



# The Outlook for the Small Business Economy

Taking the Risk  
Out of Small  
Business Lending

[www.paynet.com](http://www.paynet.com)

Bend Chamber 2017 Economic Forecast Breakfast

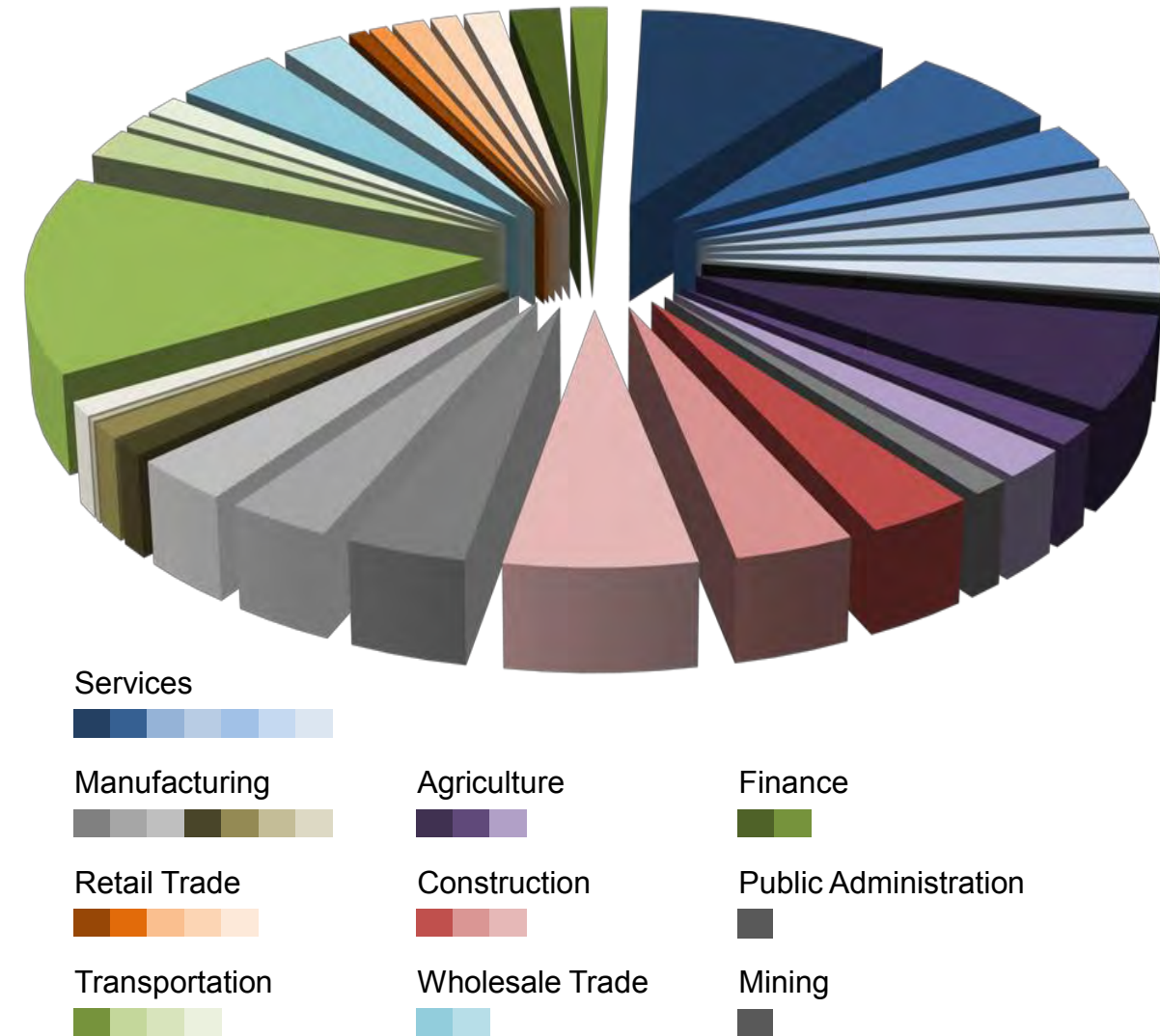
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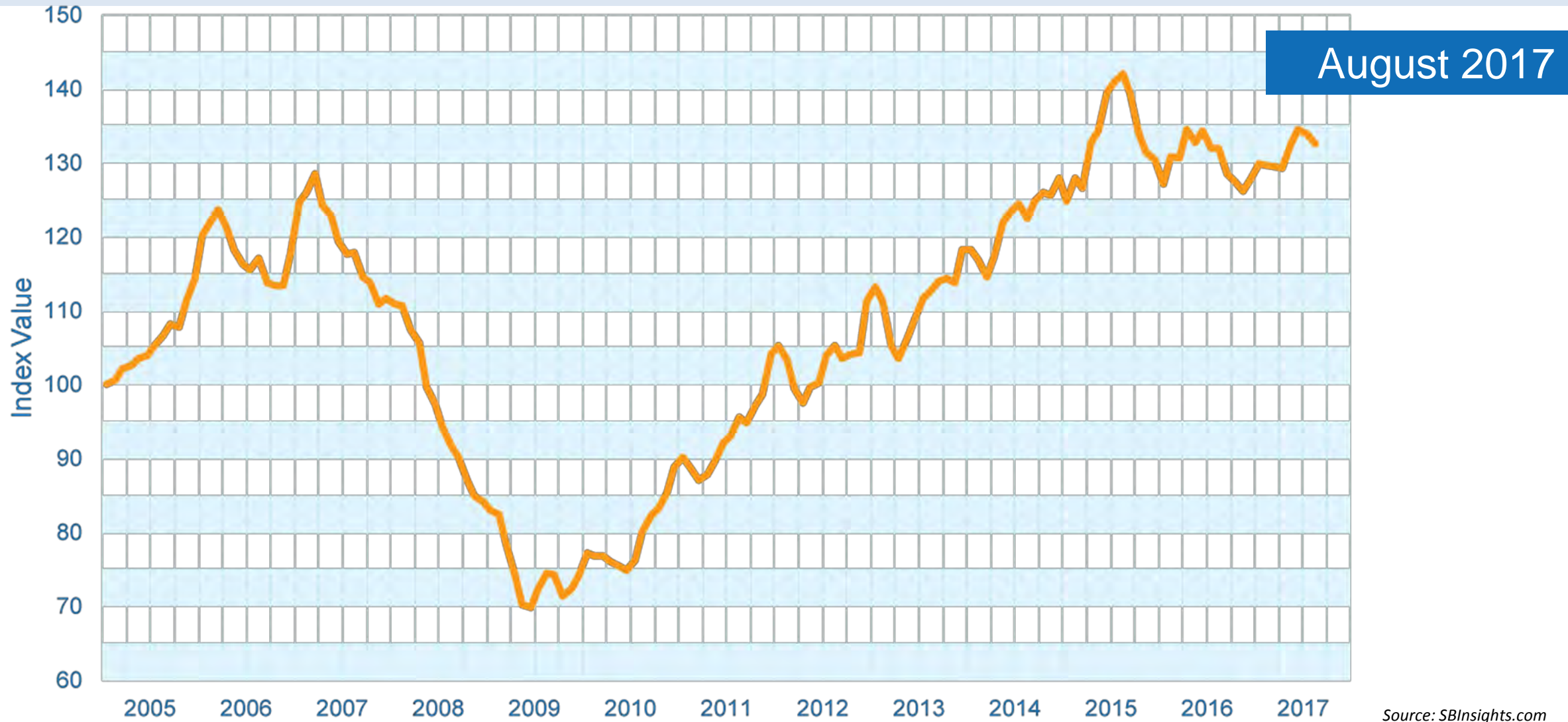
# The PayNet “Real-Time” Database

