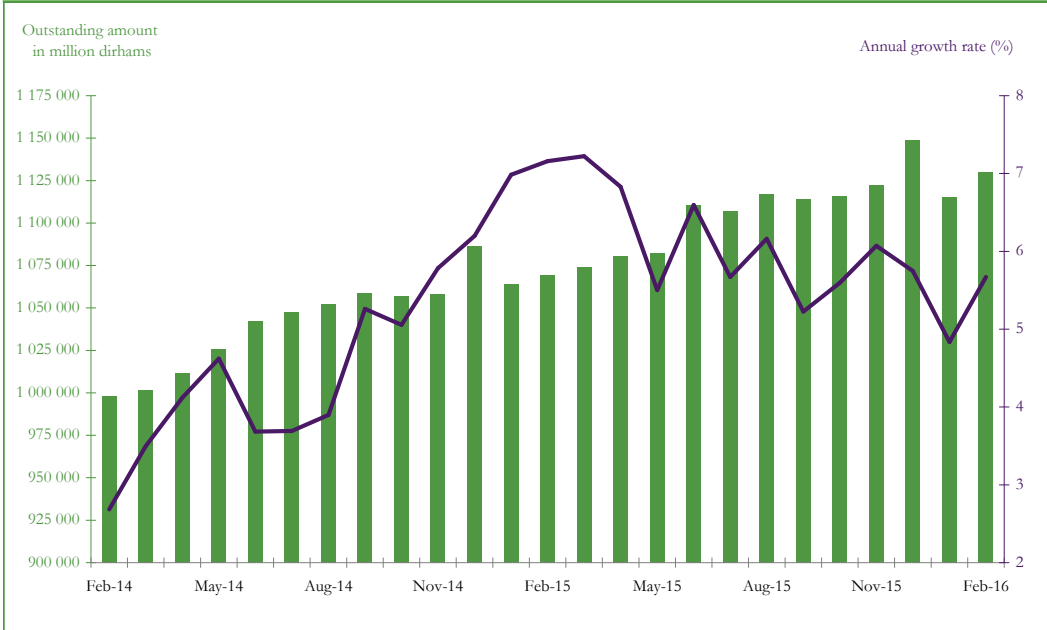
	Outstanding amount		△		△ (%)		
	February-16	January-16	December-15	February-15	January-16	December-15	February-15
M1	698 001	10 778	-9 736	52 122	1,6 ▲	-1,4 ▼	8,1 ▲
M2	838 205	11 372	-7 917	60 387	1,4 ▲	-0,9 ▼	7,8 ▲
<b>M3</b>	<b>1 129 976</b>	<b>14 690</b>	<b>-18 689</b>	<b>60 629</b>	<b>1,3 ▲</b>	<b>-1,6 ▼</b>	<b>5,7 ▲</b>
Liquid investment aggregate	554 455	6 948	9 275	65 720	1,3 ▲	1,7 ▲	13,4 ▲
<b>Currency in circulation</b>	<b>191 352</b>	<b>-1 189</b>	<b>-938</b>	<b>12 595</b>	<b>-0,6 ▼</b>	<b>-0,5 ▼</b>	<b>7,0 ▲</b>
<b>Banking deposits included from broad money<sup>(1)</sup></b>	<b>802 009</b>	<b>3 665</b>	<b>-14 994</b>	<b>52 848</b>	<b>0,5 ▲</b>	<b>-1,8 ▼</b>	<b>7,1 ▲</b>
Demand deposits with the banking system	453 355	6 487	-13 173	34 858	1,5 ▲	-2,8 ▼	8,3 ▲
Time accounts and fixed-term bills	170 093	-1 579	-779	13 948	-0,9 ▼	-0,5 ▼	8,9 ▲
<b>Securities of money market UCITS</b>	<b>56 266</b>	<b>7 480</b>	<b>-6 208</b>	<b>-6 127</b>	<b>15,3 ▲</b>	<b>-9,9 ▼</b>	<b>-9,8 ▼</b>
<b>Net international reserves</b>	<b>233 751</b>	<b>4 275</b>	<b>9 144</b>	<b>50 624</b>	<b>1,9 ▲</b>	<b>4,1 ▲</b>	<b>27,6 ▲</b>
<b>Net claims on central government</b>	<b>140 853</b>	<b>-8 669</b>	<b>-6 573</b>	<b>-6 865</b>	<b>-5,8 ▼</b>	<b>-4,5 ▼</b>	<b>-4,6 ▼</b>
<b>Lending to the economy</b>	<b>897 086</b>	<b>7 305</b>	<b>-6 867</b>	<b>19 361</b>	<b>0,8 ▲</b>	<b>-0,8 ▼</b>	<b>2,2 ▲</b>
