

N°405
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2024

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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France Trésor

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2023 LEAGUE TABLE: A RANKING THAT REFLECTS THE COMMITMENT AND QUALITY OF AFT'S RELATIONS WITH ITS PARTNERS.

Since 1999, Agence France Trésor (AFT) publishes in February a league table of the most active primary dealers in French government securities during the previous year.

Scoring is based on a set of parameters that best reflect the tasks that AFT entrusts to primary dealers. The overall ranking is established on the grounds of three sub-rankings which analyse the following criteria and award a score out of 100 points:

- Primary market performance of each primary dealers (40 points), calculated on the basis of primary dealers' market shares¹ at auctions of nominal short-term securities (BTFs), medium- and long-term securities (OATs) and inflation-linked securities on French inflation and European inflation (OATi and OAT€i), as well as their participation in buybacks.
- Secondary market performance (30 points), based on the volume¹ of primary dealers' traded with end customers and with other market makers on all Treasury securities, including strips and repo transactions.
- The quality of advice and services provided (30 points), assessed through the primary dealers' contributions to the smooth operation of the French government securities market, the quality of their analysis of the sovereign debt market and their economic and operational research, and the closeness and stability of their relationships with AFT.

The top ten most active SVTs in 2023 are as follows:

Overall ranking		Primary market		Secondary market		Quality of services	
1	BNP Paribas	1	BNP Paribas	1	BNP Paribas	1	BNP Paribas et Société Générale (ex aequo)
2	Société Générale	2	Société Générale	2	Citi	3	Crédit Agricole CIB
3	Citi	3	HSBC	3	Deutsche Bank	4	HSBC
4	J.P. Morgan	4	J.P.Morgan	4	J.P.Morgan	5	J.P.Morgan
5	HSBC	5	Citi	5	Crédit Agricole CIB	6	Citi
6	Crédit Agricole CIB	6	Crédit Agricole CIB	6	Morgan Stanley	7	Natixis
7	Deutsche Bank	7	Morgan Stanley	7	Société Générale	8	BofA Securities
8	Morgan Stanley	8	Deutsche Bank	8	Barclays	9	Morgan Stanley
9	BofA Securities	9	BofA Securities	9	HSBC	10	Deutsche Bank
10	Barclays	10	Goldman Sachs	10	BofA Securities		

The general top 10 includes the same primary dealers as in 2022, with the exception of Morgan Stanley, which returns to the ranking in eighth place.

BNP Paribas has maintained its place at the top of the overall ranking, as it has continuously since 2008. This year, the first half of the league table has evolved: Société Générale is now second and Crédit Agricole CIB takes the sixth place, whereas HSBC becomes fifth, moving up one place from 2022.

2024 will be important year for the relationship between AFT and the primary dealers, as a new group of SVTs will be chosen at the end of the year for the 2025-2027 mandate.

¹Duration-weighted data

On February the 2nd, AFT announced the creation of EUR20bn of outstanding of OATs for the securities reserve, equally distributed among ten lines with maturity between 2 and 10 years. This reserve is clearly identified as an alternative way to raise short-term funding. In order to remain in line with the 2024 budget, these securities will be cancelled before the end of the year. Historically, AFT was already using (reverse) repo transactions as a part of its toolkit to manage its short-term cash position and collateral switches to support liquidity in the BTF and OAT curves for its repo facility. This move is a rather explicit extension of AFT repo toolkit to an actual source of funding in addition to BTFs.

This decision is another step in the direction of DMOs using repo simply as a facility to manage liquidity to a more explicit funding instrument. In that regard, the well-seasoned DFA can monetise own holdings either through repo or outright sales; while most of the other repo facilities indeed make use of temporary collateral for the operations. With these new frameworks and the ongoing reduction of the ECB's balance sheet, it is fair to wonder whether the current collateral plethora will turn into excess collateral.

We remain confident that the absorption of the free float will continue to enjoy the tailwind of strong duration demand from end users at the dawn of a cutting cycle, provided markets continue to see close to 100% probability that the next move of the ECB is indeed to cut rates. Unless several DMOs decide to monetise a significant size of their collateral, the increase in free float should remain gradual. On the other hand, banks will have more appetite to secure liquidity as excess liquidity continues to dwindle; we expect this to materialise primarily through higher competition for retail and NFC deposits or commercial paper segments rather than the overnight wholesale sector. On top of that, TLTRO repayments should be mostly done at maturity, with most of the government bonds held in collateral likely maturity matched with the TLTRO operations. This will limit the influx of govies collateral coming back to the market.

