

On a monthly basis, M3 was slightly up 0.1 percent in September 2016, to 1,180 billion dirhams. This increase is due mainly to the expansion in bank lending by 0.8 percent and net international reserves by 1.2 percent and, to a lesser extent, the rise in net claims on the central government by 0.9 percent.

The increase in bank lending reflects the growth in its major components. Indeed, equipment loans grew by 0.9 percent, while cash advances and real estate loans were up 0.5 percent and 0.2 percent. However, consumer loans remained virtually unchanged from the previous month.

On a yearly basis, the growth rate of M3 accelerated from 5.5 percent in August 2016 to 5.9 percent, reflecting in particular a rise in demand deposits with banks from 6.9 to 7.2 percent, an increase in time deposits from 1.1 to 1.6 percent, and an acceleration in money market funds' shares/units from 3.9 to 4.1 percent. However, the growth in currency in circulation slowed down from 6 percent in August to 4.4 percent.

By counterparty, the increase of M3 was mainly due to the improvement in the growth rate of bank lending from 3.4 to 4 percent. However, net claims on the central government declined more steeply, from 4.1 to 5.3 percent, whereas net international reserves slightly slowed down from 18.2 to 17.7 percent.

The acceleration of bank lending growth affected all its components, except for consumer loans whose rate of increase slowed down from 5.7 to 5.5 percent. Indeed, cash advances increased from 0.8 to 2.2 percent, equipment loans accelerated from 5.5 to 5.8 percent. Similarly, the growth rate of real estate loans increased from 2.1 percent in August to 2.4.

By institutional sector, the growth rate of loans to the nonfinancial sector stagnated in September at 3.5 percent, covering opposing effects of a less rapid increase in loans to public nonfinancial corporations and an accelerated growth in loans to the private sector. The latter grew by 3.5 percent, from 3 percent in August, reflecting an increase from 1.5 to 2.4 percent in loans to private nonfinancial corporations. The growth in loans to households remained unchanged at 4.7 percent.

Loans by financial corporations other than depository corporations¹ to nonfinancial sectors were up 8.1 percent in September, as against 5.6 percent in the previous quarter. This accelerating pace mainly reflects the growth of loans granted by offshore banks from 13.7 to 46.6 percent and those distributed by finance companies from 2.9 to 3.5 percent in the second quarter 2016.

By institutional sector, the quarterly growth in loans granted by other financial corporations reflects an increase from 5.3 to 9 percent in loans to private nonfinancial corporations and an increase from 5.9 to 6.9 percent in loans to households.

¹ Finance companies, off-shore banks, Caisse de Dépôt et de Gestion and microcredit associations.

