

On a month-to-month basis, the M3 aggregate rose by 1.4 percent in December 2017 to 1,272.1 billion dirhams, reflecting the increase in all of its counterparties. Indeed, net international reserves increased by 1 percent, net claims on the central government by 5.5 percent and bank credit by 1 percent. The increase in bank lending conceals a 0.2 percent increase in cash facilities and a decline by 0.1 percent in real estate loans and 0.3 percent in equipment loans.

On a year-to-year basis, M3 growth decelerated from 6.2 percent in November to 5.8 percent in December. This trend reflects a slowdown in the growth of certificates of deposit and money market fund shares/units held by economic units as well as a virtual stability in the growth rate of interest-bearing demand deposits and currency in circulation at 5.3 percent and 7.7 percent, respectively. In contrast, the decline in time deposits eased from 7.9 percent to 4.6 percent, and demand deposits with banks rose slightly by 7.4 percent after 7.3 percent the previous month.

By counterparties of M3, the growth rate in net claims on the central government increased from 11.3 percent to 20 percent and the decline in net international reserves eased to 3.3 percent instead of 3.5 percent. The growth rate in bank lending slowed down from 4.8 percent to 2.9 percent.

The analysis by economic purpose of credit shows a deceleration from 14.6 percent to 11.4 percent in the growth rate of equipment loans and from 4.4 percent to 4.3 percent in that of consumer loans. Cash facilities declined more steeply from 1.8 percent to 3.2 percent while real estate loans grew at the same pace as the previous month, at 4.2 percent.

By institutional sector, the increase in loans to the nonfinancial sector slowed from 5.4 percent to 3.7 percent. Thus, the increase in loans to the private sector slowed to 3.6 percent after 4.3 percent, with a deceleration from 4.7 percent to 2.5 percent in loans to private nonfinancial corporations and an increase from 3.9 percent to 4.6 percent in loans to households. Similarly, the growth of loans to public nonfinancial corporations slowed from 15.5 percent to 1.6 percent.

Quarterly data by business segment shows a deceleration of bank lending from 4.5 percent in the third quarter to 2.9 percent in the fourth quarter of 2017, mainly due to declines by 7.3 percent and 1.5 percent after increases by 3.6 percent and 0.8 percent in loans to the “electricity, gas and water” and “hotels” branches, respectively. On the opposite, loans to the “extractive industries” and “manufacturing industries” increased by 15.3 percent and 1 percent, respectively, after declines of 12.3 percent and 0.7 percent. Similarly, loans to the construction sector were up 1.4 percent after 0.4 percent. The growth rate of loans to the “trade” sector stabilized at 8.3 percent.

Key indicators of monetary statistics

Million DH

	Outstanding amount		Δ		Δ (%)	
	December-17	November-17	December-16	November-17	November-16	
M1	810 196	24 975	58 312	3,2 ▲	7,8 ▲	
M2	964 089	25 657	66 001	2,7 ▲	7,3 ▲	
M3	1 272 096	17 744	69 683	1,4 ▲	5,8 ▲	
Liquid investment aggregate	632 462	334	45 366	0,1 ▲	7,7 ▲	
Currency in circulation	218 829	697	15 586	0,3 ▲	7,7 ▲	
Banking deposits included from broad money⁽¹⁾	894 713	20 645	41 867	2,4 ▲	4,9 ▲	
Demand deposits with the banking system	533 529	23 474	36 916	4,6 ▲	7,4 ▲	
Time accounts and fixed-term bills	155 786	3 378	-7 481	2,2 ▲	-4,6 ▼	
Securities of money market UCITS	64 444	-2 514	3 774	-3,8 ▼	6,2 ▲	
Net international reserves	240 901	2 491	-8 342	1,0 ▲	-3,3 ▼	
Net claims on central government	170 915	8 958	28 536	5,5 ▲	20,0 ▲	
Lending to the economy	992 986	4 075	35 339	0,4 ▲	3,7 ▲	
Loans of other depository corporations⁽²⁾	849 299	4 704	23 533	0,6 ▲	2,8 ▲	
Bank loans	842 077	7 957	23 979	1,0 ▲	2,9 ▲	
By economic purpose						
Real estate loans	257 218	-237	10 317	-0,1 ▼	4,2 ▲	
Home loans	195 447	111	6 724	0,1 ▲	3,6 ▲	
Loans to property developers	60 359	686	4 849	1,1 ▲	8,7 ▲	
Debtor accounts and overdraft facilities	167 193	283	-5 534	0,2 ▲	-3,2 ▼	
Equipment loans	170 336	-550	17 419	-0,3 ▼	11,4 ▲	
Consumer loans	50 850	-124	2 118	-0,2 ▼	4,3 ▲	
Miscellaneous claims	132 884	8 490	-2 582	6,8 ▲	-1,9 ▼	
Non-performing loans	63 597	94	2 240	0,1 ▲	3,7 ▲	
By institutional sectors						
Other financial corporations	121 172	9 781	-1 555	8,8 ▲	-1,3 ▼	
Public sector	65 137	-3 665	2 982	-5,3 ▼	4,8 ▲	
Local government	17 298	144	2 212	0,8 ▲	14,7 ▲	
Public nonfinancial corporations	47 839	-3 809	770	-7,4 ▼	1,6 ▲	
Private sector	655 768	1 841	22 552	0,3 ▲	3,6 ▲	
Other nonfinancial corporations	331 905	1 312	8 195	0,4 ▲	2,5 ▲	
Households and NPISH ⁽³⁾	323 864	530	14 357	0,2 ▲	4,6 ▲	

