

N°401  
OCTOBER  
2023

# 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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News at Agence France Trésor

## AFT PUBLISHES ITS SIXTH ALLOCATION AND PERFORMANCE REPORT FOR GREEN OATS

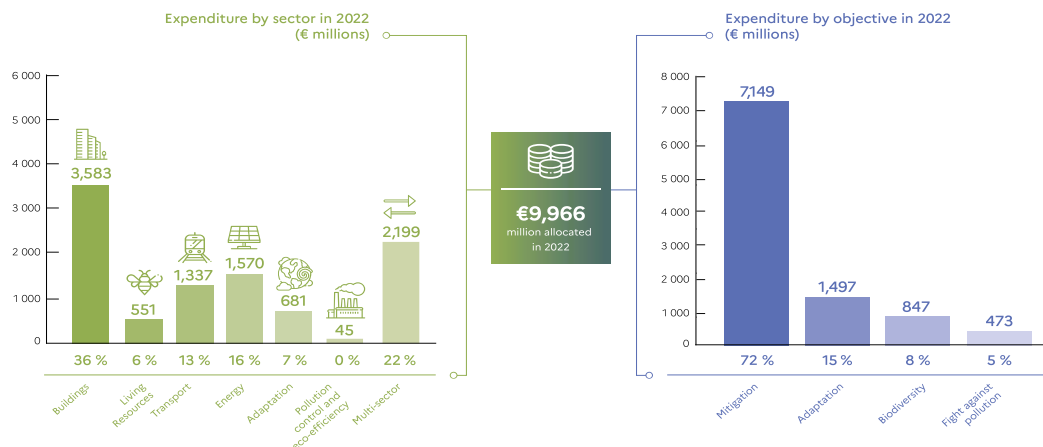
Since the inaugural launch of the first Green OAT in 2017, AFT has committed to publishing an annual report on the allocation and performance of green OATs in order to meet high transparency requirements.

In 2022, €10bn were raised through green OAT issuances. The sixth report presents the 2022 expenditure matched to the green OAT issues, as well as the related performance indicators. It highlights the extent of the State's actions in favour of the environment and to fight climate change, in line with the Paris Agreement.

The report also provides an opportunity to assess for the first time the allocation of funds raised through the green OAT indexed to European inflation, the OAT€i 0.10% 25 July 2038, launched by AFT in May 2022, which already stands at €6.7 bn.

The Framework for the Green OATs, published in 2017, sets out four national objectives: (i) mitigation of climate change, (ii) adaptation to climate change, (iii) protection of biodiversity, and (iv) reduction of air, soil and water pollution. To reach these objectives, the programmes financed by Green OATs are divided into six main sectors: building, transport, energy, living resources, adaptation, pollution control and eco-efficiency.

The following charts summarise the expenditure financed in 2022, by sector as well as by environmental objective.



This new report also analyses the link between the issuance of green bonds and the development of the Green Budget. Since 2020, it provides information on the environmental impact of the government's green spending. The allocation and performance report analyses further Green eligible expenditures with regard to the European Taxonomy, in the context of evolving best practices in green finance.

At the end of October, the total amount of green debt issued by France, through its three green OATs (the OAT 1.75% 25 June 2039, the OAT 0.50% 25 June 2044 and the OAT€i 0.10% 25 July 2038) stands at €59 billion, of which €7.1 billion have been allocated as part of the €11 billion of eligible green expenditure estimated for 2023.

A report of the Green OATs Evaluation Council, analysing public subsidies for renewable energy, will also be published in December.

Download the full 2022 Green OAT allocation and performance report [here](#) (French only, English version available soon)

Despite a deteriorated international environment, the French economy continues to grow, thanks to ambitious reforms implemented by the government and to the measures set in response to the energy crisis which have allowed to protect households and businesses. Keeping with the reforms to promote activity and employment, the transformation of France's economic model continues via the strengthening of public policies to promote the ecological and digital transitions, education and integration through work.

Growth has been sustained in 2022

**In 2022, France faced a new economic shock due to the Russian invasion in Ukraine**, which resulted in higher energy and commodity prices and a rise in supply tensions for certain products and uncertainty. The Government reacted immediately to protect households and businesses, those most affected by the rising energy prices, in particular.

**French growth was dynamic in 2022 at +2.5%, particularly in comparison to our main European partners.** Following the post-sanitary crisis economic rebound, growth was driven by dynamic household consumption (+2.1%) and business investment (+3.6%). Inflation has reached +5.2% yoy, on average, in 2022, mainly due to the sharp rise in energy prices (+23.1%) and food prices (+6.8%). However, it remained the lowest (according to the HICP definition) in the eurozone and the European Union, thanks to the measures taken by the Government, the energy cap in particular.