The *largest database* of small business loans, leases & lines of credit

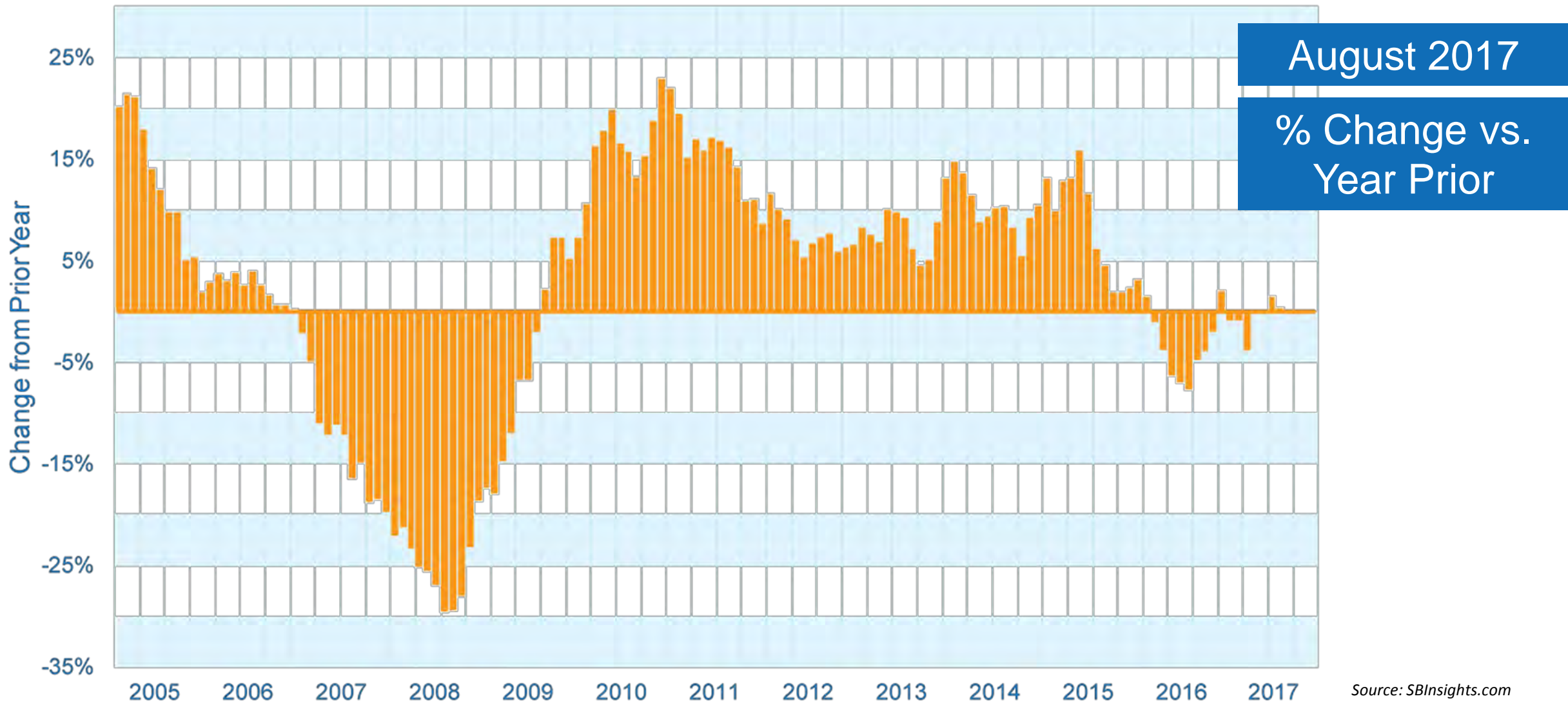
- Collecting real-time lease/loan info from 300+ lenders
- > \$1.4 trillion in commercial debt originations
- > 23 million term debt/lease contracts
- 200+ unique data points driving performance



