



## NATIONAL REFORM PROGRAMME

Directorate General of the Treasury

After a year of particularly strong growth in 2017 (2.3%), **the French economy held up well in 2018 (1.6%<sup>1</sup>)** in a less buoyant international context. **The labour market continued to improve, and both competitiveness and the country's foreign trade situation rebounded.** France's share of export markets has been stable since 2012. The trade deficit, excluding energy, narrowed in 2018 and FDI inflows reached a ten-year high. Foreign trade made a positive contribution to growth in 2017 and 2018.

**The French economy's performance indicates that the economic and social strategy launched in the summer of 2017 is beginning to bear fruit.** This strategy has four main parts:

**1. Transforming France's economic and social model.** Compared to other countries, the French model has been successful in reining in income inequality and the poverty rate. However, it still needs to be adjusted to better correct for unequal opportunities. In this respect, the government's action has focused on: (i) labour law reforms to enable companies to better adapt to their environment and a reform of unemployment benefits to make them more universal. Subject to certain conditions, these benefits are now available to employees who resign from their jobs, as well as to self-employed workers; (ii) a new approach to vocational training to make career paths more secure, as well as reforms to make apprenticeships more appealing (apprenticeships can be an excellent way for young people to enter the job market); (iii) a Skills Investment Plan aimed at training one million low- or unskilled jobseekers and one million young people who are the farthest from finding a job; (iv) an increase in the in-work benefit (prime d'activité) and tax exemption for overtime pay; (v) reducing regional divides in terms of digital connectivity (the High-Speed Broadband Plan), access to healthcare (plan for combating "medical deserts") and mobility (the Mobility Reform Bill).

**2. Unleashing the full potential of the French economy** thanks to the support for productive investment through a flat levy on investment income, the gradual lowering of the corporation tax rate to 25% by 2022, the replacement of the Competitiveness and Employment Tax Credit with permanent cuts in social security contributions to encourage job creation, as well as other tax measures targeting households (gradual elimination of the residence tax, roll-out of withholding at source for income tax), with an eye to fostering fairness and transparency. Moreover, the Business Growth and Transformation Action Plan (PACTE) is aimed at making the business environment more secure, in particular by removing roadblocks to companies' growth (raising social security thresholds), making financing easier (expansion of retirement savings plans) and bolstering firms' innovation potential (through support for public-private research partnerships).

**3. Fostering the growth model of tomorrow,** by overhauling the educational system (doubling the number of first- and second-grade classes in both the REP and REP+ priority education networks, lowering the mandatory schooling age from 6 to 3, reform of the baccalaureate exam, transformation of vocational high schools and reform of access to university), as well as through a multi-part plan to speed up the ecological transition (National Low-Carbon Strategy, Multi-Year Energy Plan) and associated instruments (energy vouchers, car-scrapping bonus). Special attention has also been paid to the innovation economy, with €13 billion in funds from the Great Investment Plan being earmarked for innovative projects, particularly in the agricultural sector, and the establishment of an Industry and Innovation Fund to invest in disruptive innovations.

**4. Transforming central government and balancing public finances.** Efforts to cut red tape and streamline the regulatory environment are being carried out at the same time as digitalisation efforts are pursued with a view to make 100% of public services available on line. Efforts continue to cut public spending by more than 3 percentage points of GDP under the current administration, together with a commitment to lower the tax burden by 1.4 points <sup>2</sup>.

[Download the full 2019 National Reform Programme on the website of the Directorate General of the Treasury \(only available in French\)](#)

<sup>1</sup> According to INSEE's Detailed Results (26 March 2018): <https://www.insee.fr/fr/statistiques/3900150?sommaire=3704685>

<sup>2</sup> On a like-for-like basis, not including the France Compétences vocational training financing scheme, which will gradually come on line.

INDICATIVE AUCTION SCHEDULE

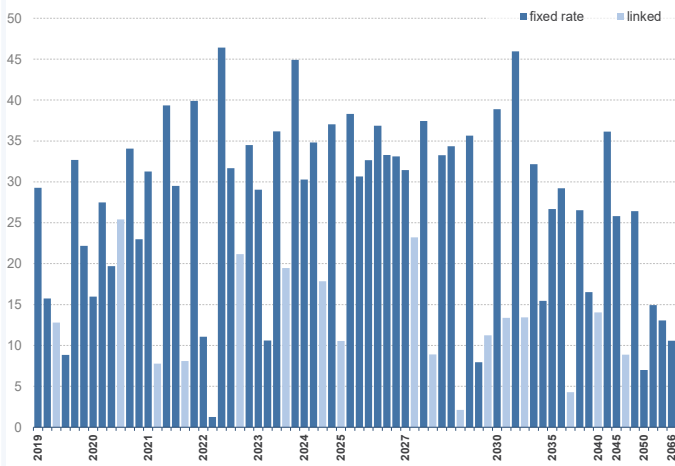
		Short-term					Medium-term	Long-term	Index-linked
May 2019	auction date	6	13	20	27	/	16	2	16
	settlement date	8	15	22	29	/	20	6	20
June 2019	auction date	3	11	17	24	/	20	6	20
	settlement date	5	13	19	26	/	24	10	24

anticipated or delayed (bank holidays, etc.)

