

Press release

21 July 2025

Survey on the Access to Finance of Enterprises: firms report lower interest rates amid pressures arising from trade tensions

- Firms continued to report declining interest rates on bank loans, while indicating a slight tightening of other lending conditions.
- The bank loan financing gap remained stable, with firms reporting that both needs for bank loans and the availability of bank loans were broadly unchanged.
- Firms' one-year-ahead median inflation expectations decreased to 2.5%, down from 2.9%, while median inflation expectations three and five years ahead remained unchanged at 3.0%.
- Most firms reported that they had been affected to some extent by trade tensions, with firms exporting to the United States and firms in the manufacturing sector being the most exposed.

In the most recent round of the Survey on the Access to Finance of Enterprises (SAFE), covering the second quarter of 2025, euro area firms reported a net decrease in interest rates on bank loans (a net -14%, compared with 12% in the previous quarter), suggesting that monetary policy easing is being transmitted to firms. At the same time, a net 16% of firms (down from 24% in the previous quarter) observed increases both in other financing costs (i.e. charges, fees and commissions) and in collateral requirements (a net 11%, down from 13% in the first quarter of 2025) (Chart 1).

In this survey round, firms indicated a broadly unchanged need for bank loans (a net 1% indicating a decline, down from 4% in the first quarter of 2025, Chart 2) and stable availability of bank loans (a net 1% indicating an increase, compared with a net 1% indicating a decrease in the previous quarter). This left the bank loan financing gap – an index capturing the difference between the need for and the availability of bank loans – broadly unchanged (a net -1%, the same as in the previous survey round). Looking ahead, firms expect a slight improvement in the availability of external financing over the next three months.

Firms continued to perceive the general economic outlook to be the main factor hampering the availability of external financing (a net 17%, compared with a net 21% in the previous survey round). A net 6% of firms indicated an improvement in banks' willingness to lend (broadly unchanged from the previous survey round).

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A net 8% of firms reported an increase in turnover over the last three months, up from 6% in the previous survey round, with a net 23% of firms being optimistic about developments in the next quarter, although less so than in the previous quarter. Firms continued to see a deterioration in their profits (a net 13%, compared with 16% in the previous survey round), with the decline being more widespread among small and medium-sized enterprises. The survey indicates that a net 50% of firms reported rising cost pressures over the past three months, although to a lesser extent than in the previous quarter.

On average, firms' expected selling price growth declined to 2.5%, from 2.9% in previous survey round, while the corresponding figure for wages was 2.8% (down from 3.0% in the previous round) (Chart 3). At the same time, firms signalled a lower increase in non-labour input costs (3.4%, down from 4.0% in the previous round).

Firms' inflation expectations for the short term decreased, while remaining unchanged at longer horizons (Chart 4). Median expectations for annual inflation one year ahead declined to 2.5%, from 2.9%, while those for three and five years ahead saw no change, remaining at 3.0%. For inflation five years ahead, the majority of firms continue to indicate, although less so than in the previous round, that risks to the inflation outlook are tilted to the upside (52%, down from 55%), with more firms perceiving balanced risks (33%, up from 30%), leaving the share of firms seeing downside risks unchanged at 14%.

In this survey round, ad hoc questions were introduced to examine the impacts of recent trade tensions – specifically the announcements of tariffs imposed by the United States – on the business strategies of euro area firms. The intensity of the impact of trade tensions varies significantly across firms, with firms exporting to the US and those in the manufacturing sector being particularly exposed. Approximately 30% of firms express concerns regarding delays or shortages in supply chains. In addition, firms indicated the need to seek alternative suppliers. Survey replies also revealed that the main strategies employed to adapt to the changing trade environment include refocusing sales within domestic and EU markets and restructuring supply chains (Chart 5).

The report published today presents the main results of the 35th round of the SAFE survey for the euro area. The survey was conducted between 30 May and 27 June 2025. In this survey round, firms were asked about economic and financing developments over the period between April and June 2025. Additionally, firms also reported their expectations for euro area inflation, selling prices and other costs, and they replied to ad hoc questions on trade tensions and investments in artificial intelligence technologies. Altogether, the sample comprised 5,367 firms in the euro area, of which 4,924 (92%) had fewer than 250 employees.

