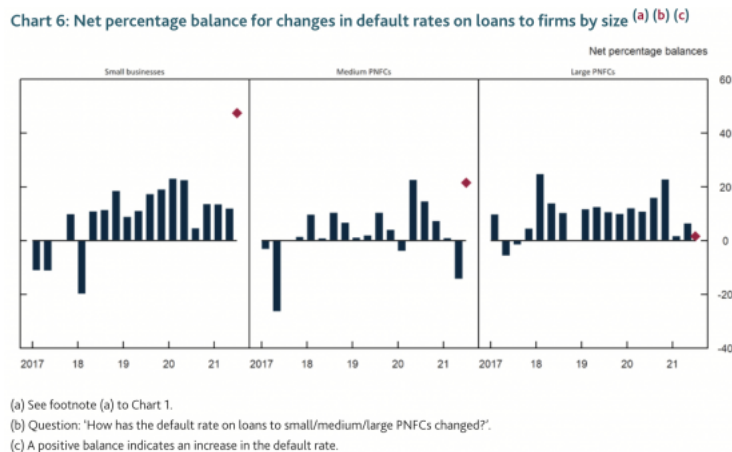


The Bank of England is forecasting a bloodbath amongst ...

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The [Bank of England has published its quarterly review of credit](#) in the UK. This of course matters: credit is largely about bank loans.

This chart stood out:



In essence, the chart shows the change in default rates by quarter. So, as is clear, small businesses have been not having a great time of late, whilst medium-sized ones have done well. Surprisingly, large businesses have been defaulting.

But what really interested me was the red dots: they are the forecasts for the next quarter. The forecast is for an absolute bloodbath in the small company sector next quarter. So much for a recovery.