Michigan Small Business Defaults Up in February

PayNet, the leading provider of small business credit data and analysis for the commercial and industrial lending industry, announces that in February 2017 overall defaults worsened among small businesses in Michigan, with default rates in 9 of the 18 major industries rising in the state.

Michigan Small Business Credit Trends
February 2017

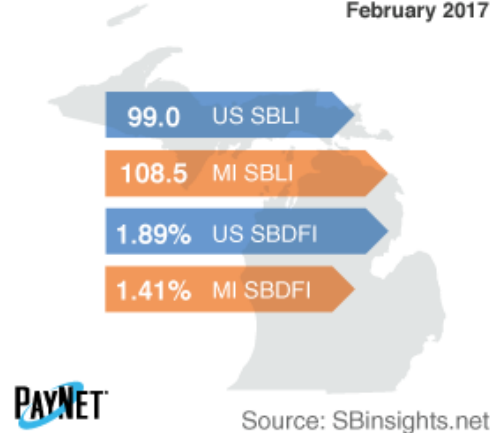|	
99.0	US SBLI
108.5	MI SBLI
1.89%	US SBDFI
1.41%	MI SBDFI

Source: SBinsights.net

PayNet's Small Business Default Index (SBDFI) for Michigan stood at 1.41% following a 9 basis point rise from January. Compared to the national SBDFI level of 1.89%, Michigan's SBDFI was 48 basis points less. Despite the unfavorable uptick from the previous month, the index is basically unchanged from a year ago. Over the last year, the national SBDFI increased 30 basis points, which was a much sharper increase than the 2 basis point increase displayed by the Michigan SBDFI.

The industries with the worst default rate in Michigan were Mining, Quarrying, and Oil and Gas Extraction (4.79%); Transportation and Warehousing (4.12%); and Finance and Insurance (2.31%). Nationally, Mining, Quarrying, and Oil and Gas Extraction had a default rate of 4.72%, with a difference of +2.25% compared to the prior year variance of +3.24% in Michigan.

Michigan's PayNet Small Business Lending Index (SBLI) registered at 108.5, outperforming the national SBLI level of 99.0 despite dropping by 0.4% from last month's state level.

"More definitive trends are needed to gauge the future economic performance for Michigan," explains William Phelan, president of PayNet.

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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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