<b>Loans of other depository corporations<sup>(2)</sup></b>	<b>775 498</b>	<b>7 078</b>	<b>-15 190</b>	<b>8 859</b>	<b>0,9 ▲</b>	<b>-1,9 ▼</b>	<b>1,2 ▲</b>
<b>Bank loans</b>	<b>764 114</b>	<b>187</b>	<b>-20 281</b>	<b>10 389</b>	<b>0,0 ■</b>	<b>-2,6 ▼</b>	<b>1,4 ▲</b>
<b>By economic purpose</b>							
Real estate loans	240 810	-103	-56	2 227	0,0 ■	0,0 ■	0,9 ▲
Home loans	181 169	1 277	1 895	9 744	0,7 ▲	1,1 ▲	5,7 ▲
Loans to property developers	57 349	-810	-969	-6 991	-1,4 ▼	-1,7 ▼	-10,9 ▼
Debtor accounts and overdraft facilities	166 742	-2 095	-5 716	-6 891	-1,2 ▼	-3,3 ▼	-4,0 ▼
Equipment loans	146 481	1 392	1 080	2 141	1,0 ▲	0,7 ▲	1,5 ▲
Consumer loans	46 816	383	586	2 328	0,8 ▲	1,3 ▲	5,2 ▲
Miscellaneous claims	105 425	-174	-17 393	5 330	-0,2 ▼	-14,2 ▼	5,3 ▲
Non-performing loans	57 841	785	1 218	5 254	1,4 ▲	2,2 ▲	10,0 ▲
<b>By institutional sectors</b>							
Other financial corporations	94 123	-367	-17 328	4 300	-0,4 ▼	-15,5 ▼	4,8 ▲
<b>Public sector</b>	<b>46 776</b>	<b>391</b>	<b>-4 732</b>	<b>-795</b>	<b>0,8 ▲</b>	<b>-9,2 ▼</b>	<b>-1,7 ▼</b>
Local government	14 138	14	3	816	0,1 ▲	0,0 ■	6,1 ▲
Public nonfinancial corporations	32 638	377	-4 735	-1 611	1,2 ▲	-12,7 ▼	-4,7 ▼
<b>Private sector</b>	<b>623 215</b>	<b>163</b>	<b>1 779</b>	<b>6 884</b>	<b>0,0 ■</b>	<b>0,3 ▲</b>	<b>1,1 ▲</b>
Other nonfinancial corporations	338 980	2 468	3 914	69	0,7 ▲	1,2 ▲	0,0 ■
Households and NPISH <sup>(3)</sup>	284 235	-2 305	-2 136	6 815	-0,8 ▼	-0,7 ▼	2,5 ▲

