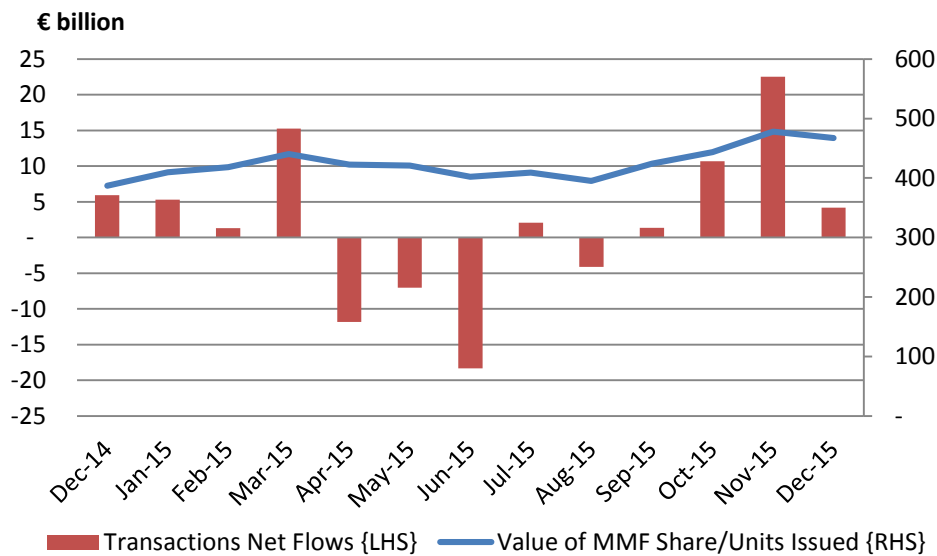


Money Market Fund Statistics – Q4 2015

Value of Money Market Shares Issues



- The net asset value of money market funds (MMFs) stood at €467 billion at end December. Investor inflows amounted to €37 billion in Q4 2015.
- Total debt securities held by MMFs in December was €371 billion up from €330 billion in the previous quarter. The largest inflow was €22 billion into US debt securities.
- Holdings of government debt amounted to €80 billion in December 2015, a 43 percent rise (€24 billion) since September 2015. The majority of which were inflows into US government debt securities, in a quarter in which US interest rates were increased for the first time since 2008.

The net asset value of money market funds (MMFs) resident in Ireland at end December 2015 was €467 billion, an increase of 10 per cent since September 2015. This increase was driven by large investor inflows of €37 billion over the quarter, with €23 billion of this total occurring in November 2015. This seems to have been in anticipation of the US interest rate move which occurred in December 2015.

Total debt securities held by MMFs in December was €371 billion (Table 1). The largest driver of the increase in debt securities held over the quarter was €22 billion inflows into US debt securities with €17 billion going into US government securities. In contrast, euro area debt securities holdings remained largely flat, with significant outflows from German and Dutch debt securities. These occurred during a period in which the ECB signalled its decision to leave interest rates unchanged as well as decreasing the deposit facility rate by 10 basis points to -0.30 percent in December and extending the period of the asset purchase programme. All of these actions signalled to downward pressure on euro area yields that may persist for longer than previously thought.

Table 1: - Debt Securities Assets – Selected Issuer Countries (December 2015)

€ billion

Country	€ billion	Percentage change since Sept-15
Euro area	110.0	2.8
United States	88.6	29.0
United Kingdom	62.4	24.1
France	40.6	9.9
Canada	26.4	18.3
Germany	26.2	- 8.2
Sweden	21.7	14.4
Australia	21.2	26.8
Netherlands	19.6	- 15.4

MMFs debt securities showed the largest increase in residual maturities of less than 3 months (Table 2). This was due in the most part to increased holdings in US debt securities, as the 3 month US money market yield moved from 0.33 to 0.61 percent. While there was a decline in euro area yields and continuing negative yields for German short-term debt, the UK 3 month money market rate remained relatively stable. There was €11 billion in net transactions inflows into UK debt securities, the majority of which was into UK government debt.

Table 2: - Debt Securities Assets – Residual Maturity

€ billion

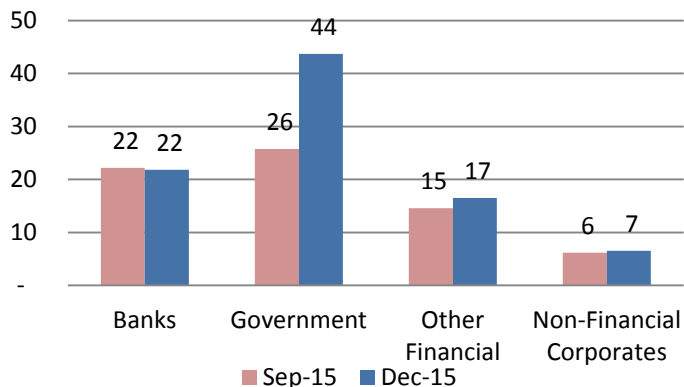
Residual Maturity	Sep-15	Dec-15
1. Less than 1 Month	56	57
2. Less than 3 Months	163	207
3. Less than 6 Months	75	66
4. Up to 1 year	32	39
5. Up to 2 years	3	0
6. Over 2 years	2	2
Total	330	371

Holdings of government debt amounted to €80 billion in December 2015 with United States debt accounting for 54 per cent of the holdings (Chart 1).

Chart 1: - Debt Securities Assets – By United States

Issuer

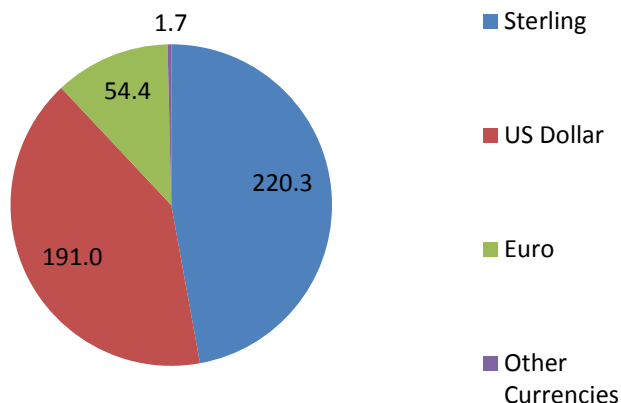
€ billion



Equity liabilities stood at €467 billion in December 2015. Equity Liabilities issued by sterling denominated funds made up the largest contribution, at 47 per cent (€220 billion) (Chart 2). The largest inflow was €23 billion into sterling denominated funds, notably in November, when €7 billion of equity liabilities were issued by MMFs to the UK Other Financial Intermediaries sector.

Chart 2: - Equity Liabilities – By currency issued in (December 2015)

€ billion



Further information

Money Market funds statistics are collected on the basis of monthly security by security reporting. The reporting population is comprised of those money market funds resident and authorised in Ireland. The reporting form and notes on compilation are also available on the website [here](#).

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The publication tables are published [here](#).