

# Capital Markets Union Key Performance Indicators

# FRANCE

November 2024

In France, capital markets  
issuance by NFCs increased

**43% YoY**

with the increase driven by a  
surge in bond issuance

French issuers  
continue to originate the  
**largest nominal volume**  
**of ESG bonds**  
among EU countries for the  
eighth year in a row

France offered the  
**second-highest number**  
**of ELTIF instruments**  
among EU countries with 40  
instruments marketed locally

## INDICATOR AND RANKING OF FRANCE WITHIN EUROPE

	Position within Europe	
	2024H1	3Y Average
<b>Market Finance</b>		
Capacity for companies to raise finance on public markets	6 <sup>th</sup>	7 <sup>th</sup>
<b>Pre-IPO Risk Capital</b>		
How well start-ups and non-listed companies are able to access finance for innovation	10 <sup>th</sup>	10 <sup>th</sup>
<b>Household Market Investment</b>		
Availability of savings from retail investors to support capital market financing	7 <sup>th</sup>	7 <sup>th</sup>
<b>ELTIF Products</b>		
Availability of ELTIF fund products financing long-term projects and SMEs	2 <sup>nd</sup>	2 <sup>nd</sup>
<b>ESG Finance</b>		
Labelling of ESG bond markets	8 <sup>th</sup>	9 <sup>th</sup>
<b>FinTech</b>		
Capacity to enable an adequate FinTech ecosystem	12 <sup>th</sup>	12 <sup>th</sup>
<b>Loan Transfer</b>		
Capacity to transform bank loans into securitisation and loan transactions	7 <sup>th</sup>	8 <sup>th</sup>
<b>Intra-EU Integration</b>		
Measures capital markets integration within Europe	13 <sup>st</sup>	11 <sup>th</sup>
<b>Global Integration</b>		
Market attractiveness of European capital markets	10 <sup>th</sup>	9 <sup>th</sup>
<b>Market Competitiveness</b>		
Overall market attractiveness of European capital markets	6 <sup>th</sup>	6 <sup>th</sup>

## ACCESS TO CAPITAL IN FRANCE

There has been encouraging signs in access to capital in France with Non-Financial Corporations (NFC) capital markets issuance increasing during 2024H1.

**43% YoY**

Increase (annualised) in total market-based finance in France, driven by a surge in bond issuance.



**23.7%**

Of funding for French NFCs was derived from market-based finance (bonds and equity), up from 17.2% in 2023.

### CAPITAL MARKETS ISSUANCE

#### Debt issuance

Investment grade bonds	€36.3	+10% YoY
High Yield grade bonds	€15.6	+277% YoY

#### Equity issuance

IPO market	€0.7bn	+2,420% <sup>1</sup> YoY
Secondary offerings	€3.2bn	+169% YoY

2024 is on track to have the second-highest NFC investment grade bond issuance on record (from 2000) in France after 2021.

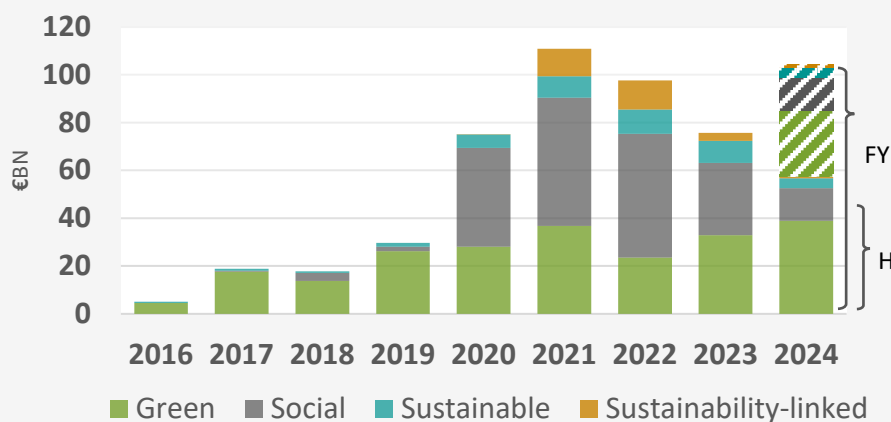
## PRE-IPO RISK CAPITAL

The overall proportion of French SME risk capital investment was 7.8% in 2024H1, down from 8.9% in 2023.

## TRANSITION TO SUSTAINABLE FINANCE

15.6% of total bond in France had ESG-labelling in 2024H1, compared to 12.9% last year.

Total ESG issuance in France increased 52% YoY (annualised), driven by an increase in issuance in green labelled bonds which offset a decrease in issuance in sustainable and sustainability-linked ESG labels.