Chart 1: General Collateral O/N repo spreads vs ESTR (%)

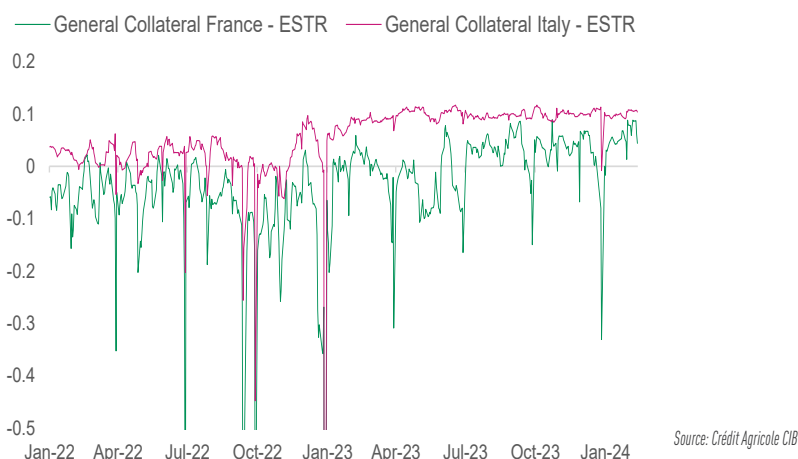
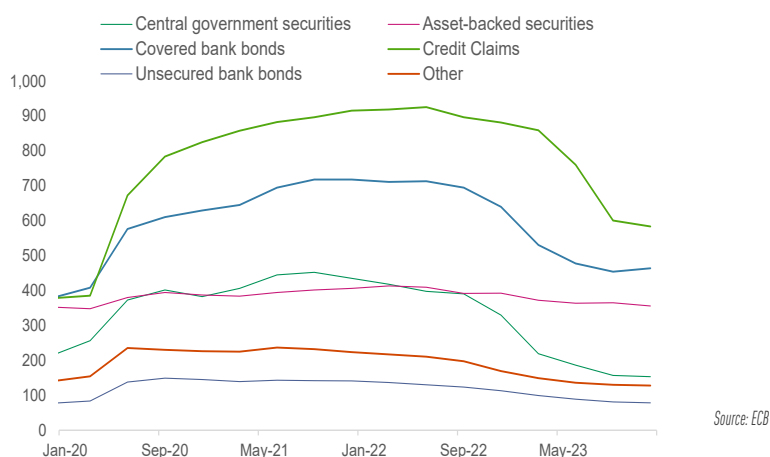



Chart 2: Use of ECB Collateral (EURbn)



INDICATIVE AUCTION SCHEDULE

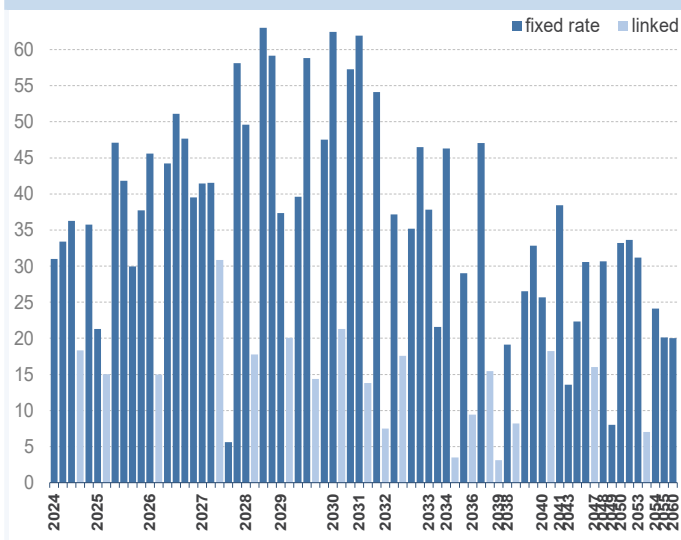
		Short-term					Medium-term	Long-term	Index-linked
March 2024	auction date	4	11	18	25	/	21	7	21
	settlement date	6	13	20	27	/	25	11	25
April 2024	auction date	2	8	15	22	29	18	4	18
	settlement date	4	10	17	24	02/05	22	8	22

 anticipated or delayed (bank holidays, etc.)

