

## Corporate bankruptcies – France • January 2019

### In 2018, the number of corporate bankruptcies decreased by 1.0%

- At the end of December 2018, the aggregate number of corporate bankruptcies over the last 12 months amounted to 53,982 down 1.0% compared to December 2017 (see tables A and B and charts 1 and 2).
- However, the decline in the number of bankruptcies is less pronounced than in 2017 (-5.8%) and 2016 (-8.0%).

### The evolution of corporate bankruptcies varies across sectors

- In 2018, the agriculture, information and communication, and wholesale and retail trade sectors recorded the strongest decreases in bankruptcies (8.2%, -6.4% and -3.9%, respectively). Bankruptcies decreased substantially in other sectors, particularly in the construction sector (-2.5%).
- However, over the same period, corporate bankruptcies increased in some sectors, in particular in the transportation and storage sector (+11.5%) and in the advisory and business support activities (+6.5%).
- The number of corporate bankruptcies remains stable in the industry (+0.0%) and in the accommodation and food service activities (+0.1%).

### In 2018, bankruptcies decreased for most firm sizes

- Bankruptcies decreased for SMEs as a whole (-1.0%), despite an increase for Very small firms (+2.5%) and the Medium-sized firms (+11.4%). They decreased also for Intermediate-sized enterprises (ISEs) and Large firms (-7 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 December, for more than 0.3% of the total outstanding loan amount reported to the Banque de France's Central Credit Register.

The aggregate number of corporate bankruptcies increased by 0.4% at the end of January 2019, according to provisional data (see tables A and B and chart 2).

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>		
	Dec. 17	Dec. 18	Dec. 18/Dec. 17	Jan. 19 prov.	Jan. 19/Jan. 18	Dec. 18	Oct. 18	Nov. 18	Dec. 18
Agriculture, forestry and fishing (AZ)	1,532	1,406	-8.2 %	1,406	-6.5 %	-8.3 %	123	88	134
Industry (BE)	3,885	3,886	0.0 %	3,886	1.0 %	9.1 %	407	277	374
Construction (FZ)	12,112	11,815	-2.5 %	11,844	-1.8 %	-4.3 %	1,026	951	1,024
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	12,030	11,555	-3.9 %	11,645	-1.8 %	0.9 %	1,017	923	1,020
Transportation and storage (H)	1,831	2,042	11.5 %	2,059	12.5 %	-0.5 %	171	186	173
Accommodation and food service activities (I)	7,278	7,285	0.1 %	7,365	2.0 %	-6.3 %	624	546	653
Information and communication (JZ)	1,384	1,295	-6.4 %	1,310	-3.6 %	2.3 %	105	112	113
Financial and insurance activities (KZ)	1,055	1,085	2.8 %	1,099	6.4 %	8.2 %	91	99	105
Real estate activities (LZ)	1,724	1,692	-1.9 %	1,686	-1.5 %	-2.8 %	141	119	141
Advisory & Business support activities (MN)	5,770	6,147	6.5 %	6,121	6.5 %	-15.1 %	507	504	514
Education, human health and social work services, Arts, entertainment and recreation, Other service activities (P to S)	5,424	5,333	-1.7 %	5,374	-0.2 %	-6.4 %	438	394	476
<b>All firms<sup>d</sup></b>	<b>54,518</b>	<b>53,982</b>	<b>-1.0 %</b>	<b>54,233</b>	<b>0.4 %</b>	<b>-5.0 %</b>	<b>4,676</b>	<b>4,253</b>	<b>4,585</b>