Key indicators of monetary statistics

Million DH

	Outstanding amount	△		△ (%)	
	31/09/2016	August-16	September-15	August-16	September-15
M1	730 420	5 606	45 165	0,8 ▲	6,6 ▲
M2	875 055	6 922	53 388	0,8 ▲	6,5 ▲
M3	1 180 132	1 569	65 907	0,1 ▲	5,9 ▲
Liquid investment aggregate	570 410	-5 034	44 949	-0,9 ▼	8,6 ▲
Currency in circulation	205 707	3 443	8 605	1,7 ▲	4,4 ▲
Banking deposits included from broad money⁽¹⁾	826 924	-906	45 367	-0,1 ▼	5,8 ▲
Demand deposits with the banking system	472 278	1 297	31 612	0,3 ▲	7,2 ▲
Time accounts and fixed-term bills	167 725	-277	2 592	-0,2 ▼	1,6 ▲
Securities of money market UCITS	62 869	-502	2 498	-0,8 ▼	4,1 ▲
Net international reserves	251 677	2 925	37 844	1,2 ▲	17,7 ▲
Net claims on central government	149 160	1 259	-8 380	0,9 ▲	-5,3 ▼
Lending to the economy	934 915	2 705	50 980	0,3 ▲	5,8 ▲
Loans of other depository corporations⁽²⁾	807 553	5 779	34 624	0,7 ▲	4,5 ▲
Bank loans	795 276	6 682	30 750	0,8 ▲	4,0 ▲
By economic purpose					
Real estate loans	246 385	371	5 737	0,2 ▲	2,4 ▲
Home loans	186 107	325	9 370	0,2 ▲	5,3 ▲
Loans to property developers	57 897	-4	-2 548	0,0 ▼	-4,2 ▼
Debtor accounts and overdraft facilities	177 286	795	3 791	0,5 ▲	2,2 ▲
Equipment loans	146 736	1 362	8 057	0,9 ▲	5,8 ▲
Consumer loans	48 712	40	2 534	0,1 ▲	5,5 ▲
Miscellaneous claims	114 151	3 139	5 882	2,8 ▲	5,4 ▲
Non-performing loans	62 006	976	4 749	1,6 ▲	8,3 ▲
By institutional sectors					
Other financial corporations	106 926	5 636	7 534	5,6 ▲	7,6 ▲
Public sector	48 817	-3 292	1 600	-6,3 ▼	3,4 ▲
Local government	14 075	88	669	0,6 ▲	5,0 ▲
Public nonfinancial corporations	34 742	-3 379	931	-8,9 ▼	2,8 ▲
Private sector	639 533	4 338	21 616	0,7 ▲	3,5 ▲
Other nonfinancial corporations	326 187	3 403	7 538	1,1 ▲	2,4 ▲
Households and NPISH ⁽³⁾	313 346	935	14 079	0,3 ▲	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