**The resilience of the economic activity is also reflected in the solid dynamic of the labour market.** Unemployment is close to its lowest level in forty years (7.2% in Q2 2023), down for all age categories compared to its pre-sanitary crisis level, while the employment rate has reached its highest level since 1975 (68.6% in Q2 2023).

Economic growth is expected to remain strong in 2023 and 2024

**Activity accelerated during the 2nd quarter of 2023 (+0.5%) and growth is expected to reach +1.0% in 2023.** The return to production in the sectors affected by supply tensions, such as aerospace and automotive, has resulted in a strong growth contribution from foreign trade in H1 2023 (+0.7 pt) and dynamic industrial production (+1.6% semester on semester change). The results for foreign trade in the first half of 2023 show a clear improvement in the trade balance of the energy and manufacturing sectors, and confirm the dynamism of service exports.

**After reaching a peak at the beginning of 2023, inflation is easing** and is expected to reach an average of +4.9% in 2023, down from 2022, but with a very different breakdown: underlying inflation will take over from energy inflation as the initial shock in commodity prices spreads along value chains.

**Public finances will continue to be mobilized in 2023.** Due to a maintained high level of protection for households and businesses against inflation, the public balance is expected to fall to -4.9% of GDP in 2023 (from -6.5% in 2021 and -4.8% in 2022), while public debt will amount to 109.7% of GDP (down from 111.8% in 2022 and 112.9% in 2021).

**In 2024, growth (+1.4%) is expected to return above its long-term trend**, supported by a rebound in purchasing power, which should benefit from a rise in real wages, and partial catch-up effects on household consumption and foreign trade. Inflation is expected to continue to ease, averaging 2.6% a year. The gradual end of support measures for businesses and households to cope with the consequences of rising energy prices would allow a significant reduction in public spending, leading to **a reduction in the public deficit to -4.4% of GDP**. The public debt ratio is expected to stabilise at 109.7% of GDP in 2024.

INDICATIVE AUCTION SCHEDULE

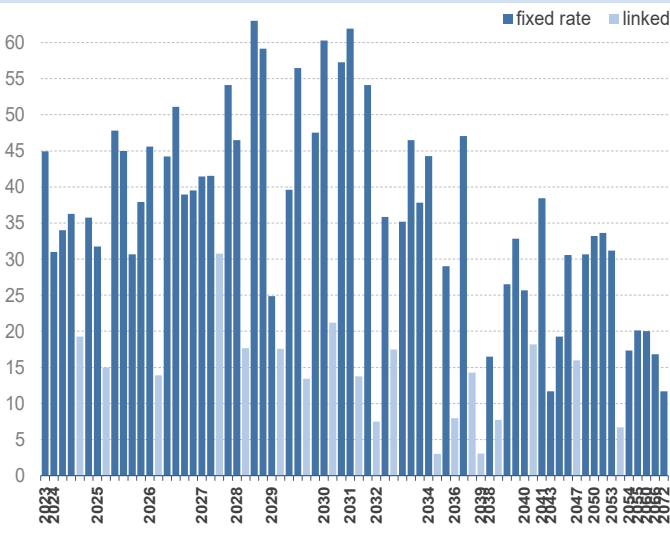
		Short-term					Medium-term	Long-term	Index-linked
November 2023	auction date	6	13	20	27	30	16	2	16
	settlement date	8	15	22	29	01/11	20	6	20
December 2023	auction date	4	11	18	27	/	7	7	7
	settlement date	6	13	20	29	/	11	11	11

■ anticipated or delayed (bank holidays, etc.)

Source: Agence France Trésor

MEDIUM- AND LONG-TERM NEGOTIABLE GOVERNMENT DEBT AT 30 SEPTEMBER 2023

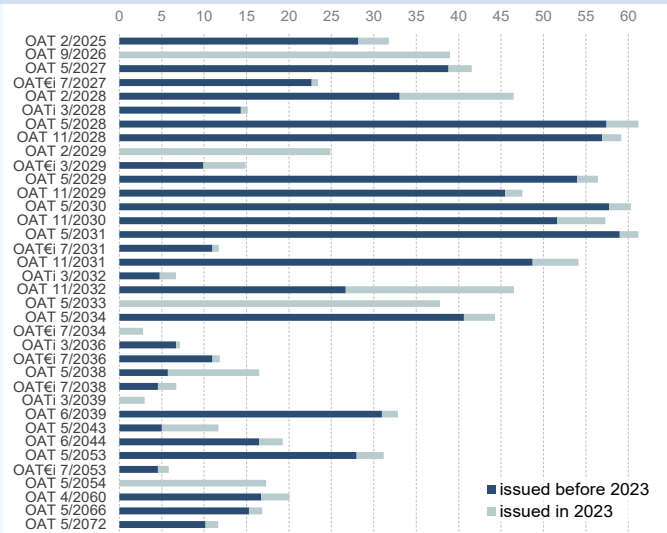
NOMINAL VALUE OF EACH LINE, IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: SECURITIES ISSUED DURING THE YEAR AND TOTAL ISSUANCE AT 30 SEPTEMBER 2023

