



Key monetary statistics May 2014

On a monthly basis, M3 increased in May by 1.4 percent to 1,026 billion dirhams. This change resulted mainly from a 1.3 percent rise in claims to the economy and, to a lesser extent, the 0.7 percent increase in net international reserves. Conversely, net claims on the central government fell 2.5 percent.

The change in lending to the economy is largely due to the 12.4 percent hike in banks' holdings of securities issued by other financial corporations and the 4.1 billion-dirham increase in securities purchased under repos by money market funds. Bank credit was up 0.2 percent following a 0.9 percent increase in equipment loans and a 0.4 percent rise in real estate loans. Consumer loans remained virtually stable from one month to the next, while cash advances and financial loans fell 0.4 percent and 1.5 percent, respectively.

By component, the rise of M3 mainly reflects a 1.2 percent increase in demand deposits with banks and an 8 percent hike in money market funds shares/units. Similarly, currency in circulation gained 0.8 percent. In addition, time deposits with banks went up 10.5 percent in parallel with the decrease of 12.3 billion dirhams in demand deposits with Bank Al-Maghrib, mainly after the OCP transferred its deposits with the central bank to commercial banks, as part of the collection of its international bond loan.

Year on year, M3 posted an annual increase of 4.7 percent, from 4.2 percent in April 2014. This change is attributable to the 5.3 percent rise in claims to the economy, reflecting a hike in banks' security holdings by 11.5 percent, compared to 5.5 percent, and a rise in bank lending by 4.5 percent from 4.4 percent. On the contrary, the growth pace of net international reserves slowed from 13.1 percent to 7.2 percent while that of net claims on the central government went down from 8.2 to 4.8 percent.

The change in bank loans originated from the accelerating growth rate of equipment loans from 2.7 percent to 4.1 percent. With regard to other loan categories, real-estate loans showed almost the same growth rhythm as the previous month, namely 2.3 percent, covering a slowdown in home loans from 5.4 to 5 percent and a slower decline of -3.2 percent in real-estate loans compared to -4.7 percent. Consumer loans and financial ones decelerated from 2.1 to 1.7 percent and from 9.5 to 9 percent, respectively. Cash loans were at the same level as in May 2013.

By institutional sector, credit to the private sector decelerated from 3.7 to 3.5 percent, covering a slowdown from 6.9 to 6.6 percent in loans to households and a virtual stabilization of the growth rate of loans to private nonfinancial corporations, at 1.5 percent. In contrast, lending to the public sector accelerated to 6.7 percent from 5.8 percent.

By component, M3 growth primarily reflects the rise of demand deposits with banks by 4.2 percent compared to 4 percent and holdings of money market funds shares/units by 3.3 percent after 1.9 percent. Conversely, the growth pace of currency in circulation remained virtually unchanged at 4.8 percent, while the increase in savings accounts with banks moved down from 8.1 to 7.7 percent.

By institutional sector, the acceleration of M3 reflects the increase of monetary assets held by households from 6.3 to 6.8 percent and the less rapid decline in the holdings of private nonfinancial corporations from -7.4 to -6.7 percent. In contrast, the growth of the public sector's monetary assets slowed down from 16.1 to 15.1 percent.

The quarterly analytical accounts of insurance and reinsurance companies¹ in March 2014 show an annual deceleration of these companies' claims² on nonfinancial sectors³ to 4.1 percent from 7.9 percent a quarter earlier, amounting to 45.2 billion dirhams. This change is mainly due to the deceleration, from 6.1 to 3.8 percent, of their holdings of securities issued by private nonfinancial corporations, which represent 18.8 percent of these companies' total assets.

The liabilities⁴ of insurance companies with nonfinancial sectors amounted to 113.6 billion dirhams, corresponding to a slowdown to 3.6 percent, from 4.8 percent in December 2013. The growth rate of technical reserves made for households by virtue of life insurance contracts fell from 4.9 percent to 3.8 percent, and that related to insurance contracts other than life insurance went down from 4.5 to 3.4 percent. The same applies to the growth pace of the technical provisions of nonfinancial corporations which dropped from 4.5 to 3.5 percent. It should be noted that households' insurance technical provisions account for 59.8 percent of the total liabilities of insurance and reinsurance companies, while those of nonfinancial corporations now represent 3.5 percent.

As to the holdings of insurance and reinsurance companies from Treasury bills, their growth rate slowed down to 5.5 percent compared to 14.5 percent in December, amounting to 12.7 billion dirhams or 7.1 percent of their total assets.

