

## Press release

7 November 2024

# Survey on the Access to Finance of Enterprises: firms report moderate tightening of financing conditions

- Firms reported little changes regarding the availability of bank loans. However, firms' need for bank loans has declined moderately, partly due to high internal funds.
- Substantially fewer firms reported rising bank interest rates on loans, although many indicated a further tightening of other conditions.
- Firms' inflation expectations continued to decline, with their median expectations for annual inflation in one, three and five years all standing at 2.9%.

In the newest round of the Survey on the Access to Finance of Enterprises (SAFE), fewer euro area firms reported increases in interest rates on bank loans (a net 4%, compared to 31% in the previous quarter) although a net 30% (28% in the previous quarter) signalled increases in other financing costs (i.e. charges, fees and commissions) (Chart 1).

In this survey round, a net 2% of firms reported a decline in the need for bank loans in the third quarter of 2024, up from 1% in the previous quarter. At the same time, a net 1% of firms indicated an improvement in the availability of bank loans (down from 2% in the second quarter of 2024). This led the bank financing gap – the difference between the need for and availability of bank loans – to decrease for a net 2% of firms (up from 1% in the previous quarter). Looking ahead, firms have become less optimistic about the availability of bank loans over the next three months.

Firms perceived the general economic outlook to be the main factor hampering the availability of external financing to a higher extent than in the previous survey round (with a net percentage of -20%, up from -12%). A net 6% of firms indicated that their perceptions of banks' willingness to lend, which may reflect banks' risk aversion, is improving (down from 9%).

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A net 7% of enterprises reported an increase in turnover over the last three months, almost unchanged from 8% in the previous survey round. Firms were optimistic about developments in the next quarter (Chart 2) and continued to report a deterioration in their profits compared with the previous survey round (with a net percentage of -12%, from -10%). The survey indicates that cost pressures remain widespread across businesses of all sizes.

Firms expect selling prices to increase by 3% on average over the next 12 months (unchanged from the previous survey round), while the corresponding figure for wages was 3.5% (up from 3.3%, Chart 3). SMEs continued to report higher expectations for selling prices and non-labour input costs than larger firms, while their wage cost and employment growth expectations were similar to those of large firms.

Firms' median expectations for annual inflation in one, three and five years stood at 2.9%, 0.1 percentage points lower across all horizons (Chart 4). SMEs tended to report higher inflation expectations compared with large firms over all horizons. Firms' short-term inflation expectations have closely tracked the decline in HICP inflation over the past year, while long-term inflation expectations have remained more stable.

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#### Notes:

- The [report](#) on this SAFE survey round, together with the [questionnaire](#) and [methodological information](#), is available on the [ECB's website](#).
- Detailed data series for the individual euro area countries and aggregate euro area results are available on the [ECB Data Portal](#).
- An overview about previous SAFE results and trends as well as new features can be found in the [Economic Bulletin article](#) published on 29 October 2024.
- The report published today presents the main results of the 32nd round of the SAFE survey for the euro area. The survey was conducted between 2 September and 15 October 2024. Around 60% of firms were asked about changes in the period from April to September 2024. The remaining 40%, all companies from the 12 largest euro area countries, were asked about changes in the period between July and September 2024. Altogether, the sample comprised 12,788 enterprises in the euro area, of which 11,799 (92%) had fewer than 250 employees.