# Thomson Reuters/PayNet Small Business Lending Index (3-Mo Rolling)



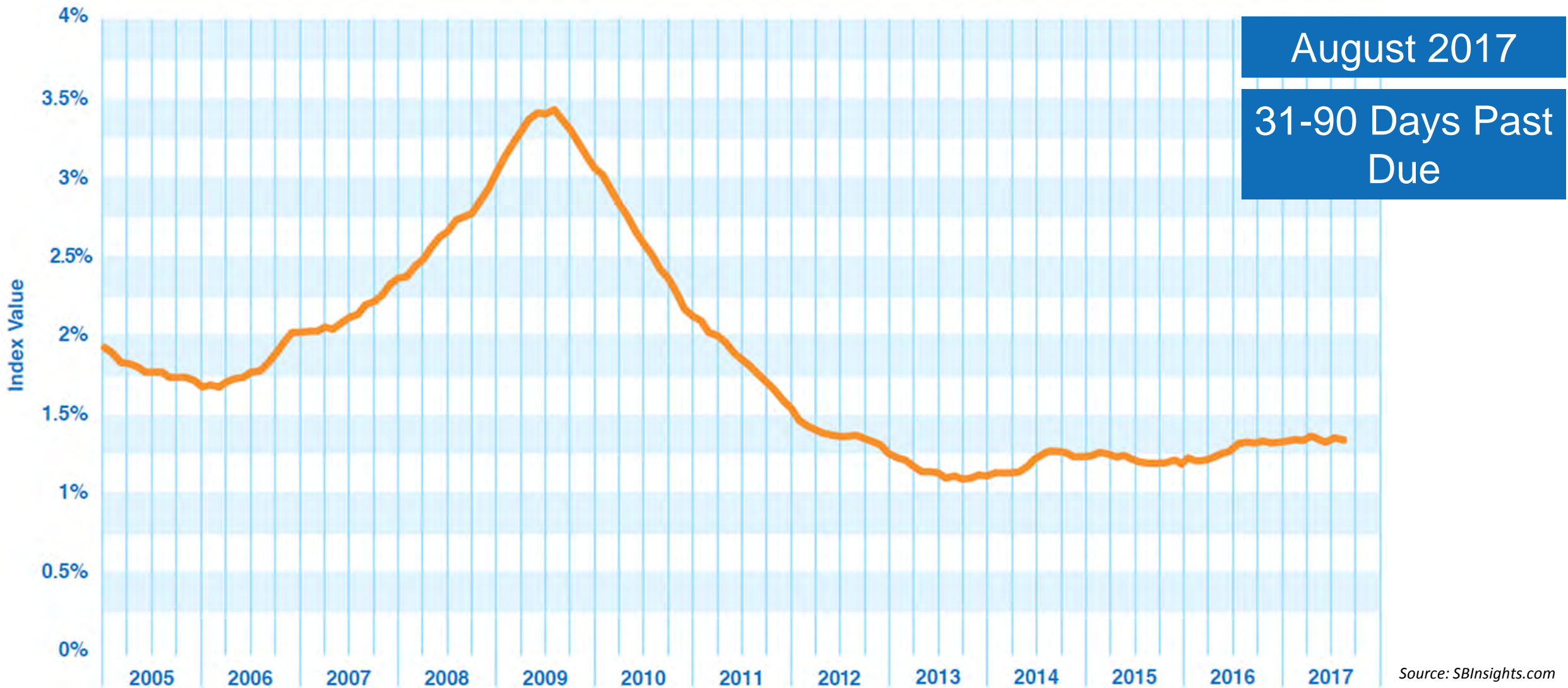
# Thomson Reuters/PayNet SBLI % Change vs. Year Prior (3-Mo Rolling)



