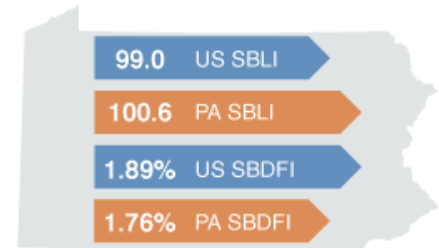# Small Business Defaults in Pennsylvania Down in February

PayNet, the premier provider of small business credit assessments on private companies, announces that in February 2017 the percentage of small businesses defaulting on loans has fallen in Pennsylvania. Of the 18 major industries, defaults improved in 11 and worsened in 7 in the state compared to the prior month.

Pennsylvania Small Business Credit Trends
February 2017

99.0	US SBLI
100.6	PA SBLI
1.89%	US SBDFI
1.76%	PA SBDFI

Source: SBinsights.net

PayNet's Small Business Default Index (SBDFI) for Pennsylvania stood at 1.76% following a 2 basis point reduction from January. Compared to the national SBDFI level of 1.89%, Pennsylvania's SBDFI was 13 basis points lower. Financial health is weaker than a year ago in the state despite the recent downturn in defaults. Over the last year, Pennsylvania's SBDFI increased 32 basis points, while the national SBDFI rose 30.

Mining, Quarrying, and Oil and Gas Extraction (4.96%); Transportation and Warehousing (3.76%); and Manufacturing (2.28%) exhibited the highest default rates of all industries in Pennsylvania. 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 -0.05% in Pennsylvania.

The PayNet Small Business Lending Index (SBLI) for Pennsylvania came in at 100.6, exceeding the national SBLI level of 99.0 and performing on par with the previous month's state level. Small business borrowers are cautiously increasing investment.

"Small business growth bodes well for future GDP," explains the president of PayNet, William Phelan.

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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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