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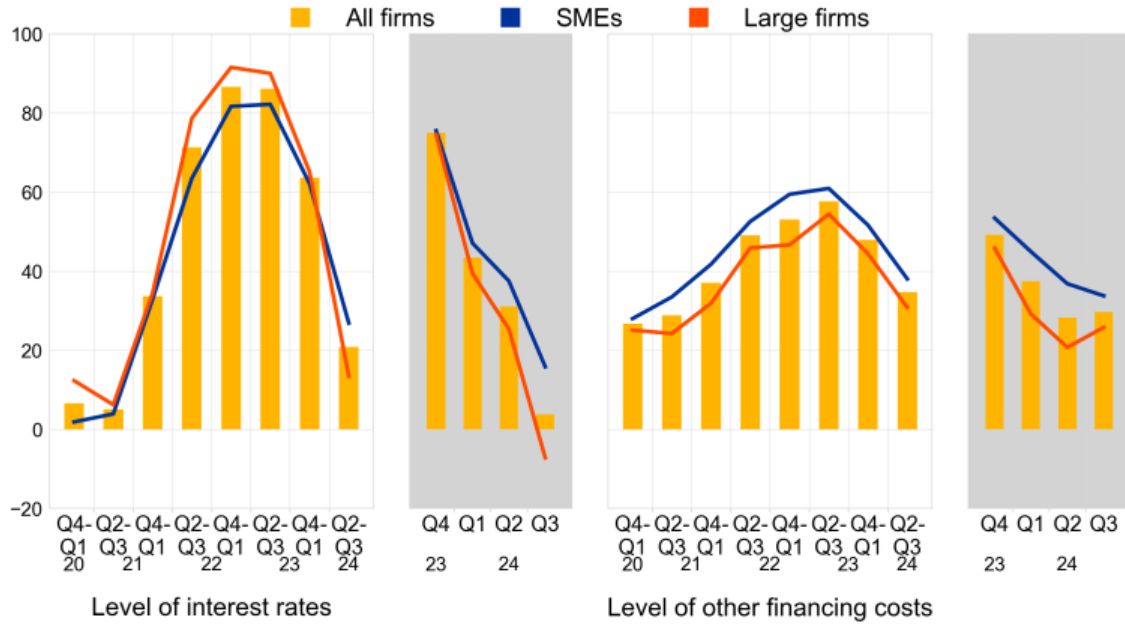
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**Chart 1**

Changes in the terms and conditions of bank financing for euro area enterprises

(net percentages of respondents)

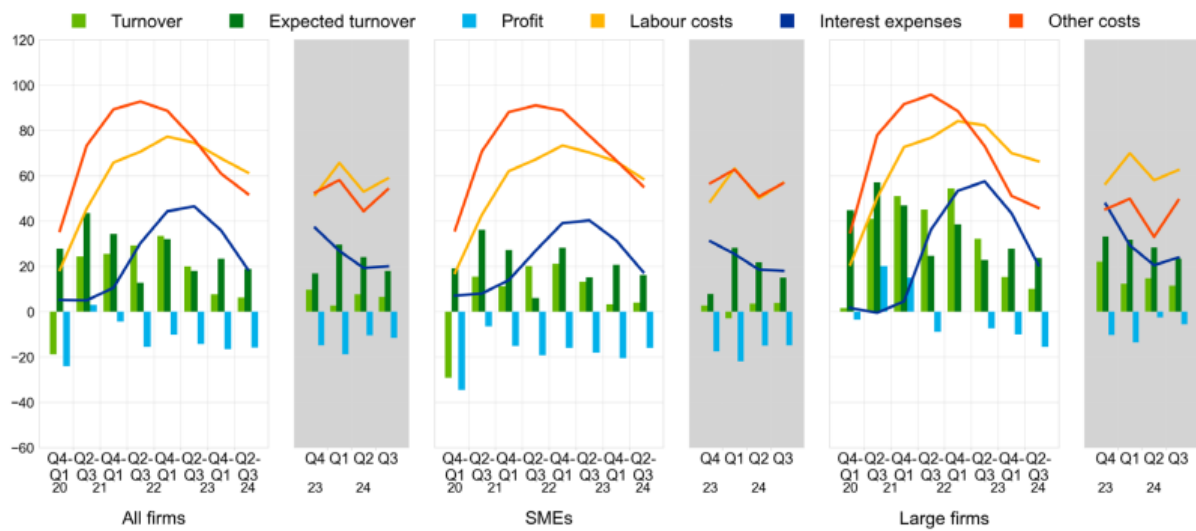


Base: Enterprises that had applied for bank loans (including subsidised bank loans), credit lines, or bank or credit card overdrafts. The figures refer to rounds 24 to 32 of the survey (October 2020-March 2021 to April-September 2024).  
 Notes: Net percentages are the difference between the percentage of enterprises reporting an increase for a given factor and the percentage reporting a decrease. The data included in the chart refer to Question 10 of the survey. The grey areas represent responses to the same question within a reference period of three months, whereas the main charts cover a reference period of six months.