(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

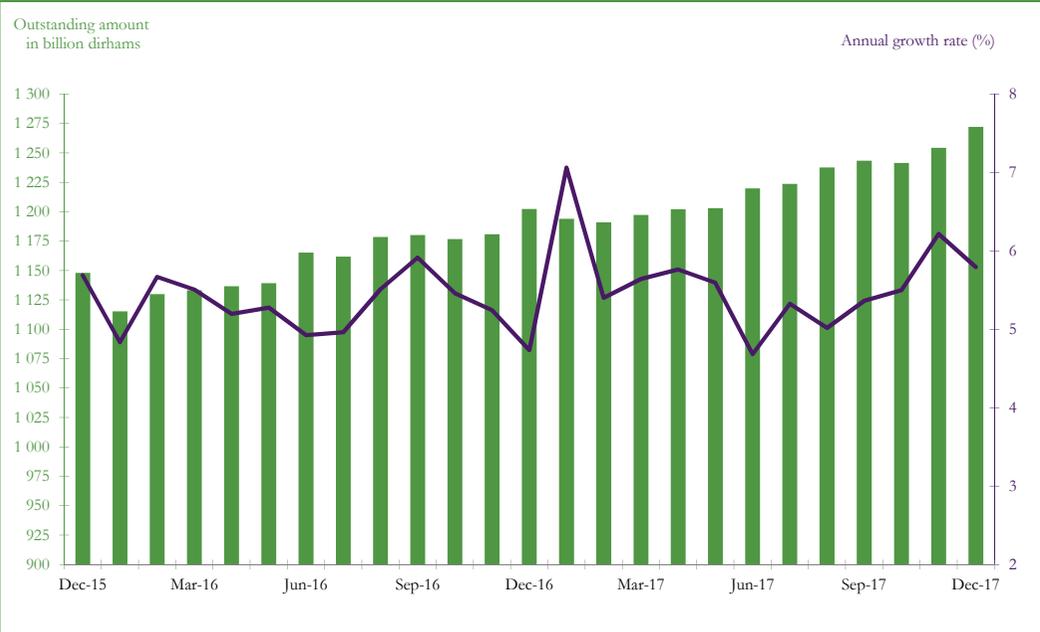
Quarterly indicators

Million DH

	Outstanding amount		Δ		Δ (%)	
	Dec-17	Sep-17	Dec-16	Sep-17	Dec-16	
Bank loans by branch of economic activity	842 077	11 872	23 979	1,4 ▲	2,9 ▲	
Construction	93 026	1 020	1 300	+1,1 ▲	+1,4 ▲	
Real estate loans	58 530	367	1 995	+0,6 ▲	+3,5 ▲	
Manufacturing industries	82 377	79	801	+0,1 ▲	+1,0 ▲	
Debtor accounts and overdraft facilities	43 025	-831	895	-1,9 ▼	+2,1 ▲	
Equipment loans	20 047	1 571	1 009	+8,5 ▲	+5,3 ▲	
Trade and repair of cars and household items	56 553	1 039	4 351	+1,9 ▲	+8,3 ▲	
Debtor accounts and overdraft facilities	34 915	-543	1 044	-1,5 ▼	+3,1 ▲	
Transportation and communication	37 247	-1 493	3 980	-3,9 ▼	+12,0 ▲	
Equipment loans	18 599	-162	7 494	-0,9 ▼	+67,5 ▲	
Debtor accounts and overdraft facilities	14 726	-923	-2 067	-5,9 ▼	-12,3 ▼	
Financial activities	128 161	6 526	-5 270	+5,4 ▲	-3,9 ▼	
Miscellaneous claims	114 276	6 682	-4 611	+6,2 ▲	-3,9 ▼	
Claims of other financial corporations on nonfinancial sectors	520 790	9 521	33 299	1,9 ▲	6,8 ▲	
Loans	135 336	2 220	4 307	1,7 ▲	3,3 ▲	
Private nonfinancial corporations	76 869	3 446	1 682	+4,7 ▲	+2,2 ▲	
Finance companies	53 055	1 946	958	+3,8 ▲	+1,8 ▲	