Source: SBIInsights.com

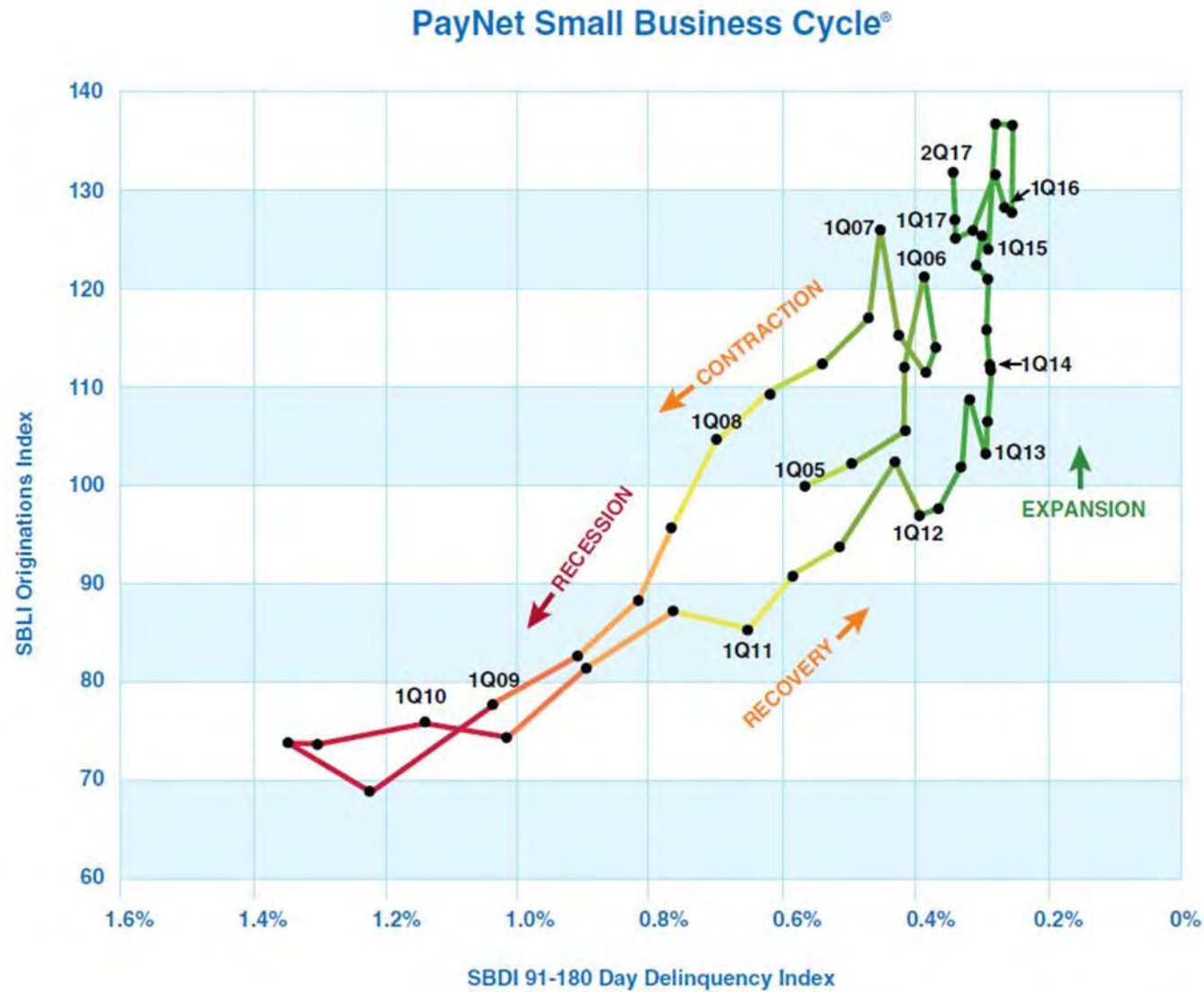


# Thomson Reuters/PayNet Small Business Delinquency Index 31-90 %



Source: SBInsights.com

# SBDI 91-180 Day % vs. Thomson Reuters/PayNet SBLI



Source: PayNet



