



13th June 2024

Financing of firms – France • April 2024

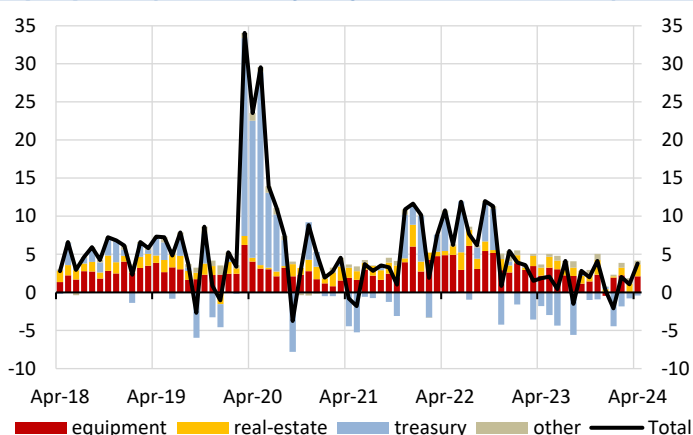
Financing granted to NFCs, especially debt securities, continues to increase

- In April, growth in financing granted to non-financial corporations (NFCs) reaches +1.7% over one year (after +1.4% in March). Outstanding debt securities increase (+2.1% after +1.4% in March), while the rate of growth in banking credits stabilizes overall (1.4% after +1.5% in March) but continues to rise for SMEs and ISEs ; growth in the investment component remains strong (+3.7%, unchanged from the previous month) while treasury loans decrease again (-6.9% after -6.7% in March).
- The overall cost of new financing is rising slightly in April (4.44% after 4.33% in March), both for banking credits (4.76% after 4.68% in March) and debt securities (3.82% after 3.65% in March). For bank loans, this average increase actually covers a fall for SMEs and ETIs, and an increase for large companies.

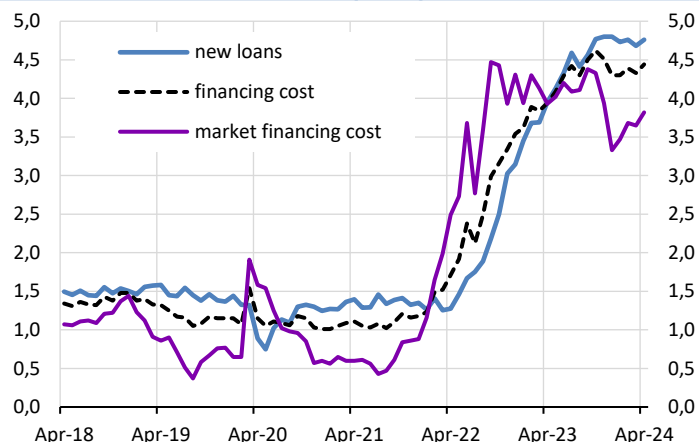
1 - Overview of NFCs : Outstanding amounts and flows in € Bn, annual growth rate and cost in % (non-seasonally adjusted) ^W

	Apr-24			Annual growth rate			Cost (annual interest rate)		
	Outstanding amounts	Transactions (cumulative over 12 month)	New business (cumulative over 12 month)	Feb-24	Mar-24	Apr-24	Feb-24	Mar-24	Apr-24
NFC's global financing	2,063.4	33.4		0.9	1.4	1.7	4.39	4.33	4.44
Loans	1,354.2	19.1	305.7	1.2	1.5	1.4	4.76	4.68	4.76
Investment	965.6			4.1	3.7	3.7			
Equipment	605.8			4.3	3.7	3.7			
Real-estate	359.8			3.8	3.7	3.8			
Treasury	311.6			-8.1	-6.7	-6.9			
Other lending	77.0			8.3	11.3	10.7			
Loans up to € 1 million			112.9				4.67	4.62	4.57
Loans over € 1 million			192.8				4.81	4.71	4.88
Securities other than shares	709.2	14.3		0.2	1.4	2.1	3.68	3.65	3.82

