



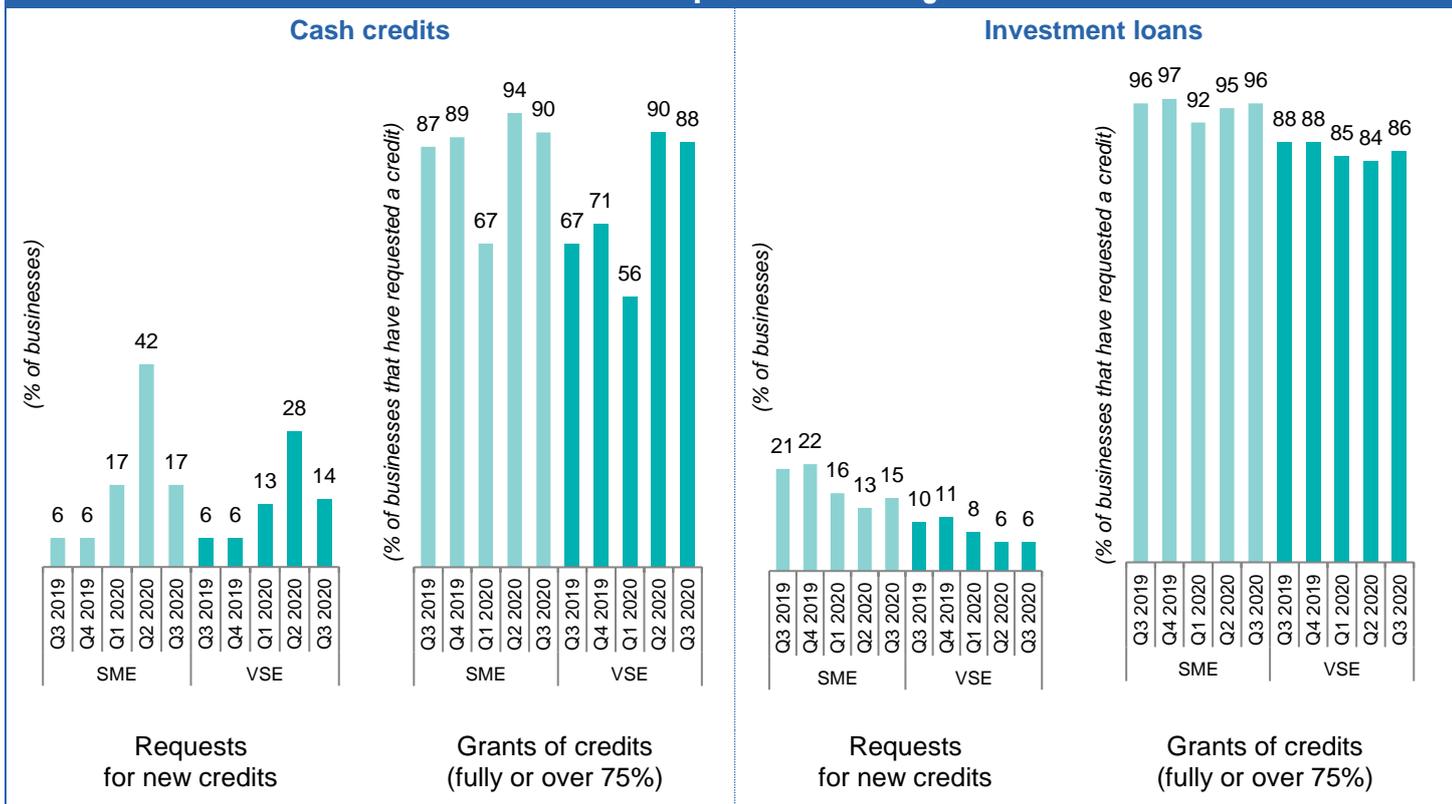
November 4, 2020

## Quarterly survey on the access to bank financing of companies in France • 3<sup>rd</sup> quarter 2020

### Demands for new cash credits remained at high levels

- The share of Small and Medium-sized Enterprises (SMEs) requesting **new cash credits** withdrew to 17% of businesses after 42% in the preceding quarter (due to the implementation of the state guaranteed loans (PGE)), but was still almost three times higher than in Q3 2019; that of Very Small Enterprises (VSEs) also decreased while remaining high, at 14% of businesses after 28% in Q2 2020 and against 6% in Q3 2019. On the opposite, after two consecutive quarters of decline, the proportion of businesses demanding for **new investment loans** raised by 2 points for SMEs at 15% of businesses, and stabilized at 6% of businesses for VSEs.
- The supply rate of SMEs for cash credits** decreased by 4 points compared to the preceding quarter but remained at a high level with 90% of granted credits, in connection with access to state guaranteed loans (PGE). The **supply rate for investment loans** slightly improved with 96% of SMEs that were fully or almost fully granted their credits, after 95% in Q2 2020. For **equipment loans** more specifically, the rate of access also increased by 1 point at 91%.
- As a result of the implementation of state guaranteed loans, **the supply rate of VSEs for cash credits** stayed very high and close to that of SMEs with 88% of granted requests after 90% in the preceding quarter. **Access to investment loans** improved this quarter, with 86% of VSEs that were fully or almost fully granted their credits after 84% in Q2 2020. Regarding **equipment loans**, the supply rate increased by 1 point this quarter to reach 84%.

### Share of businesses that have requested and been granted new credits\*



\* Not seasonally adjusted data, in %; except for the use of credit lines earlier granted

Source : Banque de France (Statistics, Studies and International General Directorate) and FCGA

Scope : Enterprises with real decisional autonomy regarding requests for credit; **SMEs: 10 - 249 employees; VSEs: 0 - 9 employees**

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

provided by FCGA and Banque de France

- **The share of VSEs that have requested new financings** decreased by 14 points this quarter for **cash credits** but remained very high with 14% of businesses that have applied for new cash credits against 6% in the same quarter last year. The **demand rate for investment loans** stabilized at 6% of VSEs.
- **The supply rate for cash credits** remained close to the all-time high observed in the preceding quarter (90%) with 88% of VSEs that were fully or very substantially granted their requests this quarter, namely a similar rate to that of SMEs (90% this quarter).