Source: Agence France Trésor

MEDIUM- AND LONG-TERM NEGOTIABLE GOVERNMENT DEBT AT 31 JANUARY 2024

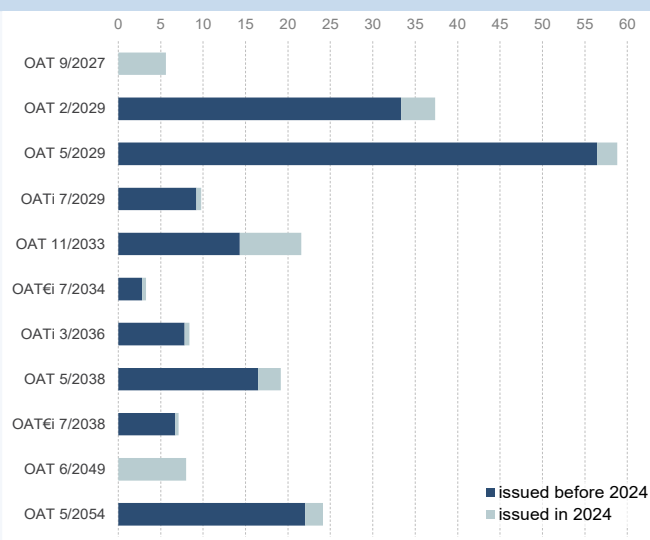
NOMINAL VALUE OF EACH LINE, IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: SECURITIES ISSUED DURING THE YEAR AND TOTAL ISSUANCE AT 31 JANUARY 2024

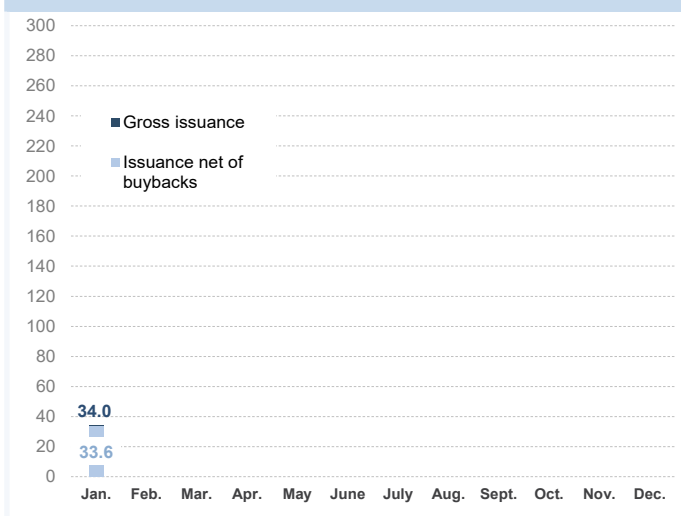
IN € BILLION



Source: Agence France Trésor

ISSUANCE AT 31 JANUARY 2024

IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: PROVISIONAL MATURITY SCHEDULE AT 31 JANUARY 2024

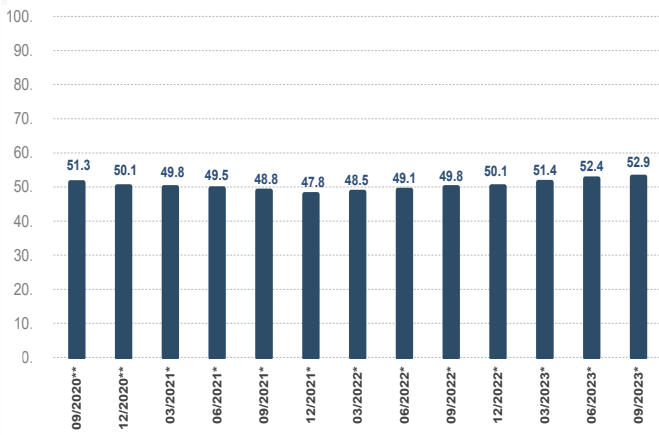
IN € BILLION

Month	Coupon	Redemption
Feb-24	1.4	31.0
Mar-24	0.1	33.4
Apr-24	8.4	0.0
May-24	11.6	36.3
Jun-24	0.9	0.0
Jul-24	2.3	18.7
Aug-24	0.0	0.0
Sep-24	1.3	0.0
Oct-24	6.5	0.0
Nov-24	3.2	35.8
Dec-24	0.0	0.0
Jan-25	0.0	0.0

Source: Agence France Trésor

NON-RESIDENT HOLDERS OF NEGOTIABLE GOVERNMENT DEBT IN THIRD QUARTER OF 2023

AS A % OF NEGOTIABLE DEBT OUTSTANDING
EXPRESSED IN MARKET VALUE



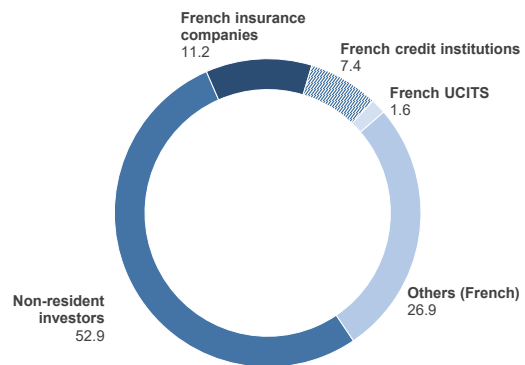
(*) figures quarterly revised

(**) figures annually revised

Source: Banque de France

NEGOTIABLE GOVERNMENT DEBT BY GROUP OF HOLDERS IN THIRD QUARTER OF 2023

STRUCTURE IN % EXPRESSED IN MARKET VALUE



Source: Banque de France

NEGOTIABLE GOVERNMENT DEBT AT 31 JANUARY 2024

IN EUROS

Total medium- and long-term debt	2,293,540,471,256
Total stripping activity	47,102,535,000
Average maturity	9 years and 17 days
Total short-term debt	169,568,000,000
Average maturity	125 days
Total outstanding	2,463,108,471,256
Average maturity	8 years and 164 days

