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MONTHLY BULLETIN

AGENCE FRANCE TRÉSOR IS TASKED WITH MANAGING THE GOVERNMENT DEBT AND CASH POSITIONS UNDER THE MOST SECURE CONDITIONS IN THE INTEREST OF THE TAXPAYER.

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ALLOCATION AND PERFORMANCE REPORT OF CADES' 2021 SOCIAL ISSUANCES

In 1996, the French government set up the Caisse d'Amortissement de la Dette Sociale (CADES) with a mission to refund and amortise French social debt by issuing debt securities on international financial markets in a diverse range of currencies. The Social Debt and Autonomy Act of August 7 2020, passed in the context of Covid-19, arranged the assumption of €136 billion of Social Security debt by CADES as of 2020. In 2021, for the second year in a row, CADES has financed and assumed a further 40 billion euros of social security debt, while at the same time assuming its task of amortising loans that matured during that same year. As of December 31, 2021, CADES has amortised 205 billion euros of the 320 billion euros of debt transferred to it as of that date, representing 64% of the social security debt assumed by the fund since its creation.

In a context of widespread responsible investment, the social bond market is used to finance activities that respond to global social challenges that have intensified with the Covid-19 crisis, while ensuring a competitive return with regard to the market. CADES has launched in 2020 a social bond programme in accordance with the Principles of the International Capital Market Association (ICMA) and most of its funding is now implemented through this programme.

In October, CADES published its second allocation and performance report, regarding the social issuances carried out in 2021. That year, CADES issued ten new social bonds, four in euros (€18bn), five in US dollars (\$19.5bn) and one in British pound (£1.5bn). The report emphasizes the role of the Fund in the French social security system. The impact assessment of the 2021 social security issuances focuses on health and old-age risks, which account for 76% and 24% respectively of the funds raised by CADES' social security bonds. The social performance of CADES funding is assessed through the situation of the beneficiaries of the schemes concerned, using data from the French National Institute of Statistics and Economic Studies (INSEE) and, from the perspective of international comparisons, based on OECD and Eurostat indicators.

During the Covid-19 crisis, France was able to rely on its social protection system to protect the health of the French population, maintain their standard of living at all ages and prevent the increase of social inequalities. The report shows in particular that the number of deaths related to Covid-19 in France was lower than the average of OECD countries in terms of cumulative excess mortality at the end of June 2021.

More generally, the French health system has continued to perform its functions, as evidenced by the very low percentage, compared to the OECD average, of people who did not receive the treatment or medical examination they needed during the first year of the pandemic.

This report confirms the respect of the commitments made by CADES when setting up its social bond programme.

CADES
CAISSE D'AMORTISSEMENT DE LA DETTE SOCIALE



The French economy has displayed its resilience against successive shocks of the health crisis and the Ukraine war. After falling by -7.8% in 2020 in the middle of the Covid-19 pandemic, activity rebounded sharply in 2021, with +6.8%, regaining and then outgrowing its pre-crisis level by summer of 2021, faster than our main European partners. The strength of the rebound testifies to the effectiveness of the measures taken by the government to protect the economy with emergency measures on an unprecedented scale, the rapid deployment of the France Relance Plan and then of the France 2030 Plan.

Russian's aggression in Ukraine and its aftermath have dimmed the global outlook for economic recovery in a high-inflation environment. The very strong economic recovery in 2021 has led to tensions in supply chains and a surge in raw material prices. These tensions are gradually easing, but have fuelled a sustained rise in inflation. More generally, increased uncertainty weighs on household and business consumption and investment, although the latter remained dynamic during the first semester of 2022. In this context, the French economy offers resilience factors. France's energy dependence on Russia is lower than the average of other European countries. France's electric mix, which is highly decarbonised, is a strength: fossil fuels account for less than 9% of production, compared with an average of almost 40% for the European Union. In 2022, economic growth would thus remain robust, reaching +2.7%.

With the deterioration of the international environment at the beginning of 2022, the government has put in place several schemes to contain the rise in energy prices, protect household spending power and support businesses. For the year 2022, the cost of all these measures would amount to €49 billion (including the reduction in the domestic tax on final consumption of electricity (TICFE)), but the impact on the public balance would be partly offset by savings made on public energy service charges. There is also the +3.5% increase in the public service index point on 1 July 2022, which would have an impact of -€3.7bn on the 2022 public balance. Emergency support expenditure is also being phased out in 2022 and would almost exclusively consist of health expenditure directly related to the health crisis (€11.5 billion of the remaining €16 billion). The effect on the public balance linked to France Relance plan would reach €65bn in cumulative terms over 2020-2022, partly funded by the European Union. In terms of compulsory levies, in addition to the strong reduction of TICFE decided as part of the tariff shield, the purchasing power of the French population is also supported by the abolition of the audiovisual licence fee (€3.2 billion), as well as by the continuation of the reduction trajectory of levies for households and businesses decided before the health crisis (completion of the reduction in the corporate tax rate and pursuing the abolition of the housing tax on main residences in particular). The public balance, which has improved significantly compared to 2021, is estimated at -5.0% of GDP in 2022.

