



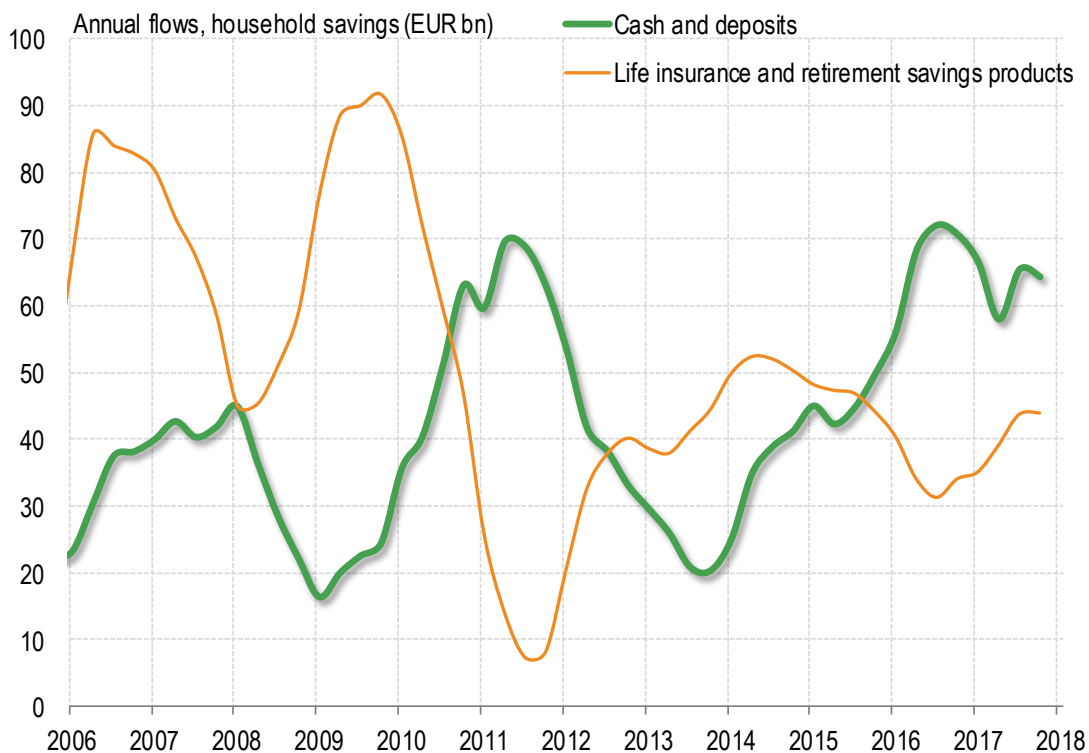
France: Life insurance and retirement savings suffered less from low interest rates in 2018

Annual flows of household savings into cash and deposits on the one hand (primarily sight deposits, passbook savings accounts and homebuyer savings plans), and life insurance products on the other are evolving in opposite directions.

In an environment of low opportunity cost of holding banking deposits, net flows towards savings deposits have surpassed those towards life insurance and retirement savings since third-quarter 2016. They have begun to come together again since the second half of 2017: the net collection of life insurance products has increased slightly while inflows of savings deposits have eased. Unit-linked contracts are the exclusive beneficiary of this trend and their gross inflow¹ reached in 2018 its highest level since 2000. At the same time, net flows into euro-denominated contracts were squeezed, particularly in 2017, by the scissor effect of lower inflow and higher benefits.

¹ French insurance federation data. Net inflow before 2012 is not available.

France: Phase opposition between life insurance and banking deposits



Source: National financial accounts