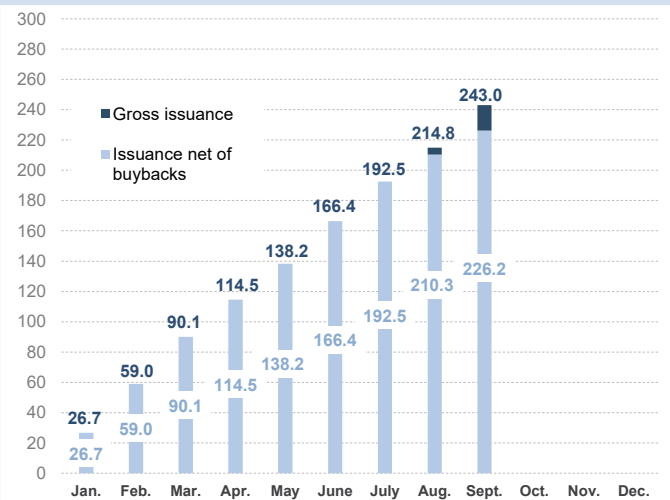
IN € BILLION



Source: Agence France Trésor

ISSUANCE AT 30 SEPTEMBER 2023

IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: PROVISIONAL MATURITY SCHEDULE AT 30 SEPTEMBER 2023

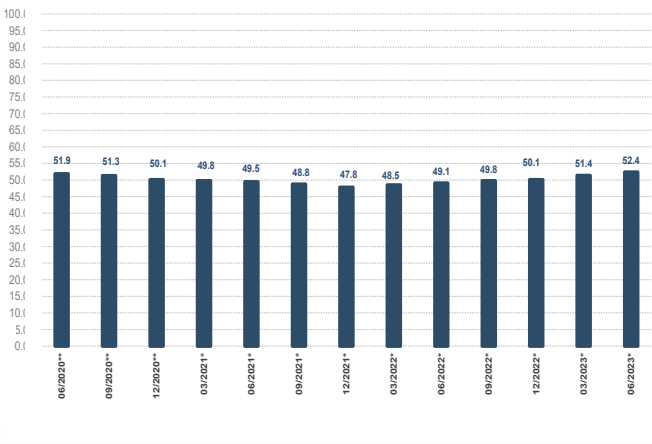
IN € BILLION

Month	Coupon	Redemption
Oct-23	8.3	44.9
Nov-23	2.5	
Dec-23		
Jan-24		
Feb-24	1.0	31.0
Mar-24	0.1	34.0
Apr-24	8.4	
May-24	11.3	36.3
Jun-24	0.7	
Jul-24	2.3	20.0
Aug-24		
Sep-24	1.0	

Source: Agence France Trésor

## NON-RESIDENT HOLDERS OF NEGOTIABLE GOVERNMENT DEBT IN SECOND QUARTER OF 2023

AS A % OF NEGOTIABLE DEBT OUTSTANDING  
EXPRESSED IN MARKET VALUE



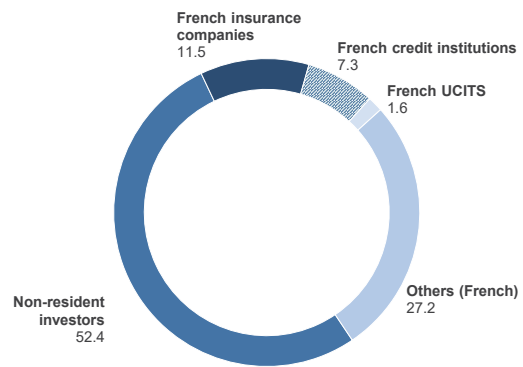
(\* ) figures quarterly revised

(\*\* ) figures annually revised

Source: Banque de France

## NEGOTIABLE GOVERNMENT DEBT BY GROUP OF HOLDERS IN SECOND QUARTER OF 2023

STRUCTURE IN % EXPRESSED IN MARKET VALUE



Source: Banque de France

## NEGOTIABLE GOVERNMENT DEBT AT 30 SEPTEMBER 2023

IN EUROS

<b>Total medium- and long-term debt</b>	<b>2,258,858,769,693</b>
Total stripping activity	48,690,530,000
Average maturity	9 years and 13 days
<b>Total short-term debt</b>	<b>167,909,000,000</b>
Average maturity	130 days
<b>Total outstanding</b>	<b>2,426,767,769,693</b>
<b>Average maturity</b>	<b>8 years and 159 days</b>

