



10th February 2022

Financing of non-financial corporations – France • December 2021

The growth of financing of non-financial corporations strengthened

In December 2021, the annual growth of financing of non-financial corporations in France rose to +2.7%, after +1.8% in the previous month. If compared to the pre-crisis situation, it was still at high levels, growing by +15.6% between December 2019 and December 2021.

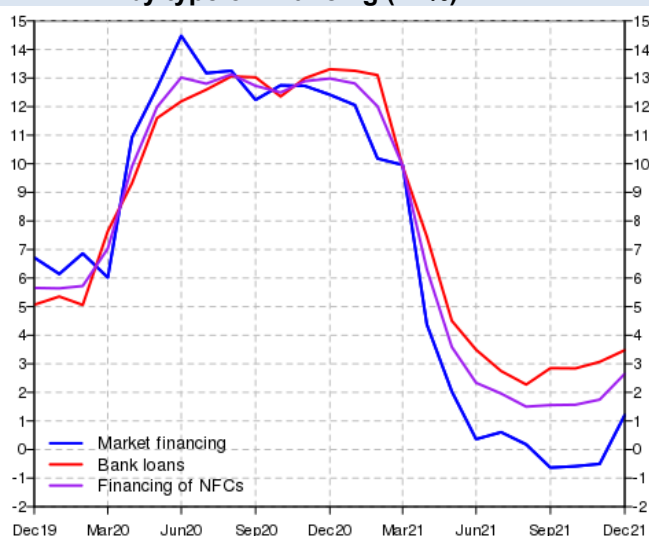
The average cost of corporate financing is nearly stable over the month, at 1.03% in December. In 2021, the cost of market financing increased by 30 basis points and reached 0.9% in December, after 0.6% in December 2020.

Financing of non-financial corporations

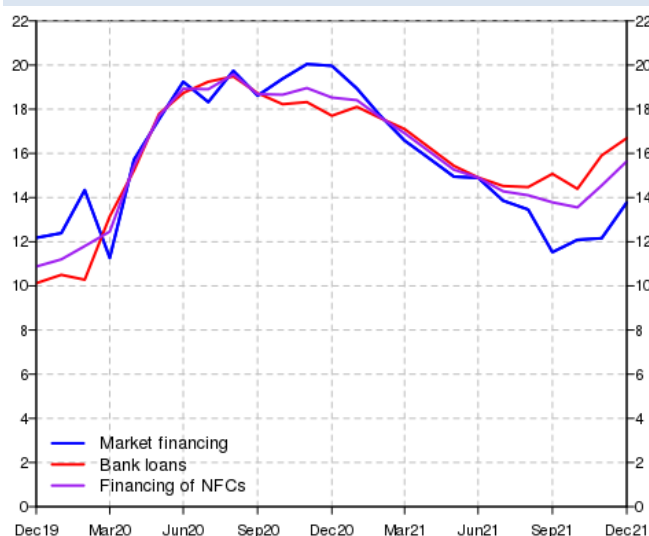
(Gross stocks and flows in billions of euros, growth rate and interest rate in %)

| | Outstanding amount | Annual net issuance | Annual growth rate | | Two-year growth rate (compared to 2019) | | Cost of financing in euros | |
|-------------------------------|--------------------|---------------------|--------------------|--------|---|--------|----------------------------|--------|
| | Dec-21 | Dec-21 | Nov-21 | Dec-21 | Nov-21 | Dec-21 | Nov-21 | Dec-21 |
| Financing of NFCs | 1937.4 | 50 | 1.8 | 2.7 | 14.5 | 15.6 | 1.00 | 1.03 |
| - Of which : bank loans | 1239.5 | 42 | 3.1 | 3.5 | 15.9 | 16.7 | 1.08 | 1.11 |
| - Of which : market financing | 697.9 | 8 | -0.5 | 1.2 | 12.2 | 13.8 | 0.87 | 0.89 |
| in euros | 588.8 | 11 | -0.1 | 1.9 | 14.5 | 16.8 | | |
| in currencies | 109.1 | -3 | -2.6 | -2.8 | 0.9 | -0.5 | | |