Thanks to the measures put in place by the government to preserve the household purchasing power and control business costs, inflation in France is the lowest in Europe. With the tariff shield capping the increase in electricity and gas retail prices, the discount on fuel prices as well as subsidies for gas and electricity intensive companies has contained inflation in France. The tariff shield and the discount on fuel have thus limited inflation (as per the CPI) by more than 3 points between the average levels of the second quarter of 2021 and the second one of 2022.

In a deteriorated macroeconomic context, it is important to find the right balance between supporting households and businesses against rising prices and returning to a budgetary position that guarantees the State' sovereignty and ability to respond to future shocks. The planned path for public finances meets this objective with a gradual fiscal consolidation. The objective is a return to public deficit below 3% in 2027 and inflection in the debt/GDP ratio from 2026. This objective will be achieved by controlling public expenditure and without increasing compulsory levies, except for justified reductions in tax and social breaks. This control will therefore not be implemented to the disadvantage of financing essential expenditure for the future of the French economy, especially that which will ensure the ecological and digital transition, for example through the France Relance and France 2030 plans.

To access the Economic, Social and Financial Report of the Budget Bill for 2023, visit the French Treasury's publication website at:

<https://www.tresor.economie.gouv.fr/Articles/2022/10/04/publication-du-rapport-economique-social-et-financier-plf-pour-2023> (in French only)

INDICATIVE AUCTION SCHEDULE

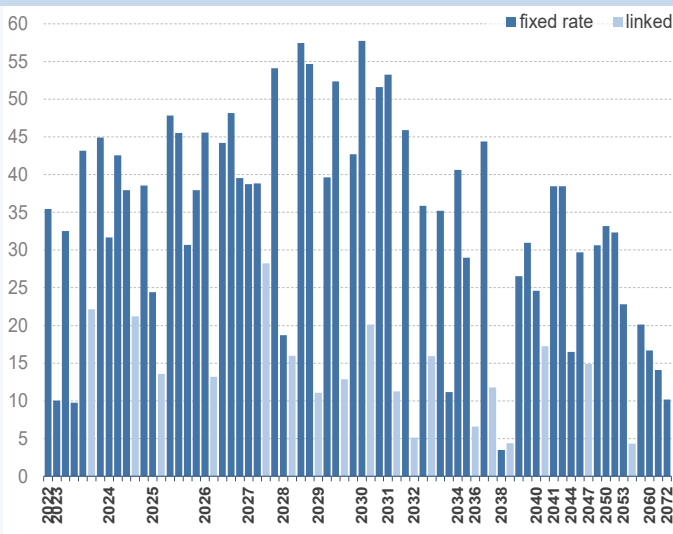
		Short-term				Medium-term	Long-term	Index-linked	
November 2022	auction date	7	14	21	28	/	17	3	17
	settlement date	9	16	23	30	/	21	7	21
December 2022	auction date	5	12	19	26	/	1	1	1
	settlement date	7	14	21	28	/	5	5	5

optional auctions
 anticipated or delayed (bank holidays, etc.)

Source: Agence France Trésor

MEDIUM- AND LONG-TERM NEGOTIABLE GOVERNMENT DEBT AT 30 SEPTEMBER 2022

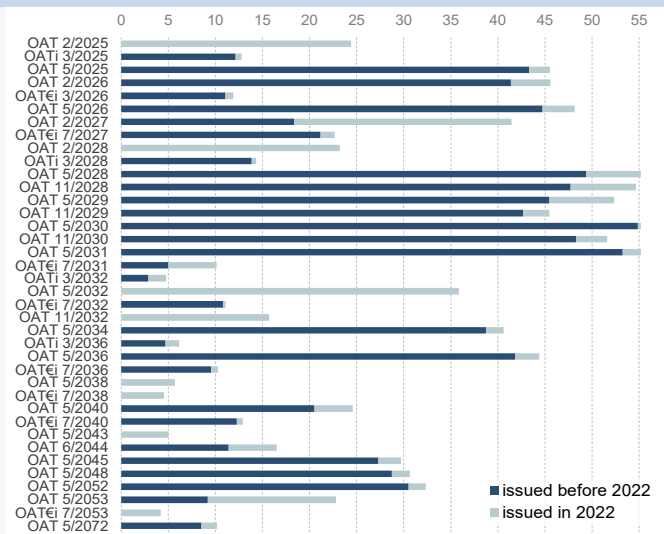
NOMINAL VALUE OF EACH LINE, IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: SECURITIES ISSUED DURING THE YEAR AND TOTAL ISSUANCE AT 30 SEPTEMBER 2022

