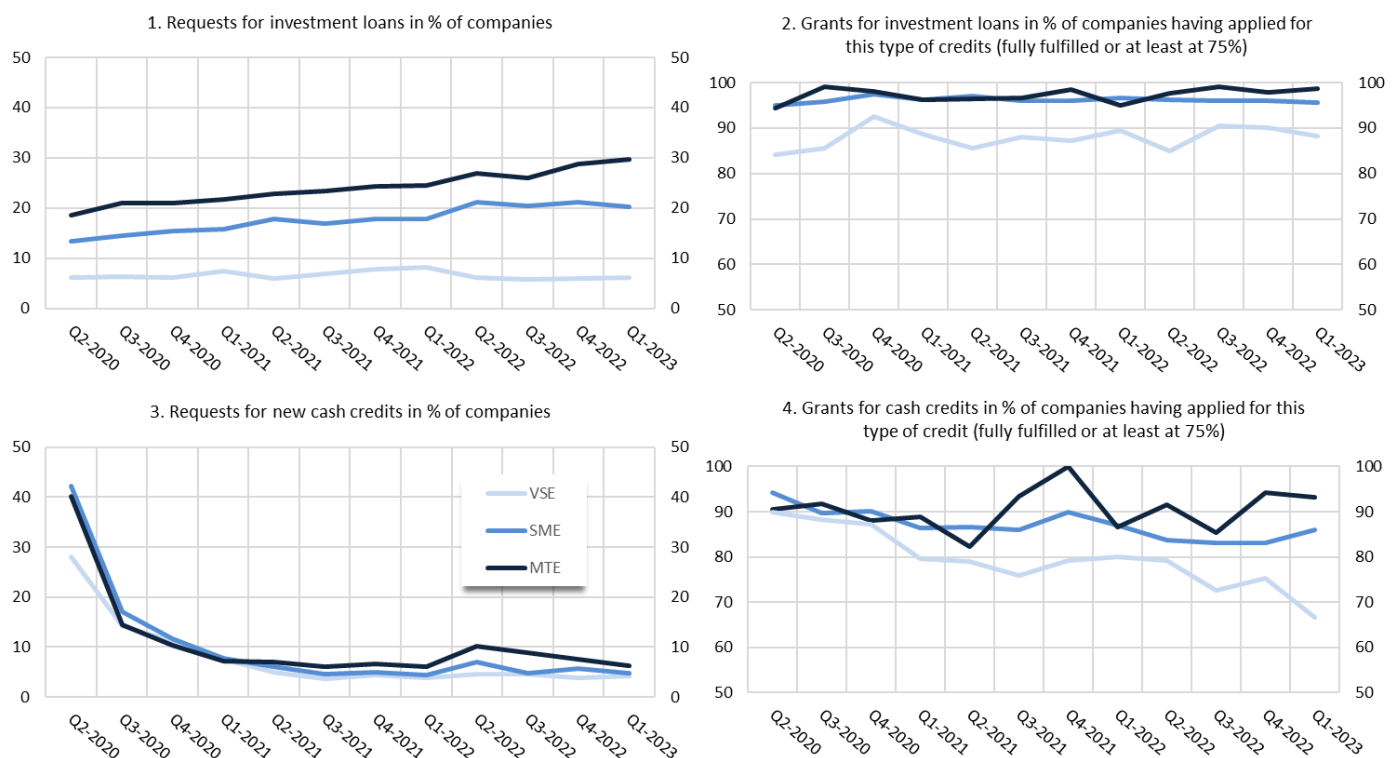


## Quarterly survey on the access to bank financing of companies in France • 1<sup>st</sup> quarter 2023

### Credit requests remain stable and well served

The proportion of companies having applied for new loans remained stable in Q1 2023, with a slight increase for investment loans requests by MTEs. The obtention rate for those demands stayed constant at a high level for investment credit. Logically, a larger share of companies reported an increase in the cost of credit than in previous quarters.

The Banque de France carries out a quarterly survey on the access to bank financing of companies. Around 4,000 small and medium-sized companies (SMEs) and 500 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). NB: bank credits alone are examined in this survey; MTEs have access to private financing options, which provides them with financing solutions not covered by this survey.



Data not seasonally adjusted, in %; excluding use of previously granted credit lines

Scope: companies with autonomy to decide on credit applications: VSE = 0 – 9 employees; SME = 10 – 249 employees; MTE = 250 – 4999 employees

### New investment loans

Requests for new investment loans (see graph 1 in the figure above) remained stable in Q1 2023 for VSEs, with 6% of them having requested a loan. They decreased by 1 point for SMEs to 20% and increased by 1 point for MTEs to 30%. The approval rates for these loan applications remained high, in line with previous quarters: 88% of VSEs, 96% of SMEs and 99% of MTEs that applied for a loan obtained all or more than 75% of it (see graph 2).