# Where Is Strength and Weakness in Small Business Originations Today?

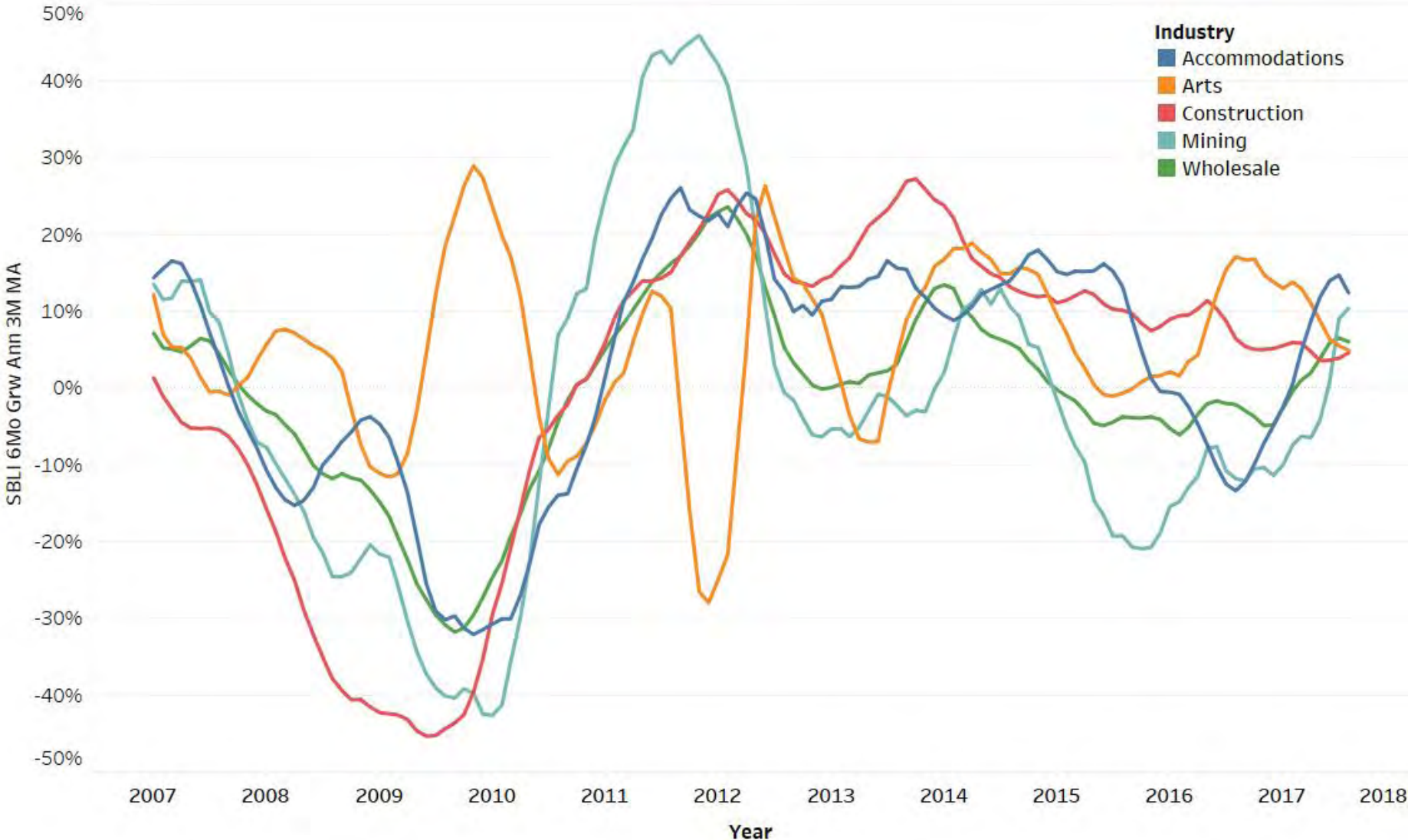
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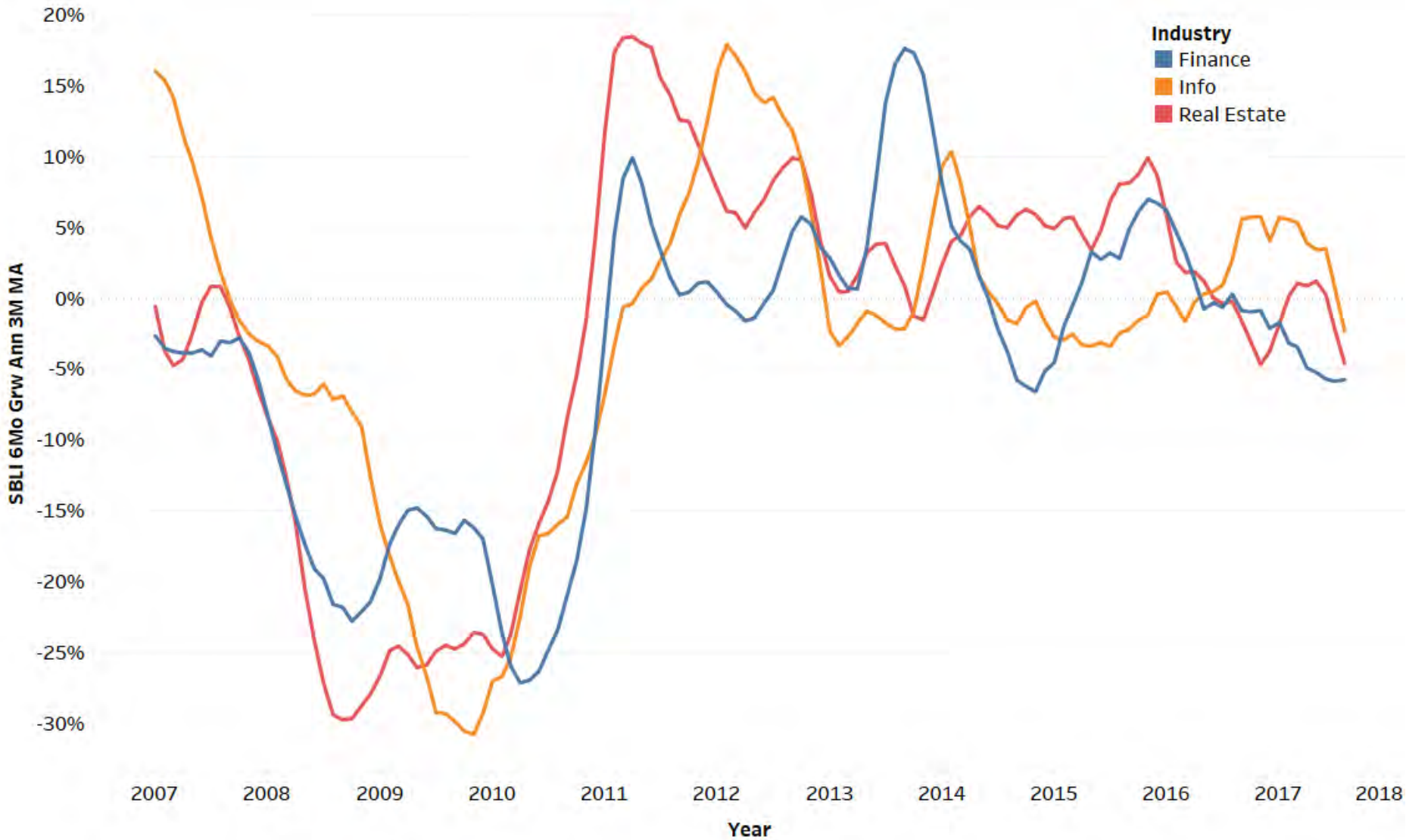
# Industries with Strongest SBLI Growth: August 2017



