

On a monthly basis, M3 aggregate increased by 1.6 percent in June 2017 to 1222.9 billion dirhams, mainly as a result of the expansion by 3.7 percent in bank lending and by 6.9 percent in net claims on the Central Government. In contrast, net international reserves decreased by 9.3 percent.

By economic purpose, higher bank lending reflects a rise in all its components. Indeed, real estate loans rose by 0.8 percent, cash advances by 7 percent, and equipment loans by 4 percent.

Year on year, M3 aggregate growth slowed down to 5 percent after 5.6 percent in May, covering mainly a steeper decrease in demand deposits with banks from 7.2 to 6.9 percent and a decrease in the growth rate of money market fund shares/units by 14.5 percent after an increase of 16.1 percent. However, the decline in time deposits eased from 8.1 percent to 5.2, while currency in circulation accelerated to 7.4 percent after 6.2 percent a month earlier.

By counterparts, the change in M3 is mainly due to a steeper decrease of 14.7 percent after 5.8 percent in net international reserves. In contrast, the growth rate of bank credit accelerated to 6.2 after 5.1 percent and net claims on the central government to 11.4 after 7.3 percent.

The acceleration in the annual growth rate of bank loans has affected all of its categories, with the exception of consumer loans, whose growth has decelerated from 4.9 to 4.4 percent. Indeed, equipment loans rose by 9.4 percent after 5.9 in May and real estate loans by 3.8 percent after 3.7. Similarly, cash advances increased by 1.7 percent after 1.5 a month earlier.

By institutional sector, the growth rate of loans to the non-financial sector stood at 4.1 percent instead of 3.4 in May, mainly reflecting the 4.1 increase after 2.1 of loans to the private non-financial corporations and of 13.2 percent after 2.5 of those to public non-financial corporations. However, loans to households registered a slowdown from 4.6 to 2.9 percent.

Quarterly bank lending data by industry show an acceleration of its annual growth rate to 6.2 per cent, after 4.5 percent a quarter earlier, mainly due to the 3.7 percent increase after 2.4 in loans to the "construction" sector and 10 percent increase after 5 percent of loans to "transport and communication". Similarly, loans to "manufacturing" sector increased by 0.7 percent and to "electricity, gas and water" by 3.9 percent, after a decline of 2.2 and 1.2 percent, respectively. Loans for "hotels and restaurants", on the other hand, recorded a steeper decrease to 3.2 percent after 2 percent in Q1-2017.