Source: Agence France Trésor

## NEGOTIABLE GOVERNMENT DEBT SINCE 2020 AT 30 SEPTEMBER 2023

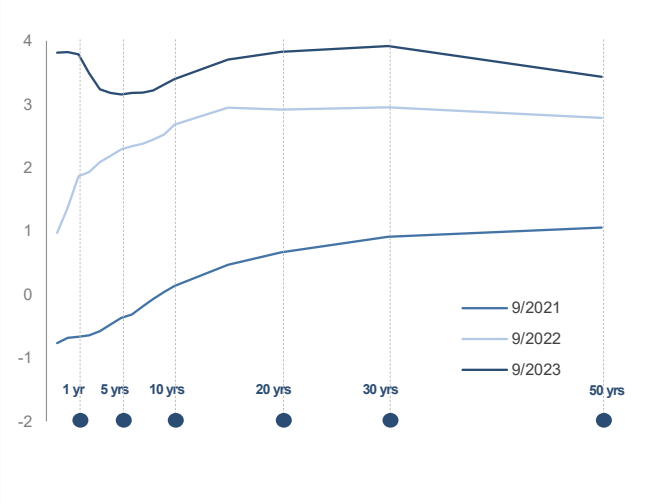
IN € BILLION

	End 2020	End 2021	End 2022	End August 2023	End September 2023
<b>Negotiable government debt outstanding</b>	<b>2,001</b>	<b>2,145</b>	<b>2,278</b>	<b>2,410</b>	<b>2,427</b>
<i>of which index-linked securities</i>	220	236	262	263	264
<b>Medium- and long-term</b>	<b>1,839</b>	<b>1,990</b>	<b>2,129</b>	<b>2,243</b>	<b>2,259</b>
<b>Short-term</b>	162	155	148	167	168
<b>Average maturity of the negotiable debt</b>	<b>8 years</b>	<b>8 years</b>	<b>8 years</b>	<b>8 years</b>	<b>8 years</b>
	73 days	153 days	184 days	169 days	159 days