¹ As part of the convergence of Morocco's monetary statistics' methodology with international standards, the statistics of Bank Al-Maghrib have included, since June 2014, insurance and reinsurance companies.

² Composed of:

- Securities held by insurance and reinsurance companies and,
- Premiums receivable; outstanding payments, pre-doubtful claims and receipts returned unpaid.

³ Excluding the central government.

⁴ Made up mainly of insurance technical provisions.

Key indicators of monetary statistics

Million DH

	Outstanding amount			Δ		Δ (%)	
	May-14	Apr-14*	May-13*	May-14/Apr-14	May-14/May-13	May-14/Apr-14	May-14/May-13
M1	626 023	631 879	600 540	-5 856	25 483	-0,9 ▼	4,2 ▲
M2	750 398	756 028	716 030	-5 630	34 368	-0,7 ▼	4,8 ▲
M3	1 026 135	1 011 730	980 466	14 404	45 668	1,4 ▲	4,7 ▲
Liquid investment aggregate	435 924	431 327	379 475	4 597	56 449	1,1 ▲	14,9 ▲
Currency in circulation	172 410	170 966	164 463	1 445	7 947	0,8 ▲	4,8 ▲
Banking deposits included from broad money⁽¹⁾	716 419	698 022	682 077	18 397	34 342	2,6 ▲	5,0 ▲
Demand deposits with the banking system	408 142	403 394	391 747	4 749	16 396	1,2 ▲	4,2 ▲
Time accounts and fixed-term bills	153 968	139 294	147 608	14 674	6 360	10,5 ▲	4,3 ▲
Securities of money market UCITS	60 380	55 889	58 462	4 492	1 919	8,0 ▲	3,3 ▲
Net international reserves	164 219	163 108	153 135	1 111	11 084	0,7 ▲	7,2 ▲
Net claims on central government	147 935	151 706	141 099	-3 771	6 835	-2,5 ▼	4,8 ▲
Lending to the economy	854 728	843 692	811 791	11 036	42 937	1,3 ▲	5,3 ▲
Loans of other depository corporations⁽²⁾	746 430	741 083	712 860	5 346	33 570	0,7 ▲	4,7 ▲
Bank loans	736 924	735 681	705 391	1 242	31 532	0,2 ▲	4,5 ▲
By economic purpose							
Real estate loans	233 015	231 994	227 746	1 021	5 268	0,4 ▲	2,3 ▲
Home loans	164 096	163 119	156 273	978	7 824	0,6 ▲	5,0 ▲
Loans to property developers	66 833	66 550	69 040	283	-2 207	0,4 ▲	-3,2 ▼
Debtor accounts and overdraft facilities	172 379	173 098	172 347	-719	33	-0,4 ▼	0,0 ▲
Equipment loans	140 899	139 609	135 307	1 291	5 592	0,9 ▲	4,1 ▲
Consumer loans	40 805	40 521	40 113	284	693	0,7 ▲	1,7 ▲
Miscellaneous claims	102 513	103 669	92 136	-1 156	10 377	-1,1 ▼	11,3 ▲
Non-performing loans	47 313	46 791	37 743	522	9 570	1,1 ▲	25,4 ▲
By institutional sectors							
Other financial corporations	89 963	91 636	81 538	-1 673	8 425	-1,8 ▼	10,3 ▲
Public sector	44 531	43 984	41 742	547	2 788	1,2 ▲	6,7 ▲
Local government	12 376	12 023	11 475	353	901	2,9 ▲	7,9 ▲
Public nonfinancial corporations	32 155	31 961	30 267	194	1 887	0,6 ▲	6,2 ▲
Private sector	602 430	600 061	582 111	2 369	20 319	0,4 ▲	3,5 ▲
Other nonfinancial corporations	335 933	334 658	331 044	1 275	4 889	0,4 ▲	1,5 ▲
Households and NPISH ⁽³⁾	266 497	265 404	251 067	1 093	15 430	0,4 ▲	6,1 ▲

