

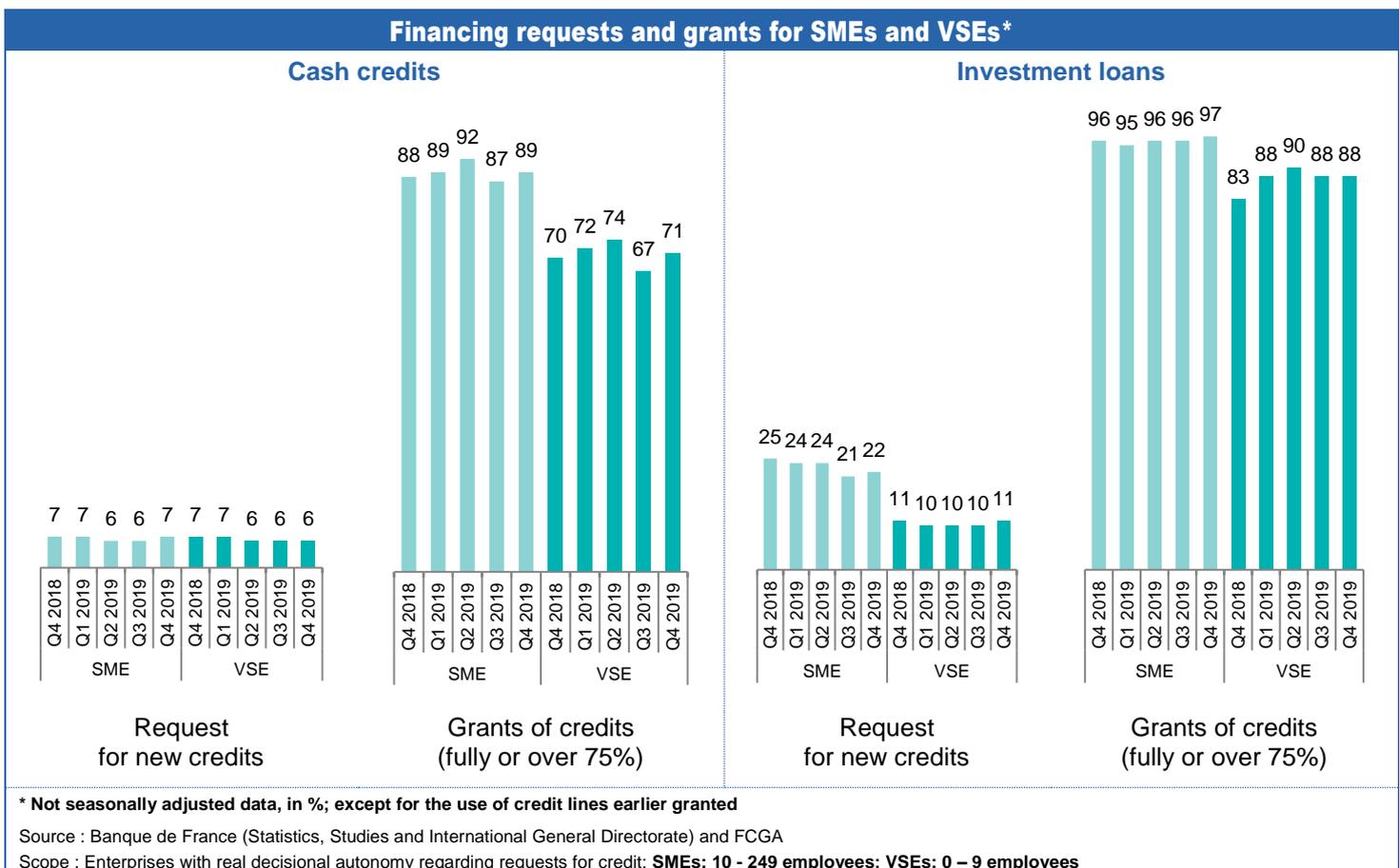


February 4, 2020

Quarterly survey on the access to bank financing of companies in France • 4th quarter 2019

Access to cash credits has improved for SMEs and VSEs

- **Demand for new cash credits** of SMEs slightly increased at 7% of businesses; for VSEs it remained stable at 6% of businesses. **Demand for new investment loans** rose by one point compared to the last quarter, for SMEs (22% of businesses) as for VSEs (11% of businesses). Anticipating a bank refusal was rare: less than 2% of entrepreneurs censored themselves.
- **Cash credit supply for SMEs** grew by 2 points and recovered the level of the first quarter 2019: 89% of SMEs' requests of cash credits were fully or almost fully granted this quarter. Requests for **investment loans** are still widely satisfied, at 97% after 96% in the third quarter 2019. For **equipment loans** more specifically, access also stayed at a high level (91%).
- **Access to cash credits for VSEs** expanded again after a slowdown in the third quarter 2019: 71% of VSEs' requests were satisfied (fully or over 75%) this quarter, against 67% in the third quarter. Access to **investment loans** stayed unchanged with 88% of VSEs that were fully or almost fully granted their credits. Regarding **equipment loans**, access contracted by 4 points this quarter to reach 83%.



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 slightly improved and amounted to 36%, after 35% in the preceding quarter. These requests were still widely satisfied (95% fully or almost fully granted).
 - 61% of SMEs mobilized credit lines this quarter, about the same as in Q3 2019 (60%).
- **Regarding new loans** - excluding the use of available credit lines - :
 - Demand for **new cash credits** increased by one point at 7%.
Cash credit supply for SMEs improved compared to the third quarter 2019: 89% of SMEs' requests of cash credits were fully or almost fully granted, against 87% previously.
 - Demand for **new investment loans** raised at 22%, after 21% in the previous quarter.
Access to investment loans remained very large. 97% of SMEs' requests were fully or very substantially granted, one point higher compared to the third quarter. About equipment loans specifically, access also stayed at a high level (91%).
- Only 3% of SMEs reported a rise in the total cost of financing, one point more than 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%) and slightly increased for investment loans (11% after 10% in Q3 2019).
- **Access to cash credit** improved by 4 points after a sharp decrease in the third quarter: 71% of VSEs were fully or very substantially granted their requests this quarter.
- **Access to investment loans** remained stable with 88% of granted requests (fully or over 75%). Concerning equipment loans specifically, the supply rate contracted and amounted to 83%, after 87% in the preceding quarter.

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

provided by Banque de France

- 51% of MTEs submitted requests for credit lines, 3 points more than in the last quarter. Only 64% of those MTEs whose requests were satisfied drew down available credit lines, against 73% in Q3 2019.
- **Demand for new cash credits** slightly improved compared to the previous quarter with 10% of MTEs that requested such credits (9% in Q3 2019). The supply rate (fully or over 75% of the requested loans) remained high at 94%, after 95% in the last quarter.
- **Demand for investment loans** remained unchanged with 30% of MTEs that requested financing this quarter. Concurrently, access stayed at a high level: 98% of MTEs' requests were fully or almost fully granted, after 99% in the previous quarter. Concerning equipment loans specifically, the supply rate slowed down to reach 87%, against 94% in Q3 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: April 2020

