SME Finance Forum
Convening 180+ members from 60+ countries, operating in 190+ countries sharing knowledge, spurring innovation in & promoting growth of SME financing.
Member Benefits

LEARN
- Communities of practice
- Immersion Programs
- Study Visits
- Online library/Publications
- LinkedIn discussions
- Monthly webinars
- Global/ regional & partner events
- Fintech expo/demo
- Tips from experts
- SME data

LINK
- Networking
- Contacts brokering
- B2B marketplace

LEAD
- Connecting industry with policy-makers
- Voice in key policy bodies - G20, AFI, APEC/ ABAC, Basel institutions, OECD

Being a member of the SME Finance Forum gives us insight into innovations around the world.
Selim R. F. Hussain, CEO, BRAC Bank
Member Survey 5.0

All respondents (August)

56 Respondents from 46 different countries

Consistent respondents (June-August)

30 Respondents from 24 different countries

*Data are not strictly comparable, unless specified, as they are based on data reported by varying sets of members*
Member Survey 5.0

Type of Business

All respondents (August)

- Bank/Financial Institution: 61%
- FinTech: 20%
- Development Bank: 7%
- Other: 12%

Repeat respondents (June-August)

- Bank/Financial Institution: 57%
- FinTech: 23%
- Development Bank: 10%
- Other: 10%
Member Survey 5.0

How has your business been affected?

Overall gradual decrease in members reporting Liquidity Challenges

- No Change: 11% (April) 9% (May) 3% (June) 5% (July) 4% (August)
- Deposits decreased/drawdown: 18% (April) 6% (May) 7% (June) 5% (July) 4% (August)
- Whole sale funding difficulties: 24% (April) 12% (May) 11% (June) 3% (July) 4% (August)
- Loss of Customers: 20% (April) 17% (May) 11% (June) 14% (July) 22% (August)
- Reduced inflows/collections: 49% (April) 33% (May) 26% (June) 18% (July) 22% (August)
- Gain of Customers: 40% (April) 32% (May) 19% (June) 21% (July) 31% (August)
- Asset Impairment: 73% (April) 55% (May) 36% (June) 30% (July) 26% (August)
- Decline in Sales/Revenue: 77% (April) 75% (May) 55% (June) 36% (July) 26% (August)

Slight increase in members reporting Asset Impairment

- April (45) May (53) June (83) July (74) August (56)
Member Survey 5.0

How has your business been affected? (Consistent Respondents)

- No Change
- Deposits decreased/drawdown
- Whole sale funding difficulties
- Loss of Customers
- Reduced inflows/collections
- Gain of Customers
- Asset Impairment
- Decline in Sales/Revenue

June (Comparison,30)  | July (Comparison,29)  | August (Comparison)
Member Survey 5.0

Change in Operations due to COVID-19?

- April: 31% Not affected yet, 2% Limited closure of facilities, 6% Extensive closure of facilities/remote work, 26% Complete (or almost complete) closure
- May: 41% Not affected yet, 11% Limited closure of facilities, 35% Extensive closure of facilities/remote work, 45% Complete (or almost complete) closure
- June: 20% Not affected yet, 12% Limited closure of facilities, 51% Extensive closure of facilities/remote work, 32% Complete (or almost complete) closure
- July (75): 11% Not affected yet, 12% Limited closure of facilities, 56% Extensive closure of facilities/remote work, 27% Complete (or almost complete) closure
- August (55): 7% Not affected yet, 3% Limited closure of facilities, 63% Extensive closure of facilities/remote work, 33% Complete (or almost complete) closure
- June (Comparison, 30): 3% Not affected yet, 7% Limited closure of facilities, 53% Extensive closure of facilities/remote work, 30% Complete (or almost complete) closure
- July (Comparison, 30): 3% Not affected yet, 7% Limited closure of facilities, 63% Extensive closure of facilities/remote work, 30% Complete (or almost complete) closure
- August (Comparison, 29): 14% Not affected yet, 7% Limited closure of facilities, 33% Extensive closure of facilities/remote work, 24% Complete (or almost complete) closure
Member Survey 5.0

Extent of change in operations due to COVID-19?

<table>
<thead>
<tr>
<th>Month</th>
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<th>Slightly</th>
<th>Moderately</th>
<th>Significantly</th>
</tr>
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<td>May</td>
<td>30%</td>
<td>34%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>6%</td>
<td>27%</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>July (75)</td>
<td>29%</td>
<td>32%</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>August (56)</td>
<td>2%</td>
<td>27%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>June (Comparison,30)</td>
<td>3%</td>
<td>20%</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>July (Comparison,29)</td>
<td>3%</td>
<td>24%</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>August (Comparison,29)</td>
<td>3%</td>
<td>23%</td>
<td>33%</td>
<td></td>
</tr>
</tbody>
</table>

Chart showing the percentage of member responses from May to August regarding the extent of change in operations due to COVID-19.
Member Survey 5.0

Government and Regulatory responses for COVID-19 in Country are...