Source: Agence France Trésor

### YIELD CURVE FOR FRENCH GOVERNMENT SECURITIES

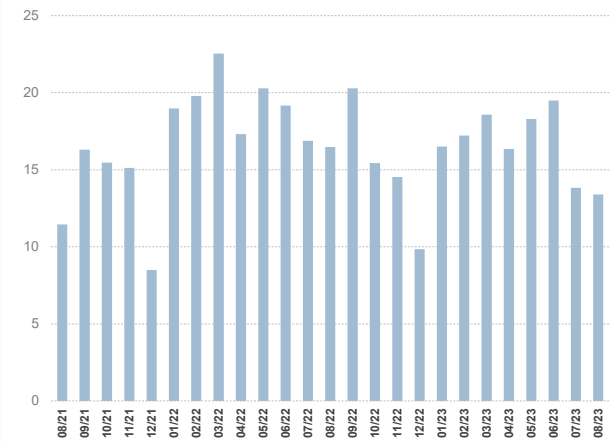
END-OF-MONTH VALUE, %



Source: Bloomberg

### AVERAGE DAILY VOLUME OF MEDIUM- AND LONG-TERM TRANSACTIONS

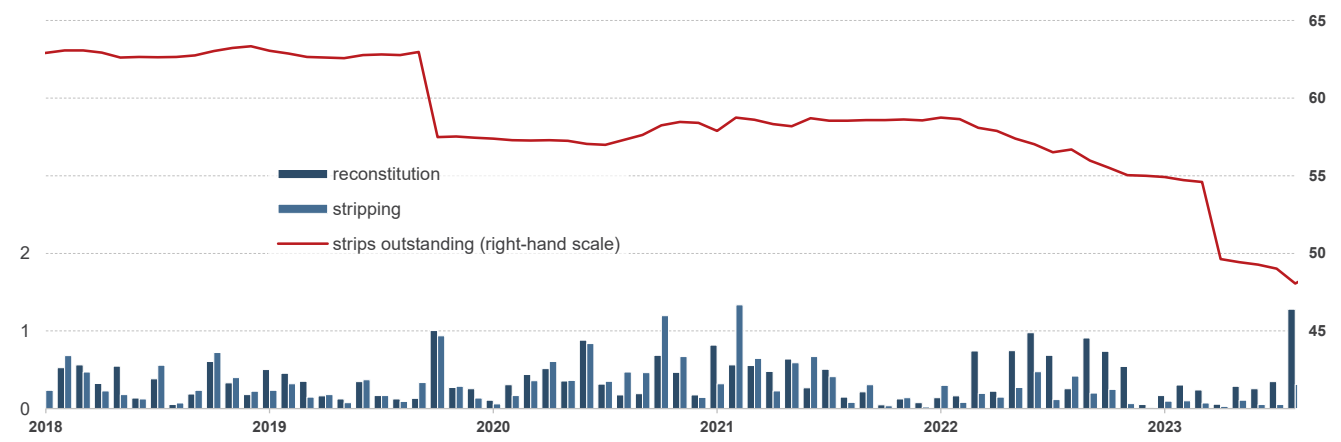
IN € BILLION



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

### TOTAL STRIPPING AND RECONSTITUTION

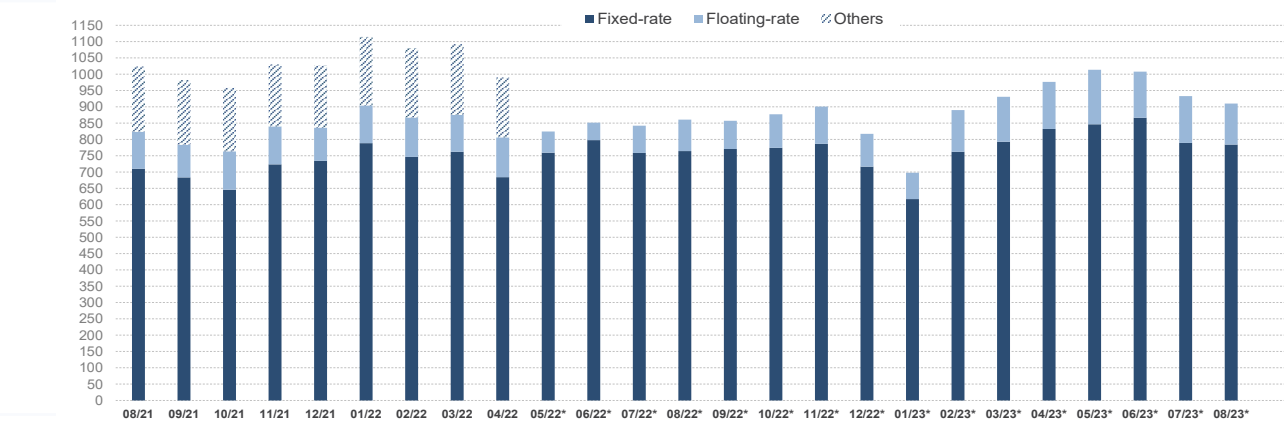
IN € BILLION



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 2023

ISIN Code	Maturity	Outstanding(€)
FR0127462895	BTF 4 October 2023	6,936,000,000
FR0127921213	BTF 11 October 2023	5,538,000,000
FR0127921171	BTF 18 October 2023	7,595,000,000
FR0127921221	BTF 25 October 2023	5,438,000,000
FR0127462903	BTF 1 November 2023	6,485,000,000
FR0127921239	BTF 8 November 2023	4,527,000,000
FR0127921189	BTF 15 November 2023	6,972,000,000
FR0127921247	BTF 22 November 2023	4,566,000,000
FR0127462911	BTF 29 November 2023	13,270,000,000
FR0127921254	BTF 6 December 2023	4,589,000,000
FR0127921262	BTF 13 December 2023	7,508,000,000
FR0127921270	BTF 20 December 2023	5,542,000,000
FR0127921288	BTF 10 January 2024	7,392,000,000
FR0127613497	BTF 24 January 2024	8,829,000,000
FR0127921296	BTF 7 February 2024	7,081,000,000
FR0127613505	BTF 21 February 2024	6,668,000,000
FR0127921304	BTF 6 March 2024	2,351,000,000
FR0127613513	BTF 20 March 2024	8,507,000,000
FR0127921064	BTF 17 April 2024	8,376,000,000
FR0127921072	BTF 15 May 2024	7,658,000,000
FR0127921080	BTF 12 June 2024	7,855,000,000
FR0127921312	BTF 10 July 2024	9,628,000,000
FR0127921320	BTF 7 August 2024	8,340,000,000
FR0127921338	BTF 4 September 2024	6,258,000,000