Source: Agence France Trésor

MEDIUM- AND LONG-TERM NEGOTIABLE GOVERNMENT DEBT AT 31 MARCH 2019

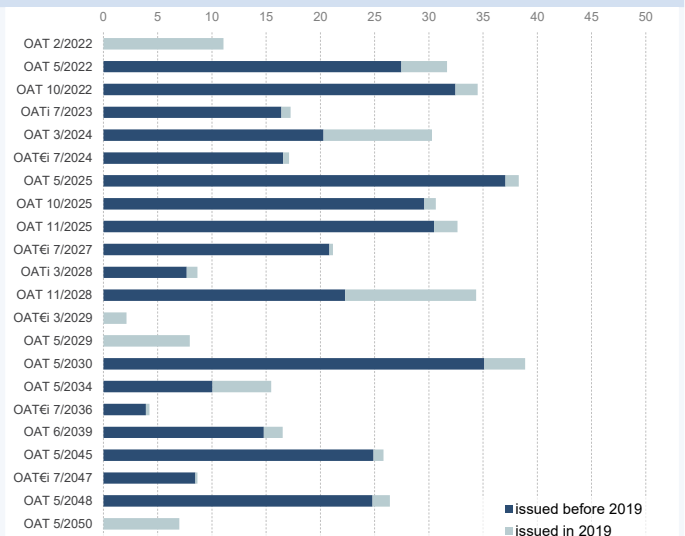
NOMINAL VALUE OF EACH LINE, IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: SECURITIES ISSUED DURING THE YEAR AND TOTAL ISSUANCE AT 31 MARCH 2019

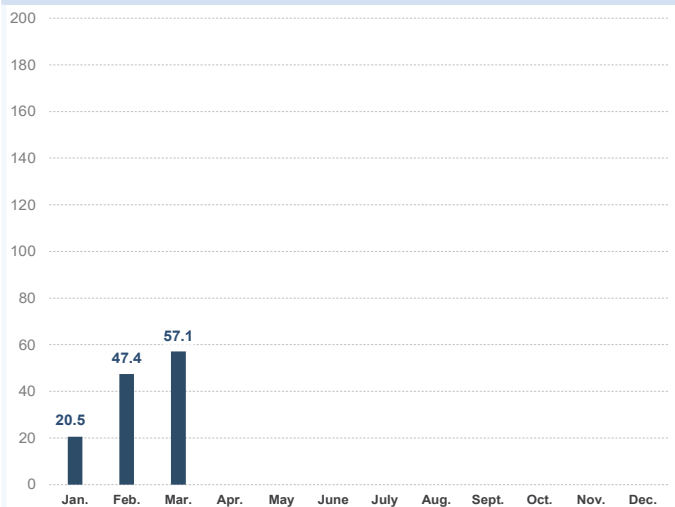
IN € BILLION



Source: Agence France Trésor

ISSUANCE NET OF BUYBACKS AT 31 MARCH 2019

IN € BILLION



Source: Agence France Trésor

MEDIUM- AND LONG-TERM: PROVISIONAL MATURITY SCHEDULE AT 31 MARCH 2019

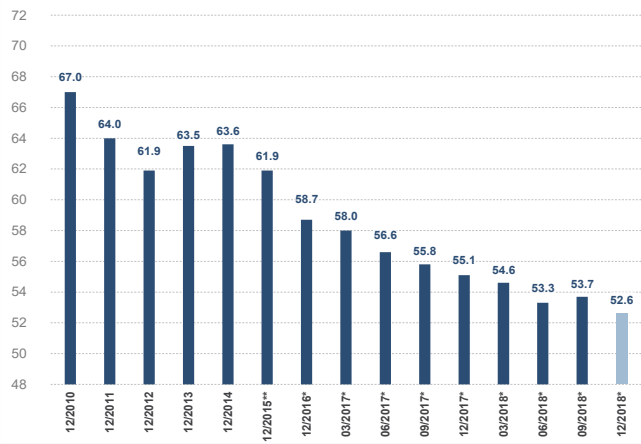
IN € BILLION

Month	Coupon	Redemption
Apr-19	13.3	29.3
May-19	6.4	15.7
Jun-19	0.3	
Jul-19	3.1	13.0
Aug-19		
Sep-19		
Oct-19	12.6	41.5
Nov-19	1.5	22.2
Dec-19		0.0
Jan-20		
Feb-20		16.0
Mar-20	0.0	

