

**On a monthly basis**, M3 contracted by 0.3 percent to 1,161.8 billion dirhams, reflecting a decline in bank lending by 0.7 percent and net international reserves by 0.2 percent. In contrast, net claims on the central government increased by 0.9 percent.

The monthly decrease in bank lending is due mainly to the decline in financial loans by 5.7 percent, cash advances by 0.6 percent and real estate loans by 0.1 percent. However, equipment loans and consumer loans grew by 0.4 percent.

**On a yearly basis**, M3 grew at nearly the same rate as the previous month, by 5 percent. This development covers a less rapid growth in demand deposits with banks, from 8.2 to 7.4 percent, a deeper decline in time deposits from -1 to -2.4 percent and a slower increase in currency in circulation from 7.2 to 6.2 percent. Money market funds' shares/units held by institutional sectors declined less steeply by 3.4 percent after 4.7 percent.

By counterparty, the increase in bank lending accelerated from 2 to 2.2 percent and net international reserves increased by 24.4 to 21.8 percent. Net claims on the central government fell by 6.1 percent.

By economic purpose, the annual change in bank lending mainly reflects the accelerating pace of growth in equipment loans from 3.2 to 4.4 percent and the less rapid decline in cash advances from 0.5 to 0.1 percent. However, growth in consumer loans virtually stabilized at 4.9 percent while the growth rate of real estate loans slowed down from 2.1 to 1.7 percent.

By institutional sector, the growth in loans to the nonfinancial sector accelerated from 2.7 to 3.2 percent, because of a slight acceleration in loans to the private sector from 2.6 to 2.7 percent and an increase in loans to public nonfinancial corporations from 3.3 to 9.6 percent.