### MEDIUM- AND LONG-TERM DEBT (MATURING 2023-2026) AT 30 SEPTEMBER 2023

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
	<b>Maturity 2023</b>	<b>44,918,000,000</b>				
FR0010466938	OAT 4.25% 25 October 2023	44,918,000,000				
	<b>Maturity 2024</b>	<b>156,305,278,040</b>				
FR0014001N46	OAT 0.00% 25 February 2024	31,006,000,000				x
FR0013344751	OAT 0.00% 25 March 2024	34,003,000,000				x
FR0011619436	OAT 2.25% 25 May 2024	36,268,000,000				x
FR0011427848	OAT€i 0.25% 25 July 2024	19,257,278,040 (1)	1.24691	15,444,000,000		x
FR0011962398	OAT 1.75% 25 November 2024	35,771,000,000				x
	<b>Maturity 2025</b>	<b>208,092,109,198</b>				
FR0014007TY9	OAT 0.00% 25 February 2025	31,760,000,000				x
FR0012558310	OATi 0.10% 1 March 2025	14,962,181,080 (1)	1.16956	12,793,000,000		x
FR0013415627	OAT 0.00% 25 March 2025	47,814,000,000				x
FR0012517027	OAT 0.50% 25 May 2025	44,980,000,000				x
FR0000571150	OAT 6.00% 25 October 2025	30,653,928,118				
FR0012938116	OAT 1.00% 25 November 2025	37,922,000,000				x
	<b>Maturity 2026</b>	<b>233,321,977,000</b>				
FR0013508470	OAT 0.00% 25 February 2026	45,590,000,000				x
FR0013519253	OAT€i 0.10% 1 March 2026	13,920,977,000 (1)	1.16983	11,900,000,000		x
FR0010916924	OAT 3.50% 25 April 2026	44,202,000,000				
FR0013131877	OAT 0.50% 25 May 2026	51,113,000,000				x
FR001400FYQ4	OAT 2.50% 24 September 2026	38,969,000,000				x
FR0013200813	OAT 0.25% 25 November 2026	39,527,000,000				x

(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 2027 AND BEYOND) AT 30 SEPTEMBER 2023**

ISIN Code	Bond	Outstanding(€)	Ind. Coeff.	Face value(€)	Stripped(€)	CAC*
<b>Maturity 2027</b>		<b>167,827,079,610</b>				
FR0014003513	OAT 0.00% 25 February 2027	41,446,000,000				x
FR0013250560	OAT 1.00% 25 May 2027	41,534,000,000				x
FR0011008705	OAT€i 1.85% 25 July 2027	30,748,079,610 (1)	1.31217	23,433,000,000		
FR0011317783	OAT 2.75% 25 October 2027	54,099,000,000				
<b>Maturity 2028</b>		<b>186,632,504,538</b>				
FR001400AIN5	OAT 0.75% 25 February 2028	46,492,000,000				x
FR0013238268	OATi 0.10% 1 March 2028	17,662,436,470 (1)	1.16761	15,127,000,000		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				x
FR0013341682	OAT 0.75% 25 November 2028	59,168,000,000				x
<b>Maturity 2029</b>		<b>199,506,014,347</b>				
FR001400H198	OAT 2.75% 25 February 2029	24,890,000,000				x
FR0013410552	OAT€i 0.10% 1 March 2029	17,579,380,800 (1)	1.18141	14,880,000,000		x
FR0000571218	OAT 5.50% 25 April 2029	39,618,880,458				
FR0013407236	OAT 0.50% 25 May 2029	56,452,000,000				x
FR0000186413	OATi 3.40% 25 July 2029	13,435,753,089 (1)	1.46277	9,185,144,000		
FR0013451507	OAT 0.00% 25 November 2029	47,530,000,000				x
<b>Maturity 2030</b>		<b>138,783,696,480</b>				
FR0011883966	OAT 2.50% 25 May 2030	60,294,000,000				x
FR0011982776	OAT€i 0.70% 25 July 2030	21,210,696,480 (1)	1.23089	17,232,000,000		x
FR0013516549	OAT 0.00% 25 November 2030	57,279,000,000				x
<b>Maturity 2031</b>		<b>129,805,342,650</b>				
FR0012993103	OAT 1.50% 25 May 2031	61,915,000,000				x
FR0014001N38	OAT€i 0.10% 25 July 2031	13,756,342,650 (1)	1.17165	11,741,000,000		x
FR0014002WK3	OAT 0.00% 25 November 2031	54,134,000,000				x
<b>Maturity 2032</b>		<b>142,533,898,410</b>				
FR0014003N51	OATi 0.10% 1 March 2032	7,477,085,340 (1)	1.12218	6,663,000,000		x
FR0014007L00	OAT 0.00% 25 May 2032	35,865,000,000				x
FR0000188799	OAT€i 3.15% 25 July 2032	17,493,490,470 (1)	1.51761	11,527,000,000		
FR0000187635	OAT 5.75% 25 October 2032	35,192,322,600				
FR001400BKZ3	OAT 2.00% 25 November 2032	46,506,000,000				x
<b>Maturity 2033</b>		<b>37,804,000,000</b>				
FR001400H7V7	OAT 3.00% 25 May 2033	37,804,000,000				x
<b>Maturity in 2034 and beyond</b>		<b>613,328,869,420</b>				
FR0013313582	OAT 1.25% 25 May 2034	44,284,000,000				x
FR001400J188	OAT€i 0.60% 25 July 2034	2,997,885,440 (1)	1.06459	2,816,000,000		x
FR0010070060	OAT 4.75% 25 April 2035	29,004,000,000				
FR0013524014	OATi 0.10% 1 March 2036	7,974,827,920 (1)	1.11896	7,127,000,000		x
FR0013154044	OAT 1.25% 25 May 2036	47,051,000,000				x
FR0013327491	OAT€i 0.10% 25 July 2036	14,273,907,900 (1)	1.20730	11,823,000,000		x
FR0014009O62	OAT 1.25% 25 May 2038	16,502,000,000				x
FR001400AQH0	OAT€i 0.10% 25 July 2038	7,720,267,290 (1)	1.15039	6,711,000,000		x
FR0010371401	OAT 4.00% 25 October 2038	26,534,000,000				
FR001400IKW5	OATi 0.55% 1 March 2039	3,089,610,000 (1)	1.02987	3,000,000,000		x
FR0013234333	OAT 1.75% 25 June 2039	32,852,000,000				x
FR0013515806	OAT 0.50% 25 May 2040	25,660,000,000				x
FR0010447367	OAT€i 1.80% 25 July 2040	18,175,329,620 (1)	1.40578	12,929,000,000		
FR0010773192	OAT 4.50% 25 April 2041	38,446,000,000				
FR001400CMX2	OAT 2.50% 25 May 2043	11,681,000,000				x
FR0014002JM6	OAT 0.50% 25 June 2044	19,273,000,000				x
FR0011461037	OAT 3.25% 25 May 2045	30,557,000,000				x
FR0013209871	OAT€i 0.10% 25 July 2047	15,959,117,160 (1)	1.22508	13,027,000,000		x
FR0013257524	OAT 2.00% 25 May 2048	30,644,000,000				x
FR0013404969	OAT 1.50% 25 May 2050	33,195,000,000				x
FR0013480613	OAT 0.75% 25 May 2052	33,622,000,000				x
FR0014004J31	OAT 0.75% 25 May 2053	31,169,000,000				x
FR0014008181	OAT€i 0.10% 25 July 2053	6,707,924,090 (1)	1.15039	5,831,000,000		x
FR001400FTH3	OAT 3.00% 25 May 2054	17,316,000,000				x
FR0010171975	OAT 4.00% 25 April 2055	20,118,000,000				
FR0010870956	OAT 4.00% 25 April 2060	20,029,000,000				
FR0013154028	OAT 1.75% 25 May 2066	16,828,000,000				x
FR0014001NN8	OAT 0.50% 25 May 2072	11,665,000,000				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	0.7%	Aug. 2023
Household consumption*, year-on-year	-3.1%	Sep. 2023
Unemployment rate (ILO)	7.2%	Q2-2023
Consumer prices, year-on-year		
• all items	4.9%	Sep. 2023
• all items excluding tobacco	4.8%	Sep. 2023
Trade balance, fob-fob, sa (€bn)	-€8.2bn	Aug. 2023
" "	-€8.1bn	Jul. 2023
Current account balance, sa (€bn)	-€0.8bn	Aug. 2023
" "	-€1.8bn	Jul. 2023
10-year constant maturity rate (TEC10)	3.39%	25 Oct. 2023
3-month interest rate (Euribor)	3.95%	25 Oct. 2023
EUR / USD	1.06	25 Oct. 2023
EUR / JPY	160.16	25 Oct. 2023

