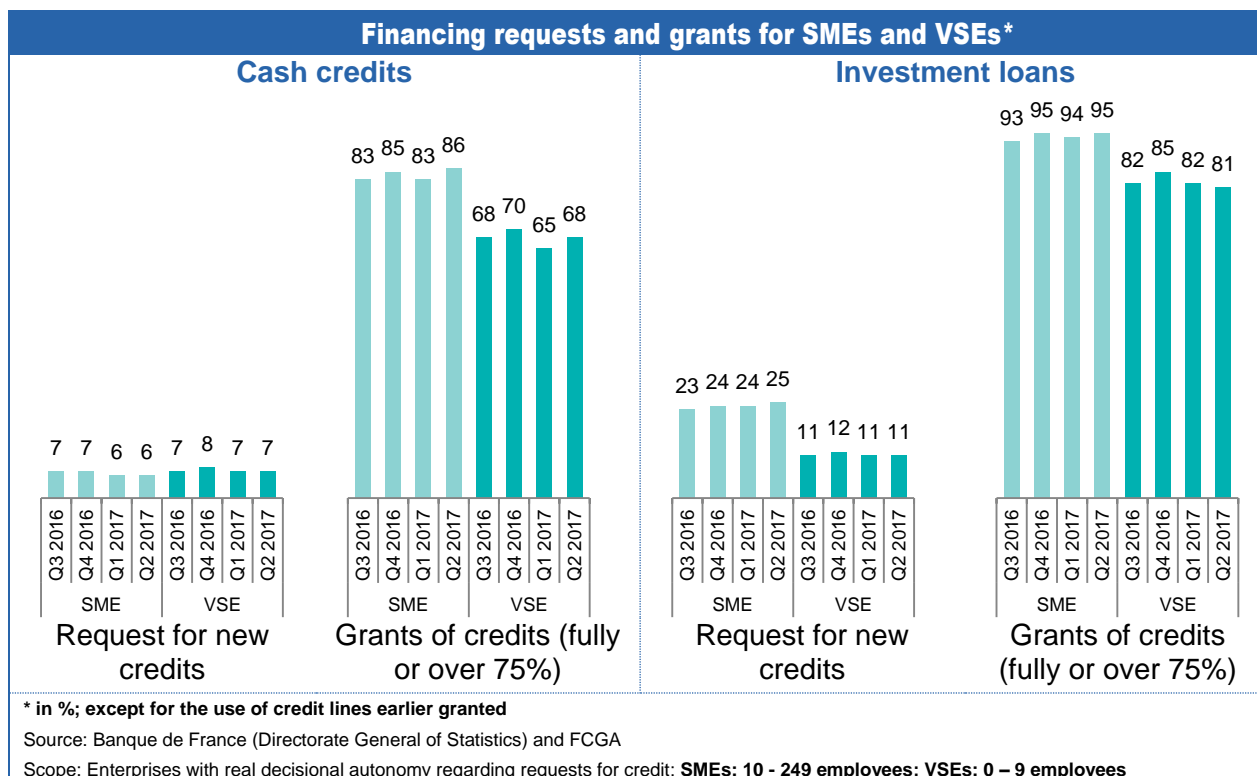


The Banque de France carries out a quarterly survey on the access to bank financing of companies. 4,000 small and medium-sized companies (SMEs) and 400 mid-tier companies (MTEs) have answered; as well as 2,500 very small companies (VSEs) thanks to a **partnership with the Fédération des Centres de Gestion Agréés (small firms authorised management centers federation)**.

Improvement in access to cash credits for SMEs and VSEs

- Over the second quarter 2017, **demand for new credits** from SMEs and VSEs was stable for investment loans as well as for cash credits. For SMEs as well as for VSEs, in case of no request, **the main explanation was the lack of credit needs**, irrespective of the type of loan. Anticipating a bank refusal is rare: less than 2% of entrepreneurs censor themselves.
- Credit supply for SMEs** increased. 86% of SMEs' requests of cash credits were fully or substantially (over 75% of their demand) granted, versus 83% over the first quarter. **Access to investment loans** was nearly stable: 95% of SMEs were fully or substantially granted the loans they requested (versus 94% the previous quarter). More specifically for equipment loans, access remained also very wide (91%).
- Access to credits for VSEs** also increased for cash credits (68% after 65%). **Access to investment loans** was nearly stable: 81% of VSEs were granted their request (fully or over 75% of the requested loans) compared to 82% during the previous quarter. Access to equipment loans eroded (81% after 84%).



Additional information

1 – Small and medium-sized enterprises (SME: 10 - 249 employees)

provided by Banque de France

- To meet their operational requirements, **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 was stable (37%).
 - 61% of SMEs mobilized credit lines this quarter, as much as previous quarter.
- **About new loans** - excluding the use of existing credit lines - :
 - Demand for **new cash credits** was stable: 6% of SMEs requested a credit.
The cash credit supply increased: 86% of SMEs were fully or substantially granted, versus 83% over the previous quarter.
 - Demand for **new investment loans** rose very slightly: 25% of SMEs applied for a new request during this quarter, versus 24% during the first quarter.
Access to investment loans is nearly stable. 95% of SMEs were fully or substantially granted (versus 94% over the first quarter).
- Fewer and fewer SMEs reported a drop in the total cost of financing (17% versus 34% one year before), but very few reported a rise (3%).

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

provided by FCGA and Banque de France

- Demand for new financing from **VSEs** was stable, for **cash credits** (7%) and for **investment loans** (11%).
- **Access to cash credit** also increased: 68% of VSEs were fully or substantially granted, after 65% in Q1.
- **Access to investment loans** eroded: 81% of VSEs were granted their request (fully of over 75% of the requested loans), versus 82% in Q1.

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

provided by Banque de France

- 45% of **MTEs submitted requests for credit lines**. 72% of those MTEs with granted credit lines drew them down, after 69% in the first quarter.
- **Demand for new cash credits** was nearly stable: 10% of MTEs requested their lenders. The credit supply rate remained high: 90% were fully or substantially obtained (91% in the previous quarter).
- **Demand for investment loans** weakened: 26% of MTEs requested financing, versus 29% over the first quarter. Almost all MTEs were fully or substantially granted. Concerning investment loans, 91% of MTEs were supplied.
- MTEs access to private debt issuances should also be considered, in order to put into perspective the data issued for this category of firms.

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