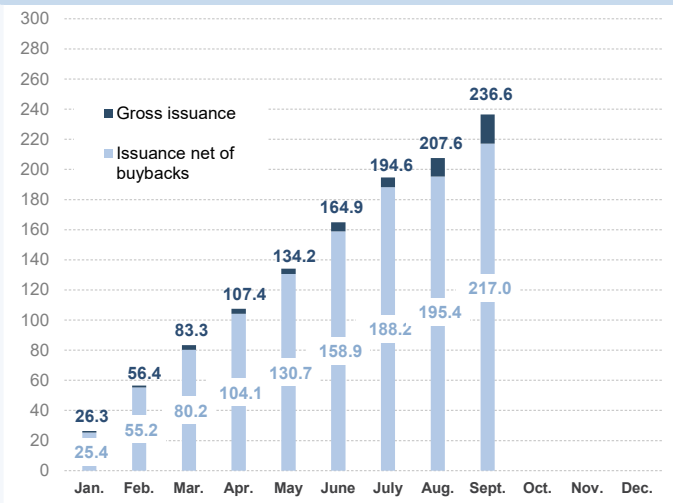
IN € BILLION



Source: Agence France Trésor

ISSUANCE AT 30 SEPTEMBER 2022

IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: PROVISIONAL MATURITY SCHEDULE AT 30 SEPTEMBER 2022

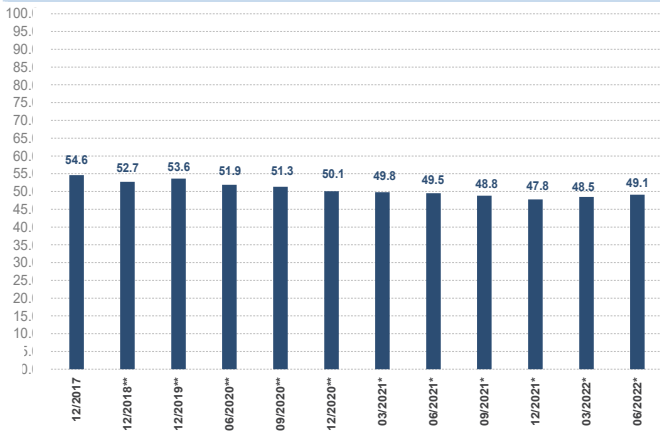
IN € BILLION

Month	Coupon	Redemption
Oct-22	9.0	35.4
Nov-22	2.0	
Dec-22		
Jan-23		
Feb-23	0.2	10.0
Mar-23	0.1	26.3
Apr-23	9.1	9.6
May-23	9.7	42.3
Jun-23	0.6	
Jul-23	2.6	23.0
Aug-23		
Sep-23		

Source: Agence France Trésor

NON-RESIDENT HOLDERS OF NEGOTIABLE GOVERNMENT DEBT IN SECOND QUARTER OF 2022

AS A % OF NEGOTIABLE DEBT OUTSTANDING
EXPRESSED IN MARKET VALUE



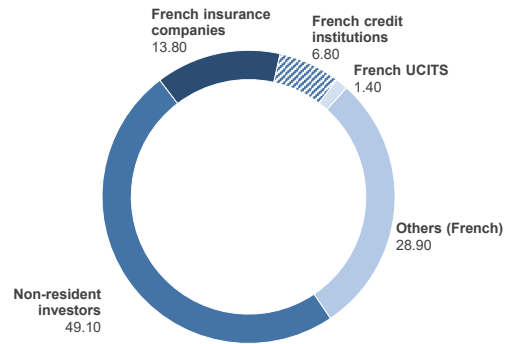
(*) figures quarterly revised

(**) figures annually revised

Source: Banque de France

NEGOTIABLE GOVERNMENT DEBT BY GROUP OF HOLDERS IN SECOND QUARTER OF 2022

STRUCTURE IN % EXPRESSED IN MARKET VALUE



Source: Banque de France

NEGOTIABLE GOVERNMENT DEBT AT 30 SEPTEMBER 2022

IN EUROS

Total medium- and long-term debt	2,114,647,203,797
Total stripping activity	55,979,271,200
Average maturity	9 years and 28 days
Total short-term debt	143,144,000,000
Average maturity	118 days
Total outstanding	2,257,791,203,797
Average maturity	8 years and 190 days

