

## Corporate bankruptcies – France • June 2019

### In May 2019, the number of corporate bankruptcies increased by 2,6% year-on-year

- At the end of May 2019, the aggregate number of corporate bankruptcies over the last 12 months amounted to 54,070, up by 2.6% compared to May 2018 (see tables A and B and charts 1 and 2).
- The aggregate number of bankruptcies over the past 3 months decreased compared to the same aggregate 3 months ago (-5.5%).

### Over the past 12 months, the evolution of corporate bankruptcies varies across sectors

- The transportation sector, the advisory and business support activities, and the financial and insurance activities recorded the strongest increases in bankruptcies (+14.3%, +12.6% and +6.9% respectively, compared to May 2018). Bankruptcies also increased substantially in other sectors, particularly in the education, human health and other services sector (+5.2%), the accommodation and food service activities (+3.2%) and in the industry (+2.2%).
- However, over the same period, corporate bankruptcies decreased in some sectors, in particular in the real estate (-5.6%), information and communication (-4.5%), agriculture (-1.1%) and wholesale and retail trade (-0.8%) sectors.

### In May 2019, bankruptcies increased essentially for SMEs

- Bankruptcies increased for SMEs as a whole (+2.6%), despite a decrease for Very small firms (-2.8%). They decreased for Intermediate-sized enterprises (ISEs) and Large firms (-12 bankruptcies over 12 months see table B).

The outstanding loan amount of firms filing for bankruptcy over the past 12 months accounts, at the end of May, for around 0.3% of the total outstanding loan amount reported to the Banque de France's Central Credit Register.

The aggregate number of corporate bankruptcies increased by 1.4% at the end of June 2019 compared to June 2018, according to provisional data (see tables A and B and chart 2).

To find out more: data on business start-ups are reported by the French National Institute of Statistics and Economic Studies (INSEE): [Business start-ups on the INSEE's website](#)

### A – Corporate bankruptcies by sector

Bankruptcies in number of legal units, year on year change (%)

Business sector	Aggregate over the last 12 months <sup>a</sup> (gross data)				Quarter to Quarter sa / wda <sup>bc</sup>		Monthly data sa / wda <sup>c</sup>		
	May 18	May 19	May 19/May 18	June 19 prov.	June 19/June 18	May 19	Mar. 19	Apr. 19	May 19
<b>Business sector</b>									
Agriculture, forestry and fishing (AZ)	1,437	1,421	-1.1 %	1,411	0.3 %	-10.2 %	114	103	122
Industry (BE)	3,731	3,813	2.2 %	3,740	0.5 %	-16.1 %	280	295	265
Construction (FZ)	11,622	11,701	0.7 %	11,580	-0.6 %	-4.0 %	915	969	859
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	11,563	11,469	-0.8 %	11,365	-1.4 %	-6.2 %	904	934	881
Transportation and storage (H)	1,871	2,139	14.3 %	2,121	12.5 %	-1.8 %	175	186	174
Accommodation and food service activities (I)	7,061	7,285	3.2 %	7,206	1.3 %	-9.0 %	582	599	518
Information and communication (JZ)	1,334	1,274	-4.5 %	1,258	-5.9 %	-5.1 %	99	104	99
Financial and insurance activities (KZ)	1,033	1,104	6.9 %	1,086	5.0 %	-6.6 %	92	84	91
Real estate activities (LZ)	1,738	1,641	-5.6 %	1,656	-4.2 %	-3.3 %	140	143	131
Advisory & Business support activities (MN)	5,641	6,350	12.6 %	6,309	11.8 %	2.8 %	548	515	482
Education, human health and social work services, Arts, entertainment and recreation, Other service activities (P to S)	5,202	5,472	5.2 %	5,351	2.0 %	-10.0 %	444	412	448
<b>All firms<sup>d</sup></b>	<b>52,707</b>	<b>54,070</b>	<b>2.6 %</b>	<b>53,465</b>	<b>1.4 %</b>	<b>-5.5 %</b>	<b>4,345</b>	<b>4,385</b>	<b>4,100</b>

Source: Banque de France – database: Fiben. Data available at end-July 2019

Calculation : Banque de France – Companies Directorate – Companies Observatory

<sup>a</sup> Aggregate : number of corporate bankruptcies over the past 12 months compared to the same aggregate one year ago

<sup>b</sup> Aggregate number of corporate bankruptcies over the past 3 months compared to the same aggregate three months ago

<sup>c</sup> sa : seasonally adjusted – wda : working day adjusted

<sup>d</sup> The line « All firms » includes legal units whose business sector is not known

## B – Corporate bankruptcies by firm size

Bankruptcies in number of legal units, year on year change (%)