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



Cost (all maturities combined) by financing sources (in %) ^W





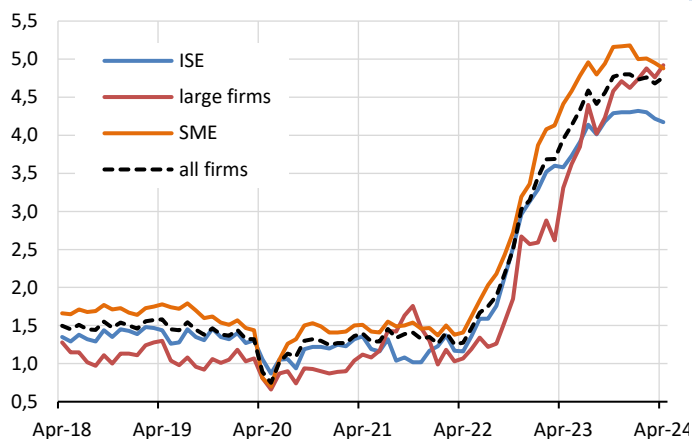
2 – Loans to firms by size ^W

- In April 2024, credit growth is maintained for SMEs and ISEs (respectively +1.5% and +1.7%, after +1.4% for these two categories in March). Over one year, the outstanding amounts of large firms continue to contract (-2.6% in April after -2.4% in March). This contraction is notably driven by the deleveraging of a large group. The cost of credit continues to fall for all sizes of companies except large companies.

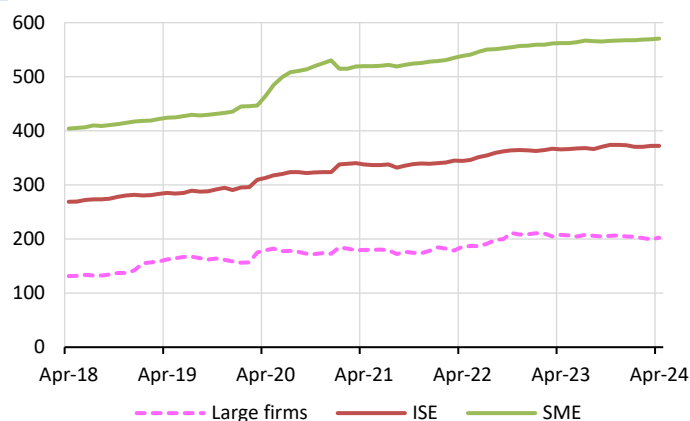
	Outstanding amounts (in Bn€) Apr-24	Annual growth rate in %			Cost in % (annual interest rate)		
		Feb-24	Mar-24	Apr-24	Feb-24	Mar-24	Apr-24
All firms	1,354.2	1.2	1.5	1.4	4.8	4.7	4.8
<i>Of which:</i>							
- SME	570.6	1.7	1.4	1.5	5.01	4.95	4.88
- ISE	372.3	1.7	1.4	1.7	4.30	4.22	4.17
- Large firms	202.1	-3.9	-2.4	-2.6	4.88	4.76	4.92

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 (all maturities combined) 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 outstanding drawn credits continues to vary widely from one economic sector to another. It remains strong for the advisory and business support activities (+10.2%), for transportation and storage (+6.0%), for real estate activities (+4.3%) and agriculture, forestry and fishing (+3.2%). On the other hand, the outstanding drawn credits continue to contract for industry (-7.0%), wholesale and retail trade (-3.0%) and the accommodation and food service activities (-1.3%).
- Compared with their April 2023 level, outstanding loans to the construction industry are contracting (-3.3%), but they are growing in the property development sub-sector (+9.3%).