Source: Agence France Trésor

NEGOTIABLE GOVERNMENT DEBT SINCE 2019 AT 30 SEPTEMBER 2022

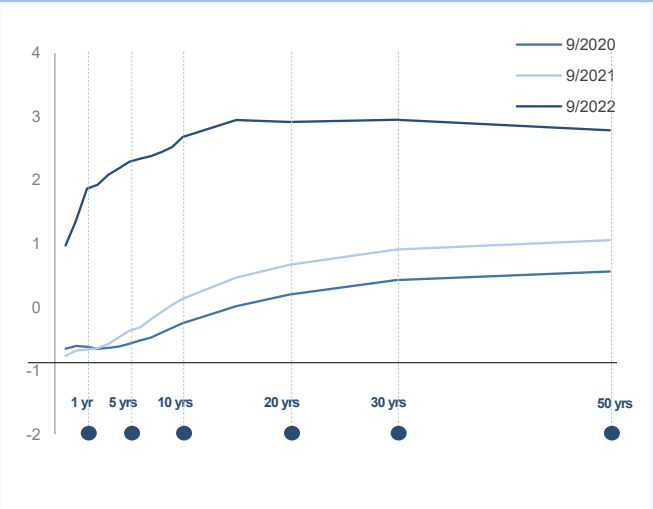
IN € BILLION

	End 2018	End 2019	End 2021	End Aug. 2022	End Sept. 2022
Negotiable government debt outstanding	1,823	2,001	2,145	2,237	2,258
<i>of which index-linked securities</i>	226	220	236	250	252
Medium- and long-term	1,716	1,839	1,990	2,092	2,115
Short-term	107	162	155	145	143
Average maturity of the negotiable debt	8 years	8 years	8 years	8 years	8 years
	63 days	73 days	153 days	197 days	190 days

Source: Agence France Trésor

YIELD CURVE FOR FRENCH GOVERNMENT SECURITIES

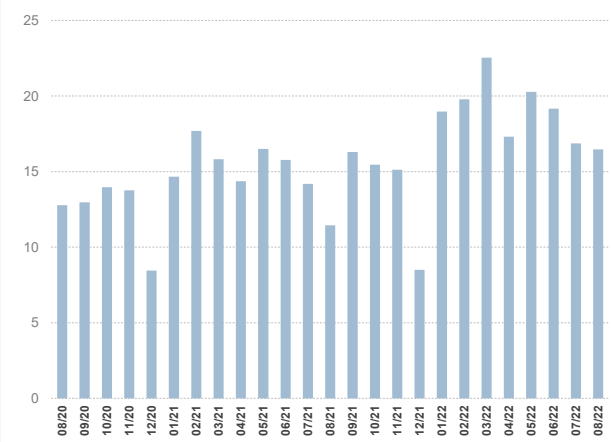
END-OF-MONTH VALUE, %



Source: Bloomberg

AVERAGE DAILY VOLUME OF MEDIUM- AND LONG-TERM TRANSACTIONS

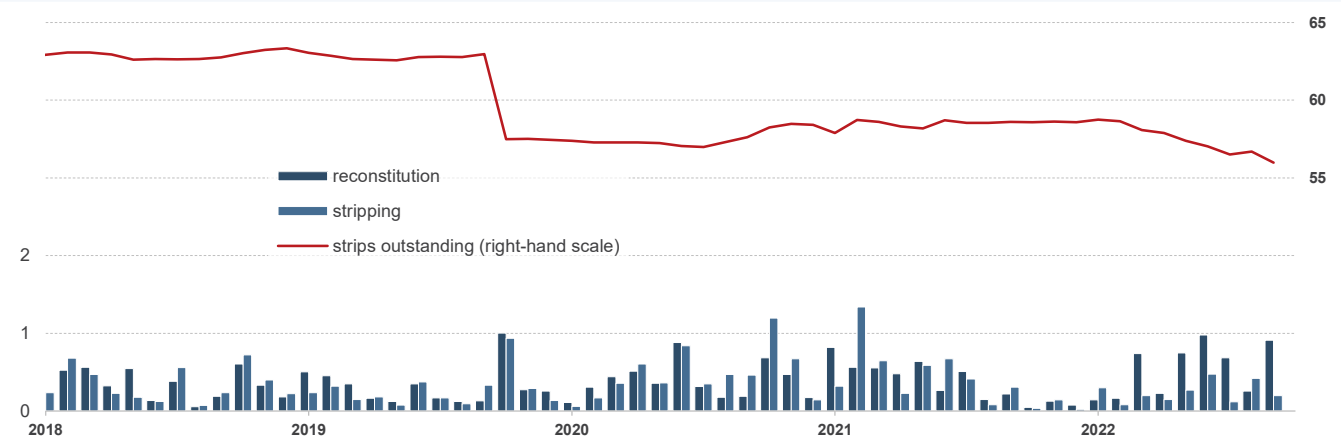
IN € BILLION



Source: reporting by primary dealers in government securities, excluding flows arising from the Eurosystem public sector purchase programme