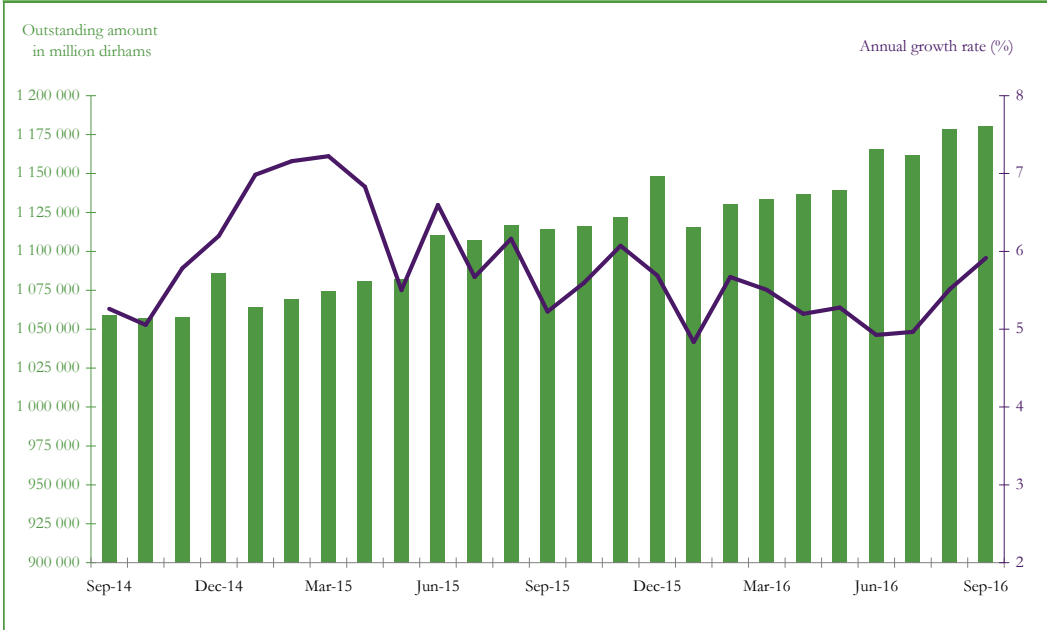


Chart 2: Annual change in M3 components

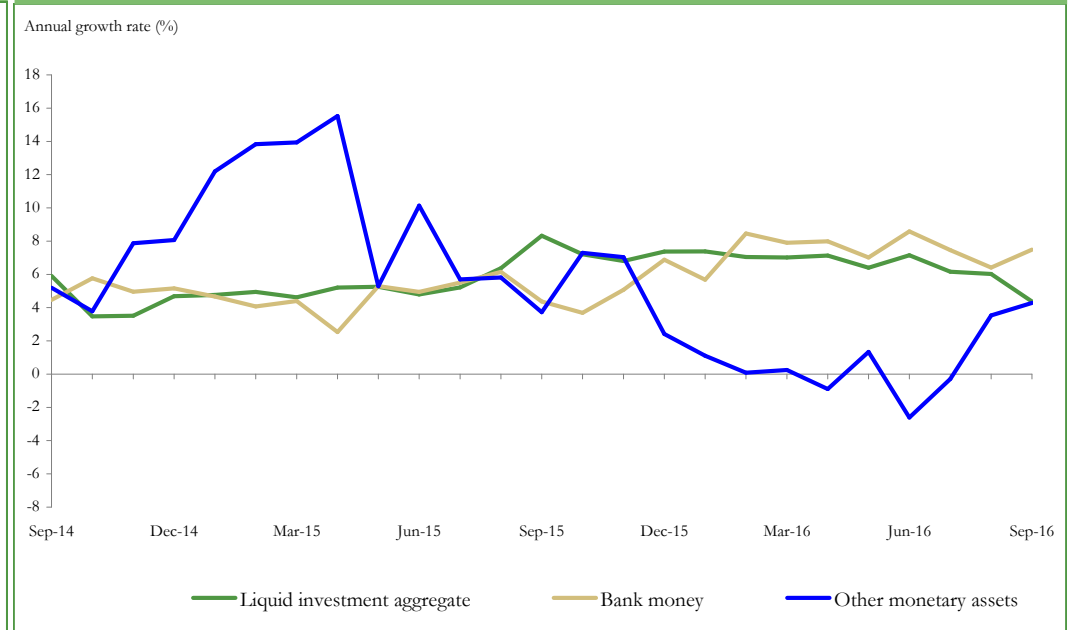


Chart 3: Change in Net international reserves

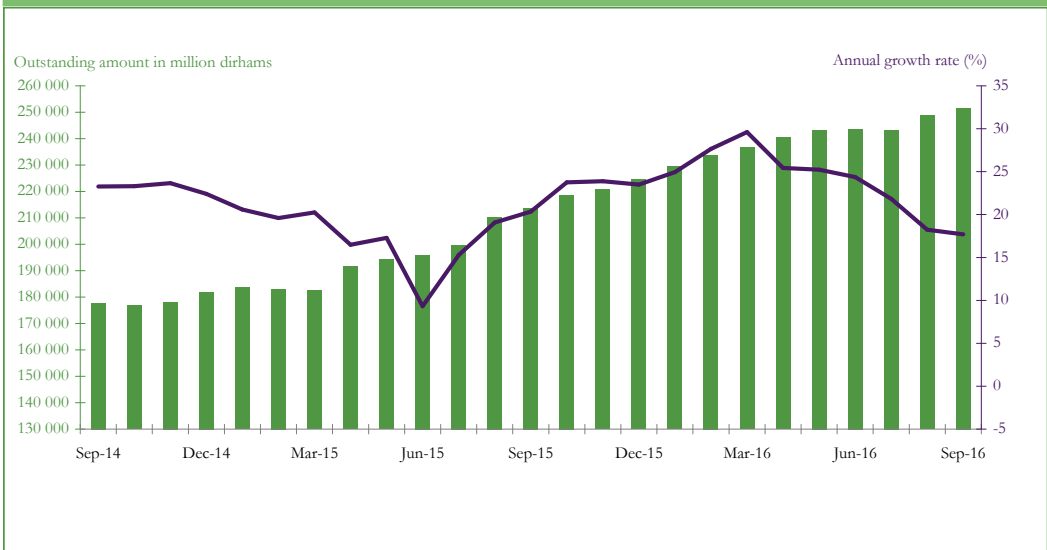


Chart 4: Annual change in bank loans by economic purpose