## Key indicators of monetary statistics

Million DH

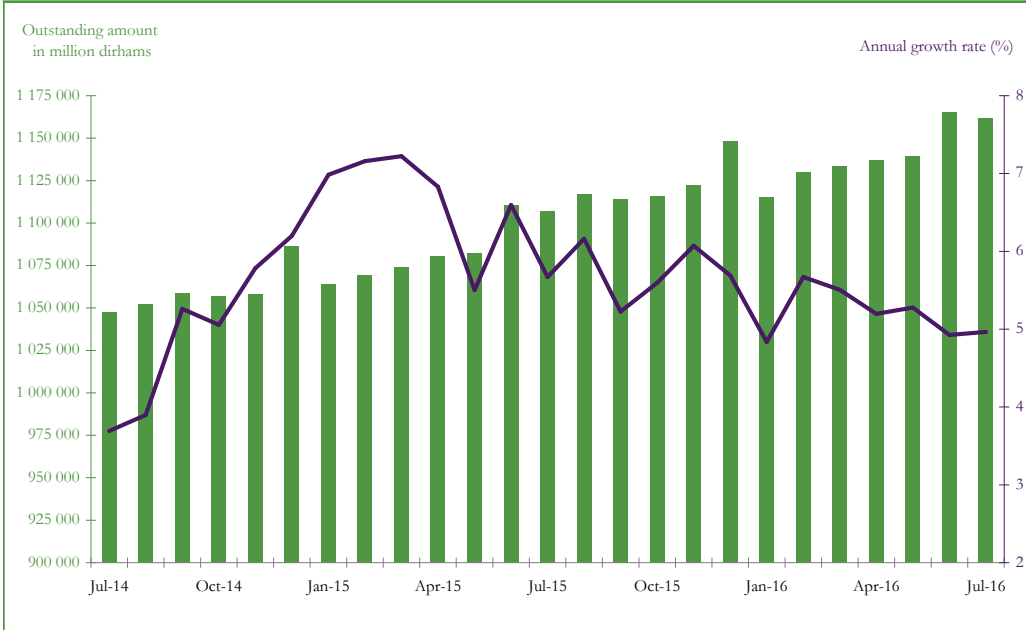
	Outstanding amount	△		△ (%)	
	July-16	June-16	July-15	June-16	July-15
M1	724 759	857	48 039	0,1 ▲	7,1 ▲
M2	867 397	1 576	55 792	0,2 ▲	6,9 ▲
<b>M3</b>	<b>1 161 845</b>	<b>-3 409</b>	<b>54 961</b>	<b>-0,3 ▼</b>	<b>5,0 ▲</b>
Liquid investment aggregate	574 758	471	50 104	0,1 ▲	9,5 ▲
<b>Currency in circulation</b>	<b>199 810</b>	<b>5 030</b>	<b>11 592</b>	<b>2,6 ▲</b>	<b>6,2 ▲</b>
<b>Banking deposits included from broad money<sup>(1)</sup></b>	<b>819 884</b>	<b>-3 738</b>	<b>38 164</b>	<b>-0,5 ▼</b>	<b>4,9 ▲</b>
Demand deposits with the banking system	472 248	-2 658	32 456	-0,6 ▼	7,4 ▲
Time accounts and fixed-term bills	161 003	-3 738	-3 949	-2,3 ▼	-2,4 ▼
<b>Securities of money market UCITS</b>	<b>58 154</b>	<b>-5 929</b>	<b>-2 058</b>	<b>-9,3 ▼</b>	<b>-3,4 ▼</b>
<b>Net international reserves</b>	<b>243 245</b>	<b>-394</b>	<b>43 590</b>	<b>-0,2 ▼</b>	<b>21,8 ▲</b>
<b>Net claims on central government</b>	<b>143 132</b>	<b>1 328</b>	<b>-9 367</b>	<b>0,9 ▲</b>	<b>-6,1 ▼</b>
<b>Lending to the economy</b>	<b>930 087</b>	<b>-1 483</b>	<b>36 930</b>	<b>-0,2 ▼</b>	<b>4,1 ▲</b>
<b>Loans of other depository corporations<sup>(2)</sup></b>	<b>800 612</b>	<b>-7 107</b>	<b>20 911</b>	<b>-0,9 ▼</b>	<b>2,7 ▲</b>
<b>Bank loans</b>	<b>787 199</b>	<b>-5 293</b>	<b>16 917</b>	<b>-0,7 ▼</b>	<b>2,2 ▲</b>
<b>By economic purpose</b>					
Real estate loans	244 750	-306	4 042	-0,1 ▼	1,7 ▲
Home loans	184 429	-565	8 851	-0,3 ▼	5,0 ▲
Loans to property developers	57 556	485	-4 216	0,9 ▲	-6,8 ▼
Debtor accounts and overdraft facilities	178 423	-1 165	-101	-0,6 ▼	-0,1 ▼
Equipment loans	145 025	633	6 175	0,4 ▲	4,4 ▲
Consumer loans	48 251	203	2 259	0,4 ▲	4,9 ▲
Miscellaneous claims	109 478	-5 600	-1 148	-4,9 ▼	-1,0 ▼
Non-performing loans	61 271	943	5 690	1,6 ▲	10,2 ▲
<b>By institutional sectors</b>					
Other financial corporations	98 992	-6 650	-4 196	-6,3 ▼	-4,1 ▼
<b>Public sector</b>	<b>51 265</b>	<b>418</b>	<b>4 116</b>	<b>0,8 ▲</b>	<b>8,7 ▲</b>
Local government	14 107	-38	856	-0,3 ▼	6,5 ▲
Public nonfinancial corporations	37 158	456	3 260	1,2 ▲	9,6 ▲
<b>Private sector</b>	<b>636 942</b>	<b>940</b>	<b>16 997</b>	<b>0,1 ▲</b>	<b>2,7 ▲</b>
Other nonfinancial corporations	325 304	796	3 100	0,2 ▲	1,0 ▲
Households and NPISH <sup>(3)</sup>	311 638	143	13 896	0,0 ■	4,7 ▲