Source: Agence France Trésor

## NON-RESIDENT HOLDERS OF NEGOTIABLE GOVERNMENT DEBT IN FOURTH QUARTER OF 2018

AS A % OF NEGOTIABLE DEBT OUTSTANDING  
EXPRESSED IN MARKET VALUE

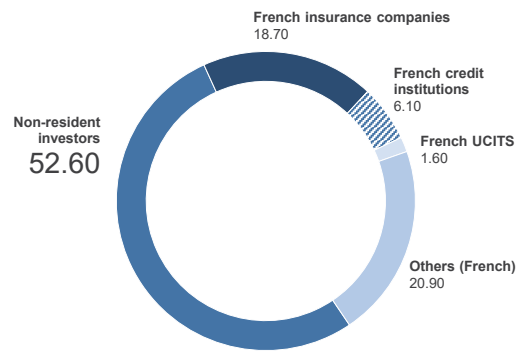


(\* ) figures quarterly revised

(\*\* ) figures annually revised

## NEGOTIABLE GOVERNMENT DEBT BY GROUP OF HOLDERS IN FOURTH QUARTER OF 2018

STRUCTURE IN % EXPRESSED IN MARKET VALUE



Source: Banque de France

## NEGOTIABLE GOVERNMENT DEBT AT 31 MARCH 2019

IN EUROS

<b>Total medium- and long-term debt</b>	<b>1,689,712,354,743</b>
Total stripping activity	62,661,234,700
Average maturity	8 years and 161 days
<b>Total short-term debt</b>	<b>108,437,000,000</b>
Average maturity	106 days
<b>Total outstanding</b>	<b>1,798,149,354,743</b>
<b>Average maturity</b>	<b>7 years and 346 days</b>

Source: Agence France Trésor

## NEGOTIABLE GOVERNMENT DEBT SINCE 2015 AT 31 MARCH 2019

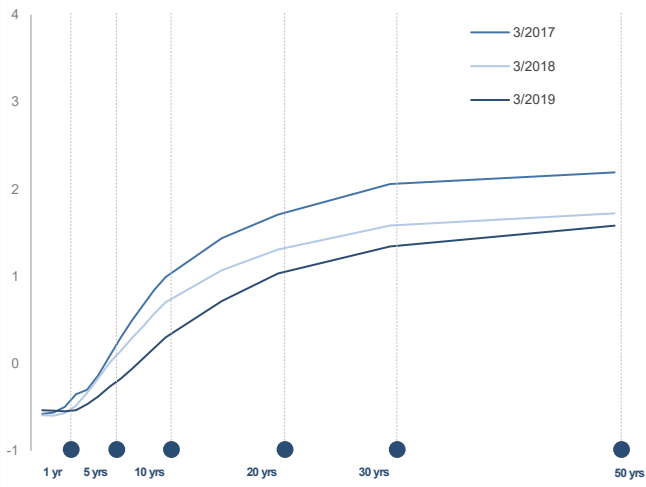
IN € BILLION

	End 2016	End 2017	End 2018	End Feb. 2019	End Mar. 2019
<b>Negotiable government debt outstanding</b>	<b>1,621</b>	<b>1,686</b>	<b>1,756</b>	<b>1,786</b>	<b>1,798</b>
<i>of which index-linked securities</i>	<i>200</i>	<i>202</i>	<i>220</i>	<i>223</i>	<i>223</i>
<b>Medium- and long-term</b>	<b>1,487</b>	<b>1,560</b>	<b>1,644</b>	<b>1,682</b>	<b>1,690</b>
<b>Short-term</b>	<b>134</b>	<b>126</b>	<b>113</b>	<b>104</b>	<b>108</b>
<b>Average maturity of the negotiable debt</b>	<b>7 years</b>	<b>7 years</b>	<b>7 years</b>	<b>7 years</b>	<b>7 years</b>
	195 days	296 days	336 days	358 days	346 days