TOTAL STRIPPING AND RECONSTITUTION

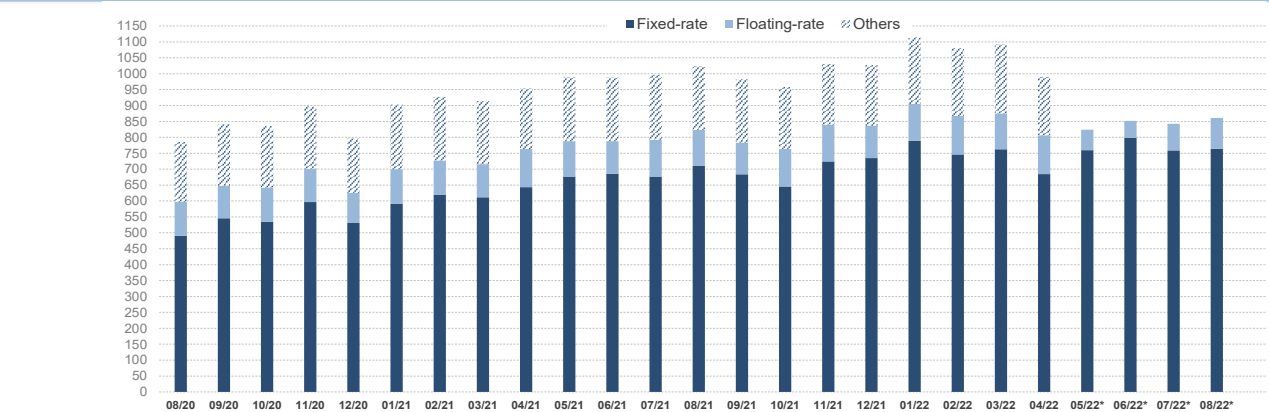
IN € BILLION



Source: Euroclear

PRIMARY DEALERS, CUMULATED REPO OUTSTANDING AT END OF MONTH

IN € BILLION



*new reporting framework now based on face value data

Source: reporting by primary dealers in government securities

SHORT-TERM DEBT AT 30 SEPTEMBER 2022

ISIN Code	Maturity	Outstanding(€)
FR0126893694	BTF 5 October 2022	7,026,000,000
FR0127316927	BTF 12 October 2022	6,343,000,000
FR0127176487	BTF 19 October 2022	5,657,000,000
FR0127316935	BTF 26 October 2022	6,484,000,000
FR0126893702	BTF 2 November 2022	6,430,000,000
FR0127316943	BTF 9 November 2022	6,011,000,000
FR0127176495	BTF 16 November 2022	5,284,000,000
FR0127316950	BTF 23 November 2022	5,954,000,000
FR0126893710	BTF 30 November 2022	3,248,000,000
FR0127316968	BTF 7 December 2022	8,733,000,000
FR0127316976	BTF 14 December 2022	5,464,000,000
FR0127034694	BTF 4 January 2023	9,940,000,000
FR0127316984	BTF 11 January 2023	7,436,000,000
FR0127034702	BTF 25 January 2023	5,965,000,000
FR0127316992	BTF 8 February 2023	5,960,000,000
FR0127034710	BTF 22 February 2023	6,905,000,000
FR0127317008	BTF 8 March 2023	1,941,000,000
FR0127034728	BTF 22 March 2023	5,544,000,000
FR0127176370	BTF 19 April 2023	5,589,000,000
FR0127176388	BTF 17 May 2023	4,721,000,000
FR0127176396	BTF 14 June 2023	5,983,000,000
FR0127317016	BTF 12 July 2023	6,536,000,000
FR0127317024	BTF 9 August 2023	5,925,000,000
FR0127317032	BTF 6 September 2023	4,065,000,000