Source: SBLInsights.com

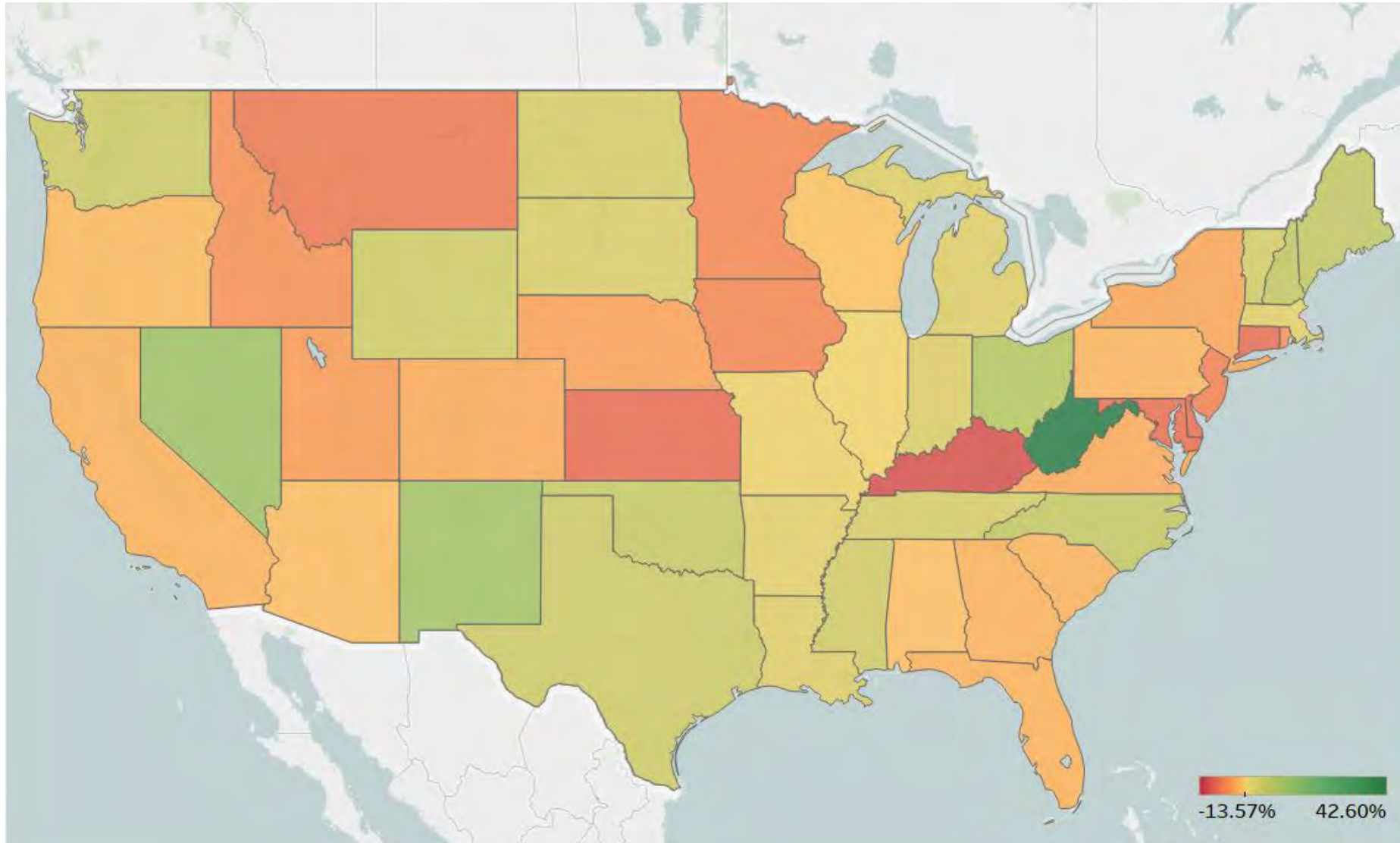


# Industries with Weakest SBLI Growth: August 2017



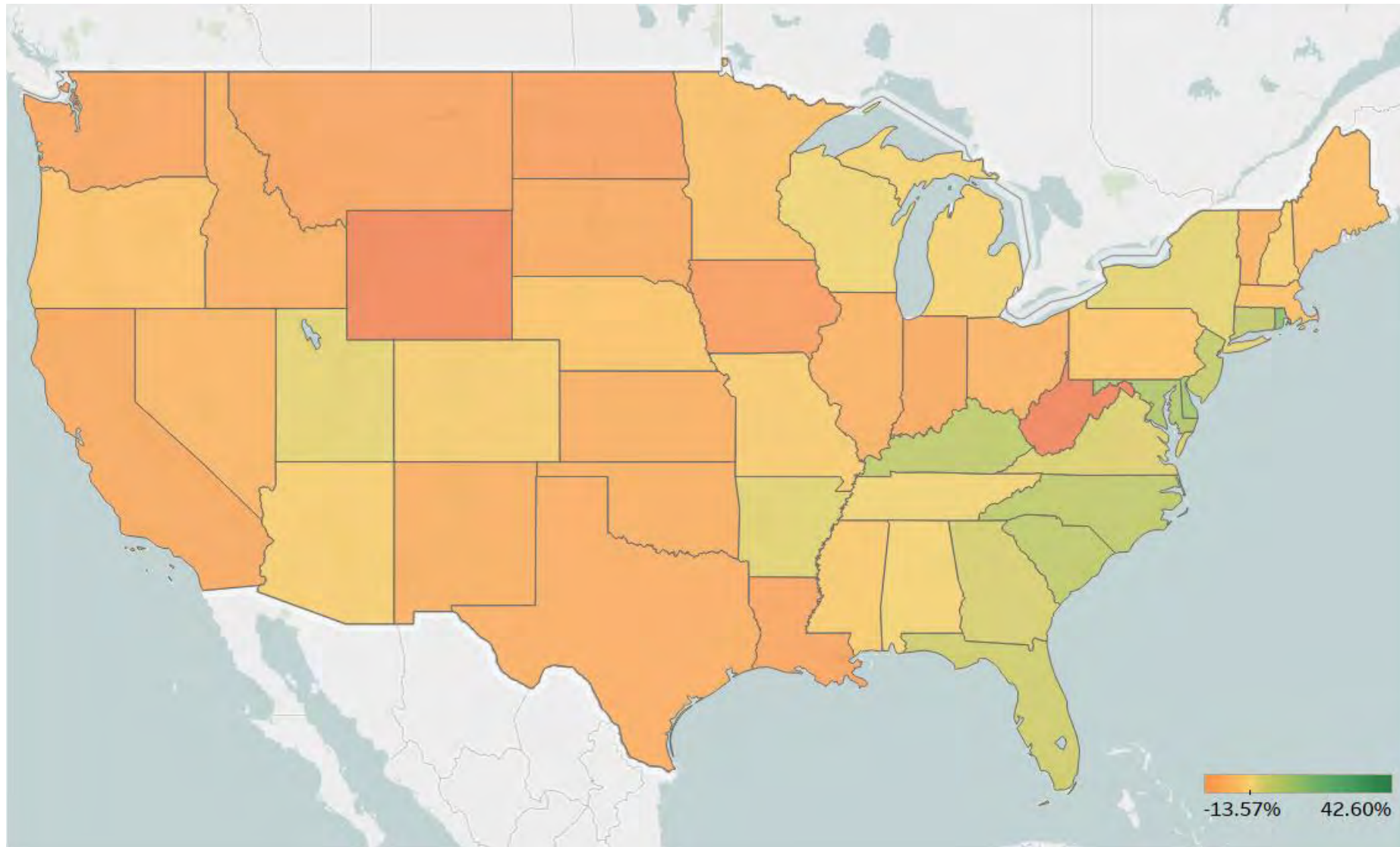
Source: SBLInsights.com