Source: Agence France Trésor

### YIELD CURVE FOR FRENCH GOVERNMENT SECURITIES

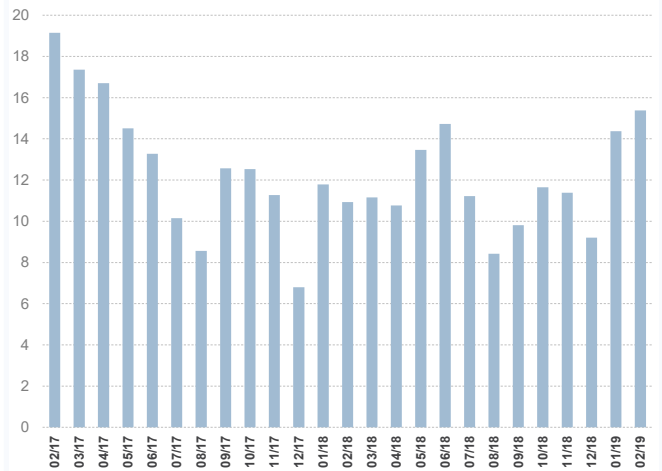
END-OF-MONTH VALUE, %



Source: Bloomberg

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

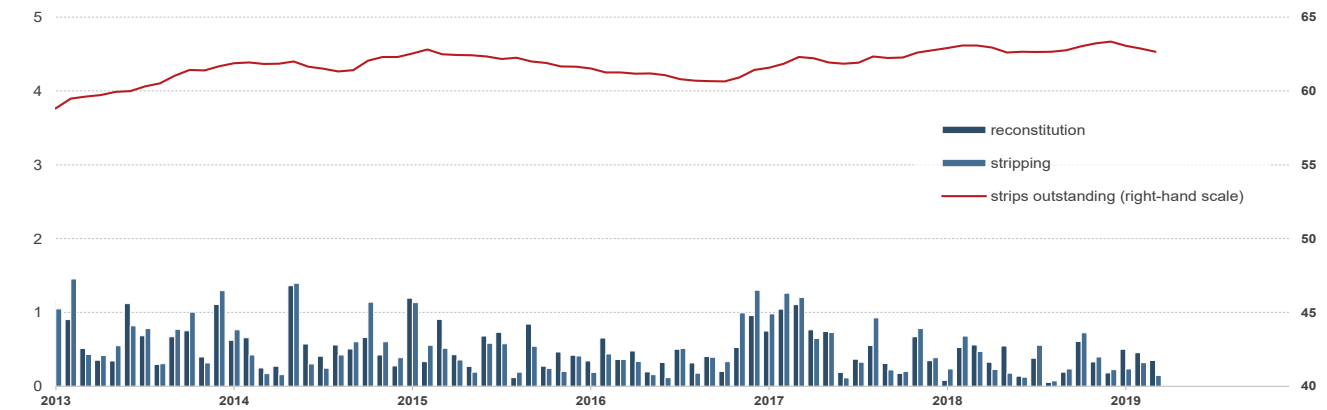
IN € BILLION



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

### TOTAL STRIPPING AND RECONSTITUTION

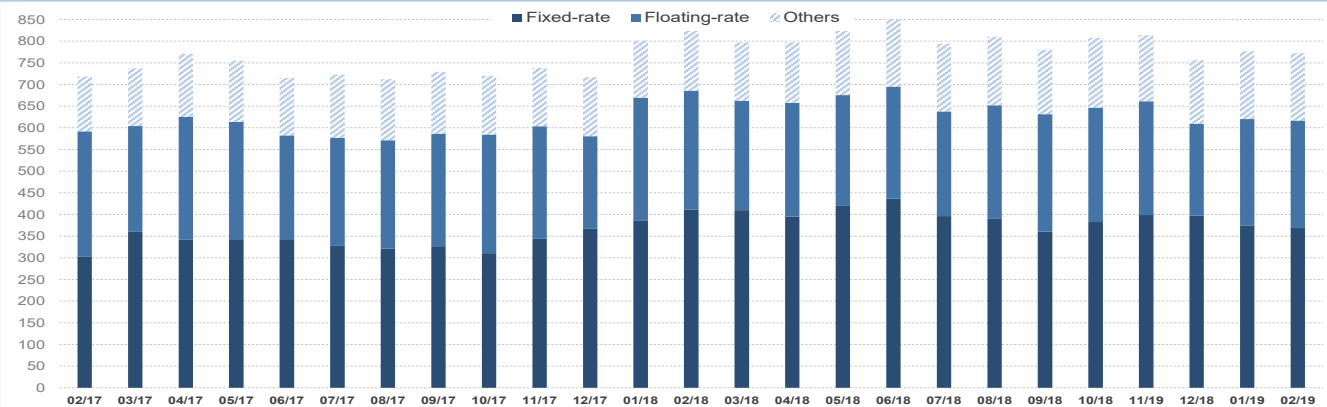
IN € BILLION



Source: Euroclear

### PRIMARY DEALERS, REPO OUTSTANDING AT END OF MONTH

IN € BILLION



Source: reporting by primary dealers in government securities

**SHORT-TERM DEBT AT 31 MARCH 2019**

ISIN Code	Maturity	Outstanding (€)
FR0125374993	BTF 3 April 2019	6,327,000,000
FR0125218224	BTF 10 April 2019	4,844,000,000
FR0125375008	BTF 17 April 2019	6,087,000,000
FR0124909658	BTF 25 April 2019	4,890,000,000
FR0125375016	BTF 2 May 2019	5,958,000,000
FR0125218232	BTF 8 May 2019	3,768,000,000
FR0125375024	BTF 15 May 2019	5,714,000,000
FR0124909666	BTF 22 May 2019	4,752,000,000
FR0125375032	BTF 29 May 2019	5,612,000,000
FR0125218240	BTF 5 June 2019	3,100,000,000
FR0125375040	BTF 13 June 2019	5,081,000,000
FR0124909674	BTF 19 June 2019	3,745,000,000
FR0125375057	BTF 26 June 2019	2,595,000,000
FR0125375065	BTF 3 July 2019	3,731,000,000
FR0125064875	BTF 17 July 2019	4,369,000,000
FR0125375073	BTF 31 July 2019	4,648,000,000
FR0125064883	BTF 14 August 2019	4,235,000,000
FR0125375081	BTF 28 August 2019	2,223,000,000
FR0125064891	BTF 11 September 2019	4,510,000,000
FR0125218257	BTF 9 October 2019	4,405,000,000
FR0125218265	BTF 6 November 2019	4,204,000,000
FR0125375099	BTF 2 January 2020	4,991,000,000
FR0125375107	BTF 29 January 2020	4,165,000,000
FR0125375115	BTF 26 February 2020	4,483,000,000

**MEDIUM- AND LONG-TERM DEBT (MATURING 2019-2022) AT 31 MARCH 2019**

ISIN Code	Bond	Outstanding (€)	Ind. Coeff.	Face value. (€)	Stripped (€)	CAC