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

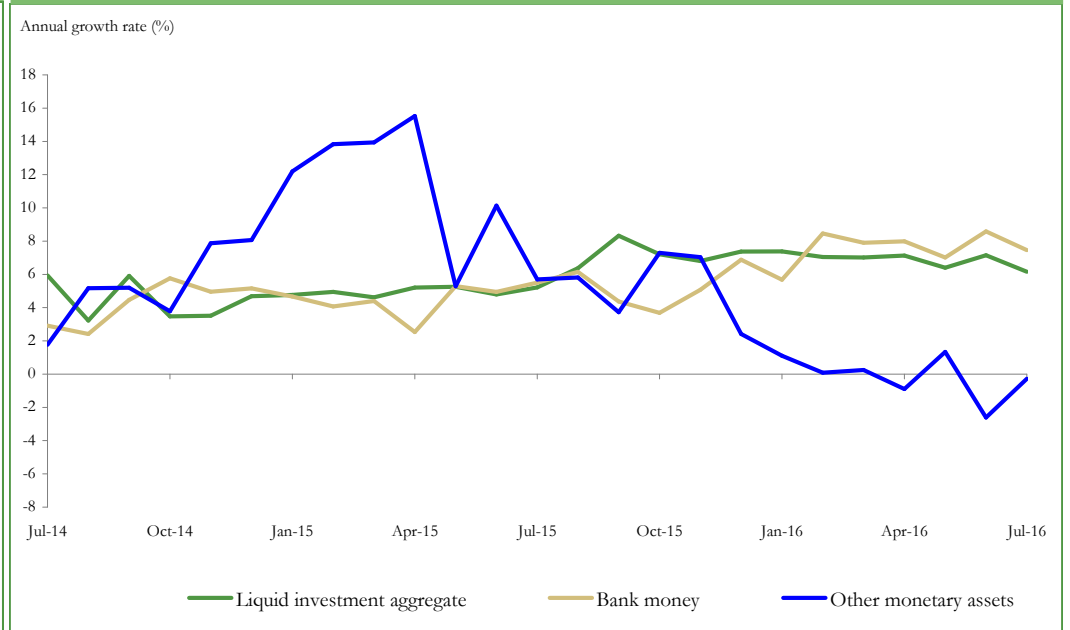
(2) Banks and monetary UCITS

(3) Nonprofit Institutions Serving Households

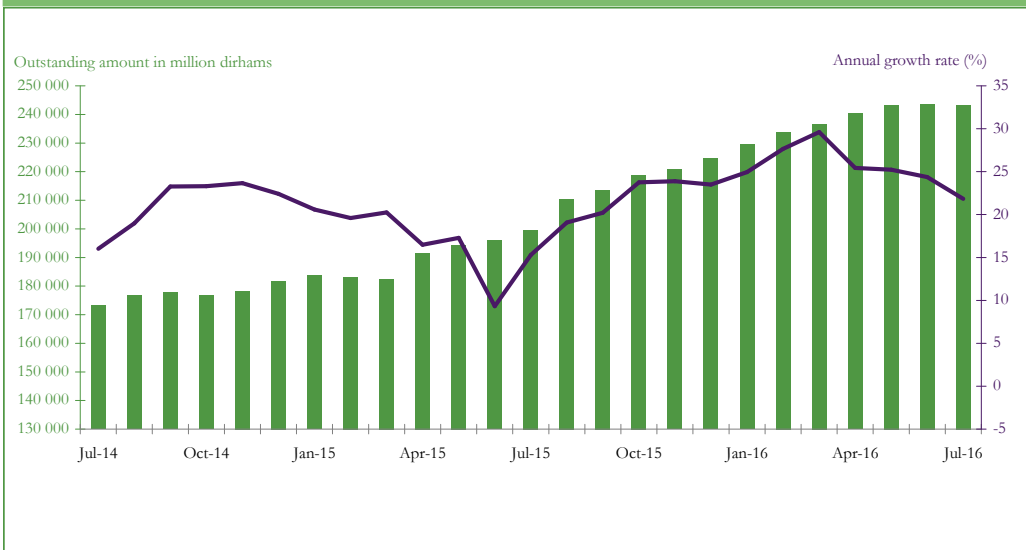
**Chart 1: Annual change in M3**



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



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



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