Source: Agence France Trésor

NEGOTIABLE GOVERNMENT DEBT SINCE 2020 AT 31 JANUARY 2024

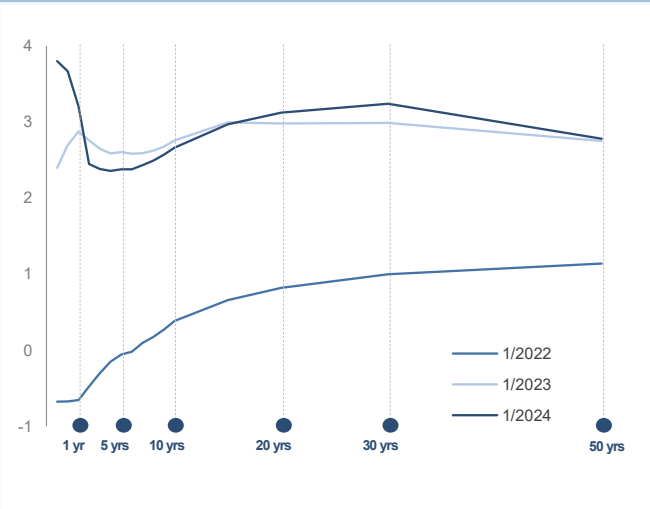
IN € BILLION

	End 2021	End 2022	End 2023	End December 2023	End January 2024
Negotiable government debt outstanding	2,145	2,278	2,430	2,430	2,463
<i>of which index-linked securities</i>	236	262	271	271	273
Medium- and long-term	1,990	2,129	2,261	2,261	2,294
Short-term	155	148	169	169	170
Average maturity of the negotiable debt	8 years	8 years	8 years	8 years	8 years
	153 days	184 days	168 days	168 days	164 days