Size	Aggregate over the last 12 months <sup>a</sup> (gross data)					Quarter to quarter sa / wda <sup>bc</sup>		Monthly data sa / wda <sup>c</sup>		
	May 18	May 19	May 19/May 18	June 19 prov.	June 19/June 18	May 19	Mar. 19	Apr. 19	May 19	
	SME, among them	52,659	54,034	2.6 %	53,429	1.4 %	-5.6 %	4,340	4,382	4,099
Micro-enterprises and unknown firms size	49,743	51,126	2.8 %	50,558	1.5 %	-5.6 %	4,110	4,152	3,867	
Very small firms	1,764	1,715	-2.8 %	1,680	-5.0 %	-5.6 %	138	130	129	
Small firms	863	880	2.0 %	888	5.7 %	-8.8 %	78	64	70	
Medium-sized firms	289	313	8.3 %	303	4.1 %	-2.2 %	14	38	31	
ISE – Large Firms	48	36	-25.0 %	36	-23.4 %					
<b>All firms</b>	<b>52,707</b>	<b>54,070</b>	<b>2.6 %</b>	<b>53,465</b>	<b>1.4 %</b>	<b>-5.5 %</b>	<b>4,345</b>	<b>4,385</b>	<b>4,100</b>	

Source: Banque de France – database: Fiben. Data available at end-July 2019

Calculation : Banque de France – Companies Directorate – Companies Observatory

<sup>a</sup> Aggregate number of corporate bankruptcies over the past 12 months compared to the same aggregate one year ago

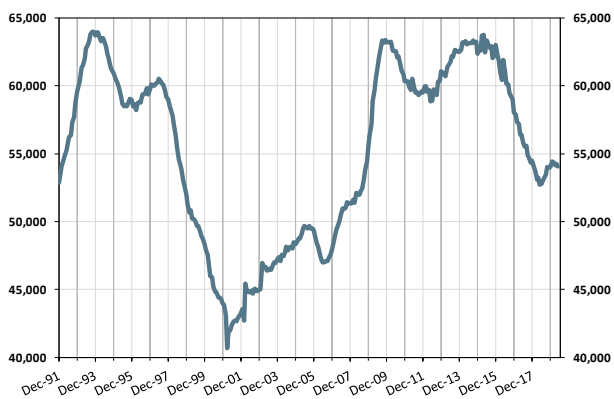
<sup>b</sup> Aggregate number of corporate bankruptcies over the past 3 months compared to the same aggregate three months ago

<sup>c</sup> sa : seasonally adjusted – wda : working day adjusted

## C – Changes in corporate bankruptcies

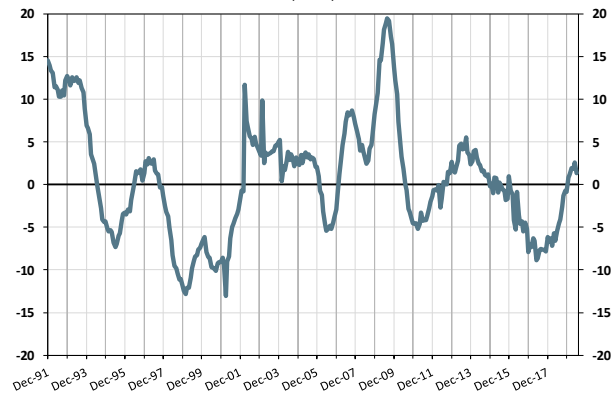
### 1 – Number of bankruptcies

Aggregate number of bankruptcies over the past 12 months  
From Dec. 1991 to May 2019



### 2 – Change in bankruptcies

Year-on-year change in the 12-month aggregate  
From Dec. 1991 to May 2019 (+ June 2019 provisional)  
(in %)



### 3 – Loan amounts of bankrupt non-financial firms over loan amount of all firms

Aggregate over the past 12 months  
From Dec. 2006 to May 2019 (+ June 2019 provisional)

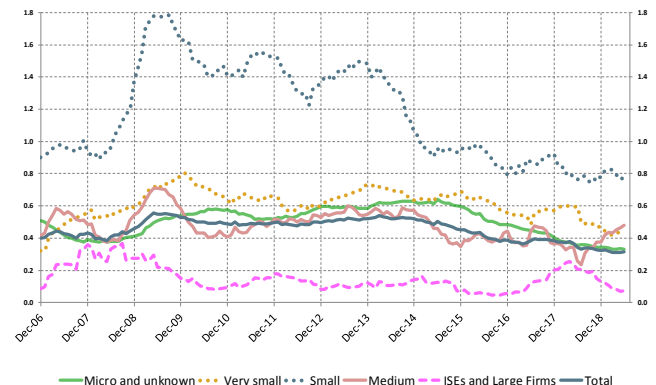
(in %)



### 4 – Loan amounts of bankrupt non-financial firms over loan amount of all firms – broken down by firm size

Aggregate over the past 12 months  
From Dec. 2006 to May 2019 (+ June 2019 provisional)

(in %)



Source: Banque de France, Companies Directorate, Data available at end-July 2019