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Notes

- The [report](#) on this SAFE survey round, together with the [questionnaire](#) and [methodological information](#), is available on the [ECB's website](#).

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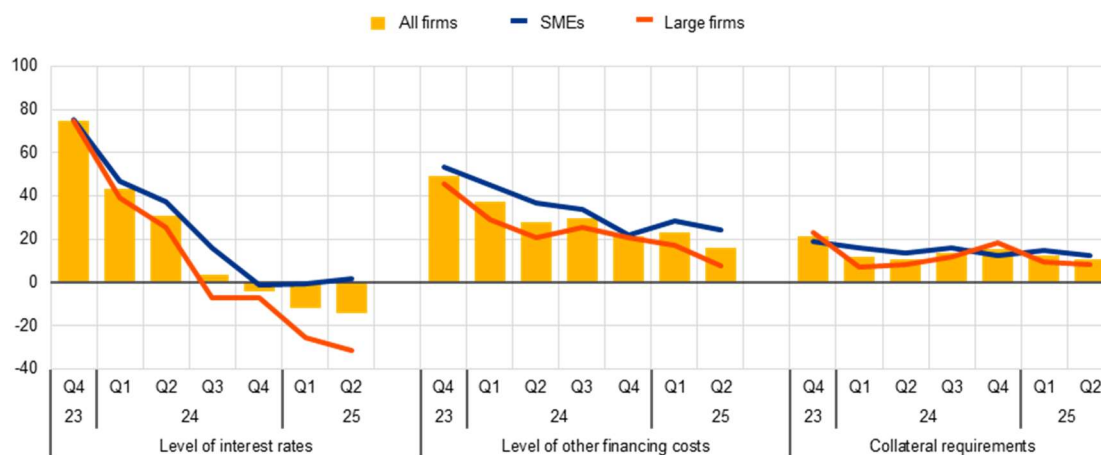
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- Detailed data series for the individual euro area countries and aggregate euro area results are available on the [ECB Data Portal](#).

Chart 1

Changes in the terms and conditions of bank financing for euro area firms

(net percentages of respondents)



Base: Firms that had applied for bank loans (including subsidised bank loans), credit lines, or bank or credit card overdrafts. The figures refer to pilot 2 and rounds 30 to 35 of the survey (October 2023–December 2023 to April–June 2025).

Notes: Net percentages are the difference between the percentage of firms reporting an increase for a given factor and the percentage reporting a decrease. The [data](#) included in the chart refer to Question 10 of the survey.

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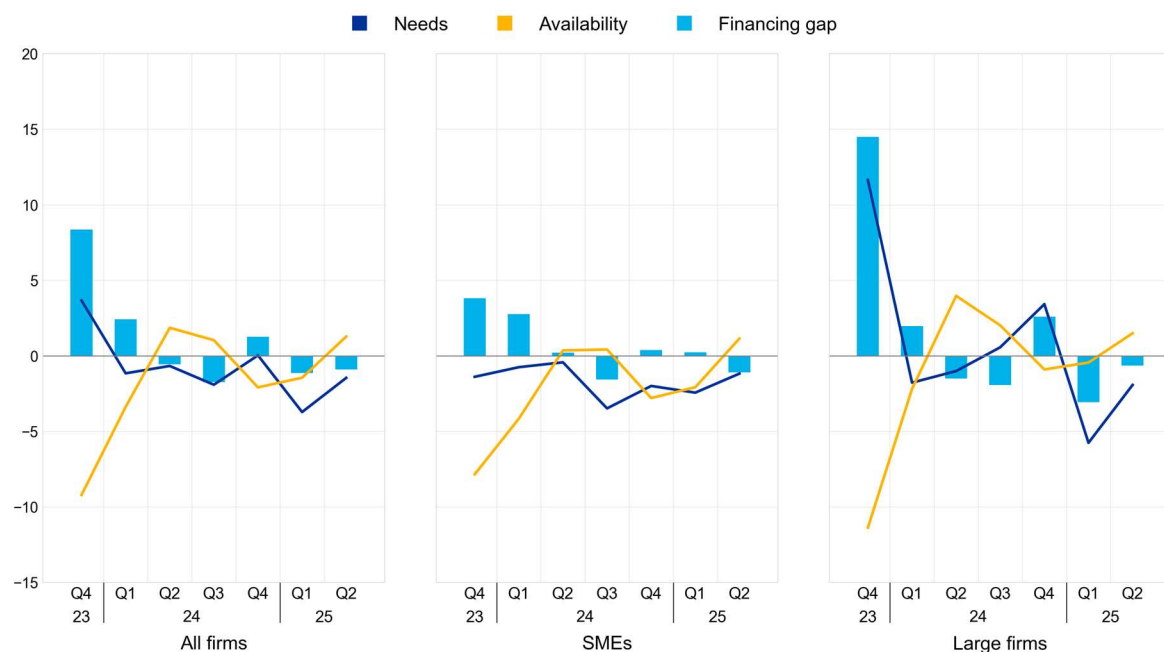
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Chart 2

