

SMEs and high inflation

Pandemic

Russia's war of aggression against Ukraine

Other factors

+18%
Food prices

+10%
Inflation

+37%
Energy prices

Utilities

Loan payments

Rent

Wages

Raw materials

+21%

+20%

+4.78%

+4.85%

+31%

Can pass costs to consumers

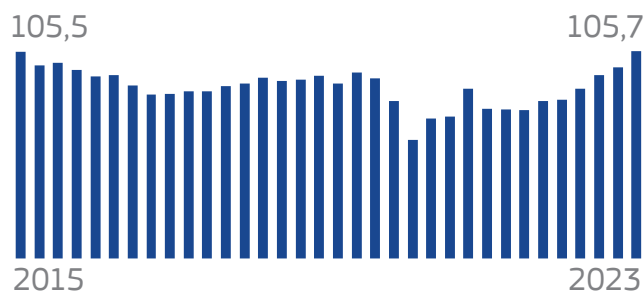
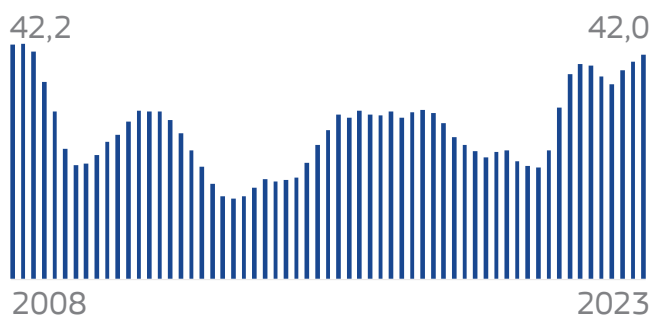
Small negative or positive effects on profitability

Profitability of non-financial corporations **highest since 2008** (ECB)

Can't pass costs to consumers

Risk of bankruptcy without extra help

EU bankruptcy declarations **highest since 2015** (Eurostat index)





Actions to mitigate the negative effects of inflation on SMEs

Increase EU energy independence



Create central national monitoring units



Strengthen early warning systems



Ease SMEs' access to twin transition investments



Create alternative sourcing options for raw materials



Enhance SMEs' access to external finance



Promote timely payments