Offshore banks	13 377	1 500	-670	+12,6 ▲	-4,8 ▼	
Caisse de Dépôts et de Gestion *	9 733	-	1 305	-	+15,5 ▲	
Households	58 567	-1 226	2 634	-2,1 ▼	+4,7 ▲	
Finance companies	51 813	-1 226	2 473	-2,3 ▼	+5,0 ▲	
Microcredit associations *	6 525	-	142	-	+2,2 ▲	
Securities	366 321	7 126	26 830	2,0 ▲	7,9 ▲	
Central government	247 630	7 202	11 059	+3,0 ▲	+4,7 ▲	
Bond UCITS	173 711	7 112	9 734	+4,3 ▲	+5,9 ▲	
Caisse de Dépôts et de Gestion *	28 600	-	-115	-	-0,4 ▼	
Insurance and reinsurance companies *	19 417	-	-756	-	-3,7 ▼	
Private nonfinancial corporations	102 315	1 099	15 792	+1,1 ▲	+18,3 ▲	
Bond UCITS	10 063	-270	442	-2,6 ▼	+4,6 ▲	
Equity UCITS	17 162	738	3 939	+4,5 ▲	+29,8 ▲	
Caisse de Dépôts et de Gestion *	8 076	-	-1 044	-	-11,4 ▼	
Insurance and reinsurance companies *	44 453	-	10 506	-	+30,9 ▲	
Public nonfinancial corporations	16 376	-1 174	-21	-6,7 ▼	-0,1 ▼	
Bond UCITS	9 577	-971	-639	-9,2 ▼	-6,3 ▼	
Insurance and reinsurance companies *	2 591	-	440	-	+20,5 ▲	

(*) Recurring figures

Chart 1: Annual change in M3



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

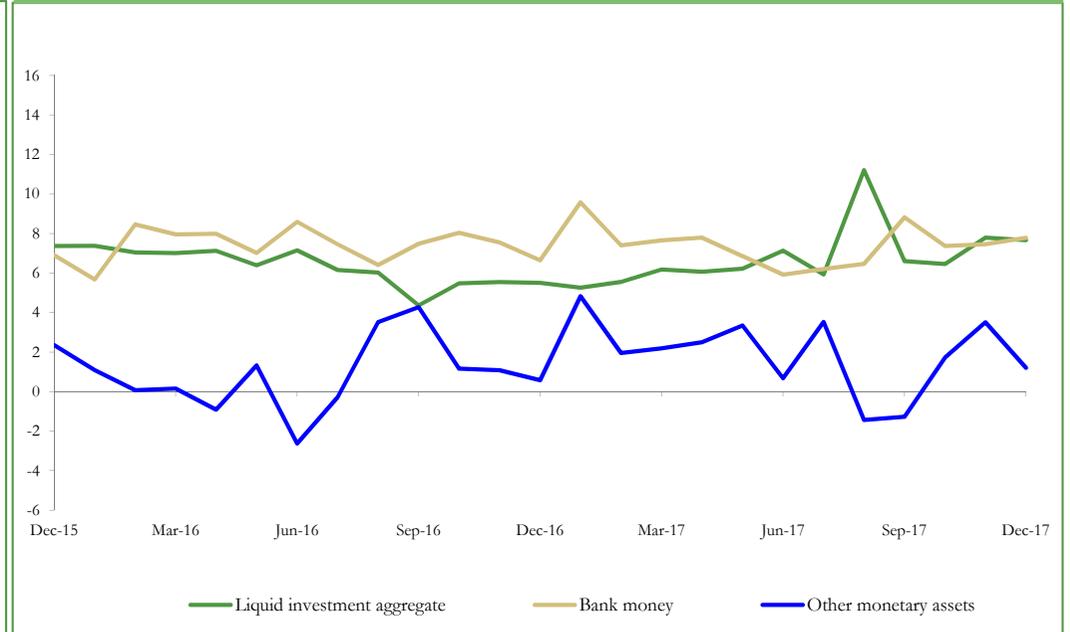


Chart 3: Change in Net international reserves



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