# SBLI 6 Month Annualized Growth Rate by State: August 2017



Source: SBLInsights.com

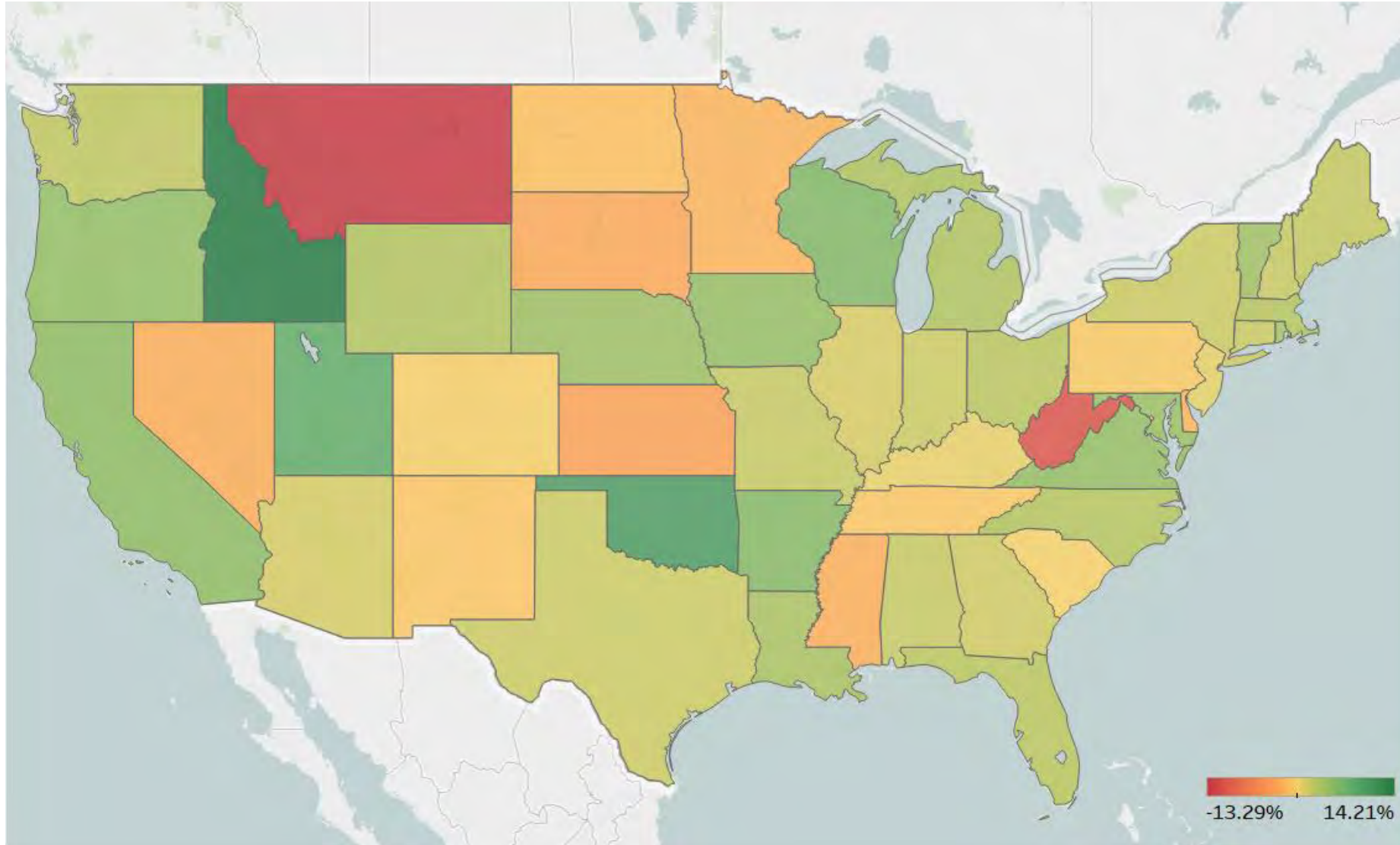
# SBLI 6 Month Annualized Growth Rate by State: August 2016