### New cash credits

Requests for new cash credits (see graph 3) stayed stable at a low level for all three categories of companies: 4% of VSEs, 5% of SMEs and 6% of MTEs have applied for a new cash credit in the last three months. The obtention rate for this type of credit declined for VSEs, with 67% of them having obtained all or more than 75% of their credit (compared with 75% in Q4 2022), this proportion reaching a level close to Covid's pre-crisis standards (71% in Q4 2019). The approval rate for SMEs increased by 3 points to 86% and decreased by 1 point to 93% for MTEs.



## 1. Credit lines

**For operating needs, SMEs and MTEs can apply (usually at the beginning of the year) for credit lines giving them drawing rights over the year.**

Requests for new credit lines have decreased slightly for both SMEs and MTEs: 33% of SMEs and 45% of MTEs have made a request over the past 12 months. These requests were still largely satisfied (fully or more than 75%), in 95% of cases for SMEs and 98% of cases for MTEs.

54% of SMEs drew on credit lines this quarter, up 1 point from the previous quarter. 63% of MTEs drew on their credit lines, a proportion that remains stable compared to Q4 2022.

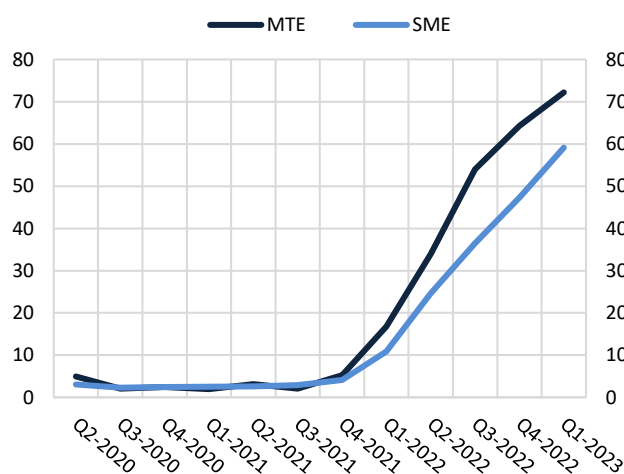
## 2. Supply rate for new equipment loan

Among investment loans, equipment loans are intended to finance intangible or tangible assets, excluding real estate.

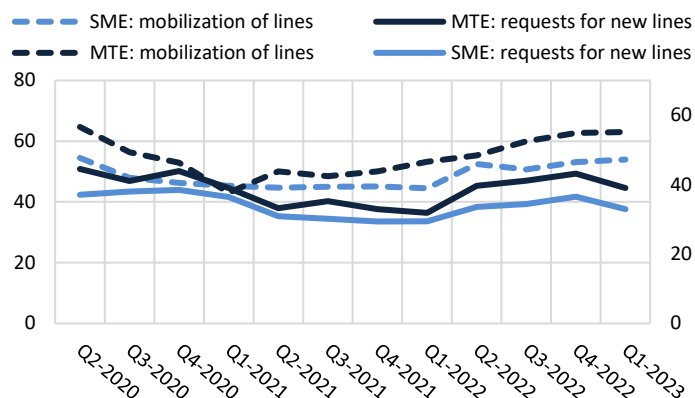
The approval rate for equipment loans has increased for all company sizes: 91% of VSEs have obtained their loan in full or at more than 75%, which represents an increase of 8 points compared to the previous quarter. Although more moderate, there was also an increase of 1 point for SMEs, with 93% of companies obtaining their loan in full or at more than 75%, and of 6 points for MTEs, with an obtention rate of 94%.

## 3. Evolution of the cost of credit

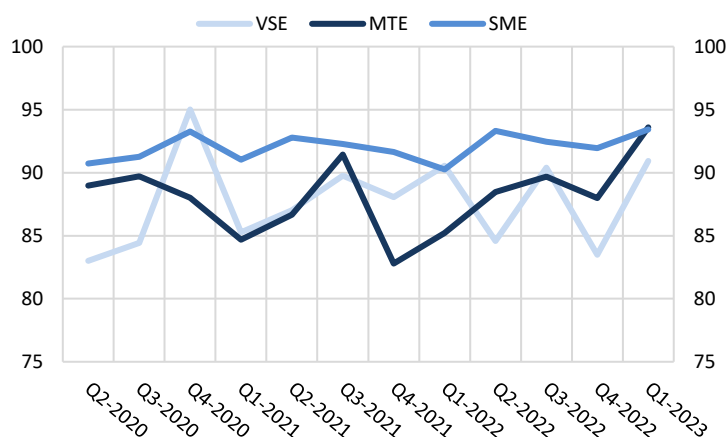
Share of companies reporting an increase in the cost of credit (in % of companies)



Requests for new credit lines over the last 12 months (in % of companies) and mobilization of credit lines over the last 3 months (in % of companies having been granted new lines)



Grants for equipment loans in % of companies having applied for this type of credits (fulfilled at least at 75%)



In Q1 2023, the proportion of companies reporting an increase in the overall cost of credit increased again. 59% of SMEs and 72% of MTEs reported an increase in the cost of credit. Meanwhile, the proportion of companies reporting a decrease in the cost of credit is less than 2% for both SMEs and MTEs.

These figures can be paralleled with the rise in average business interest rates granted to companies observed since March 2022.

