

## Corporate bankruptcies – France • March 2020

### Period under review: February 2020

In February 2020, the number of corporate bankruptcies decreased by 10.0% year-on-year

- At the end of February 2020, the aggregate number of corporate bankruptcies over the last 12 months amounted to 48,927, down by 10.0% compared to February 2019 (see tables A and B and charts 1 and 2). **This significant fall is partly due to a base effect linked in particular to the number of corporate bankruptcies recorded in the first two months of 2020, a period prior to the measures taken in response to the pandemic.**

Corporate bankruptcies decreased in all business sectors

- At the end of February 2020, the industry sector, the education, human health and other service activities, the accommodation and food service activities, the agriculture sector and the construction sector recorded the strongest decreases in bankruptcies (-16.4%, -15.3%, -11.9%, -11.2% and -9.5% respectively, compared to February 2019). Bankruptcies also decreased significantly in the advisory and business support activities (-8.8%), the real estate activities (-8.3%), the wholesale and retail trade sector (-7.5%) and the financial and insurance activities (-6.5%).

In February 2020, bankruptcies decreased for most firm sizes

- Bankruptcies decreased for SMEs as a whole (-10.0%) despite an increase for medium-sized firms (+1.2%). They also decreased for Intermediate-sized enterprises (ISEs) and large firms (-2 bankruptcies over 12 months see table B).

The outstanding loan amount of firms filing for bankruptcy over the past 12 months accounts, at the end of February, for less than 0.4% of the total outstanding loan amount reported to the Banque de France's Central Credit Register.

The provisional data for March will not be discussed (tables A and B and chart 2). These figures do not reflect the economic reality but the fact that commercial courts were closed in the second half of the month and the temporary measures regarding the examination of insolvency situations. They will have to be analyzed later on, in the light of the results of the forthcoming publications.

To find out more: data on business start-ups are reported by the French National Institute of Statistics and Economic Studies (INSEE): [Business start-ups on the INSEE's website](#)

### A – Corporate bankruptcies by sector

Bankruptcies in number of legal units, year on year change (%)

Business sector	Aggregate over the last 12 months <sup>a</sup> (gross data)					Quarter to Quarter sa / wda <sup>bc</sup>		Monthly data sa / wda <sup>c</sup>		
	Feb. 19	Feb. 20	Feb. 20/Feb. 19	Mar. 20 prov.	Mar. 20/Mar. 19	Feb. 20	Dec. 19	Jan. 20	Feb. 20	
Agriculture, forestry and fishing (AZ)	1,432	1,271	-11.2 %	1,176	-17.9 %	-23.2 %	121	74	53	
Industry (BE)	3,913	3,273	-16.4 %	3,155	-17.8 %	-11.1 %	266	240	227	
Construction (FZ)	11,789	10,666	-9.5 %	10,167	-13.5 %	-13.0 %	868	768	710	
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	11,625	10,750	-7.5 %	10,326	-10.4 %	-11.6 %	884	767	828	
Transportation and storage (H)	2,088	2,055	-1.6 %	1,967	-6.1 %	-10.7 %	178	159	157	
Accommodation and food service activities (I)	7,369	6,495	-11.9 %	6,213	-15.0 %	-7.5 %	538	450	499	
Information and communication (JZ)	1,297	1,292	-0.4 %	1,243	-3.1 %	-2.6 %	104	102	118	
Financial and insurance activities (KZ)	1,109	1,037	-6.5 %	998	-11.1 %	-14.7 %	88	57	81	
Real estate activities (LZ)	1,657	1,519	-8.3 %	1,431	-13.0 %	-22.0 %	129	86	79	
Advisory & Business support activities (MN)	6,171	5,629	-8.8 %	5,336	-14.8 %	-8.9 %	463	396	423	
Education, human health and social work services, Arts, entertainment and recreation, Other service activities (P to S)	5,477	4,638	-15.3 %	4,348	-20.5 %	-22.2 %	383	277	237	
<b>All firms<sup>d</sup></b>	<b>54,337</b>	<b>48,927</b>	<b>-10.0 %</b>	<b>46,649</b>	<b>-13.8 %</b>	<b>-12.5 %</b>	<b>3,989</b>	<b>3,433</b>	<b>3,455</b>	

Source: Banque de France – database: Fiben. Data available at end-April 2020: final for February, provisional for March.