Annual growth rate, by type of financing (in %)




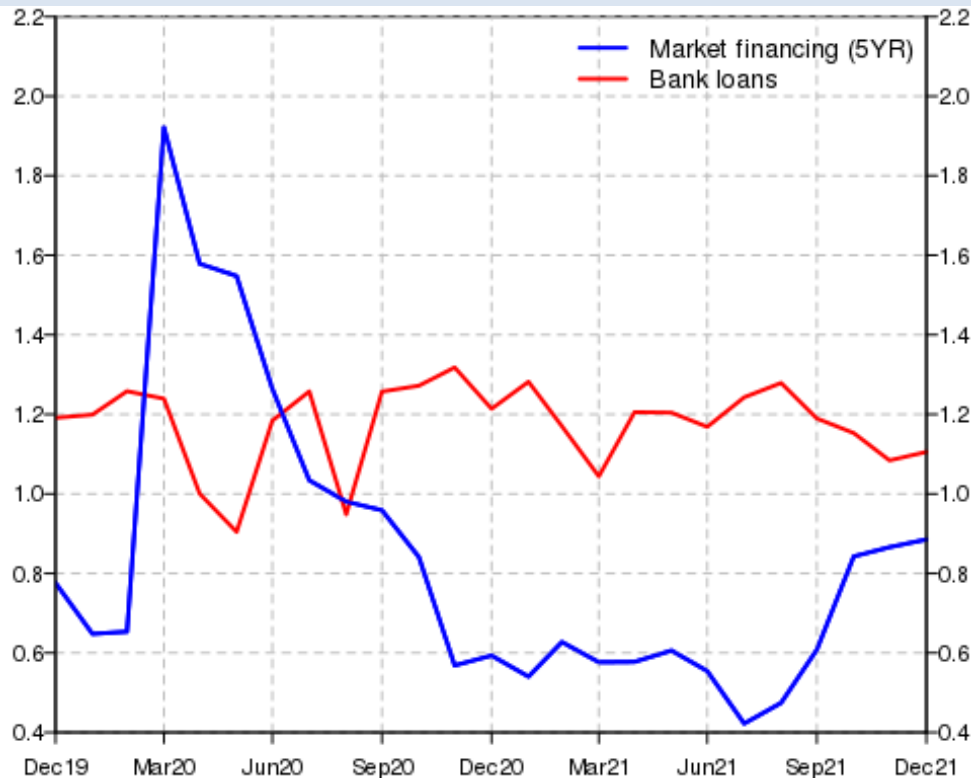
Two-year growth rate, by type of financing (in %)



Source and calculations : General Directorate of Statistics, Economics and International



Average cost of financing in euros (in %) 



Composition of non-financial corporate debt

Non-financial corporate debt in this « Stat Info » refers to debt securities issues (bonds and negotiable debt securities) subscribed by residents and non-residents as well as to the credits granted by resident credit institutions. Negotiable debt securities include short-term commercial papers (less than one year) and medium-term negotiable notes. Further details on loans to non-financial corporations is available in the « Stat Info » referring to loans to non-financial corporations :

<https://www.banque-france.fr/en/statistics/loans/loans/loans-non-financial-corporations>

Overall non-financial corporate debt also includes bank loans from non-resident credit institutions. This measure can be found in the « Stat Info » related to non-financial sector debt :

<https://www.banque-france.fr/en/statistics/savings/financial-accounts/financial-accounts>

The average cost of bank loans to non-financial corporations is computed using the monthly interest rate applied by French banks. This indicator only covers euro-denominated loans with a term of at least one year and with an initial amount of at least one million euros. It excludes revolving term facilities and overdrafts.

The average cost of market financing is calculated on the basis of month-end actuarial rates of return of alive securities. It only covers euro-denominated securities with an initial maturity longer than one year and with a fixed coupon rate. A specific calibration process using the yield curve is performed to align different maturities with a constant 5-year maturity. The average cost of market financing calculation methodology excludes extreme values. The average cost of bank loans and the average cost of market financing cannot be directly compared since they often differ in their maturity horizon.