



9th November 2023

Financing of firms – France • September 2023

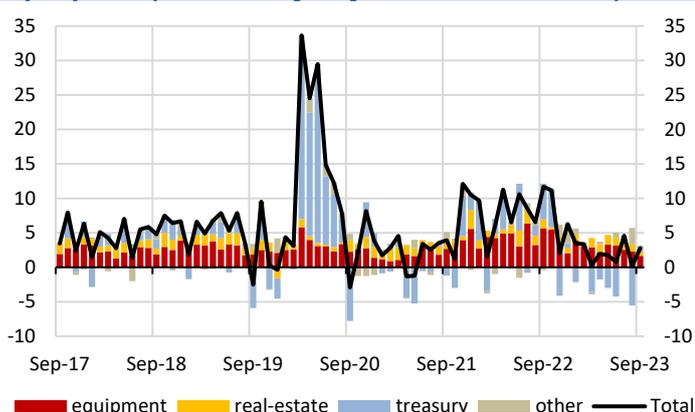
Driven by investment loans, outstanding corporate credit continues to grow at a comparable pace for all company sizes

- Growth in bank loans to non-financial companies (NFCs) moderates again in September, but still stands at +3.0% (after +3.6% in August). Growth in investment loans remains sustained, albeit at a slower pace (+5.2%, after +5.8%), while the rate of change in treasury loans is negative due to ongoing repayments (-5.2%, after -4.3%). Net financing by debt securities recovers slightly in September (+0.7% year-on-year, after -1.0%).
- The cost of bank loans to NFCs rises slightly in September (4.51%, after 4.41% in August), as does the cost of debt securities (4.36% after 4.10%).

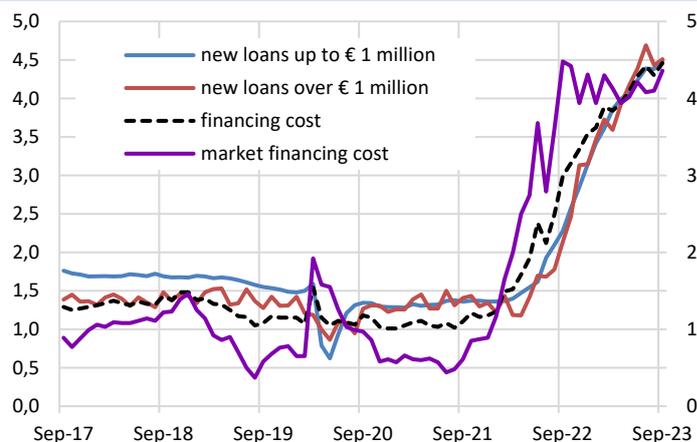
1 - Overview of NFCs : Outstanding amounts and flows in € Bn, annual growth rate and cost in % (non-seasonally adjusted) ^W

	Sept-23			Annual growth rate			Cost (annual interest rate)		
	Outstanding amounts	Transactions (cumulative over 12 month)	New business (cumulative over 12 month)	Jul-23	Aug-23	Sept-23	Jul-23	Aug-23	Sept-23
NFC's global financing	2,034.0	43.5		2.4	2.0	2.2	4.42	4.30	4.46
Loans	1,335.1	38.5	326.9	4.0	3.6	3.0	4.59	4.41	4.51
Investment	945.9			5.9	5.8	5.2			
Equipment	600.4			7.2	7.0	6.3			
Real-estate	345.5			3.8	3.8	3.5			
Treasury	316.0			-2.1	-4.3	-5.2			
Other lending	73.2			9.2	12.7	13.1			
Loans up to € 1 million			115.2				4.39	4.38	4.50
Loans over € 1 million			211.7				4.69	4.43	4.51
Securities other than shares	698.9	5.0		-0.5	-1.0	0.7	4.08	4.10	4.36

Monthly changes in outstanding loans by purpose (seasonally adjusted data in € Bn) ^W