<b>Maturity 2019</b>		<b>121,568,513,611</b>				
FR0000189151	OAT 4.25% 25 April 2019	29,273,000,000			0	
FR0011708080	OAT 1.00% 25 May 2019	15,735,000,000			0	x
FR0010850032	OATi 1.30% 25 July 2019	12,800,550,000 (1)	1.09500	11,690,000,000	0	
FR0000570921	OAT 8.50% 25 October 2019	8,844,392,893			5,590,585,100	
FR0010776161	OAT 3.75% 25 October 2019	32,695,000,000			0	
FR0011993179	OAT 0.50% 25 November 2019	22,177,000,000			5,000,000	x
FR0000570954	OAT cap. 9.82% 31 December 2019	43,570,718 (2)		6,692,154	-	
<b>Maturity 2020</b>		<b>145,630,823,900</b>				
FR0013232485	OAT 0.00% 25 February 2020	15,975,000,000			0	x
FR0010854182	OAT 3.50% 25 April 2020	27,486,000,000			0	
FR0012557957	OAT 0.00% 25 May 2020	19,694,000,000			0	x
FR0010050559	OATe 2.25% 25 July 2020	25,421,823,900 (1)	1.25169	20,310,000,000	0	
FR0010949651	OAT 2.50% 25 October 2020	34,062,000,000			0	
FR0012968337	OAT 0.25% 25 November 2020	22,992,000,000			3,000,000	x
<b>Maturity 2021</b>		<b>155,874,150,600</b>				
FR0013311016	OAT 0.00% 25 February 2021	31,275,000,000			0	x
FR0013140035	OATe 0.10% 1 March 2021	7,763,472,600 (1)	1.02610	7,566,000,000	0	x
FR0010192997	OAT 3.75% 25 April 2021	39,352,000,000			0	
FR0013157096	OAT 0.00% 25 May 2021	29,504,000,000			0	x
FR0011347046	OATi 0.10% 25 July 2021	8,088,678,000 (1)	1.03701	7,800,000,000	0	
FR0011059088	OAT 3.25% 25 October 2021	39,891,000,000			0	
<b>Maturity 2022</b>		<b>146,051,895,220</b>				
FR0013398583	OAT 0.00% 25 February 2022	11,066,000,000			0	x
FR0000571044	OAT 8.25% 25 April 2022	1,243,939,990			528,888,400	
FR0011196856	OAT 3.00% 25 April 2022	46,422,000,000			0	
FR0013219177	OAT 0.00% 25 May 2022	31,666,000,000			0	x
FR0010899765	OATe 1.10% 25 July 2022	21,155,955,230 (1)	1.11271	19,013,000,000	0	
FR0011337880	OAT 2.25% 25 October 2022	34,498,000,000			0	