#### 2024H1 ESG bond issuance

GREEN	€38.9	+136% YoY
SOCIAL	€13.7	+9% YoY
SUSTAINABLE	€4.1	-10% YoY
SUSTAINABILITY -LINKED	€0.9	-50% YoY
<b>TOTAL ESG</b>	<b>€57.6</b>	<b>+59% YoY</b>

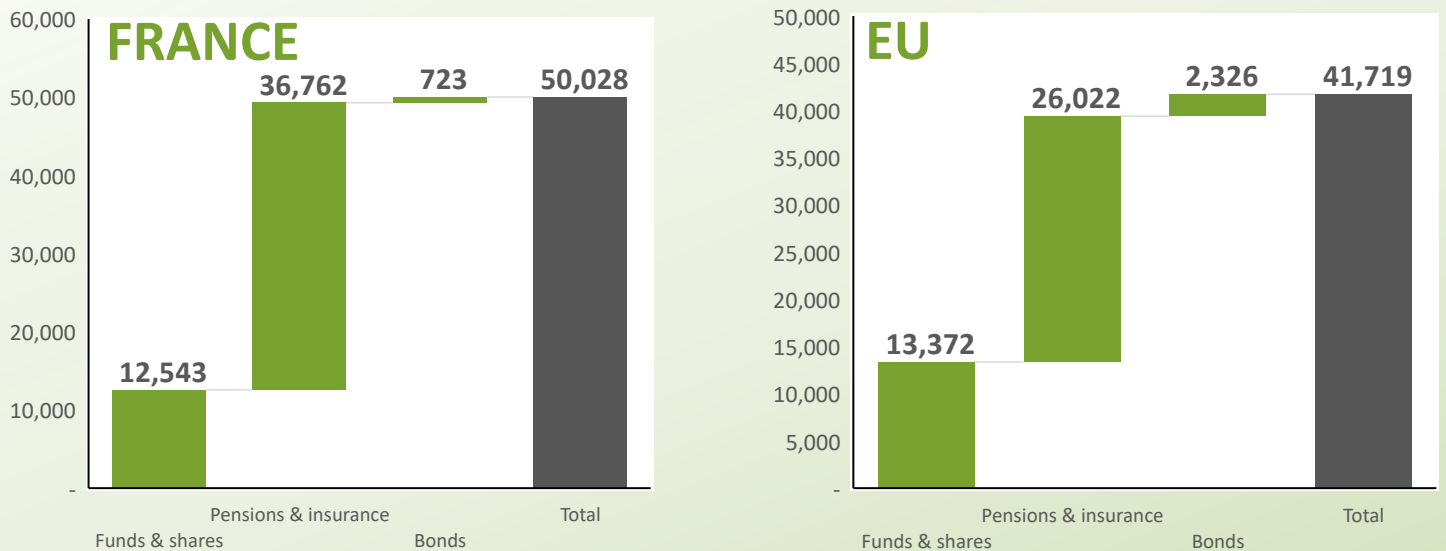
**French issuers continue to originate the largest nominal volume of ESG bonds among EU countries for the eighth year in a row.**

<sup>1</sup> Large YoY % increase in IPO issuance due to French NFC IPO markets being virtually inactive last year with only €0.023 bn issued

## HOUSEHOLD MARKET INVESTMENT

Among EU countries, French households have the **sixth deepest pool of savings** invested on capital markets instruments with the equivalent of 98% of GDP invested in listed equity, bonds, investment funds, or insurance and pension products. This is above, but close to the EU average investment rate and similar to that of Italy and Germany.

### Savings per adult in market-based instruments (EUR, PPP adjusted)



There is a large gap between the amount of savings by French households and that in other European countries like the Denmark (198% of GDP), the Netherlands (173% of GDP), and the UK (145% of GDP).

## NUMBER OF ELTIFS

France offered the **second-highest number of ELTIF instruments out of EU countries**, with 40 instruments marketed locally in H1 2024. By total euro amount managed, according to Scope data, France leads EU countries accumulating €4.5bn in AuM followed by Italy with €3.3bn.

## DEVELOPMENT OF FINTECH ECOSYSTEM

The FinTech Indicator for France increased in the first half of 2024, driven by:

### Improvement in FUNDING

Investment in fintech companies: **+170% YoY**  
 Exits (number of deals): **+17% YoY**  
 Fintech M&A deals: **+309% YoY**

### Improvement in INNOVATION

Number of fintech patents filed: **+17% YoY**  
 Valuation of fintech unicorns: **0% YoY**  
 (unicorns valuation unchanged at €4.6bn)

France is currently ranked 12<sup>th</sup> among EU countries for their capacity to host a Fintech ecosystem. There was €1.8bn of French DLT bond issuance in the first half of 2024, down 63% from last year.

## TRANSFER OF LOANS

The proportion of loans transferred into capital markets instruments (securitisation and loan portfolio sales) decreased to 1.6% in 2024H1, down from 2.3% of total outstanding loans in 2023.

### Securitisation Issuance

**€24.3 bn (-30% YoY)**

### Loan Portfolio Sales

**€0.0 bn (0% YoY)**

**2024 is on track to have the third-highest securitisation issuance in France on record (since 2000) after 2023 and 2014.**

## COMPETITIVENESS

The French capital market ecosystem ranked 6<sup>th</sup> in Europe in our Competitiveness Indicator.

**Competitiveness in France increased during the first half of 2024;**



Driven by increased NFC access to finance



Growth in the provision of sustainable finance



And an improvement in the quality of the French fintech ecosystem



However, there was a deterioration in capital markets liquidity



And a marginal decline in the availability of pools of capital