Calculation : Banque de France – Companies Directorate – Companies Observatory

<sup>a</sup> Aggregate number of corporate bankruptcies over the past 12 months compared to the same aggregate one year ago

<sup>b</sup> Aggregate number of corporate bankruptcies over the past 3 months compared to the same aggregate three months ago

<sup>c</sup> sa : seasonally adjusted – wda : working day adjusted

<sup>d</sup> The line « All firms » includes legal units whose business sector is not known

## B – Corporate bankruptcies by firm size

Bankruptcies in number of legal units, year on year change (%)

Size	Aggregate over the last 12 months <sup>a</sup> (gross data)				Quarter to quarter sa / wda <sup>b,c</sup>		Monthly data sa / wda <sup>c</sup>		
	Feb. 19	Feb. 20	Feb. 20/Feb. 19	Mar. 20 prov.	Mar. 20/Mar. 19	Feb. 20	Dec. 19	Jan. 20	Feb. 20
SME, among them	54,302	48,894	-10.0 %	46,615	-13.8 %	-12.5 %	3,986	3,431	3,455
Micro-enterprises and unknown firm's size	51,365	46,181	-10.1 %	43,982	-14.0 %	-12.8 %	3,773	3,226	3,241
Very small firms	1,763	1,594	-9.6 %	1,553	-11.9 %	-4.5 %	137	123	126
Small firms	847	788	-7.0 %	755	-11.4 %	4.4 %	60	62	75
Medium-sized firms	327	331	1.2 %	325	2.5 %	-20.0 %	21	23	22
ISE – Large Firms	35	33	-5.7 %	34	-2.9 %				
<b>All firms</b>	<b>54,337</b>	<b>48,927</b>	<b>-10.0 %</b>	<b>46,649</b>	<b>-13.8 %</b>	<b>-12.5 %</b>	<b>3,989</b>	<b>3,433</b>	<b>3,455</b>

Source: Banque de France – database: Fiben. Data available at end-April 2020: final for February, provisional for March.

Calculation : Banque de France – Companies Directorate – Companies Observatory

<sup>a</sup> Aggregate number of corporate bankruptcies over the past 12 months compared to the same aggregate one year ago

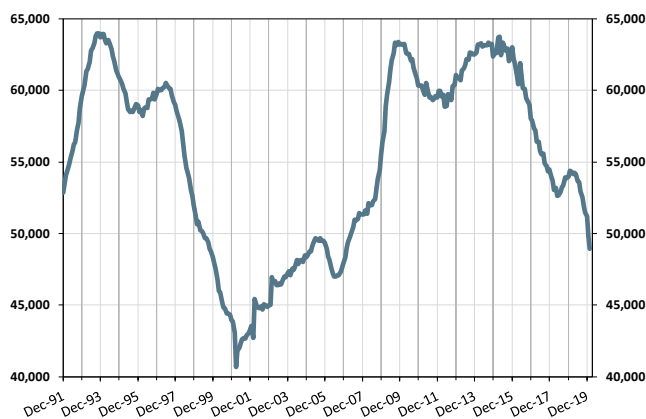
<sup>b</sup> Aggregate number of corporate bankruptcies over the past 3 months compared to the same aggregate three months ago

<sup>c</sup> sa : seasonally adjusted – wda : working day adjusted

## C – Changes in corporate bankruptcies

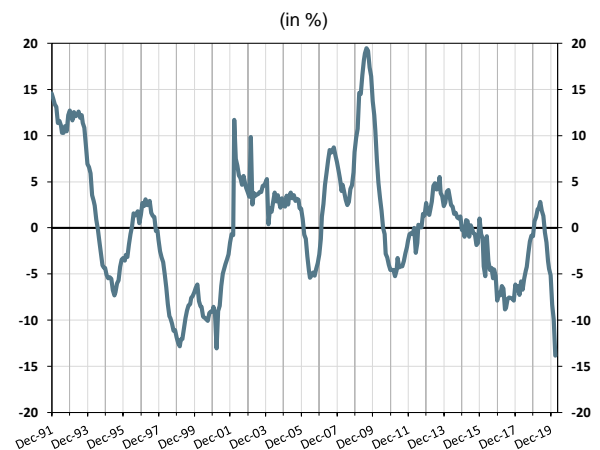
### 1 – Number of bankruptcies

Aggregate number of bankruptcies over the past 12 months  
From Dec. 1991 to February 2020



### 2 – Change in bankruptcies

Year-on-year change in the 12-month aggregate  
From Dec. 1991 to February 2020 (+March 2020 provisional)



Source: Banque de France, Companies Directorate, Data available at end-April 2020: final for February, provisional for March.

### 3 – Loan amounts of bankrupt non-financial firms over loan amount of all firms

Aggregate over the past 12 months

From Dec. 2006 to February 2020 (+ March 2020 provisional)



### 4 – Loan amounts of bankrupt non-financial firms over loan amount of all firms – broken down by firm size

Aggregate over the past 12 months

From Dec. 2006 to February 2020 (+ March 2020 provisional)