Key indicators of monetary statistics

Million DH

	Outstanding amount				Δ (%)		
	June-17	May-17	December-16	June-16	May-17	December-16	June-16
M1	773 134	21 820	21 251	48 950	2,9 ▲	2,8 ▲	6,8 ▲
M2	922 259	22 812	24 171	56 156	2,5 ▲	2,7 ▲	6,5 ▲
M3	1 222 937	19 838	20 524	57 683	1,6 ▲	1,7 ▲	5,0 ▲
Liquid investment aggregate	609 194	4 636	22 098	31 792	0,8 ▲	3,8 ▲	5,5 ▲
Currency in circulation	209 125	4 032	5 882	14 345	2,0 ▲	2,9 ▲	7,4 ▲
Banking deposits included from broad money⁽¹⁾	865 981	20 864	13 135	42 359	2,5 ▲	1,5 ▲	5,1 ▲
Demand deposits with the banking system	507 764	18 226	11 151	32 576	3,7 ▲	2,2 ▲	6,9 ▲
Time accounts and fixed-term bills	156 102	1 731	-7 164	-8 639	1,1 ▲	-4,4 ▼	-5,2 ▼
Securities of money market UCITS	54 817	-8 597	-5 853	-9 266	-13,6 ▼	-9,6 ▼	-14,5 ▼
Net international reserves	205 676	-21 104	-43 567	-35 429	-9,3 ▼	-17,5 ▼	-14,7 ▼
Net claims on central government	157 964	10 252	15 585	16 160	6,9 ▲	10,9 ▲	11,4 ▲
Lending to the economy	989 655	27 577	32 009	58 086	2,9 ▲	3,3 ▲	6,2 ▲
Loans of other depository corporations⁽²⁾	848 355	28 427	22 589	40 635	3,5 ▲	2,7 ▲	5,0 ▲
Bank loans	841 805	30 353	23 707	49 313	3,7 ▲	2,9 ▲	6,2 ▲
By economic purpose							
Real estate loans	254 285	1 902	7 385	9 228	0,8 ▲	3,0 ▲	3,8 ▲
Home loans	193 424	568	5 063	8 430	0,3 ▲	2,7 ▲	4,6 ▲
Loans to property developers	58 430	1 102	2 919	1 358	1,9 ▲	5,3 ▲	2,4 ▲
Debtor accounts and overdraft facilities	182 688	11 929	9 962	3 101	7,0 ▲	5,8 ▲	1,7 ▲
Equipment loans	157 463	6 027	4 546	13 475	4,0 ▲	3,0 ▲	9,4 ▲
Consumer loans	50 164	139	1 433	2 115	0,3 ▲	2,9 ▲	4,4 ▲
Miscellaneous claims	135 092	11 232	-375	19 610	9,1 ▲	-0,3 ▼	17,0 ▲
Non-performing loans	62 112	-875	756	1 784	-1,4 ▼	1,2 ▲	3,0 ▲
By institutional sectors							
Other financial corporations	127 262	12 475	4 535	21 216	10,9 ▲	3,7 ▲	20,0 ▲
Public sector	60 846	2 842	-1 309	5 747	4,9 ▲	-2,1 ▼	10,4 ▲
Local government	14 503	-384	-583	358	-2,6 ▼	-3,9 ▼	2,5 ▲
Public nonfinancial corporations	46 343	3 226	-726	5 389	7,5 ▲	-1,5 ▼	13,2 ▲
Private sector	653 697	15 036	20 481	22 350	2,4 ▲	3,2 ▲	3,5 ▲
Other nonfinancial corporations	336 817	15 620	13 107	13 369	4,9 ▲	4,0 ▲	4,1 ▲
Households and NPISH ⁽³⁾	316 880	-584	7 374	8 981	-0,2 ▼	2,4 ▲	2,9 ▲

(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

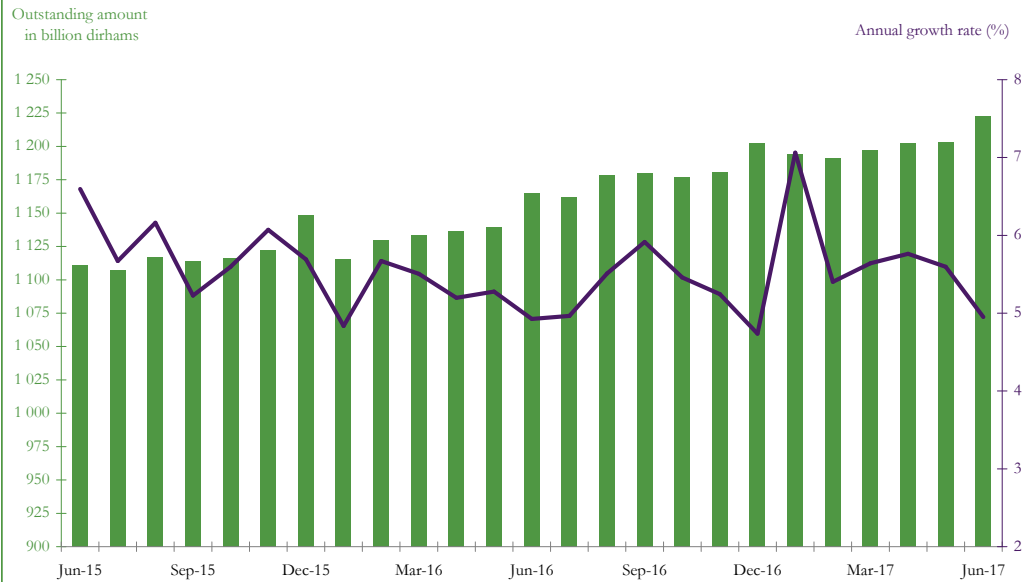


Chart 2: Annual change in M3 components
Annual growth rate (%)