### Chart 2

#### Changes in the economic situation of euro area enterprises

(net percentages of respondents)



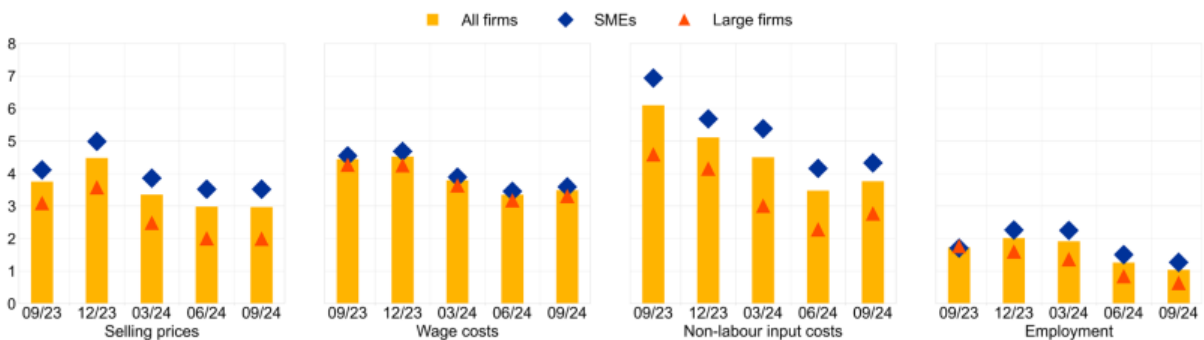
Base: All enterprises. The figures refer to rounds 24 to 32 of the survey (October 2020-March 2021 to April-September 2024).

Notes: See the notes to Chart 1. The data included in the chart refer to Question 2 of the survey. The grey areas represent responses to the same question within a reference period of three months, whereas the main charts cover a reference period of six months.

### Chart 3

#### Expectations for selling prices, wages, input costs and employees one year ahead, by size class

(percentage changes over the next 12 months)



Notes: Weighted average euro area firm expectations of changes in selling prices, wages of current employees, non-labour input costs and number of employees for the next 12 months using survey weights. The statistics are computed after trimming the data at the country-specific 1st and 99th percentiles. The data included in the chart refer to Question 34 of the survey.

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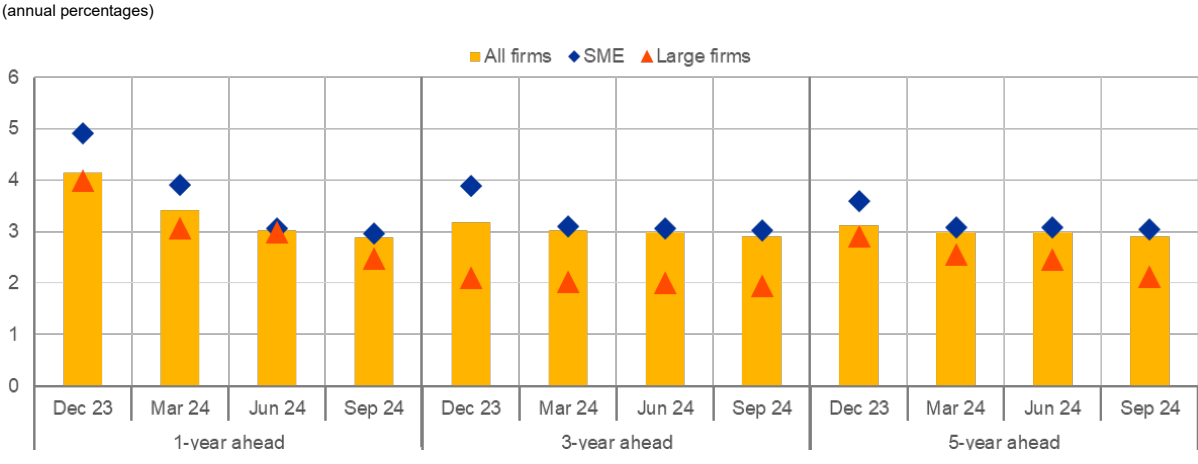
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**Chart 4**  
 Firms' expectations for euro area inflation, by size class



Base: All enterprises. The figures refer to: round 28 (October 2022-March 2023), pilot 1 (March-June 2023), round 29 (April-September 2023), pilot 2 (October-December 2023), round 30 (January-March 2024), round 31 (April-June 2024) and round 32 (July-September 2024) of the survey, with firms' replies collected in the last month of the respective survey waves.  
 Notes: Survey-weighted median euro area firm expectations of firms' expectations for euro area inflation in one year, three years and five years. The statistics are computed after trimming the data at the country-specific 1st and 99th percentiles. The [data](#) included in the chart refer to Question 31 of the survey.