

New York Small Business Defaults Up in April

In April 2017, small business loan defaults worsened overall in New York, according to data released by PayNet. However, of the 18 major industries, 10 fell in the state.

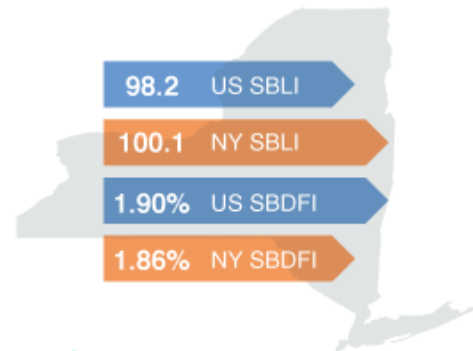
Despite a 22 basis point increase from March, New York's PayNet Small Business Default Index (SBDFI) of 1.86% was still 4 basis points under the national SBDFI level of 1.90%. The uptick in defaults over the past three months may signal deteriorating financial health in the state. New York's SBDFI rose 46 basis points over the last year, while the national SBDFI rose 26 basis points.

The industries with the worst default rate in New York were Transportation and Warehousing (2.93%); Accommodation and Food Services (2.34%); and Retail Trade (2.33%). Nationally, Transportation and Warehousing had a default rate of 4.54%, with a difference of +1.12% compared to the prior year versus a variance of +1.00% in New York.

Coming in at 100.1, the PayNet Small Business Lending Index (SBLI) for New York surpassed the national SBLI level (98.2) despite dropping by 0.4% from last month's state level. Small business borrowers are being cautious and holding off on new investment.

"Declining investment and deteriorating financial health exhibited by New York's small businesses set the stage for a slowing economy," asserts the president of PayNet, William Phelan.

New York Small Business Credit Trends
April 2017



Source: SBinsights.net

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About

PayNet is the leading provider of credit ratings on small businesses enabling lenders to achieve optimal risk management, growth and operational efficiencies. PayNet maintains the largest proprietary database of small business loans, leases and lines of credit encompassing over 23 Million contracts worth over \$1.4 Trillion. Using state-of-the-art analytics, PayNet converts raw data into real-time marketing intelligence and predictive information that subscribing lenders use to make informed small business financial decisions and improve their business strategy. For more information, visit www.paynet.com.

PayNet Small Business Lending Index (SBLI)

The PayNet SBLI is based on new commercial loan and lease originations by major U.S. lenders in PayNet's proprietary database. This index measures the volume of loans to small businesses formulated on a rolling 12-month basis. Small businesses generally respond to changes in economic conditions more rapidly than do larger businesses; this statistic is a leading indicator of macroeconomic and industry trends

PayNet Small Business Default Index (SBDFI)

The PayNet Small Business Default Index (SBDFI) measures the percent of loans and leases to small businesses that have defaulted in the past 12 months.

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