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

(2) Including coupons capitalised at 31 December 2017; not open to subscription

\* Like all euro area bonds, the bonds issued after 1 January 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 2023 AND BEYOND) AT 31 MARCH 2019**

ISIN Code	Bond	Outstanding (€)	Ind. Coeff.	Face value. (€)	Stripped (€)	CAC
<b>Maturity 2023</b>		<b>140,229,943,253</b>				
FR0013283686	OAT 0.00% 25 March 2023	29,059,000,000			0	x
FR0000571085	OAT 8.50% 25 April 2023	10,606,195,903			5,391,165,200	
FR0011486067	OAT 1.75% 25 May 2023	36,172,000,000			0	x
FR0010585901	OATi 2.10% 25 July 2023	19,474,747,350 (1)	1.12799	17,265,000,000	0	
FR0010466938	OAT 4.25% 25 October 2023	44,918,000,000			440,085,000	
<b>Maturity 2024</b>		<b>119,963,253,210</b>				
FR0013344751	OAT 0.00% 25 March 2024	30,288,000,000			0	x
FR0011619436	OAT 2.25% 25 May 2024	34,810,000,000			0	x
FR0011427848	OAT€i 0.25% 25 July 2024	17,840,253,210 (1)	1.04201	17,121,000,000	0	x
FR0011962398	OAT 1.75% 25 November 2024	37,025,000,000			42,000,000	x
<b>Maturity 2025</b>		<b>112,134,765,238</b>				
FR0012558310	OATi 0.10% 1 March 2025	10,545,837,120 (1)	1.02816	10,257,000,000	0	x
FR0012517027	OAT 0.50% 25 May 2025	38,297,000,000			0	x
FR0000571150	OAT 6.00% 25 October 2025	30,653,928,118			2,852,064,400	
FR0012938116	OAT 1.00% 25 November 2025	32,638,000,000			0	x
<b>Maturity 2026</b>		<b>103,265,000,000</b>				
FR0010916924	OAT 3.50% 25 April 2026	36,867,000,000			0	
FR0013131877	OAT 0.50% 25 May 2026	33,274,000,000			0	x
FR0013200813	OAT 0.25% 25 November 2026	33,124,000,000			0	x
<b>Maturity 2027</b>		<b>92,107,786,400</b>				
FR0013250560	OAT 1.00% 25 May 2027	31,451,000,000			0	x
FR0011008705	OAT€i 1.85% 25 July 2027	23,202,786,400 (1)	1.09654	21,160,000,000	0	
FR0011317783	OAT 2.75% 25 October 2027	37,454,000,000			56,543,600	
<b>Maturity 2028</b>		<b>76,561,538,711</b>				
FR0013238268	OATi 0.10% 1 March 2028	8,903,427,300 (1)	1.02645	8,674,000,000	0	x
FR0000571226	OAT zero coupon 28 March 2028	28,111,411 (3)		46,232,603	–	
FR0013286192	OAT 0.75% 25 May 2028	33,272,000,000			0	x
FR0013341682	OAT 0.75% 25 November 2028	34,358,000,000			0	x
<b>Maturity 2029</b>		<b>56,965,290,910</b>				
FR0013410552	OAT€i 0.10 % 1 March 2029	2,128,000,000 (1)	0.99540	2,128,000,000	0	x
FR0000571218	OAT 5.50 % 25 April 2029	35,644,880,458			2,641,546,100	
FR0000571218	OAT 5.50% 25 April 2029	7,961,000,000			0	x
FR0000186413	OATi 3.40% 25 July 2029	11,231,410,452 (1)	1.28592	8,734,144,000	0	
<b>Maturity 2030</b>		<b>52,248,060,000</b>				
FR0011883966	OAT 2.50% 25 May 2030	38,876,000,000			0	x
FR0011982776	OAT€i 0.70% 25 July 2030	13,372,060,000 (1)	1.02862	13,000,000,000	0	x
<b>Maturity 2031</b>		<b>45,948,000,000</b>				
FR0012993103	OAT 1.50% 25 May 2031	45,948,000,000			54,500,000	x
<b>Maturity 2032</b>		<b>45,586,431,300</b>				
FR0000188799	OAT€i 3.15% 25 July 2032	13,424,108,700 (1)	1.26822	10,585,000,000	0	
FR0000187635	OAT 5.75% 25 October 2032	32,162,322,600			11,161,357,400	
<b>Maturity 2033 and beyond</b>		<b>275,576,902,390</b>				
FR0013313582	OAT 1.25% 25 May 2034	15,460,000,000			0	x
FR0010070060	OAT 4.75% 25 April 2035	26,678,000,000			4,794,037,000	
FR0013154044	OAT 1.25% 25 May 2036	29,226,000,000			0	x
FR0013327491	OAT€i 0.10% 25 July 2036	4,285,807,200 (1)	1.00890	4,248,000,000	0	x
FR0010371401	OAT 4.00% 25 October 2038	26,534,000,000			4,732,931,400	
FR0013234333	OAT 1.75% 25 June 2039	16,530,000,000			0	x
FR0010447367	OAT€i 1.80% 25 July 2040	14,034,977,190 (1)	1.17477	11,947,000,000	0	
FR0010773192	OAT 4.50% 25 April 2041	36,152,000,000			6,599,899,000	
FR0011461037	OAT 3.25% 25 May 2045	25,824,000,000			1,368,710,000	x
FR0013209871	OAT€i 0.10% 25 July 2047	8,881,118,000 (1)	1.02376	8,675,000,000	0	x
FR0013257524	OAT 2.00% 25 May 2048	26,409,000,000			789,800,000	x
FR0013404969	OAT 1.50% 25 May 2050	7,000,000,000			0	x
FR0010171975	OAT 4.00% 25 April 2055	14,926,000,000			7,598,018,000	
FR0010870956	OAT 4.00% 25 April 2060	13,055,000,000			7,372,204,100	
FR0013154028	OAT 1.75% 25 May 2066	10,581,000,000			638,900,000	x