\* manufactured products

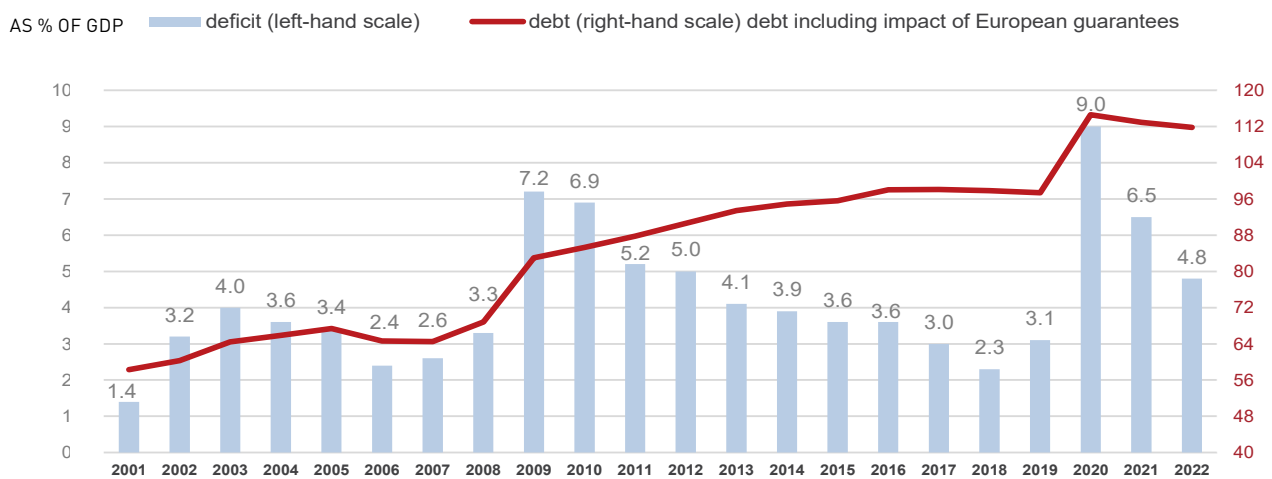
Sources: Insee, MEFSIN, Banque de France