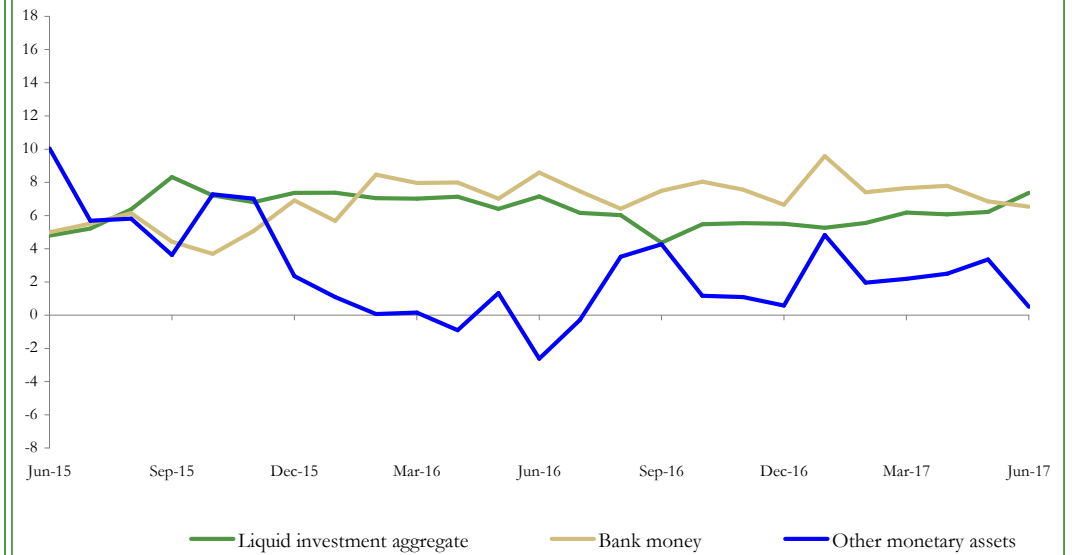


Chart 3: Change in Net international reserves

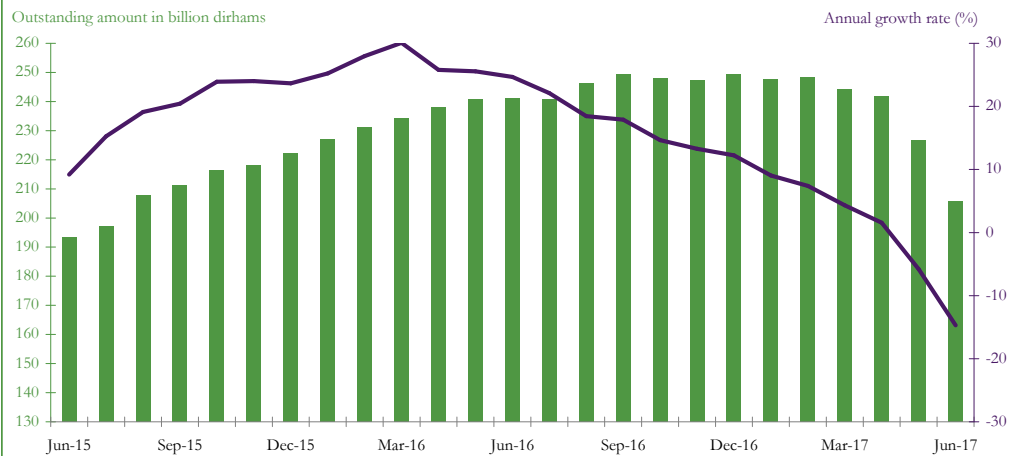


Chart 4: Annual change in bank loans by economic purpose
Annual growth rate (%)