Cost by financing sources (in %) ^W





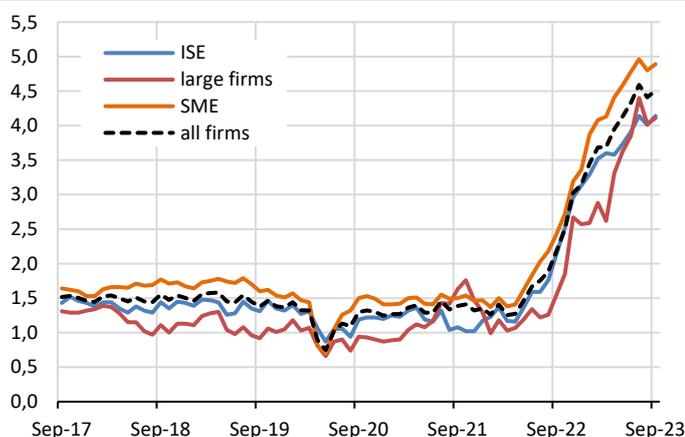
2 – Loans to firms by size ^W

- Credit growth rates remain positive and are becoming homogeneous for all firm sizes. The slowdown in the increase in outstanding amounts continues for SMEs and large companies while ISEs benefit from a greater increase in outstanding amounts over one year in September 2023 than in August 2023.
- The cost of credit increases again for all sizes of firms, reaching in September 2023 an annual interest rate of 4.89% for SMEs, 4.14% for ISEs and 4.11% for large firms.

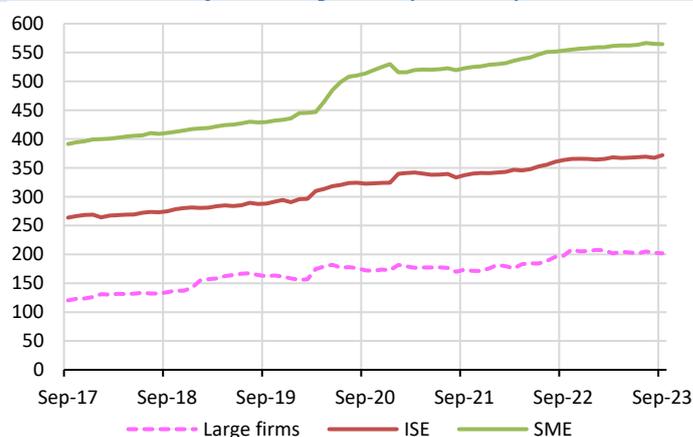
	Outstanding amounts (in Bn€)	Annual growth rate in %			Cost in % (annual interest rate)		
	Sept-23	Jul-23	Aug-23	Sept-23	Jul-23	Aug-23	Sept-23
All firms	1,335.1	4.0	3.6	3.0	4.6	4.4	4.5
<i>Of which:</i>							
- SME	564.4	2.8	2.4	2.0	4.96	4.80	4.89
- ISE	372.0	3.9	1.9	2.3	4.14	4.01	4.14
- Large firms	202.1	8.6	3.7	2.3	4.40	4.02	4.11

Note on methodology: Total loans to all firms is measured on the basis of data from bank balance sheets, which provide "macro" information, i.e., exhaustive information (all companies based on loans to the first euro), with certain breakdowns according to the nature of the loan. At the same time, on a regulatory basis, credit institutions and investment firms must declare by borrower ("micro" information) to the Central Risk Service of the Banque de France (SCR) the loans granted when they exceed €25,000. This collection is gradually being abandoned in favor of the AnaCredit collection, except for small banks which will not be subject to this declaration, in order to respect the "proportionality" between the economic importance of the bank and the constraints of its declaration obligations. This "micro" collection, which is fairly broad but not exhaustive, offers the advantage of being able to adopt the concepts of enterprise and category of enterprise defined by decree no. 2008-1354 on the criteria for determining the category of enterprise for the purposes of statistical and economic analysis (decree implementing article 51 of the law on the modernization of the economy - LME). The residual difference between the total by firm size and the total firm is essentially explained by these differences in scope and by legal units that cannot be assigned to a size category according to the criteria of the LME ("SCI and miscellaneous").