Source: Agence France Trésor

YIELD CURVE FOR FRENCH GOVERNMENT SECURITIES

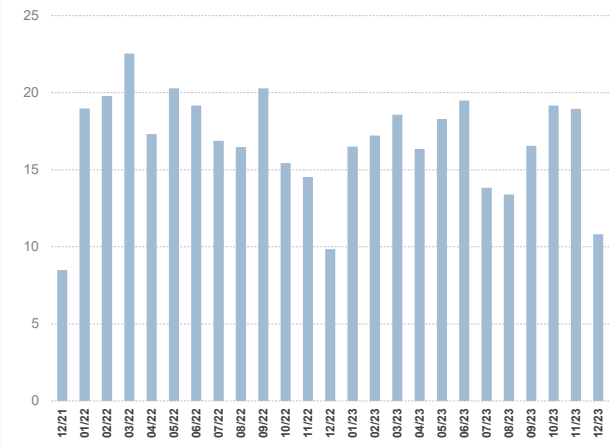
END-OF-MONTH VALUE, %



Source: Bloomberg

AVERAGE DAILY VOLUME OF MEDIUM- AND LONG-TERM TRANSACTIONS

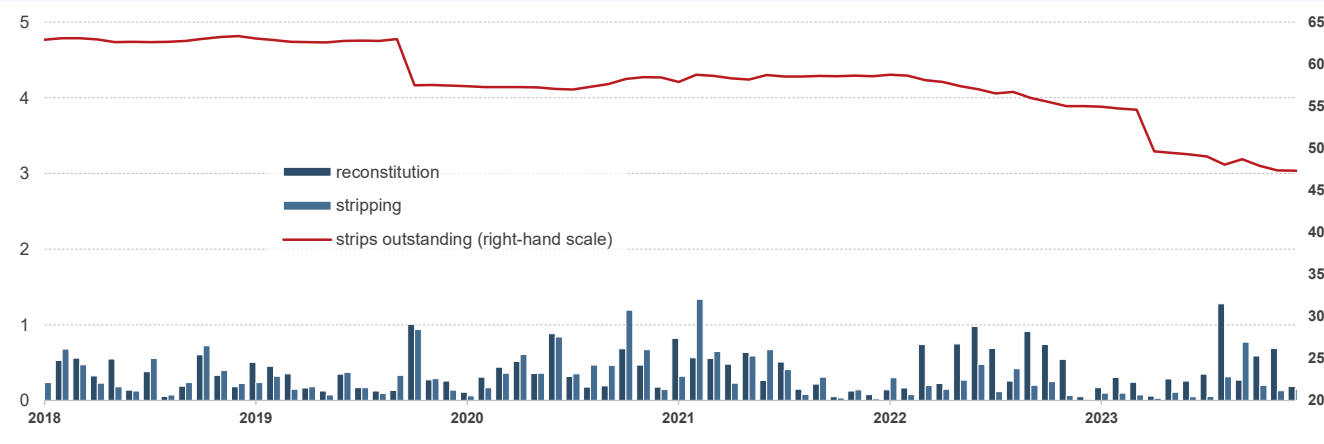
IN € BILLION



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

TOTAL STRIPPING AND RECONSTITUTION

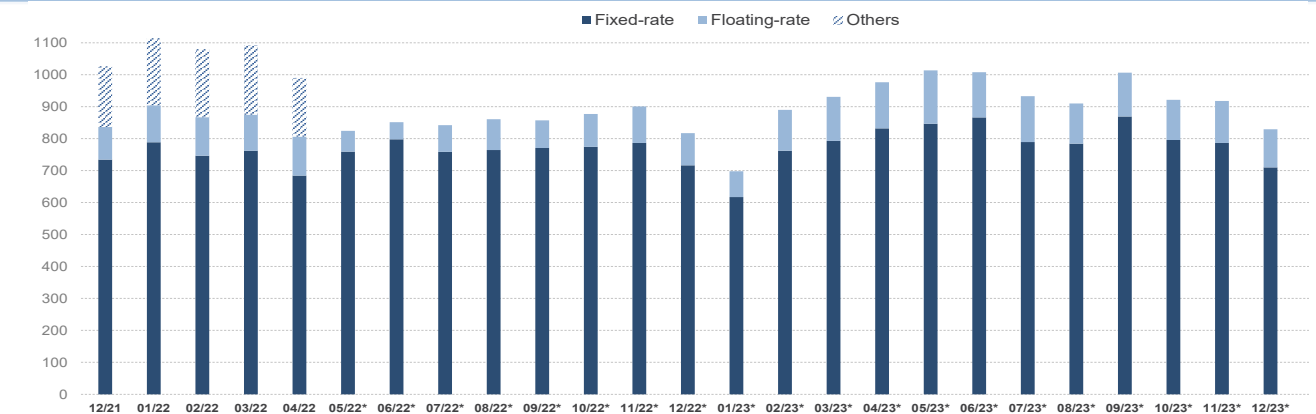
IN € BILLION



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 31 JANUARY 2024

ISIN Code	Maturity	Outstanding(€)
FR0127921296	BTF 7 February 2024	7,081,000,000
FR0128070986	BTF 14 February 2024	6,055,000,000
FR0127613505	BTF 21 February 2024	6,668,000,000
FR0128070994	BTF 28 February 2024	6,075,000,000
FR0127921304	BTF 6 March 2024	7,760,000,000
FR0128071000	BTF 13 March 2024	4,675,000,000
FR0127613513	BTF 20 March 2024	8,906,000,000
FR0128227693	BTF 27 March 2024	2,999,000,000
FR0128227685	BTF 4 April 2024	7,028,000,000
FR0128227701	BTF 10 April 2024	6,911,000,000
FR0127921064	BTF 17 April 2024	9,076,000,000
FR0128227719	BTF 24 April 2024	6,601,000,000
FR0128071034	BTF 2 May 2024	8,213,000,000
FR0127921072	BTF 15 May 2024	7,658,000,000
FR0128071042	BTF 29 May 2024	4,563,000,000
FR0127921080	BTF 12 June 2024	8,472,000,000
FR0127921312	BTF 10 July 2024	10,779,000,000
FR0128227768	BTF 24 July 2024	4,843,000,000
FR0127921320	BTF 7 August 2024	8,701,000,000
FR0127921338	BTF 4 September 2024	7,855,000,000
FR0128071059	BTF 2 October 2024	6,716,000,000
FR0128071067	BTF 30 October 2024	8,446,000,000
FR0128071075	BTF 27 November 2024	4,592,000,000
FR0128227792	BTF 2 January 2025	7,199,000,000
FR0128227800	BTF 29 January 2025	1,696,000,000