MEDIUM- AND LONG-TERM DEBT (MATURING 2022-2025) AT 30 SEPTEMBER 2022

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
	Maturity 2022	35,420,000,000				
FR0011337880	OAT 2.25% 25 October 2022	35,420,000,000			0	
	Maturity 2023	155,392,503,103				
FR0013479102	OAT 0.00% 25 February 2023	10,009,000,000			0	×
FR0013283686	OAT 0.00% 25 March 2023	26,328,500,000			0	×
FR0000571085	OAT 8.50% 25 April 2023	9,641,695,903			5,009,065,200	
FR0011486067	OAT 1.75% 25 May 2023	42,271,000,000			0	×
FR0010585901	OATi 2.10% 25 July 2023	22,224,307,200 (1)	1.23140	18,048,000,000	0	
FR0010466938	OAT 4.25% 25 October 2023	44,918,000,000			469,985,000	
	Maturity 2024	171,917,517,930				
FR0014001N46	OAT 0.00% 25 February 2024	31,676,000,000			0	×
FR0013344751	OAT 0.00% 25 March 2024	42,533,000,000			0	×
FR0011619436	OAT 2.25% 25 May 2024	37,948,000,000			0	×
FR0011427848	OAT€i 0.25% 25 July 2024	21,224,517,930 (1)	1.18447	17,919,000,000	0	×
FR0011962398	OAT 1.75% 25 November 2024	38,536,000,000			42,000,000	×
	Maturity 2025	200,681,047,178				
FR0014007TY9	OAT 0.00% 25 February 2025	24,402,000,000			0	×
FR0012558310	OATi 0.10% 1 March 2025	14,359,119,060 (1)	1.12242	12,793,000,000	0	×
FR0013415627	OAT 0.00% 25 March 2025	47,814,000,000			0	×
FR0012517027	OAT 0.50% 25 May 2025	45,530,000,000			0	×
FR0000571150	OAT 6.00% 25 October 2025	30,653,928,118			2,809,964,400	
FR0012938116	OAT 1.00% 25 November 2025	37,922,000,000			0	×

(1) face value x indexation coefficient (face value if coefficient < 1)

* Like all euro area bonds, the bonds issued after 1 March 2013 have collective action clauses (CACs), which means that they are not fungible with bonds issued prior to this date.