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

(2) Banks et monetary UCITS

(3) Nonprofit Institutions Serving Households

(*) Revised figures

Quarterly indicators

Million DH

	Outstanding amount			△		△ (%)	
	Mar-14*	Dec-13*	Mar-13*	Mar-14/Dec13	Mar-14/Mar-13	Mar-14/Dec13	Mar-14/Mar-13
Bank loans by branch of economic activity	736 704	747 008	699 607	-10 305	37 097	-1,4 ▼	5,3 ▲
Construction	93 385	93 792	95 274	-408	-1 889	-0,4 ▼	-2,0 ▼
Real estate loans	65 953	68 134	68 013	-2 181	-2 059	-3,2 ▼	-3,0 ▼
Manufacturing industries	88 239	88 992	85 125	-753	3 114	-0,8 ▼	+3,7 ▲
Debtor accounts and overdraft facilities	54 440	55 106	54 496	-666	-56	-1,2 ▼	-0,1 ▼
Equipment loans	21 576	23 360	21 343	-1 785	233	-7,6 ▼	+1,1 ▲
Trade and repair of cars and household items	46 816	46 479	41 990	338	4 826	+0,7 ▲	+11,5 ▲
Debtor accounts and overdraft facilities	32 316	31 866	28 976	451	3 341	+1,4 ▲	+11,5 ▲
Transportation and communication	25 976	28 460	26 008	-2 483	-32	-8,7 ▼	-0,1 ▼
Equipment loans	11 414	12 166	14 775	-753	-3 362	-6,2 ▼	-22,8 ▼
Debtor accounts and overdraft facilities	10 983	12 504	8 472	-1 520	2 512	-12,2 ▼	+29,6 ▲
Financial activities	105 494	114 887	92 669	-9 393	12 824	-8,2 ▼	+13,8 ▲
Miscellaneous claims	90 103	99 256	78 115	-9 153	11 988	-9,2 ▼	+15,3 ▲
Claims of other financial corporations on nonfinancial sectors	361 473	339 596	322 317	21 877	39 155	6,4 ▲	12,1 ▲
Loans	119 680	119 680	118 026	0	1 654	0,0 ▲	1,4 ▲
Private nonfinancial corporations	65 631	65 871	65 138	-240	493	-0,4 ▼	+0,8 ▲
Finance companies	49 424	48 397	48 245	1 027	1 180	+2,1 ▲	+2,4 ▲
Offshore banks	12 448	13 312	13 615	-864	-1 167	-6,5 ▼	-8,6 ▼
Caisse de Dépôts et de Gestion	3 759	4 162	3 279	-403	480	-9,7 ▼	+14,6 ▲
Households	54 049	53 785	52 865	264	1 185	+0,5 ▲	+2,2 ▲
Finance companies	48 656	48 791	48 072	-134	584	-0,3 ▼	+1,2 ▲
Microcredit associations	5 308	4 908	4 701	400	606	+8,1 ▲	+12,9 ▲
Securities	229 262	206 755	191 581	22 506	37 680	10,9 ▲	19,7 ▲
Central government	144 180	128 437	115 799	15 742	28 381	+12,3 ▲	+24,5 ▲
Bond UCITS	93 954	78 909	70 921	15 045	23 033	+19,1 ▲	+32,5 ▲
Caisse de Dépôts et de Gestion	31 569	30 877	28 261	692	3 307	+2,2 ▲	+11,7 ▲
Insurance and reinsurance companies	12 664	12 979	12 006	-315	658	-2,4 ▼	+5,5 ▲
Private nonfinancial corporations	71 399	66 072	63 565	5 327	7 834	+8,1 ▲	+12,3 ▲
Bond UCITS	15 780	13 389	12 658	2 391	3 122	+17,9 ▲	+24,7 ▲
Equity UCITS	9 761	8 851	8 638	909	1 122	+10,3 ▲	+13,0 ▲
Caisse de Dépôts et de Gestion	7 659	7 474	6 642	186	1 017	+2,5 ▲	+15,3 ▲
Insurance and reinsurance companies	33 621	33 759	32 387	-138	1 233	-0,4 ▼	+3,8 ▲
Public nonfinancial corporations	13 683	12 246	12 218	1 437	1 466	+11,7 ▲	+12,0 ▲
Bond UCITS	8 340	7 235	7 175	1 105	1 166	+15,3 ▲	+16,2 ▲
Insurance and reinsurance companies	3 274	3 349	3 085	-75	189	-2,2 ▼	+6,1 ▲

