Informations Rapides

Insee
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Conjoncture

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Principaux indicateurs

The general government Maastricht debt – 2nd quarter of 2014

At the end of Q2 2014, the Maastricht debt accounted for 95.1 % of GDP

Warnings : *Quarterly debt figures are based on an accounting data source less exhaustive than the annual accounts. Results may therefore be updated during several quarters.*

Quarterly debt variations alone are not sufficient to forecast the deficit for the current quarter. To obtain the deficit from the change in Maastricht gross public debt, net acquisitions of financial assets and other accounts receivable and payable must also be taken into consideration.

From this quarter onwards, the "caisse nationale des autoroutes" (CNA) is considered a part of general government. Its debt at the end of Q2 2014 amounts to € 7.2bn and its assets are equivalent. Integrating the CNA therefore leads to an increase in Maastricht debt, which is gross, but leaves the net debt unchanged. The correction has been backcasted on the whole period 1995-2014, so that this methodological change does not entail a break in the series between Q1 and Q2 of 2014.

The Maastricht debt increased by €28.7bn compared to the previous quarter

At the end of Q2 2014, the Maastricht debt reached €2,023.7bn, a €28.7bn increase in comparison to Q1 2014. It accounted for 95.1 % of GDP, 1.1 point higher than Q1 2014's level. The net public debt growth is less dynamic (+€23.7bn).

The State debt rose

The State contribution to the debt rose by €35.3bn inQ2 2014. The increase was driven by long-term negotiable debt (+€30.2bn) and short term negotiable debt (+€3.1bn). Moreover a €1.7bn long term loan granted to the Eurozone countries by the FESF adds to the debt (*see the remark below*).

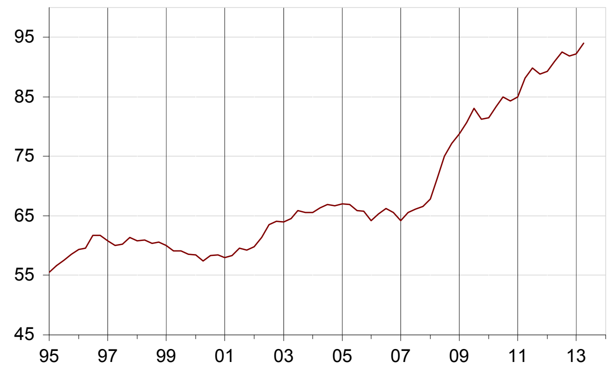
The social security funds, local government and central agencies debt went down

In Q2 2014, Social security funds contribution to debt went down by €3.9bn. The main movements come from Cades which paid back €3.2bn, Pôle Emploi which paid back €2.1bn of short term loans and UNEDIC which issued €2.0bn of convertible bonds.

Local government contribution to debt diminished by €1.6bn: they paid back €1.4bn of long-term loans and €0.6bn in short-term loans. They issued €0.4bn of convertible bonds

The contribution of central agencies (central government units other than the State) decreased by €1.2bn.

General government debt under the Maastricht treaty (% of GDP) (*)



General government debt under the Maastricht treaty by sub-sector and by category

(billion euros)

	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
General Government	**1,946.9**	**1,935.5**	**1,949.5**	**1,995.0**	**2,023.7**
%of GDP	92,6%	91,8%	92,2%	94,0%	95,1%
of which, by sub-sector :					
State	1,533.9	1,524.7	1,534.0	1,577.3	1,612.6
Central Agencies	26,7	25,5	21,5	21,3	20,1
Local Government	172,0	172,2	182,3	180,2	178,6
Social security funds	214,2	213,2	211,7	216,3	212,4
of which, by category					
Currency and deposits	39,5	39,1	40,3	39,2	39,5
Securities other than shares	1,638.5	1,626.1	1,629.0	1,682.6	1,712.5
short-term	*202,7*	*210,6*	*199,9*	*214,1*	*213,6*
long-term	*1,435.9*	*1,415.5*	*1,429.1*	*1,468.4*	*1,498.9*
Loans	268,9	270,3	280,2	273,3	271,6
short-term	*8,0*	*9,6*	*9,1*	*11,1*	*8,8*
long-term	*261,0*	*260,7*	*271,1*	*262,1*	*262,8*

Source : National Accounts 2010 basis - Insee, DGFiP, Banque de France

(*) Explanations in the box "For more details"