### MONTHLY GOVERNMENT BUDGET POSITION

	IN € BILLION				
	2021	2022	end of August level		
	2021	2022	2021	2022	2023
General budget balance	-171.52	-158.20	-157.20	-124.52	-155.81
Revenue	324.95	354.74	180.99	210.71	197.74
Expenditure	496.47	512.94	338.19	335.23	353.55
Balance of special Treasury accounts	0.79	6.73	-20.84	-25.38	-32.12
General budget outturn	-170.74	-151.44	-178.05	-149.90	-187.93

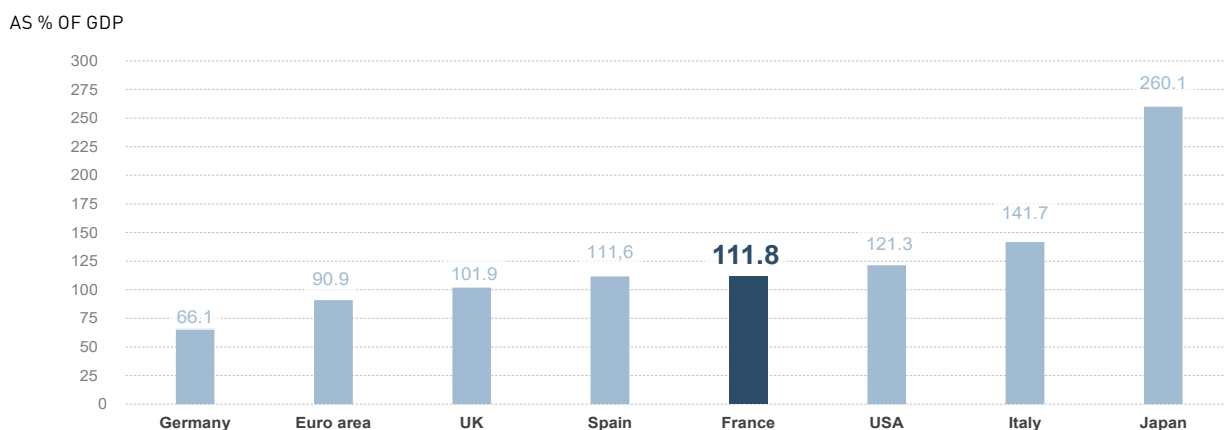
Source: Ministry of the Economy, Finance and Industrial and Digital Sovereignty

### PUBLIC FINANCES: DEFICIT AND DEBT




Source: Insee

### GENERAL GOVERNMENT DEBT IN 2022




Sources: Eurostat, IMF, Insee



NOVEMBER 2023 

<b>3</b> Flash estimate of payroll employment	<b>3</b> Industrial production: September index	<b>8</b> Balance of payments	<b>8</b> Foreign trade by value in September	<b>15</b> Net international reserves in October	<b>15</b> ILO unemployment rate
<b>15</b> Consumer prices: October index (final results)	<b>17</b> Eurozone inflation (HICP): October index (final)	<b>23</b> Monthly business survey (goods-producing industries) in November	<b>28</b> Consumer confidence survey: November survey	<b>29</b> Payroll employment	<b>30</b> Quarterly national accounts: final results Q3
<b>30</b> Household consumption expenditure on goods in October	<b>30</b> Consumer prices: November index (preliminary results)	<b>30</b> Industrial producer and import price: October indices	<b>30</b> Eurozone inflation (HICP): November index (preliminary results)		

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<b>5</b> Industrial production: October index	<b>7</b> Balance of payments	<b>7</b> Foreign trade by value in October	<b>15</b> Consumer prices: November index (final results)	<b>15</b> Net international reserves in November	<b>19</b> Eurozone inflation (HICP): November index (final)
	<b>21</b> Monthly business survey (goods-producing industries) in December	<b>22</b> Consumer confidence survey: December survey	<b>22</b> Debt of the general government according to Maastricht definition	<b>22</b> Industrial producer and import price: November indices	

Sources: Insee, Eurostat

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