(*) Revised figures

Chart 1: Annual change in M3

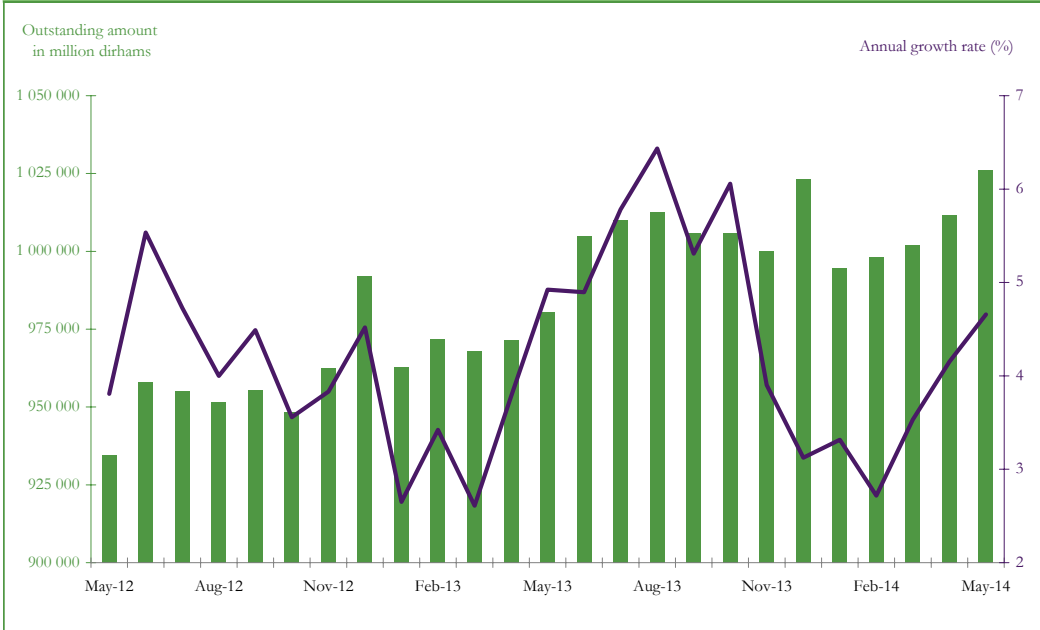


Chart 2: Annual change in M3 components

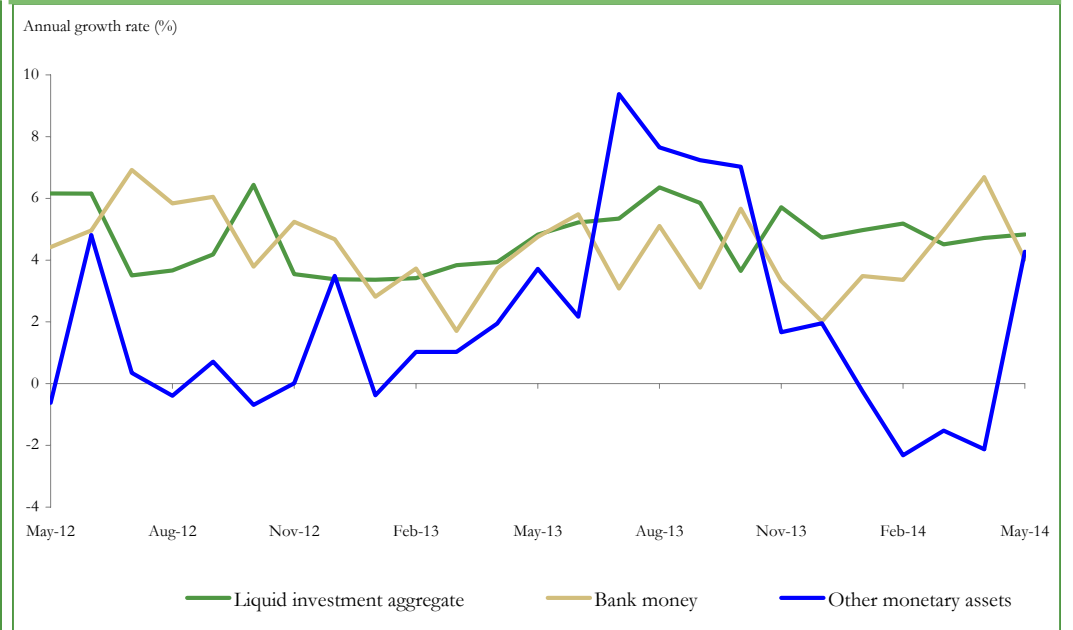


Chart 3: Change in Net international reserves



Chart 4: Annual change in bank loans by economic purpose

