

28 November 2016

Loans to non-financial corporations October 2016

Slight slowdown in investment credits

Growth in investment credits falls slightly, but remains at a high level (+ 4.0%, down from + 4.2% in September). The slight slowdown is observed in capital good loans (+ 4.1%, down from + 4.4%) and real estate loans (+ 3.8%, down from 4.0%). A trend towards a slowdown in investment credits has been observed for several months now (see chart below). Treasury loans rise again in October after a one-off decrease at the end of the third quarter (+ 7.3%, up from + 6.5% in September). Overall, growth in loans to non-financial corporations stabilizes in October at + 4.7%.

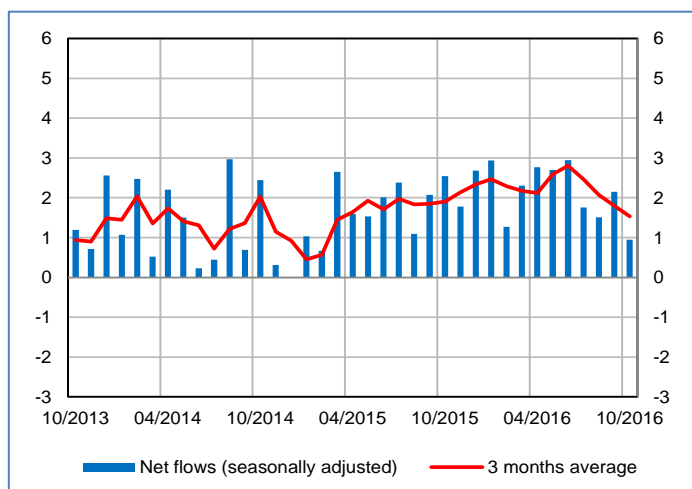
Outstanding amounts and annual growth rate (not seasonally adjusted)

(Outstanding amounts in € Bn, annual growth rate in %)

	End-of-month level	Annual growth rate		
	oct.-16	aug-16	sept.-16	oct.-16
Total	904	5,3	4,7	4,7
Investment	631	4,3	4,2	4,0
<i>Capital goods</i>	<i>370</i>	<i>4,8</i>	<i>4,4</i>	<i>4,1</i>
<i>Real estate</i>	<i>261</i>	<i>3,6</i>	<i>4,0</i>	<i>3,8</i>
Treasury	215	9,1	6,5	7,3
Other lending	58	2,9	3,9	3,7

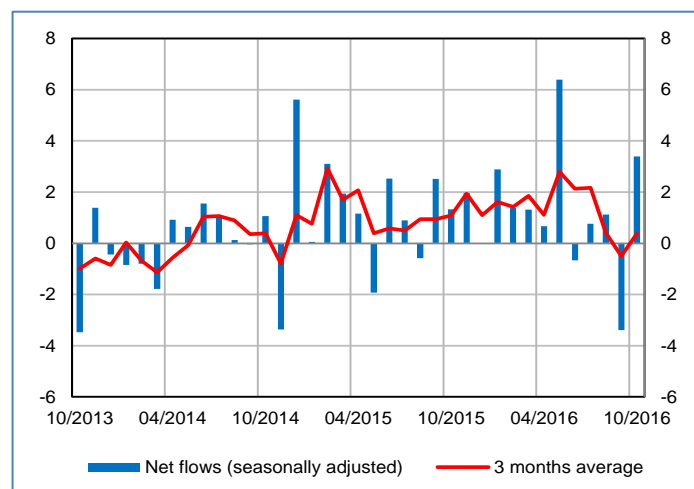
Monthly changes in stocks of investment loans (seasonally adjusted flows)

(Monthly flow in € Bn)



Monthly changes in stocks of treasury loans (seasonally adjusted flows *)

(Monthly flows in € Bn)



* Seasonal adjusted monthly net flows of other lending to NFC are allocated to treasury loans in proportion to the outstanding amounts.

Additional information

Non-financial corporations include all companies, whose main activity is the production of goods and non-financial services, excluding sole proprietor and unincorporated partnerships.

Growth rates are calculated by correcting derecognition of loans from the MFI's statistical balance sheet due to their sale and securitization and the effects of changes not resulting from economic transactions, particularly write-offs/write-downs, population changes (e.g. reclassification of a counterparty from the non-financial corporations sector to the government sector). On the other hand, exchange rate effects are not corrected in these data expressed in the equivalent euro value, in particular because it is not known how corporate debts in foreign currency are hedged against exchange-rates.

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