

Florida Small Business Defaults Fall in January

In January 2017, the percentage of Florida's small businesses defaulting on existing loans has improved, despite default rates in 10 of the 18 major industries rising in the state, data published by PayNet explains.

The PayNet Small Business Default Index (SBDFI) for Florida stood at 2.42% following a 3 basis point improvement from December. Compared to the national SBDFI level of 1.84%, Florida's SBDFI was 58 basis points greater. Financial health is weaker than a year ago in the state despite the recent downturn in defaults. Florida's SBDFI increased 60 basis points over the last year, while the national SBDFI increased 29.

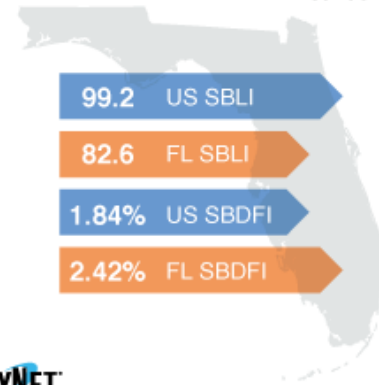
The three industries with the worst default rate in Florida were Transportation and Warehousing (6.07%); Finance and Insurance (3.10%); and Agriculture, Forestry, Fishing and Hunting (3.04%). Nationally, Transportation and Warehousing had a default rate of 4.23%, with a difference of +1.40% compared to the prior year variance of +1.35% in Florida.

At 82.6, the PayNet Small Business Lending Index (SBLI) for Florida dropped 0.6% from the previous month's state level and was 16.7% below this month's national SBLI level.

"Slower borrowing and investment by small businesses reflects caution regarding future demand," suggests the president of PayNet, William Phelan.

Florida Small Business Credit Trends

January 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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