MEDIUM- AND LONG-TERM DEBT (MATURING 2024-2027) AT 31 JANUARY 2024

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
Maturity 2024		154,781,848,680				
FR0014001N46	OAT 0.00% 25 February 2024	31,006,000,000			0	x
FR0013344751	OAT 0.00% 25 March 2024	33,403,000,000			0	x
FR0011619436	OAT 2.25% 25 May 2024	36,268,000,000			0	x
FR0011427848	OAT€i 0.25% 25 July 2024	18,333,848,680 (1)	1.25197	14,644,000,000	0	x
FR0011962398	OAT 1.75% 25 November 2024	35,771,000,000			37,000,000	x
Maturity 2025		192,950,912,098				
FR0014007TY9	OAT 0.00% 25 February 2025	21,294,000,000			0	x
FR0012558310	OATi 0.10% 1 March 2025	15,029,983,980 (1)	1.17486	12,793,000,000	0	x
FR0013415627	OAT 0.00% 25 March 2025	47,114,000,000			0	x
FR0012517027	OAT 0.50% 25 May 2025	41,835,000,000			0	x
FR0000571150	OAT 6.00% 25 October 2025	29,955,928,118			2,563,334,400	
FR0012938116	OAT 1.00% 25 November 2025	37,722,000,000			0	x
Maturity 2026		243,052,323,520				
FR0013508470	OAT 0.00% 25 February 2026	45,590,000,000			0	x
FR0013519253	OAT€i 0.10% 1 March 2026	14,959,323,520 (1)	1.17457	12,736,000,000	0	x
FR0010916924	OAT 3.50% 25 April 2026	44,202,000,000			0	
FR0013131877	OAT 0.50% 25 May 2026	51,113,000,000			0	x
FR001400FYQ4	OAT 2.50% 24 September 2026	47,661,000,000			0	x
FR0013200813	OAT 0.25% 25 November 2026	39,527,000,000			0	x
Maturity 2027		177,568,743,170				
FR0014003513	OAT 0.00% 25 February 2027	41,446,000,000			0	x
FR0013250560	OAT 1.00% 25 May 2027	41,534,000,000			0	x
FR0011008705	OAT€i 1.85% 25 July 2027	30,872,743,170 (1)	1.31749	23,433,000,000	0	
FR001400NBC6	OAT 2.50% 24 September 2027	5,616,000,000			0	x
FR0011317783	OAT 2.75% 25 October 2027	58,100,000,000			25,273,600	

(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 2028 AND BEYOND) AT 31 JANUARY 2024

