



TAKING THE RISK OUT OF
SMALL BUSINESS LENDING

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New Jersey Small Business Defaults On the Decline in January

In January 2017, fewer small businesses defaulted on loans in New Jersey, with default rates in 11 of the 18 major industries falling in the state, shows data announced by PayNet.

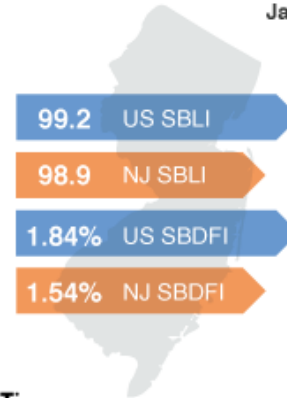
Following an 8 basis point decline from December, New Jersey's 1.54% PayNet Small Business Default Index (SBDFI) was 30 basis points under the national SBDFI level of 1.84%. The decrease in defaults over the past two months may signal improving financial health in the state. The national SBDFI increased 29 basis points over the last year, where as New Jersey's SBDFI fell 16 basis points.

Transportation and Warehousing (3.15%); Agriculture, Forestry, Fishing and Hunting (1.99%); and Professional, Scientific, and Technical Services (1.81%) displayed the highest default rates of all industries in New Jersey. Nationally, Transportation and Warehousing had a default rate of 4.23%, with a difference of +1.40% compared to the prior year variance of +0.66% in New Jersey.

The PayNet Small Business Lending Index (SBLI) for New Jersey came in at 98.9, performing on par with both last month's state level and the national SBLI level this month. Small business borrowers are cautiously increasing investment.

"Recent increased investment and improved financial health exhibited by New Jersey's small businesses set the stage for expansion with low credit risk," suggests the president of PayNet, William Phelan.

New Jersey 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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