Gradual decrease in members reporting that government responses might help their SME clients

~20% point increase in driven by members in Sub-Saharan Africa

Not relevant to my clients/not eligible
Causing new problems for my clients
Not relevant to my business/not eligible
Causing new problems for my business
Likely to help my business
Likely to help my clients

April  May  June  July  August

Not relevant to my clients/not eligible:
- April: 7%
- May: 2%
- June: 6%
- July: 8%
- August: 9%

Causing new problems for my clients:
- April: 18%
- May: 11%
- June: 11%
- July: 16%
- August: 16%

Not relevant to my business/not eligible:
- April: 20%
- May: 13%
- June: 20%
- July: 22%
- August: 25%

Causing new problems for my business:
- April: 29%
- May: 20%
- June: 18%
- July: 18%
- August: 36%

Likely to help my business:
- April: 38%
- May: 46%
- June: 55%
- July: 42%
- August: 46%

Likely to help my clients:
- April: 71%
- May: 67%
- June: 63%
- July: 62%
- August: 55%
Member Survey 5.0

Government and Regulatory responses for COVID-19 in Country are... (Consistent Respondents)
If you are involved in lending...

How has your portfolio been affected?

Consistent respondent sample faring slightly better this month. But Majority still face negative impacts.
If you are involved in lending...
How have you adjusted your Lending?

- Discontinued lending to everyone
- Continued lending only to existing customers
- Continued lending to new and existing customers

<table>
<thead>
<tr>
<th>Month</th>
<th>Discontinued</th>
<th>Continued to Existing</th>
<th>Continued to New and Existing</th>
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</thead>
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<tr>
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<td>5%</td>
<td>41%</td>
<td>54%</td>
</tr>
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<td>June (63)</td>
<td>5%</td>
<td>25%</td>
<td>70%</td>
</tr>
<tr>
<td>July (57)</td>
<td>5%</td>
<td>28%</td>
<td>67%</td>
</tr>
<tr>
<td>August (41)</td>
<td>2%</td>
<td>17%</td>
<td>80%</td>
</tr>
<tr>
<td>June (Comparison, 21)</td>
<td>5%</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>July (Comparison, 21)</td>
<td>5%</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>August (Comparison, 20)</td>
<td>5%</td>
<td>25%</td>
<td>70%</td>
</tr>
</tbody>
</table>
Member Survey 5.0
If you are involved in lending...
How have you adjusted your Credit Criteria?

- May (39): 54% Tightened, 33% Maintained, 13% Loosened
- June (60): 57% Tightened, 33% Maintained, 10% Loosened
- July (56): 55% Tightened, 32% Maintained, 13% Loosened
- August (41): 61% Tightened, 32% Maintained, 7% Loosened
- June (Comparison, 21): 52% Tightened, 43% Maintained, 5% Loosened
- July (Comparison, 21): 48% Tightened, 38% Maintained, 14% Loosened
- August (Comparison, 20): 45% Tightened, 45% Maintained, 10% Loosened
Member Survey 5.0

Moratorium

- **Moratorium**
  - **May (32)**: 72% (Case by Case), 28% (Blanket)
  - **June (49)**: 73% (Case by Case), 27% (Blanket)
  - **July (42)**: 55% (Case by Case), 45% (Blanket)
  - **August (32)**: 50% (Case by Case), 50% (Blanket)

- **Comparison**
  - **June (Comparison, 22)**: 73% (Case by Case), 27% (Blanket)
  - **July (Comparison, 18)**: 61% (Case by Case), 39% (Blanket)
  - **August (Comparison)**: 50% (Case by Case), 50% (Blanket)

- **Principal Only**
  - **May (31)**: 19% (Principal Only), 10% (Interest Only), 71% (Both)
  - **June**: 6% (Principal Only), 12% (Interest Only), 82% (Both)
  - **July**: 7% (Principal Only), 14% (Interest Only), 79% (Both)
  - **August (30)**: 3% (Principal Only), 13% (Interest Only), 83% (Both)

- **Comparison**
  - **June (Comparison, 22)**: 9% (Principal Only), 9% (Interest Only), 82% (Both)
  - **July (Comparison, 17)**: 6% (Principal Only), 18% (Interest Only), 76% (Both)
  - **August (Comparison)**: 5% (Principal Only), 5% (Interest Only), 89% (Both)
Member Survey 5.0

Moratorium Timeline

- May
  - 1-3 months: 19%
  - 4-6 months: 29%
  - 6-12 months: 19%
  - Other: 0%

- June (48)
  - 1-3 months: 31%
  - 4-6 months: 23%
  - 6-12 months: 14%
  - Other: 10%

- July
  - 1-3 months: 40%
  - 4-6 months: 33%
  - 6-12 months: 12%
  - Other: 6%

- August (31)
  - 1-3 months: 45%
  - 4-6 months: 26%
  - 6-12 months: 23%
  - Other: 6%

- June (Comparison, 22)
  - 1-3 months: 32%
  - 4-6 months: 32%
  - 6-12 months: 9%
  - Other: 9%

- July (Comparison, 17)
  - 1-3 months: 35%
  - 4-6 months: 12%
  - 6-12 months: 6%
  - Other: 10%

- August (Comparison, 20)
  - 1-3 months: 35%
  - 4-6 months: 30%
  - 6-12 months: 10%
  - Other: 10%
Member Survey 5.0

If there is no moratorium
Are you offering Deferrals?