The net public debt increased less rapidly than the gross public debt

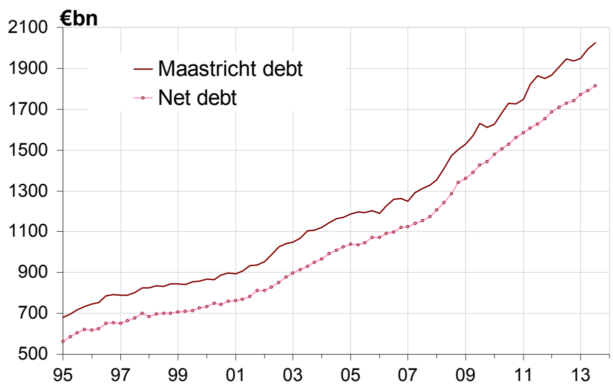
At the end of Q2 2014, the net public debt reached €1,813.9bn (equivalent to 85.3 % of GDP as opposed to 84.3 % in the previous quarter), a €23.7bn increase compared to the previous quarter. The €5.0bn gap between changes in net and gross debt is explained by the dynamism of the State's treasury (+€4.6bn). The State also lent for €1.7bn through the FESF and foreign banks or states paid back €0.3bn. Central agencies, local government and Social security funds also take part in this difference to a lesser extent.

General government net debt by sub-sector

(billion euros)

	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
General government	**1,727.3**	**1,742.7**	**1,773.0**	**1,790.2**	**1,813.9**
of which :					
The State	*1,396.0*	*1,414.8*	*1,431.9*	*1,449.9*	*1,479.2*
Central Agencies	*8,9*	*7,5*	*4,4*	*3,8*	*3,6*
Local government	*159,8*	*159,9*	*170,0*	*167,5*	*166,3*
Social security funds	*162,6*	*160,4*	*166,7*	*169,0*	*164,8*

Maastricht gross debt and net debt



The value of quoted shares and mutual fund shares decreased

At the end of Q2 2014, the value of quoted shares and mutual fund shares held by general government units reached €226.3bn, a €7.2bn decrease compared to Q1 2014. The value of quoted shares went down by €8.8bn due to the appreciation of shares held by State (-€8.8bn) mostly in EDF. The value of mutual fund shares grew by €1.5bn this quarter, related to the purchase of €1.0bn of money market funds by Unedic and €0.4bn by other social security units.

General government holdings of quoted shares and mutual fund shares

(billion euros)

	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
General government	**197,4**	**218,9**	**220,9**	**233,5**	**226,3**
of which :					
The State	*56.2*	*70.0*	*71.9*	*80.7*	*72.0*
Central Agencies	*24.7*	*27.4*	*28.2*	*29.0*	*29.1*
Local government	*0.3*	*0.3*	*0.3*	*0.2*	*0.2*
Social security funds	*116.2*	*121.2*	*120.6*	*123.5*	*125.0*

General government holdings of quoted shares and mutual fund shares

Remark : *The European Financial Stability Facility (EFSF), settled on June 7th 2010, borrows on financial market to lend to Eurozone countries in turmoil (Greece, Portugal, Ireland). Its bonds issuances are guaranteed by the other Member States, including France. Following Eurostat's decision of January 27th 2011, all the operations of the EFSF are reincorporated into the public accounts of the guarantor States, proportionally to their commitments. This treatment leaves their net debts unchanged. During Q2 2014 France lent through FESF for Greece (€1.4bn) and for Portugal (€0.3bn).*

For more details:

For the fourth quarter release, the measure of GDP used in debt-to-GDP ratios is the annual GDP based on gross data. This figure has no proper equivalent during the year; it is approximated by the sum for the last four quarters of quarterly GDP based on data adjusted for seasonal variations and working days.

Data by institutional sub-sectors of general government presented in this issue of *Informations Rapides* are consolidated: liabilities held by the same sub-sector as well as those held by other sub-sectors of general government are excluded from the calculations.

- Complementary data (long-term data series, website pages linked…) are available on the HTML website page of this indicator: http://www.insee.fr/fr/themes/info-rapide.asp?id=40
- The methodological note about the quarterly debt according to the Maastricht definition is available here: http://www.insee.fr/fr/indicateurs/ind40/Dette_m.pdf
- Find the long-term data series in the BDM: G885, G886
- Follow us on Twitter@InseeFr_News
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