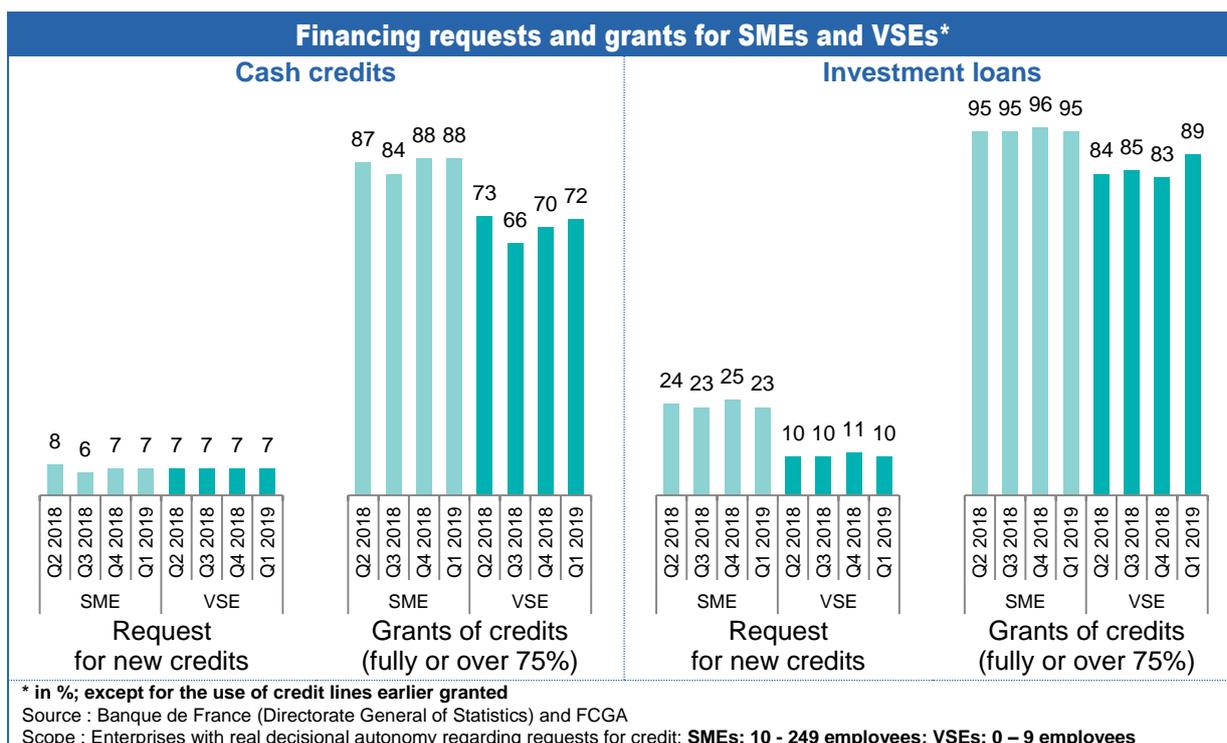


## Quarterly survey on the access to bank financing of companies in France • 1<sup>st</sup> quarter 2019

### Access to investment loans intensifies for VSEs

- **Demand for new cash credits** was stable while demand for new investment loans slightly decreased, for SMEs as for VSEs.
- **Cash credit supply for SMEs** was stable in Q1 2019, which confirms the historical high observed in Q4 2018: 88% of SMEs' requests of cash credits were fully or almost fully granted. **Access to investment loans** remained high at 95%. For **equipment loans** more specifically, access also stayed at a high level (91%).
- **Access to cash credits for VSEs** further grew for the second consecutive quarter to reach 72% of granted requests, namely a rise of 2 percentage points compared to the last quarter. Simultaneously, access to **investment loans** substantially improved and reached the highest level ever observed since 2014: 89% of VSEs' requests were fully or almost fully satisfied, namely a rise of 6 percentage points compared to Q4 2018. Regarding **equipment loans**, access also increased by 7 points at 88%.



The Banque de France carries out a quarterly survey on the access to bank financing of companies. 4,000 small and medium-sized companies (SMEs) and 400 mid-tier companies (MTEs) have answered; as well as 2,500 very small companies (VSEs) thanks to a partnership with the **Fédération des Centres de Gestion Agréés** (small firms authorised management centers federation).



Additional information

1 – Small and medium-sized enterprises (SME: 10 - 249 employees)

*provided by Banque de France*

- **SMEs** can apply for **credit lines** that remain available over the year, most of the time at the beginning of the year, and/or for various types of cash facilities during the year.
  - The proportion of SMEs applying for credit lines remained stable at 37%. These requests were widely granted.
  - 63% of SMEs mobilized credit lines this quarter, almost as much as in the previous quarter (62%).
- **Regarding new loans** - excluding the use of available credit lines - :
  - Demand for **new cash credits** remained stable at 7%.  
**Cash credit supply for SMEs** was identical this quarter to that of Q4 2018, which corresponds to the highest level since 2012: 88% of SMEs' requests of cash credits were fully or almost fully granted.
  - Demand for **new investment loans** slightly reduced at 23%, against 25% in the previous quarter.  
**Access to investment loans remained very large.** 95% of SMEs' requests were fully or very substantially granted, about the same than in the previous quarter (96%).
- Only 4% of SMEs reported a rise in the total cost of financing, as in previous quarters.

2 – Very small enterprises (VSE: 0 - 9 employees)

*provided by FCGA and Banque de France*

- **Demand for new financing from VSEs** was stable for cash credits (7%) and changed little for investment loans (10%).
- **Access to cash credit** continued to expand for the second consecutive quarter: 72% of VSEs were fully or very substantially granted their requests, after 70% and 66% in the previous quarters.
- **Access to investment loans** substantially improved and peaked at the highest level ever observed since 2014: 89% of VSEs were granted their request (fully or over 75% of the requested loans), 6 percentage points higher than in the previous quarter. Concerning equipment loans specifically, the supply also raised by 7 percentage points at 88%.

3 – Mid-tier enterprises (MTE: 250 - 4 999 employees)

*provided by Banque de France*

- 45% of MTEs submitted requests for credit lines, against 48% in the previous quarter. 74% of those MTEs drew down available credit lines, slightly more than in Q4 2018 (73%).
- **Demand for new cash credits** decreased: 9% of MTEs requested cash credits this quarter, against 13% in the previous quarter. The credit supply rate (fully or over 75% of the requested loans) reduced to 89% this quarter, after 95% in the fourth quarter.
- **Demand for investment loans** also decreased: 28% of MTEs requested financing, after 31% in the previous quarter. Almost all of these requests were satisfied: 99% of MTEs were fully or almost fully granted, 4 percentage points more than in Q4 2018. Concerning equipment loans specifically, the supply rate also increased to 91% (87% in Q4 2018).
- MTEs access to private debt issuances should also be considered for this category of firms.

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