

Financing of micro-enterprises – France • 1st quarter 2020

Treasury loans to micro-enterprises continue to grow and interest rates remain contained

At end-March 2020, the outstanding amount of loans to micro-enterprises reaches EUR 312.6 billion, up 8.8% year-on-year, driven by equipment loans and short-term loans, whose annual growth rates increase compared to the previous quarter (respectively +10.2% and +5.2% after +8.4% and +1.2%). Real estate loans, for their part, continue to grow at a sustained pace (+7.9% after +8.4% in the previous quarter).

The impact of the lockdown is hardly noticeable on these quarterly data as it only comes into play at the end of the period, from mid-March onwards. The decline in total quarterly new loan production (18.3 billion, after 20.0 billion in the fourth quarter of 2019) is within the fluctuation margins often observed. The 3.6 billion increase in cash loans is noteworthy.

The average interest rate for unit credits of less than 250,000 euros remains below 2.0% (1.70%), a level that is still significantly lower than in the other major euro area countries.

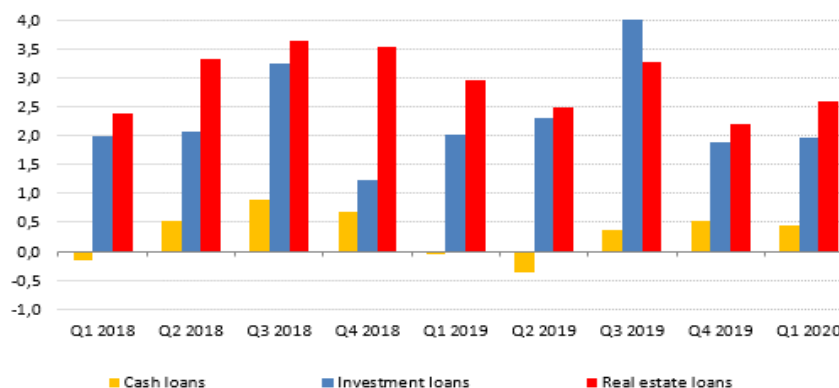
Loans to micro-enterprises : credit type breakdown

(Outstanding amounts, € billions)

	Outstanding amounts	Yearly growth rate	
		Q1 2020	Q4 2019
Total loans	312.6	7.9%	8.8%
Treasury loans, including factoring	20.9	1.2%	5.2%
Equipment loans	146.1	8.4%	10.2%
Real estate loans	145.5	8.4%	7.9%

Micro-enterprises loans outstanding changes

(€ billions)

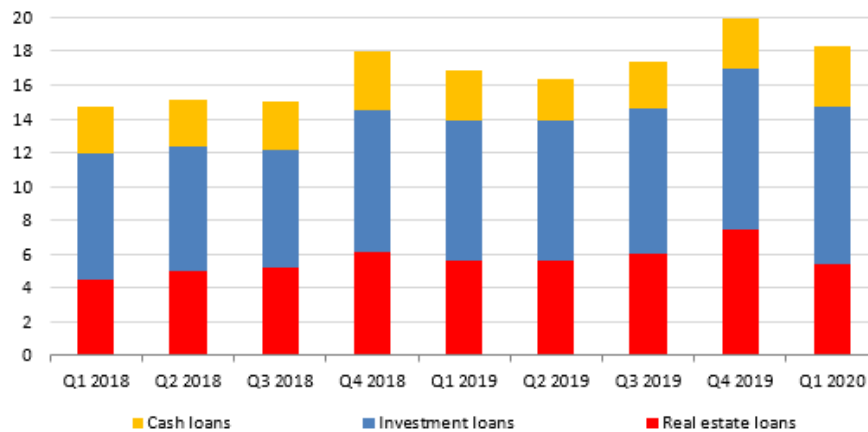


Note : seasonally adjustment data for cash loans

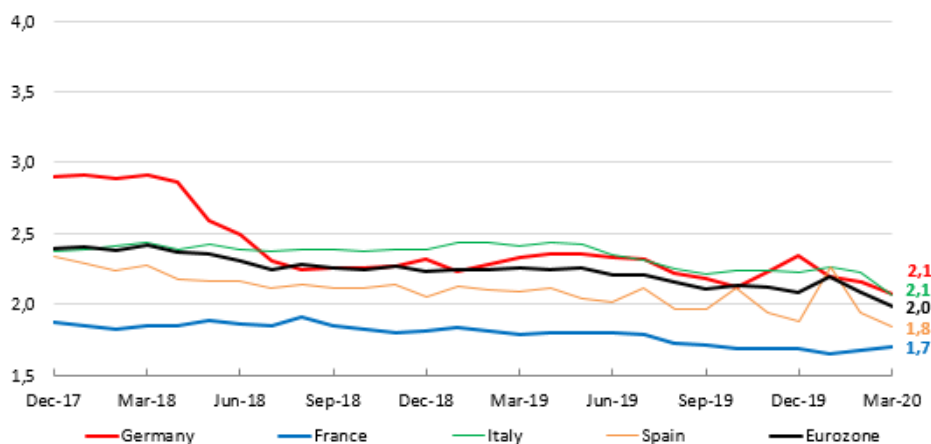


Loans to micro-enterprises issuance

(Quarterly gross issuance, € billions)



Eurozone: Loans below €250,000 new issuances rate (%)



Source and design : Direction générale des statistiques, des études et de l'international

Additional information

In this data collection micro-enterprises are characterized by the criteria of the 2008 LME law - legal units excluding self-employed entrepreneurs with less than 10 employees, and which have an annual turnover or balance sheet total not exceeding 2 million euros - or by default, by a turnover not exceeding 2 million euros.

Micro-enterprises are part of small and medium-sized enterprises (SMEs).