- **Case by Case**
- **Blanket (i.e. covering all borrowers)**
- **Not offering deferrals**

### Results by Month:

#### May (34)
- Case by Case: 85%
- Blanket: 6%
- Not offering: 9%

#### June (54)
- Case by Case: 74%
- Blanket: 11%
- Not offering: 15%

#### July (52)
- Case by Case: 79%
- Blanket: 10%
- Not offering: 12%

#### August (41)
- Case by Case: 68%
- Blanket: 20%
- Not offering: 12%

#### June (Comparison, 17)
- Case by Case: 76%
- Blanket: 18%
- Not offering: 6%

#### July (Comparison, 19)
- Case by Case: 79%
- Blanket: 11%
- Not offering: 11%

#### August (Comparison, 21)
- Case by Case: 57%
- Blanket: 29%
- Not offering: 14%

### Comparison:
- May (28)
  - Case by Case: 75%
  - Blanket: 14%
  - Not offering: 11%
- June (47)
  - Case by Case: 74%
  - Blanket: 9%
  - Not offering: 17%
- July (45)
  - Case by Case: 73%
  - Blanket: 20%
  - Not offering: 7%
- August (37)
  - Case by Case: 84%
  - Blanket: 3%
  - Not offering: 14%

### Interest Only
- May (Comparison, 16)
  - Case by Case: 69%
  - Blanket: 13%
  - Not offering: 19%
- June (Comparison, 17)
  - Case by Case: 71%
  - Blanket: 6%
  - Not offering: 24%
- July (Comparison, 19)
  - Case by Case: 84%
  - Blanket: 5%
  - Not offering: 11%
Member Survey 5.0

Deferral Timeline

<table>
<thead>
<tr>
<th>Month</th>
<th>1-3 months</th>
<th>4-6 months</th>
<th>6-12 months</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>39%</td>
<td>25%</td>
<td>21%</td>
<td>14%</td>
</tr>
<tr>
<td>June (46)</td>
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<td>July (44)</td>
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<td>34%</td>
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<td>5%</td>
</tr>
<tr>
<td>August</td>
<td>43%</td>
<td>35%</td>
<td>19%</td>
<td>3%</td>
</tr>
<tr>
<td>June (Comparison)</td>
<td>56%</td>
<td>19%</td>
<td>19%</td>
<td>6%</td>
</tr>
<tr>
<td>July (Comparison,17)</td>
<td>41%</td>
<td>29%</td>
<td>24%</td>
<td>6%</td>
</tr>
<tr>
<td>August (Comparison)</td>
<td>37%</td>
<td>32%</td>
<td>26%</td>
<td>5%</td>
</tr>
</tbody>
</table>
Next month, what do you expect to happen to...

Revenue
Next month, what do you expect to happen to... Number of Customers

April (45) | May (56) | June (82) | July (75) | August (55) | June (Comparison,29) | July (Comparison,30) | August (Comparison,29)

Don't Know | Fewer active customers | Have about the same | More active customers

| April (45) | May (56) | June (82) | July (75) | August (55) | June (Comparison,29) | July (Comparison,30) | August (Comparison,29)

| 9% | 2% | 11% | 9% | 5% | 7% | 10% | 3% |

| 56% | 36% | 40% | 28% | 38% | 52% | 57% | 38% |

| 20% | 39% | 41% | 51% | 53% | 34% | 52% | 52% |

| 16% | 7% | 12% | 4% | 7% | 7% | 10% | 3% |

| 10% | 20% | 36% | 40% | 51% | 53% | 34% | 38% |

| 0% | 10% | 20% | 30% | 40% | 50% | 60% | 70% |

| 80% | 90% | 100% | | | | | |

| | | | | | | | |
## Member Survey 5.0

Next month, what do you expect to happen to...

### Lending

<table>
<thead>
<tr>
<th>Month</th>
<th>Lend more</th>
<th>Lend at about the same levels</th>
<th>Lend less</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>April (31)</td>
<td>32%</td>
<td>55%</td>
<td>13%</td>
<td>0%</td>
</tr>
<tr>
<td>May (40)</td>
<td>50%</td>
<td>25%</td>
<td>20%</td>
<td>5%</td>
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<td>June (63)</td>
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<td>July (56)</td>
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<td>11%</td>
<td>7%</td>
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<tr>
<td>August (42)</td>
<td>52%</td>
<td>31%</td>
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<td>7%</td>
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<td>14%</td>
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<td>July (Comparison,22)</td>
<td>50%</td>
<td>18%</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>August (Comparison,20)</td>
<td>45%</td>
<td>30%</td>
<td>15%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Legend:
- **Lend more**
- **Lend at about the same levels**
- **Lend less**
- **Don't know**
Member Survey 5.0

Percentage of SME clients expected to be in financial distress within 3 months?

Percentage of SME clients in distress within 3 months

- 0-20%
- 21-40%
- 41-60%
- 61-80%
- 81-100%

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