MEDIUM- AND LONG-TERM DEBT (MATURING IN 2026 AND BEYOND) AT 30 SEPTEMBER 2022

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
Maturity 2026		190,708,875,000				
FR0013508470	OAT 0.00% 25 February 2026	45,590,000,000			0	×
FR0013519253	OAT€i 0.10% 1 March 2026	13,223,875,000 (1)	1.11125	11,900,000,000	0	×
FR0010916924	OAT 3.50% 25 April 2026	44,202,000,000			0	
FR0013131877	OAT 0.50% 25 May 2026	48,166,000,000			0	×
FR0013200813	OAT 0.25% 25 November 2026	39,527,000,000			0	×
Maturity 2027		162,617,494,660				
FR0014003513	OAT 0.00% 25 February 2027	41,446,000,000			0	×
FR0013250560	OAT 1.00% 25 May 2027	38,814,000,000			0	×
FR0011008705	OAT€i 1.85% 25 July 2027	28,258,494,660 (1)	1.24646	22,671,000,000	0	
FR0011317783	OAT 2.75% 25 October 2027	54,099,000,000			60,743,600	
Maturity 2028		151,378,011,551				
FR001400AIN5	OAT 0.75% 25 February 2028	23,217,000,000			0	×
FR0013238268	OATi 0.10% 1 March 2028	16,032,829,400 (1)	1.12055	14,308,000,000	0	×
FR0000571226	OAT zero coupon 28 March 2028	33,182,151 (2)		46,232,603	–	
FR0013286192	OAT 0.75% 25 May 2028	57,437,000,000			0	×
FR0013341682	OAT 0.75% 25 November 2028	54,658,000,000			0	×
Maturity 2029		161,444,794,885				
FR0013410552	OAT€i 0.10% 1 March 2029	11,106,809,280 (1)	1.12224	9,897,000,000	0	×
FR0000571218	OAT 5.50% 25 April 2029	39,618,880,458			2,099,146,100	
FR0013407236	OAT 0.50% 25 May 2029	52,350,000,000			0	×
FR0000186413	OATi 3.40% 25 July 2029	12,894,105,147 (1)	1.40380	9,185,144,000	0	
FR0013451507	OAT 0.00% 25 November 2029	45,475,000,000			0	×
Maturity 2030		129,503,516,000				
FR0011883966	OAT 2.50% 25 May 2030	57,749,000,000			0	×
FR0011982776	OAT€i 0.70% 25 July 2030	20,148,516,000 (1)	1.16925	17,232,000,000	0	×
FR0013516549	OAT 0.00% 25 November 2030	51,606,000,000			0	×
Maturity 2031		116,178,532,530				
FR0012993103	OAT 1.50% 25 May 2031	58,987,000,000			52,900,000	×
FR0014001N38	OAT€i 0.10% 25 July 2031	11,295,532,530 (1)	1.11297	10,149,000,000	0	×
FR0014002WK3	OAT 0.00% 25 November 2031	45,896,000,000			0	×
Maturity 2032		107,840,480,950				
FR0014003N51	OATi 0.10% 1 March 2032	5,132,743,700 (1)	1.07695	4,766,000,000	0	×
FR0014007L00	OAT 0.00% 25 May 2032	35,865,000,000			0	×
FR0000188799	OAT€i 3.15% 25 July 2032	15,951,414,650 (1)	1.44161	11,065,000,000	0	
FR0000187635	OAT 5.75% 25 October 2032	35,192,322,600			10,281,657,400	
FR001400BKZ3	OAT 2.00% 25 November 2032	15,699,000,000			0	×
Maturity in 2033 and beyond		531,564,430,010				
FR0013313582	OAT 1.25% 25 May 2034	40,613,000,000			0	×
FR0010070060	OAT 4.75% 25 April 2035	29,004,000,000			2,452,837,000	
FR0013524014	OATi 0.10% 1 March 2036	6,611,694,450 (1)	1.07385	6,157,000,000	0	×
FR0013154044	OAT 1.25% 25 May 2036	44,411,000,000			0	×
FR0013327491	OAT€i 0.10% 25 July 2036	11,771,165,760 (1)	1.14684	10,264,000,000	0	×
FR0014009062	OAT 1.25% 25 May 2038	5,710,000,000			0	×
FR001400AQH0	OAT€i 0.10% 25 July 2038	4,971,056,220 (1)	1.09278	4,549,000,000	0	×
FR0010371401	OAT 4.00% 25 October 2038	26,534,000,000			4,652,641,400	
FR0013234333	OAT 1.75% 25 June 2039	30,941,000,000			0	×
FR0013515806	OAT 0.50% 25 May 2040	24,600,000,000			0	×
FR0010447367	OAT€i 1.80% 25 July 2040	17,265,257,310 (1)	1.33539	12,929,000,000	0	
FR0010773192	OAT 4.50% 25 April 2041	38,446,000,000			4,299,599,000	
FR001400CMX2	OAT 2.50% 25 May 2043	5,000,000,000			0	×
FR0014002JM6	OAT 0.50% 25 June 2044	16,498,000,000			0	×
FR0011461037	OAT 3.25% 25 May 2045	29,702,000,000			776,510,000	×
FR0013209871	OAT€i 0.10% 25 July 2047	14,894,580,270 (1)	1.16373	12,799,000,000	0	×
FR0013257524	OAT 2.00% 25 May 2048	30,644,000,000			639,300,000	×
FR0013404969	OAT 1.50% 25 May 2050	33,195,000,000			206,900,000	×
FR0013480613	OAT 0.75% 25 May 2052	32,326,000,000			699,100,000	×
FR0014004J31	OAT 0.75% 25 May 2053	22,796,000,000			183,000,000	×
FR0014008181	OAT€i 0.10% 25 July 2053	4,589,676,000 (1)	1.09278	4,200,000,000	0	×
FR0010171975	OAT 4.00% 25 April 2055	20,118,000,000			11,091,318,000	
FR0010870956	OAT 4.00% 25 April 2060	16,696,000,000			8,883,704,100	
FR0013154028	OAT 1.75% 25 May 2066	14,075,000,000			1,176,700,000	×
FR0014001NN8	OAT 0.50% 25 May 2072	10,152,000,000			92,200,000	×

(1) Face value x indexation coefficient (face value if coefficient < 1)

(2) Revised on 28 March 2021; not open to subscription

* Like all euro area bonds, the bonds issued after 1 March 2013 have collective action clauses (CACs), which means that they are not fungible with bonds issued prior to this date.



MOST RECENT ECONOMIC INDICATORS

Industrial output, year-on-year	0.4%	Aug. 2022
Household consumption*, year-on-year	-2.7%	Sep. 2022
Unemployment rate (ILO)	7.4%	Q4-2021
Consumer prices, year-on-year		
• all items	5.6%	Sep. 2022
• all items excluding tobacco	5.7%	Sep. 2022
Trade balance, fob-fob, sa (€bn)	-€15.3bn	Aug. 2022
" "	-€14.8bn	Jul. 2022
Current account balance, sa (€bn)	-€5.1bn	Aug. 2022
" "	-€5.3bn	Jul. 2022
10-year constant maturity rate (TEC10)	2.65%	31 Oct. 2022
3-month interest rate (Euribor)	1.64%	31 Oct. 2022
EUR / USD	1.00	31 Oct. 2022
EUR / JPY	147.68	31 Oct. 2022