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

(3) Revised on 31 December 2018; not open to subscription

\* Like all euro area bonds, the bonds issued after 1 January 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	0.6%	Feb. 2019
Household consumption*, year-on-year	-0.5%	Mar. 2019
Unemployment rate (ILO)	8.8%	Q4 2018
Consumer prices, year-on-year		
• all items	1.1%	Mar. 2019
• all items excluding tobacco	1.0%	Mar. 2019
Trade balance, fob-fob, sa (€bn)	-€4.0bn	Feb. 2019
" "	-€4.2bn	Jan. 2019
Current account balance, sa (€bn)	-€0.8bn	Feb. 2019
" "	€0.3bn	Jan. 2019
10-year constant maturity rate (TEC10)	0.30%	29 Apr. 2019
3-month interest rate (Euribor)	-0.31%	25 Apr. 2019
EUR / USD	1.12	29 Apr. 2019
EUR / JPY	124.64	29 Apr. 2019

### MONTHLY GOVERNMENT BUDGET POSITION

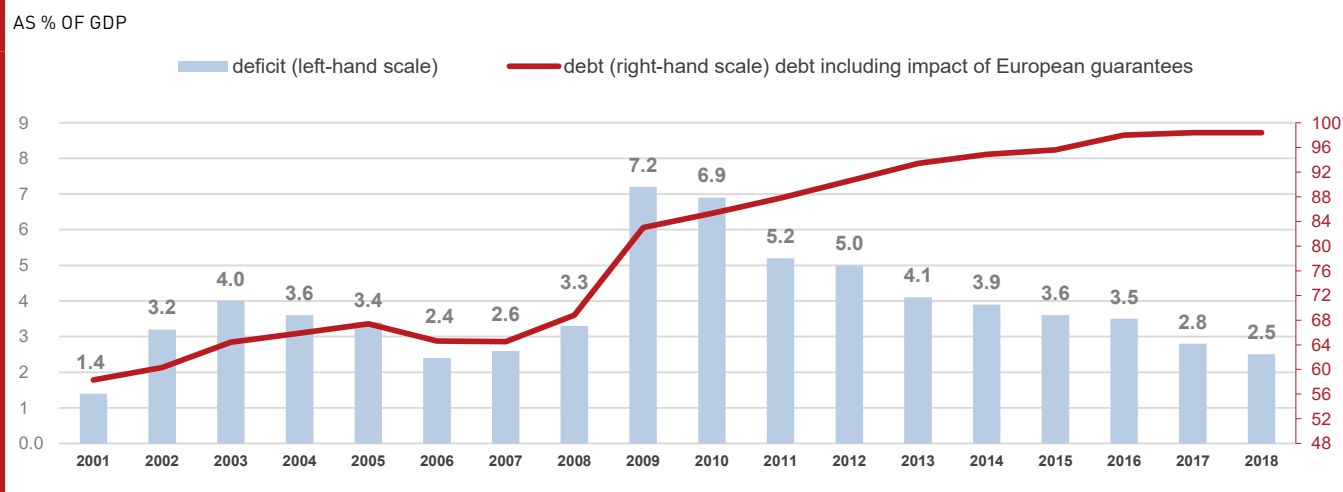
			end of February level		
	2017	2018	2017	2018	2019
General budget balance	-73.35	-76.88	-11.99	-14.34	-27.44
Revenue	313.59	313.82	50.73	48.93	36.65
Expenditure	386.94	390.69	62.72	63.28	64.09
Balance of special Treasury accounts	5.53	0.82	-9.49	-14.14	-9.46
General budget outturn	-67.67	-76.05	-21.47	-28.48	-36.90