	Drawn credits			Drawn and undrawn credits		
	Outstanding amounts	Annual growth rate in %		Outstanding amounts	Annual growth rate in %	
		Apr-24	Mar-24		Apr-24	Mar-24
Agriculture, forestry and fishing (AZ)	65.7	3.1	3.2	74.1	1.1	1.3
Industry (BE)	163.5	-6.8	-7.0	263.6	-2.8	-3.2
- inc. Manufacturing (C)	118.2	-4.8	-4.9	189.5	-2.1	-1.7
Construction (FZ)	73.2	-3.8	-3.3	109.1	-6.8	-4.5
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	182.6	-1.8	-3.0	252.1	-2.0	-3.2
Transportation and storage (H)	63.2	4.0	6.0	79.9	4.0	4.9
Accommodation and food service activities (I)	51.1	-0.9	-1.3	55.9	-1.7	-1.9
Information and communication (JZ)	33.0	0.6	-1.0	53.9	0.1	-3.0
Real estate activities (LZ) (*)	537.2	4.0	4.3	589.1	3.8	4.1
Advisory & Business support activities (MN)	102.3	9.3	10.2	135.1	12.8	14.5
Education, human health and social work services, Art, entertainment and recreation, Other service activities (PS)	62.1	-0.5	-0.4	71.2	0.0	0.4
Holdings	24.2	12.1	11.9	29.4	8.3	9.8

(*) including non-trading real estate companies

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

4 – Quarterly additional information : financing of VSE (1) ^W

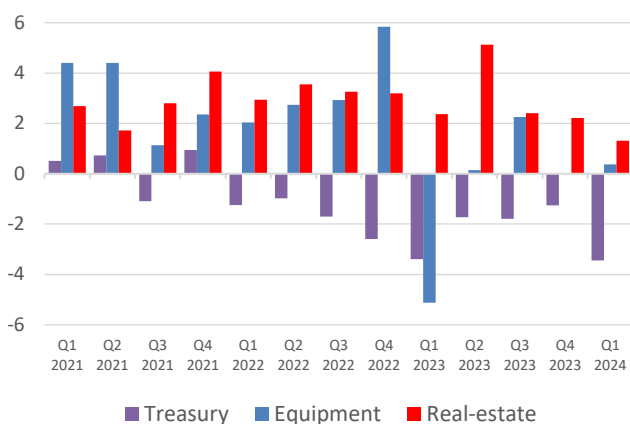
Loans to VSEs: breakdown by type of loans (1) ^W

	Outstanding amounts (Billions euros)	Annual growth rate in %	
		Q1 2024	Q4 2023
		Q1 2024	Q1 2024
Loans	356.4	0.3	1.6
Treasury	27.8	-21.2	-22.9
Equipment	162.8	-1.7	1.7
Real-estate	165.9	8.0	7.1



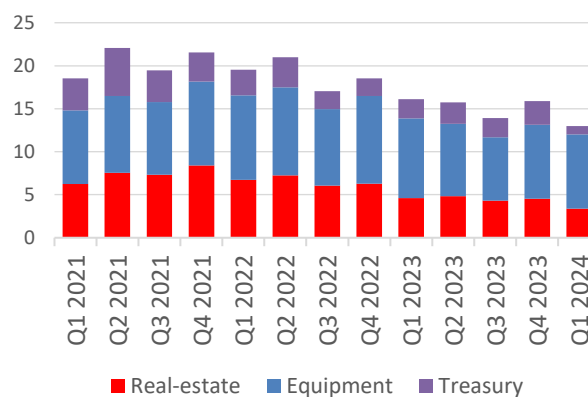
Change in outstanding loans to VSEs

(in €bn)



Quarterly new loans to VSEs

(in €bn)



In this quarterly additional information, very small enterprises (VSEs) are characterized by the criteria of the 2008 LME Act - companies employing fewer than 20 people and with annual sales or balance sheet total not exceeding 10 million euros - or failing that, by sales not exceeding 10 million euros.

Very small businesses, which include microenterprises, form part of small and medium-sized enterprises (SMEs).

- (1) Following a change in the editorial line of some Stat Info (see the press release available here <https://www.banque-france.fr/communiqué-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.