

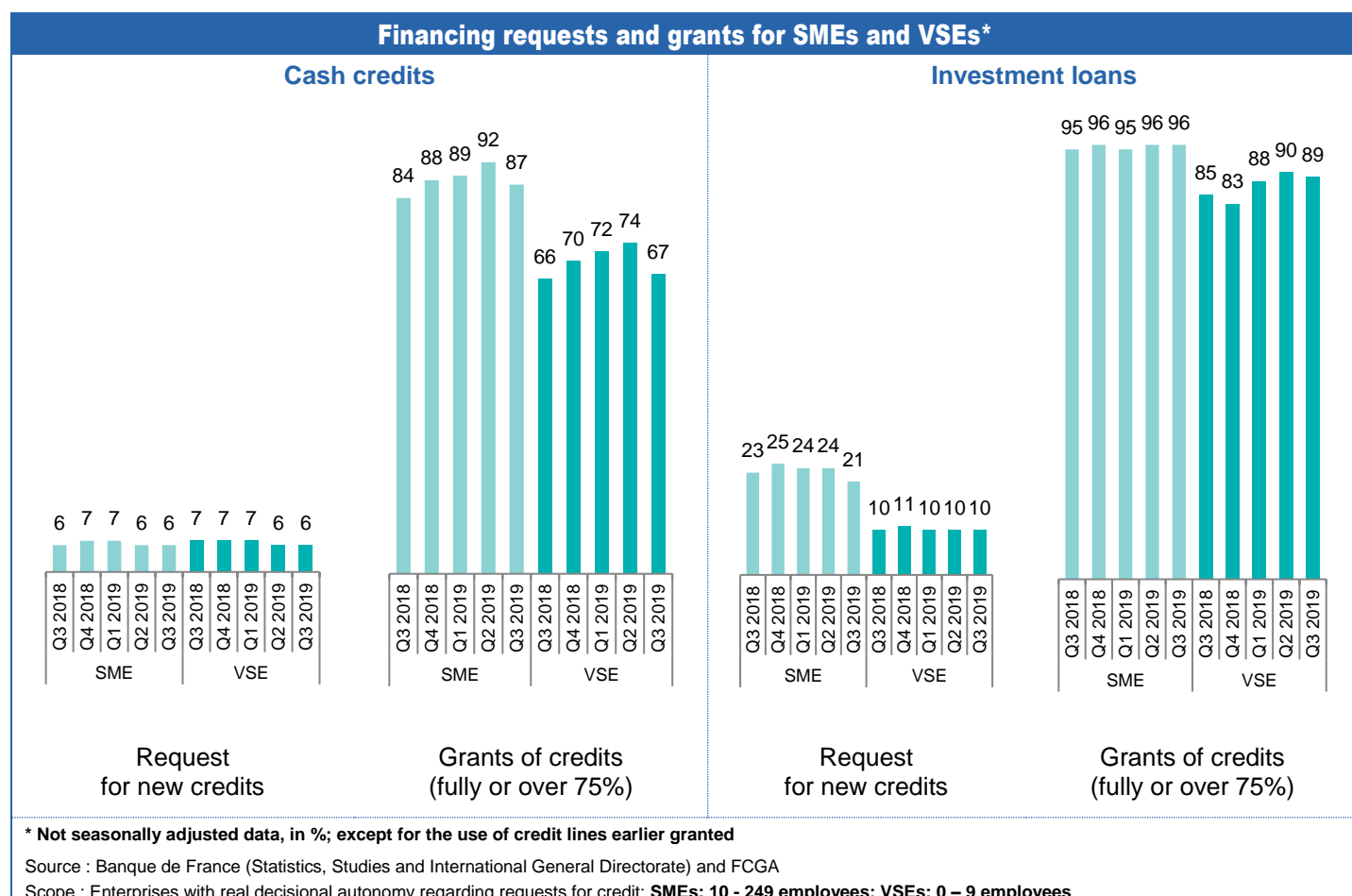


October 29, 2019

Quarterly survey on the access to bank financing of companies in France • 3rd quarter 2019

Access to investment loan has stabilized for SMEs and VSEs

- For SMEs as for VSEs, **demand for new cash credits** was stable at 6% of businesses. **Demand for new investment loans** decreased for SMEs and remained unchanged for VSEs.
- Cash credit supply for SMEs** contracted by 5 points compared to Q2 2019 but stayed at a high level: 87% of SMEs' requests of cash credits were fully or almost fully granted. Requests for **investment loans** are still widely satisfied, at 96%. For **equipment loans** more specifically, access also stayed at a high level (91%).
- Access to cash credits for VSEs** decreased by 7 points after three quarters of rise: 67 of VSEs' requests were satisfied (fully or over 75%). Access to **investment loans** remained stable overall: 89% of VSEs were fully or almost fully granted their credits, after 90% in the second quarter. Regarding **equipment loans**, access has changed little and amounted to 86%.



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 decreased by 2 points compared to the preceding quarter and amounted to 35%. These requests were still widely granted (92%).
 - 60% of SMEs mobilized credit lines this quarter, the same proportion than in Q2 2019.
- **Regarding new loans** - excluding the use of available credit lines - :
 - Demand for **new cash credits** was stable at 6%.
Cash credit supply for SMEs declined by 5 points compared to the second quarter 2019: 87% of SMEs' requests of cash credits were fully or almost fully granted.
 - Demand for **new investment loans** contracted to 21%, after 24% in the previous quarter.
Access to investment loans remained very large. 96% of SMEs' requests were fully or very substantially granted, the same rate than in the previous quarter. About equipment loans specifically, access also stayed at a high level (91%).
- Only 2% of SMEs reported a rise in the total cost of financing, as in the last quarter.

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

provided by FCGA and Banque de France

- **Demand for new financing from VSEs** remained unchanged for cash credits (6%) as for investment loans (10%).
- **Access to cash credit** dropped by 7 points after three quarters of rise: 67% of VSEs were fully or very substantially granted their requests, a level that corresponds to the average rate observed since the beginning of the survey.
- **Access to investment loans** remained stable overall with 89% of granted requests (fully or over 75%), after 90% in the second quarter. Concerning equipment loans specifically, the supply rate changed little and amounted to 87% (against 86% in the last quarter).

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

provided by Banque de France

- 47% of MTEs submitted requests for credit lines, the same share than in the preceding quarter. 73% of those MTEs drew down available credit lines (74% in the second quarter).
- **Demand for new cash credits** remained unchanged compared to the previous quarter with 8% of MTEs that requested cash credits. The supply rate (fully or over 75% of the requested loans) increased to 95% this quarter, after 93% in the second quarter 2019.
- **Demand for investment loans** decreased by 3 points with 29% of MTEs that requested financing this quarter. Concurrently, access improved: 99% of MTEs' requests were fully or almost fully granted, after 96% in the previous quarter. Concerning equipment loans specifically, the supply rate also improved to 94% (against 88% in Q2 2019).
- Only bank financing is considered here. MTEs also access to financing through private debt issuance, which is not covered by this survey.

Next publication: January 2020