* manufactured products

Sources: Insee, MEFSIN, Banque de France

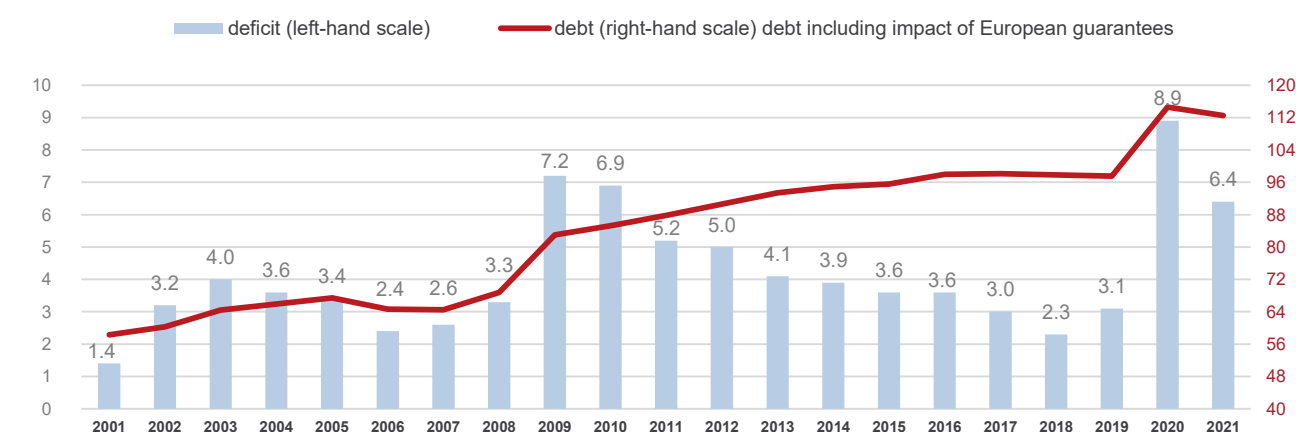
MONTHLY GOVERNMENT BUDGET POSITION

	2020		end of August level		
	2020	2021	2020	2021	2022
General budget balance	-172.68	-171.52	-131.25	-157.20	-124.52
Revenue	282.69	324.95	168.08	180.99	210.71
Expenditure	455.37	496.47	299.32	338.19	335.23
Balance of special Treasury accounts	-5.42	0.79	-34.44	-20.84	-25.38
General budget outturn	-178.07	-170.73	-165.69	-178.05	-149.90

Source: Ministry of the Economy, Finance and Industrial and Digital Sovereignty

PUBLIC FINANCES: DEFICIT AND DEBT

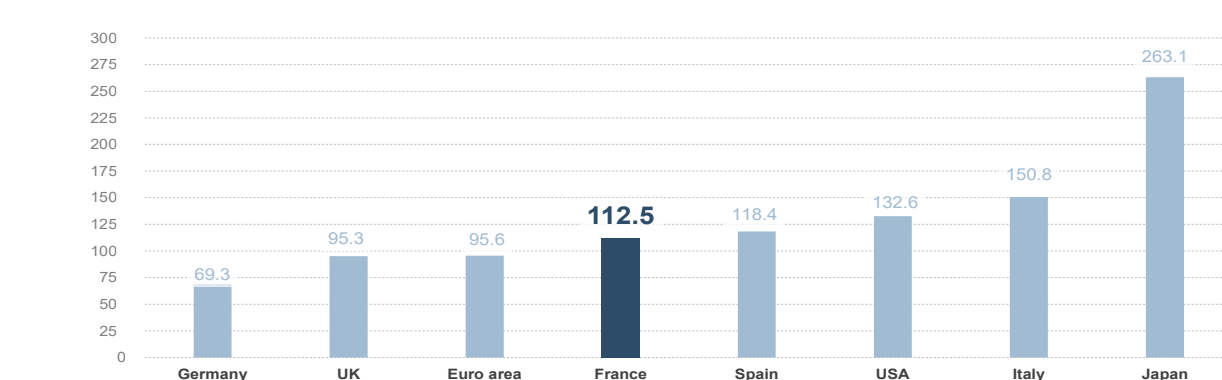
AS % OF GDP



Source: Insee

GENERAL GOVERNMENT DEBT IN 2021

AS % OF GDP



Sources: Eurostat, IMF, Insee

NOVEMBER 2022 

4 Payroll employment Q3	4 Industrial production: September index	8 Balance of payments in September	8 Foreign trade by value in September	15 ILO unemployment rate Q3	15 Net international reserves in October
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Sources: Insee, Eurostat

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