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

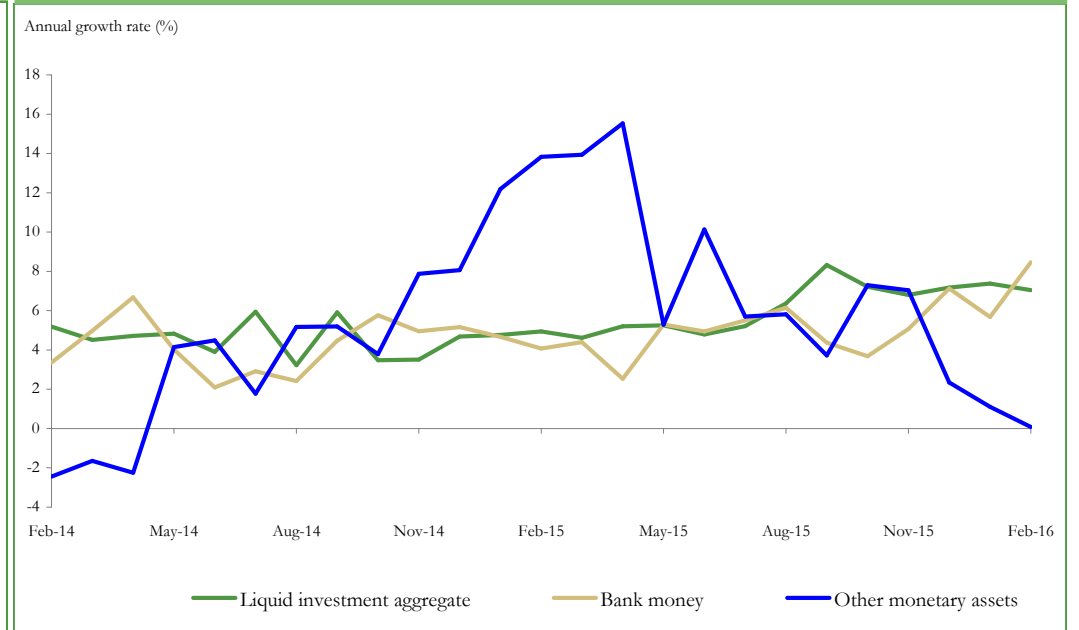
(2) Banks and monetary UCITS

(3) Nonprofit Institutions Serving Households

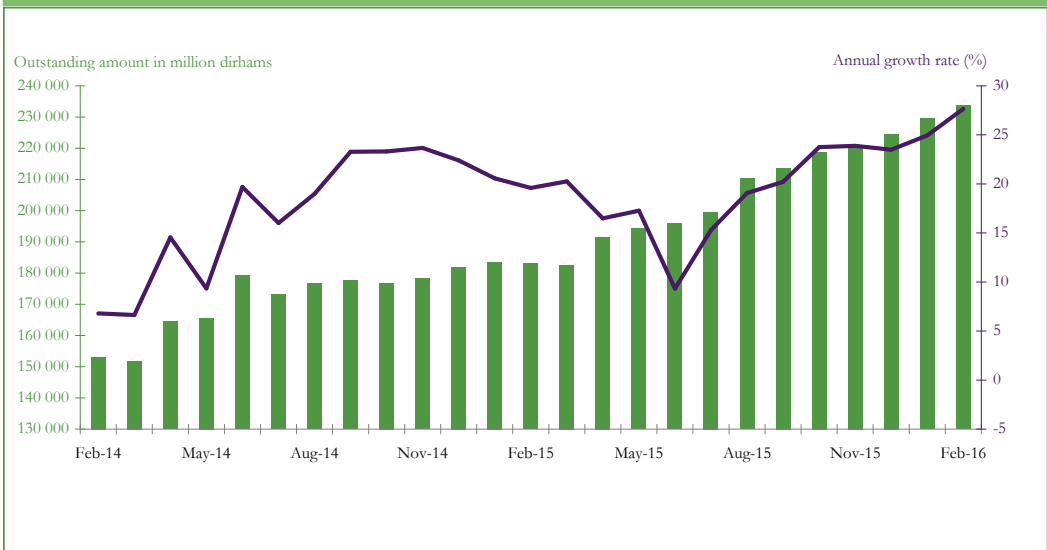
**Chart 1: Annual change in M3**



**Chart 2: Annual change in M3 components**



**Chart 3: Change in Net international reserves**



**Chart 4: Annual change in bank loans by economic purpose**