- **The rate of access to investment loans** increased by 2 points with 86% of granted requests (fully or over 75%). Concerning equipment loans specifically, the supply rate amounted to 84%, namely 1 point more than in the preceding quarter.

2– 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 slightly increased and amounted to 38% after 37% in the preceding quarter. These requests were still widely satisfied, at 96%.
  - 48% of SMEs mobilized credit lines this quarter, namely 6 points less than in Q2 2020.
- **Regarding new loans** - excluding the use of available credit lines - :
  - The proportion of SMEs that have applied for **new cash credits** decreased at 17% this quarter after 42% in Q2 2020 but was still almost three times higher than in the same quarter last year.  
**The rate of access to cash credits for SMEs** decreased by 4 points compared to the preceding quarter but still remained at a high level with 90% of requests that were fully or almost fully granted (this supply rate was of 87% in Q3 2019).
  - After two consecutive quarters of decline, the share of SMEs that have requested **new investment loans** increased by 2 points this quarter at 15% of businesses, namely 6 points less than in the same quarter last year.  
**The supply rate for investment loans** slightly improved with 96% of SMEs' requests that were fully or very substantially granted, after 95% in Q2 2020. About equipment loans specifically, the rate of access also got better by 1 point at 91%.
- 2% of SMEs reported a rise in the total cost of financing, one point less than in the last quarter.

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

provided by Banque de France

- 47% of MTEs submitted requests for credit lines after 51% in Q2 2020. 56% of those MTEs whose requests were satisfied drew down available credit lines, against 65% in the last quarter.
- **The share of MTEs that requested new cash credits** decreased by 25 points at 15% of businesses that have applied for such credits, namely still 6 points more than in the same quarter last year. The supply rate (fully or over 75% of the requested loans) increased by 1 point at 92%.
- **The proportion of MTEs that applied for new investment loans** increased by 3 points at 21% of businesses that requested such financings this quarter, a share that was still 9 points less to that measured in Q3 2019. The rate of access improved by 5 points with 99% of MTEs' requests that were fully or almost fully granted. Concerning equipment loans specifically, the supply rate also improved and reached 90%, after 89% in the previous quarter.
- Only bank financing is considered here. MTEs also access to financing through private debt issuance, which is not covered by this survey.

Next publication: February 2021