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
Maturity 2028		189,821,526,368				
FR001400AIN5	OAT 0.75% 25 February 2028	49,601,000,000			0	x
FR0013238268	OATi 0.10% 1 March 2028	17,742,458,300 (1)	1.17290	15,127,000,000	0	x
FR0000571226	OAT zero coupon 28 March 2028	35,068,068 (2)		46,232,603	–	
FR0013286192	OAT 0.75% 25 May 2028	63,275,000,000			0	x
FR0013341682	OAT 0.75% 25 November 2028	59,168,000,000			0	x
Maturity 2029		217,777,678,840				
FR001400HI98	OAT 2.75% 25 February 2029	37,362,000,000			0	x
FR0013410552	OAT€i 0.10% 1 March 2029	20,089,483,200 (1)	1.18620	16,936,000,000	0	x
FR0000571218	OAT 5.50% 25 April 2029	39,618,880,458			1,215,967,100	
FR0013407236	OAT 0.50% 25 May 2029	58,805,000,000			0	x
FR0000186413	OATi 3.40% 25 July 2029	14,372,315,182 (1)	1.46939	9,781,144,000	0	
FR0013451507	OAT 0.00% 25 November 2029	47,530,000,000			0	x
Maturity 2030		141,034,684,160				
FR0011883966	OAT 2.50% 25 May 2030	62,459,000,000			0	x
FR0011982776	OAT€i 0.70% 25 July 2030	21,296,684,160 (1)	1.23588	17,232,000,000	0	x
FR0013516549	OAT 0.00% 25 November 2030	57,279,000,000			0	x
Maturity 2031		129,861,112,400				
FR0012993103	OAT 1.50% 25 May 2031	61,915,000,000			30,900,000	x
FR0014001N38	OAT€i 0.10% 25 July 2031	13,812,112,400 (1)	1.17640	11,741,000,000	0	x
FR0014002WK3	OAT 0.00% 25 November 2031	54,134,000,000			0	x
Maturity 2032		143,956,637,500				
FR0014003N51	OATi 0.10% 1 March 2032	7,510,933,380 (1)	1.12726	6,663,000,000	0	x
FR0014007L00	OAT 0.00% 25 May 2032	37,183,000,000			0	x
FR0000188799	OAT€i 3.15% 25 July 2032	17,564,381,520 (1)	1.52376	11,527,000,000	0	
FR0000187635	OAT 5.75% 25 October 2032	35,192,322,600			8,985,217,400	
FR001400BKZ3	OAT 2.00% 25 November 2032	46,506,000,000			0	x
Maturity 2033		59,378,000,000				
FR001400H7V7	OAT 3.00% 25 May 2033	37,804,000,000			0	x
FR001400L834	OAT 3.50% 25 November 2033	21,574,000,000			0	x
Maturity 2034		49,798,923,100				
FR0013313582	OAT 1.25% 25 May 2034	46,294,000,000			0	x
FR001400JI88	OAT€i 0.60% 25 July 2034	3,504,923,100 (1)	1.06890	3,279,000,000	0	x
Maturity in 2035 and beyond		593,558,081,420				
FR0010070060	OAT 4.75% 25 April 2035	29,004,000,000			1,619,487,000	
FR0013524014	OATi 0.10% 1 March 2036	9,408,047,400 (1)	1.12402	8,370,000,000	0	x
FR0013154044	OAT 1.25% 25 May 2036	47,051,000,000			0	x
FR0013327491	OAT€i 0.10% 25 July 2036	15,451,913,400 (1)	1.21220	12,747,000,000	0	x
FR0014009062	OAT 1.25% 25 May 2038	19,145,000,000			0	x
FR001400AQH0	OAT€i 0.10% 25 July 2038	8,188,149,450 (1)	1.15505	7,089,000,000	0	x
FR0010371401	OAT 4.00% 25 October 2038	26,534,000,000			4,276,996,400	
FR001400IKW5	OATi 0.55% 1 March 2039	3,103,590,000 (1)	1.03453	3,000,000,000	0	x
FR0013234333	OAT 1.75% 25 June 2039	32,852,000,000			0	x
FR0013515806	OAT 0.50% 25 May 2040	25,660,000,000			0	x
FR0010447367	OAT€i 1.80% 25 July 2040	18,249,024,920 (1)	1.41148	12,929,000,000	0	
FR0010773192	OAT 4.50% 25 April 2041	38,446,000,000			3,843,399,000	
FR001400CMX2	OAT 2.50% 25 May 2043	13,593,000,000			28,700,000	x
FR0014002JM6	OAT 0.50% 25 June 2044	22,310,000,000			0	x
FR0011461037	OAT 3.25% 25 May 2045	30,557,000,000			888,110,000	x
FR0013209871	OAT€i 0.10% 25 July 2047	16,023,861,350 (1)	1.23005	13,027,000,000	0	x
FR0013257524	OAT 2.00% 25 May 2048	30,644,000,000			613,650,000	x
FR001400NEF3	OAT 3.00% 25 June 2049	8,000,000,000			0	x
FR0013404969	OAT 1.50% 25 May 2050	33,195,000,000			157,900,000	x
FR0013480613	OAT 0.75% 25 May 2052	33,622,000,000			722,100,000	x
FR0014004J31	OAT 0.75% 25 May 2053	31,169,000,000			270,000,000	x
FR0014008181	OAT€i 0.10% 25 July 2053	7,043,494,900 (1)	1.15505	6,098,000,000	0	x
FR001400FTH3	OAT 3.00% 25 May 2054	24,115,000,000			712,650,000	x
FR0010171975	OAT 4.00% 25 April 2055	20,118,000,000			10,980,618,000	
FR0010870956	OAT 4.00% 25 April 2060	20,029,000,000			8,866,652,100	
FR0013154028	OAT 1.75% 25 May 2066	16,828,000,000			1,148,480,000	x
FR0014001NN8	OAT 0.50% 25 May 2072	13,218,000,000			116,100,000	x

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

(2) Revised on 28 March 2023; 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	1.1%	Dec. 2023
Household consumption*, year-on-year	-0.1%	Dec. 2023
Unemployment rate (ILO)	7.5%	Q4-2023
Consumer prices, year-on-year		
• all items	3.1%	Jan. 2024
• all items excluding tobacco	2.9%	Jan. 2024
Trade balance, fob-fob, sa (€bn)	-€6.7bn	Dec. 2023
" "	-€7.4bn	Nov. 2023
Current account balance, sa (€bn)	-€0.7bn	Dec. 2023
" "	-€2.9bn	Nov. 2023
10-year constant maturity rate (TEC10)	2.98%	29 Feb. 2024
3-month interest rate (Euribor)	3.94%	29 Feb. 2024
EUR / USD	1.09	29 Feb. 2024
EUR / JPY	162.58	29 Feb. 2024

