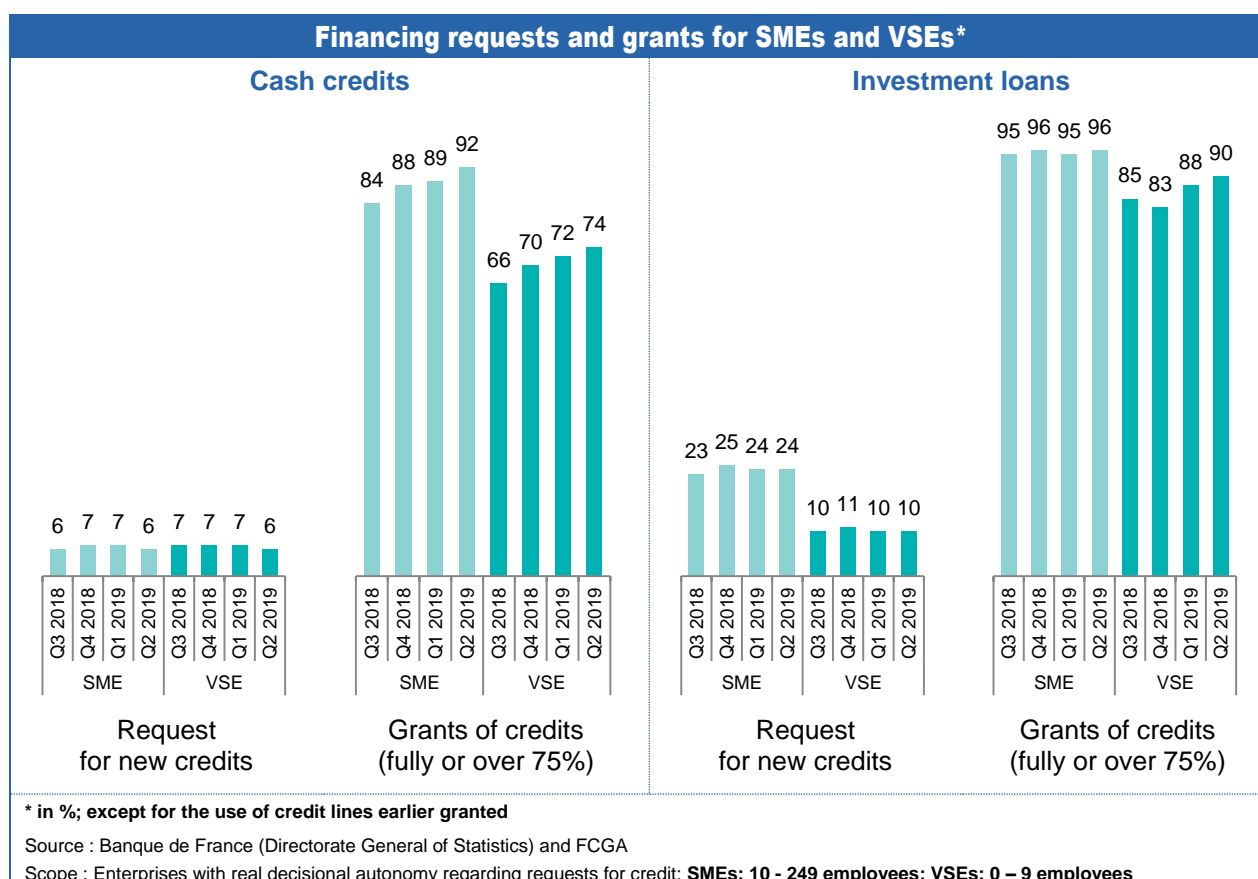


## Quarterly survey on the access to bank financing of companies in France • 2<sup>nd</sup> quarter 2019

### Access to credit continued to rise for VSEs

- For SMEs as for VSEs, **demand for new cash credits** slightly decreased while **demand for new investment loans** was stable. Anticipating a bank refusal was marginal: only 1% of entrepreneurs declared censorship behavior.
- Cash credit supply for SMEs** increased by 3 points compared to Q1 2019 and reached its historical high: 92% of SMEs' requests of cash credits were fully or almost fully granted. Access to **investment loans** remained high at 96%. For **equipment loans** more specifically, access also stayed at a high level (91%).
- Access to cash credits for VSEs** further grew for the third consecutive quarter to reach 74% of granted requests, the highest level recorded in the survey. Simultaneously, access to **investment loans** also improved by 2 points compared to Q1 2019: 90% of VSEs' requests were fully or almost fully satisfied. Regarding **equipment loans**, access was almost stable at 86% (against 87% in the previous quarter).



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 remained stable at 37%. These requests were widely granted (91%).
  - 60% of SMEs mobilized credit lines this quarter, 3 points less than in Q1 2019.
- **Regarding new loans** - excluding the use of available credit lines - :
  - Demand for **new cash credits** changed little (6% after 7% in the previous quarter).  
**Cash credit supply for SMEs** grew by 3 points compared to the first quarter 2019 and reached its highest point since 2012: 92% of SMEs' requests of cash credits were fully or almost fully granted.
  - Demand for **new investment loans** remained unchanged compared to the previous quarter at 24%.  
**Access to investment loans remained very large.** 96% of SMEs' requests were fully or very substantially granted, about the same than in the previous quarter (95%). 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, which is slightly less than in previous quarters (4%).

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

provided by FCGA and Banque de France

- **Demand for new financing from VSEs** slightly decreased for cash credits (6% after 7% in last quarter) and was unchanged for investment loans (10%).
- **Access to cash credit** continued to expand for the third consecutive quarter and reached a record high: 74% of VSEs were fully or very substantially granted their requests, after 72% and 70% in the previous quarter.
- **Access to investment loans** also improved by 2 points compared to Q1 2019 and peaked at the highest level ever observed since 2014 with 90% of VSEs that were granted their request (fully or over 75% of the requested loans). Concerning equipment loans specifically, the supply was almost stable at 86% (against 87% in the previous quarter).

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

provided by Banque de France

- 47% of MTEs submitted requests for credit lines, after 45% in the previous quarter. 74% of those MTEs drew down available credit lines, as many as in the first quarter.
- **Demand for new cash credits** slightly decreased: 8% of MTEs requested cash credits this quarter, against 9% in the previous quarter. The credit supply rate (fully or over 75% of the requested loans) was almost stable at 90% this quarter, after 89% in the first quarter 2019.
- **Demand for investment loans** rose by 4 points with 32% of MTEs that requested financing this quarter. Access stayed high but reduced however: 95% of MTEs were fully or almost fully granted, against 99% in the previous quarter. Concerning equipment loans specifically, the supply rate also reduced to 88% (91% in Q1 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: October 2019