Changes in euro area firms' financing needs and the availability of bank loans

(net percentages of respondents)



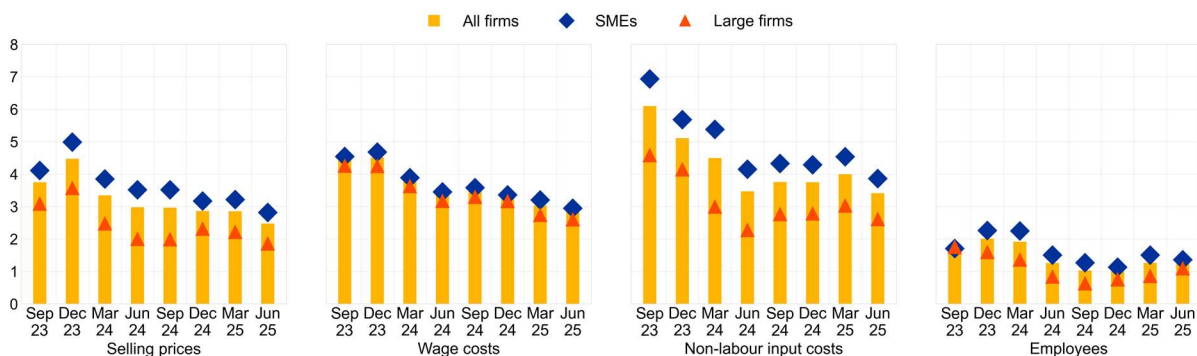
Base: Firms for which the instrument in question is relevant (i.e. they have used it or have considered using it). Respondents replying "not applicable" or "don't know" are excluded. The figures refer to pilot 2 and rounds 30 to 35 of the survey (October 2023-December 2023 to April-June 2025).

Notes: The financing gap indicator combines both financing needs and the availability of bank loans at firm level. The indicator of the perceived change in the financing gap takes a value of 1 (-1) if the need increases (decreases) and availability decreases (increases). If firms perceive only a one-sided increase (decrease) in the financing gap, the variable is assigned a value of 0.5 (-0.5). A positive value for the indicator points to a widening of the financing gap. Values are multiplied by 100 to obtain weighted net balances in percentages. The data included in the chart refer to [Questions 5](#) and [Questions 9](#) of the survey.

Chart 3

Expectations for selling prices, wages, input costs and employees one year ahead, by size class

(percentage changes over the next 12 months)



Base: All firms. The figures refer to rounds 29 to 35 (September 2023 to June 2025) of the survey, with firms' replies collected in the last month of the respective survey waves.

Notes: Average euro area firms' expectations of changes in selling prices, wages of current employees, non-labour input costs and number of employees for the next 12 months using survey weights. The statistics are computed after trimming the data at the country-specific 1st and 99th percentiles. The data included in the chart refer to Question 34 of the survey.