\* manufactured products

Source: Minefi

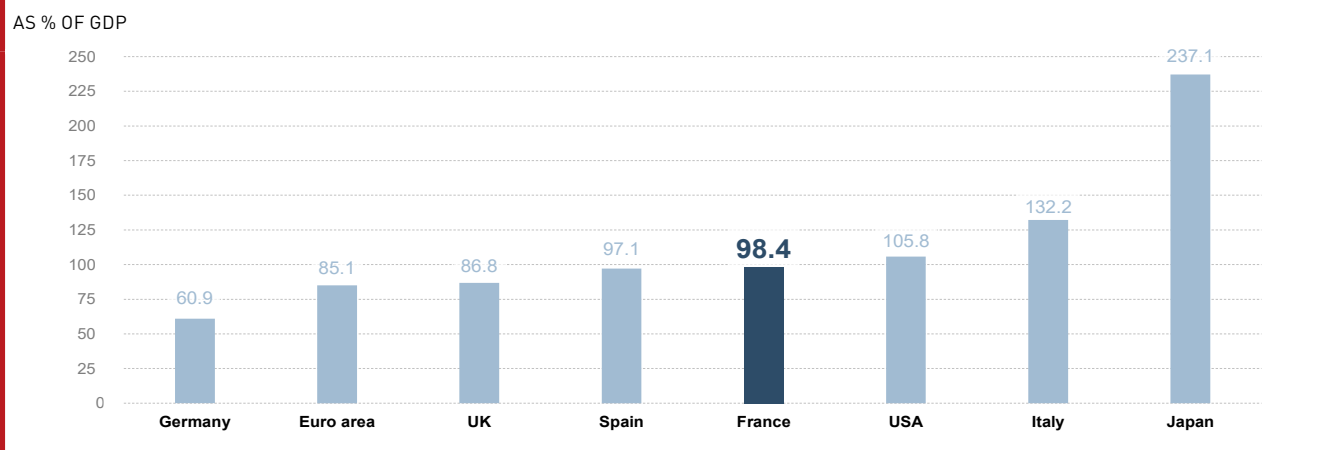
Sources: Insee, Minefi, Banque de France

### PUBLIC FINANCES: DEFICIT AND DEBT




Sources: Insee, fit estimate for 2018 (March 2019)

### GENERAL GOVERNMENT DEBT IN 2018




Sources: Eurostat, FMI, Insee



MAY 2019 

<b>7</b> Foreign trade by value in March	<b>7</b> Balance of payments in March	<b>10</b> Flash estimate of payroll employment: Q1-2019	<b>10</b> Industrial production: March index	<b>15</b> Consumer prices: April index	<b>15</b> Net international reserves in April
<b>17</b> Inflation (HICP): April index	<b>23</b> Monthly business survey (goods-producing industries) in May	<b>28</b> Consumer confidence survey: May survey	<b>29</b> Quarterly national accounts: final results Q1-2019	<b>29</b> Industrial producer and import price: April indices	<b>29</b> Household consumption expenditure on goods in April

JUNE 2019 

<b>7</b> Foreign trade by value in April	<b>7</b> Balance of payments in April	<b>7</b> Industrial production: April index	<b>12</b> Payroll employment: Q1 2019	<b>14</b> Consumer prices: May index	<b>14</b> Net international reserves in May
<b>18</b> Inflation (HICP): May index	<b>25</b> Monthly business survey (goods-producing industries) in June	<b>26</b> Consumer confidence survey: June survey	<b>28</b> Household consumption expenditure on goods in May	<b>28</b> Debt of the general government according to Maastricht definition Q1 2019	<b>28</b> Industrial producer and import price: May indices

Sources: Insee, Eurostat

Publication manager: Anthony Requin  
 Editor: Agence France Trésor  
 Available in English, French, and also in Japanese, Russian, Spanish, Arabic, Chinese on request

[www.aft.gouv.fr](http://www.aft.gouv.fr)

Bloomberg: TREX<GO> • REUTERS: <TRESOR> • 

*This publication, which is the exclusive property of AFT, is entirely protected by the provisions of the French Intellectual Property Code, particularly those provisions relating to copyright. Any reproduction of the content, in whole or in part, by any means whatsoever, without the permission of AFT, is strictly prohibited. As a result, the permission of the rights holder must be sought for any reproduction of the content exclusively for non-commercial purposes. Requests for permission must be submitted via e-mail to AFT's Publication Director at the following address: «contact@aft.gouv.fr».*