Interest rates by enterprise size (in %) ^W



Outstanding amounts of loans to resident enterprises by size (in € Bn) ^W





3 – Outstanding amounts by sector** (stocks in € Bn, annual growth rate in %) ^W

- The growth in the outstanding amounts of mobilized credits is always very differentiated depending on the economic sectors. It remains strong for the advisory & business support activities (+10.2%) and dynamic for real estate activities (+4.1%). Bank financing of industrial activities, however, decreases slightly over one year (-1.1%) while the accomodation and food service activities continues to reduce its debt.
- Within the construction sector, whose bank financing grows by +2.3% in September 2023, credit to the real estate development sector increases by +3.5%.

	Drawn credits			Drawn and undrawn credits		
	Outstanding amounts	Annual growth rate in %		Outstanding amounts	Annual growth rate in %	
		Sept-23	Aug-23		Sept-23	Aug-23
Agriculture, forestry and fishing (AZ)	64.7	4.6	4.4	73.5	3.6	3.4
Industry (BE)	168.7	0.5	-1.1	263.1	-0.5	-2.0
- inc. Manufacturing (C)	119.6	0.2	-1.2	186.0	-0.4	-2.8
Construction (FZ)	74.4	3.0	2.3	109.8	-1.7	-2.8
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	185.8	0.0	-0.2	254.4	-2.8	-3.3
Transportation and storage (H)	61.2	-4.1	0.3	77.7	-2.8	0.6
Accomodation and food service activities (I)	50.8	-2.0	-2.2	55.6	-2.3	-2.4
Information and communication (JZ)	33.3	3.0	2.0	55.5	-2.1	-1.3
Real estate activities (LZ) (*)	525.3	4.7	4.1	578.9	4.7	4.2
Advisory & Business support activities (MN)	97.9	10.3	10.2	124.3	12.9	10.9
Education, human health and social work services, Art, entertainment and recreation, Ohter service activities (PS)	62.2	1.2	1.4	70.7	-0.1	-0.3
Holdings	22.6	21.9	17.4	27.5	14.9	12.7

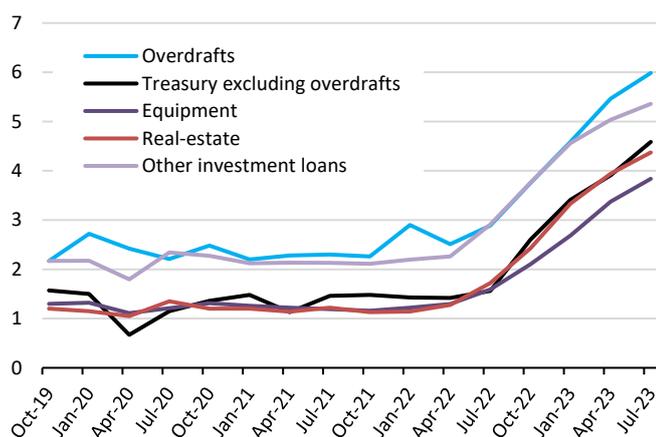
(*) including non-trading real estate companies

(**)For the difference between total firms and total, see the method note

4 – Quarterly additional information about loans ton NFCs rates (1) ^W

Cost of new loans by purpose ^W

(in %)



Breakdown of new loans by purpose ^W

(in % of new business credits excluding overdrafts)





Characteristics of new loans to NFC 

	Average rate (en %)		Average maturity (in month)	Share of loans fixed rate (in %)
	Apr-23	Jul-23	Jul-23	Jul-23
Overdrafts	5.46	5.99		
Treasury excluding overdrafts	3.91	4.59	27	15
Equipment	3.94	4.37	113	72
Real-estate	3.37	3.84	190	89
Other investment loans	5.03	5.36	63	96

The survey is conducted among a sample of branches and headquarters of banking institutions operating in metropolitan France. It takes into account new loans granted in the first month of each quarter to non-financial corporations. It is based on the effective rate in the narrow sense (TESE), i.e. the interest component of the overall effective rate (TEG).

- (1) Following a change in the editorial line of some Stat Info (see the press release available here <https://www.banque-france.fr/communique-de-presse/la-banque-de-france-presente-la-refonte-de-ses-stat-info>), the quarterly publication on business credit rates is now integrated quarterly into Stat Info Financing of firms.