Source: Banque de France – database: Fiben. Data available at end-February 2019

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>bc</sup>		Monthly data sa / wda <sup>c</sup>		
	Dec. 17	Dec. 18	Dec. 18/Dec. 17	Jan. 19 prov.	Jan. 19/Jan. 18	Dec. 18	Oct. 18	Nov. 18	Dec. 18
SME, among them	54,472	53,943	-1.0 %	54,192	0.4 %	-5.0 %	4,667	4,255	4,582
Micro-enterprises and unknown firm's size	51,215	50,627	-1.1 %	50,838	0.1 %	-5.5 %	4,402	3,964	4,293
Very small firms	2,016	2,067	2.5 %	2,066	1.9 %	0.2 %	173	159	181
Small firms	961	937	-2.5 %	965	4.3 %	7.9 %	83	93	76
Medium-sized firms	280	312	11.4 %	323	15.4 %	15.0 %	26	31	27
ISE – Large Firms	46	39	-15.2 %	41	-8.9 %				
<b>All firms</b>	<b>54,518</b>	<b>53,982</b>	<b>-1.0 %</b>	<b>54,233</b>	<b>0.4 %</b>	<b>-5.0 %</b>	<b>4,676</b>	<b>4,253</b>	<b>4,585</b>

Source: Banque de France – database: Fiben. Data available at end- February 2019

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

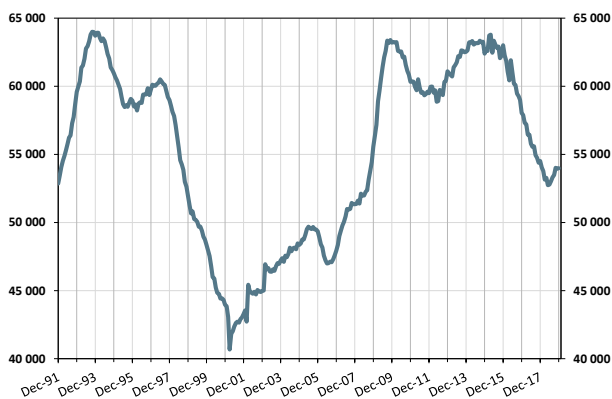
<sup>b</sup> Aggregate number of corporate bankruptcies over the past 3 months compared to the same aggregate three months ago

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

## C – Changes in corporate bankruptcies

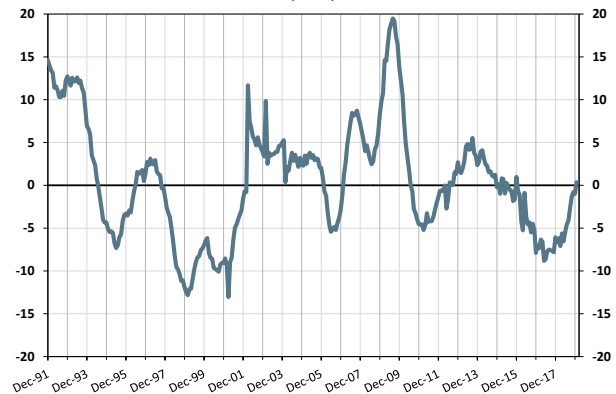
### 1 – Number of bankruptcies

Aggregate number of bankruptcies over the past 12 months  
From Dec. 1991 to December 2018



### 2 – Change in bankruptcies

Year-on-year change in the 12-month aggregate  
From Dec. 1991 to December 2018 (+ January 2019 provisional)  
(in %)



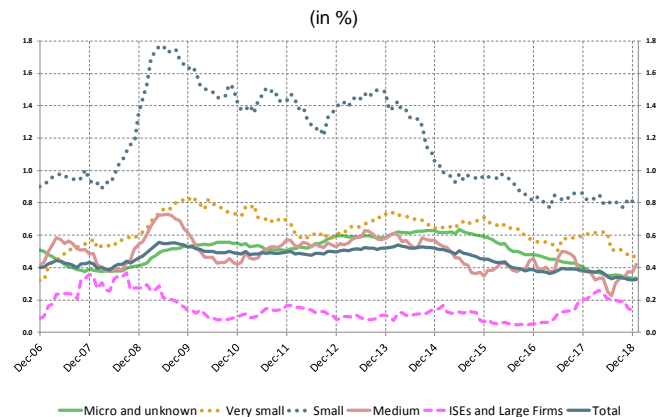
### 3 – Loan amounts of bankrupt non-financial firms over loan amount of all firms

Aggregate over the past 12 months  
From Dec. 2006 to December 2018 (+ January 2019 provisional)  
(in %)



### 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 December 2018 (+ January 2019 provisional)  
(in %)



Source: Banque de France, Companies Directorate, Data available at end-February 2019