* manufactured products

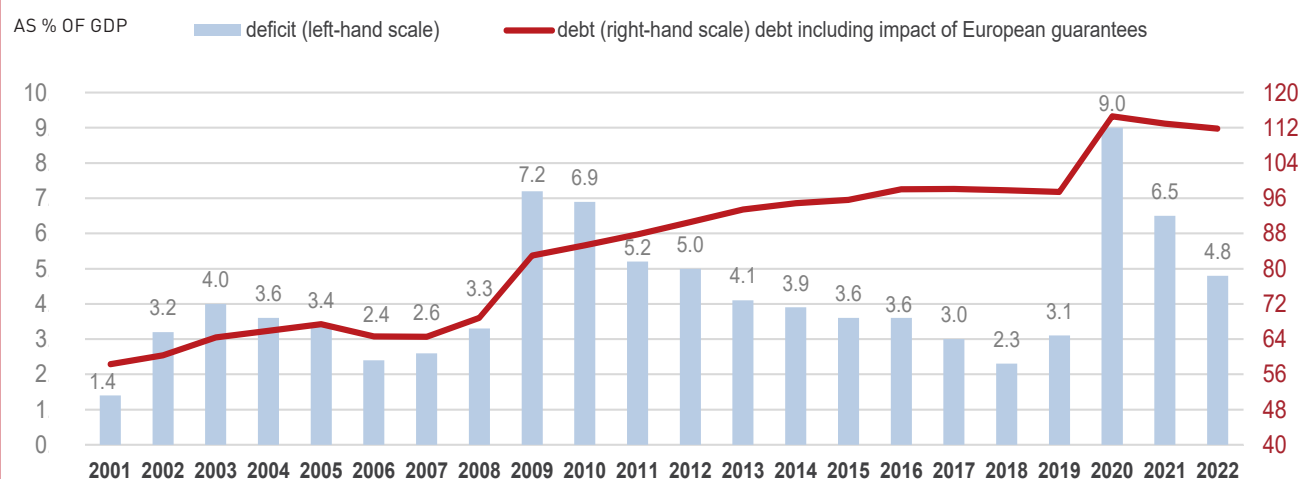
Sources: Insee, MEFSIM, Banque de France

MONTHLY GOVERNMENT BUDGET POSITION

IN € BILLION	end of December level				
	2021	2022	2021	2022	2023
General budget balance	-171.52	-158.20	-171.52	-158.20	-168.16
Revenue	324.95	354.74	324.95	354.74	354.53
Expenditure	496.47	512.94	496.47	512.94	522.69
Balance of special Treasury accounts	0.79	6.73	0.79	6.73	-5.10
General budget outturn	-170.74	-151.44	-170.73	-151.47	-173.26

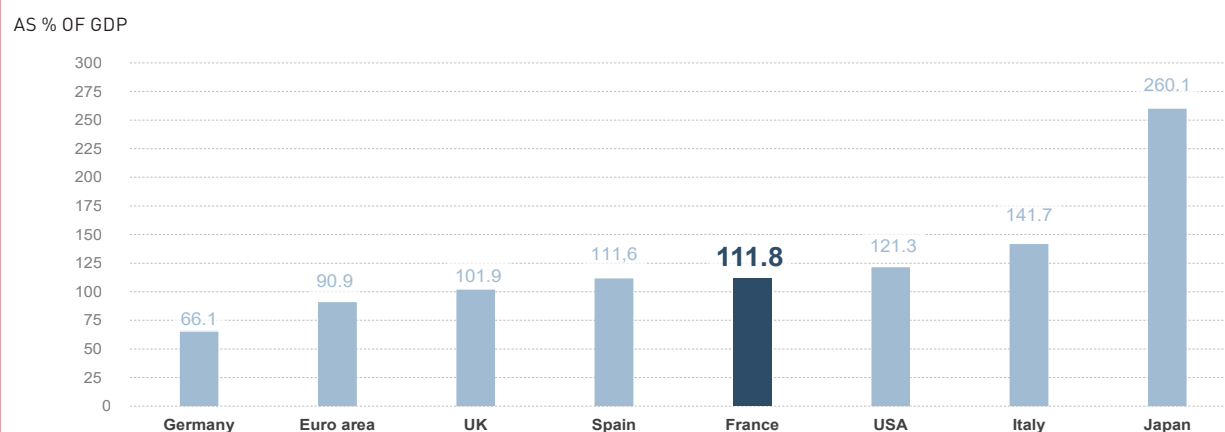
Source: Ministry of the Economy, Finance and Industrial and Digital Sovereignty

PUBLIC FINANCES: DEFICIT AND DEBT




Source: Insee

GENERAL GOVERNMENT DEBT IN 2022



Sources: Eurostat, IMF, Insee

MARCH 2024 

1 Inflation (HICP) : February index (preliminary results)	5 Industrial production: January index	8 Foreign trade by value in January	8 Balance of payments	15 Net international reserves in February	15 Consumer prices: February index (final results)
18 Inflation (HICP): February index (final)	21 Monthly business survey (goods- producing industries) in March	26 Debt of the general government according to Maastricht definition	26 Household consumption expenditures on goods in February	27 Consumer confidence survey: March survey	29 Industrial producer and import price: February indices
29 Consumer prices: March index (preliminary results)					

APRIL 2024 

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