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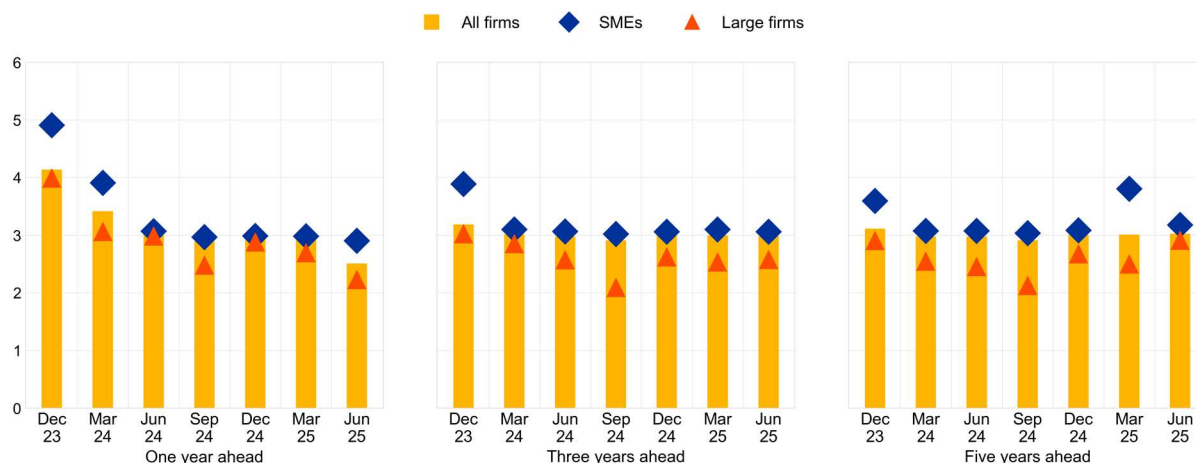
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Chart 4

Firms' median expectations for euro area inflation by size class

(annual percentages)



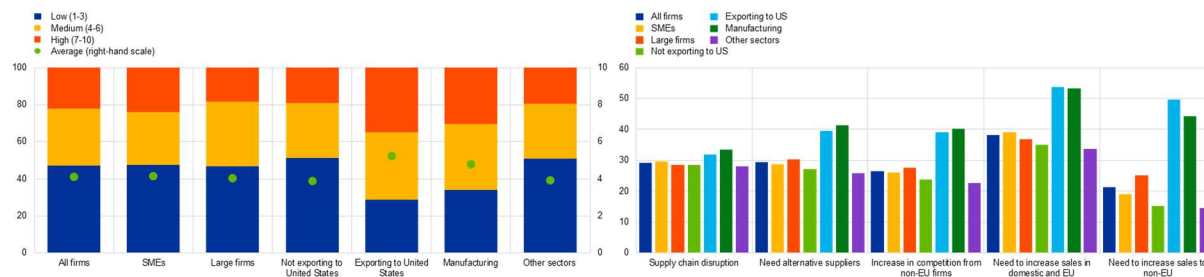
Base: All firms. The figures refer to pilot 2 and rounds 30 to 35 (December 2023 to June 2025) of the survey, with firms' replies collected in the last month of the respective survey waves.

Notes: Median firms' expectations for euro area inflation in one year, three years and five years, calculated using survey weights. The statistics are computed after trimming the data at the country-specific 1st and 99th percentiles. The data included in the chart refer to Question 31 of the survey.

Chart 5

Relevance of trade tensions and implications for firms' strategy over the next twelve months

(left panel: left-hand scale: percentages of respondents; right-hand scale: averages; right panel: percentages of respondents)



Base: All firms. The figures refer to round 35 of the survey (April-June 2025).

Notes: The left panel shows the distribution and the survey weighted averages of the relevance of trade tensions to firms, measured from 1 to 10 (highest) across types of firms. The right panel shows the share of firms reporting the different implications of trade tensions for firms' strategy over the next twelve months.

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