Source: SBLInsights.com



# Change in SBLI Growth 3 Month Annualized to 6 Month Annualized



Source: SBI Insights.com





# What Is the State of Play of Small Business Defaults Today?

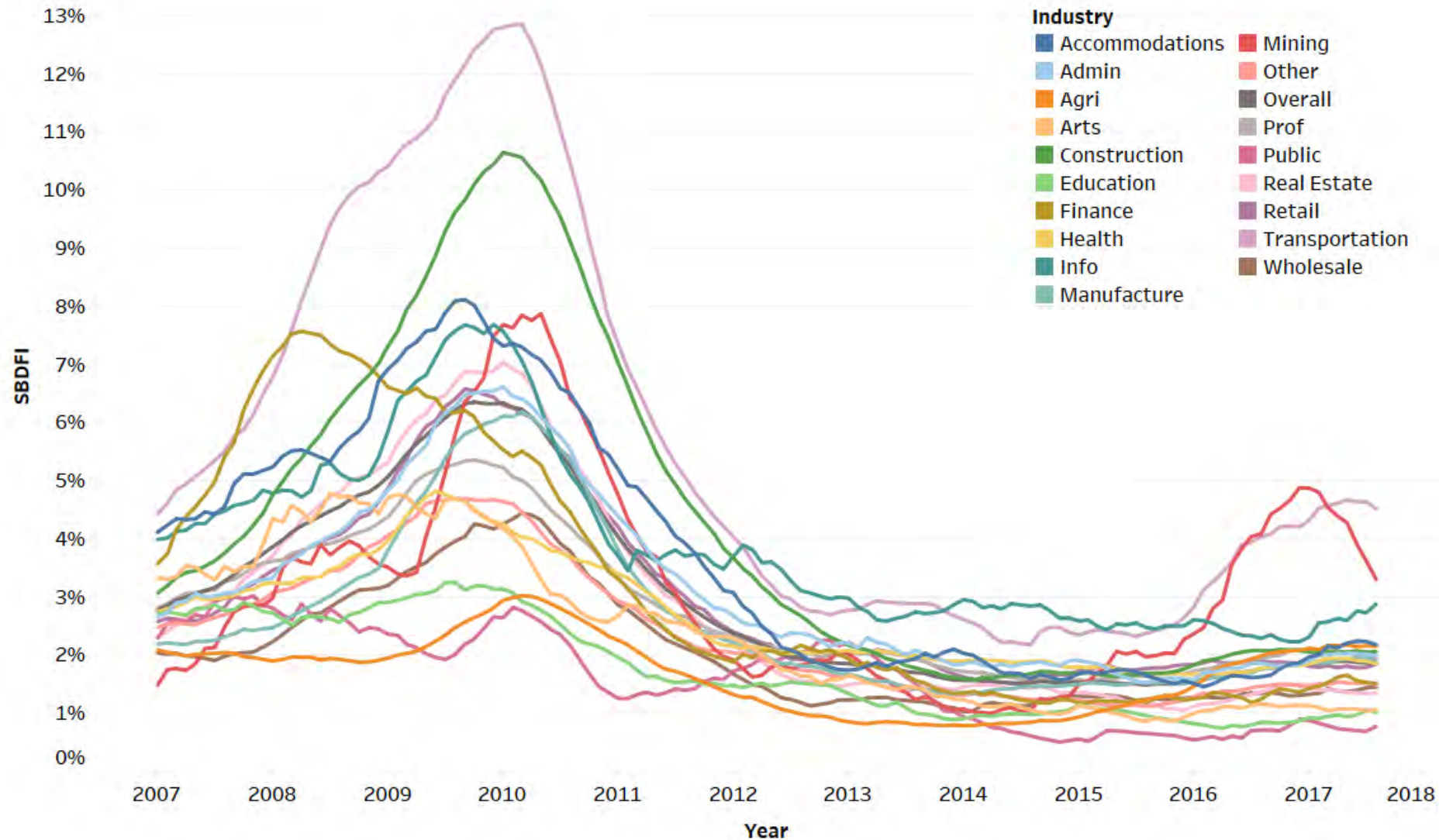
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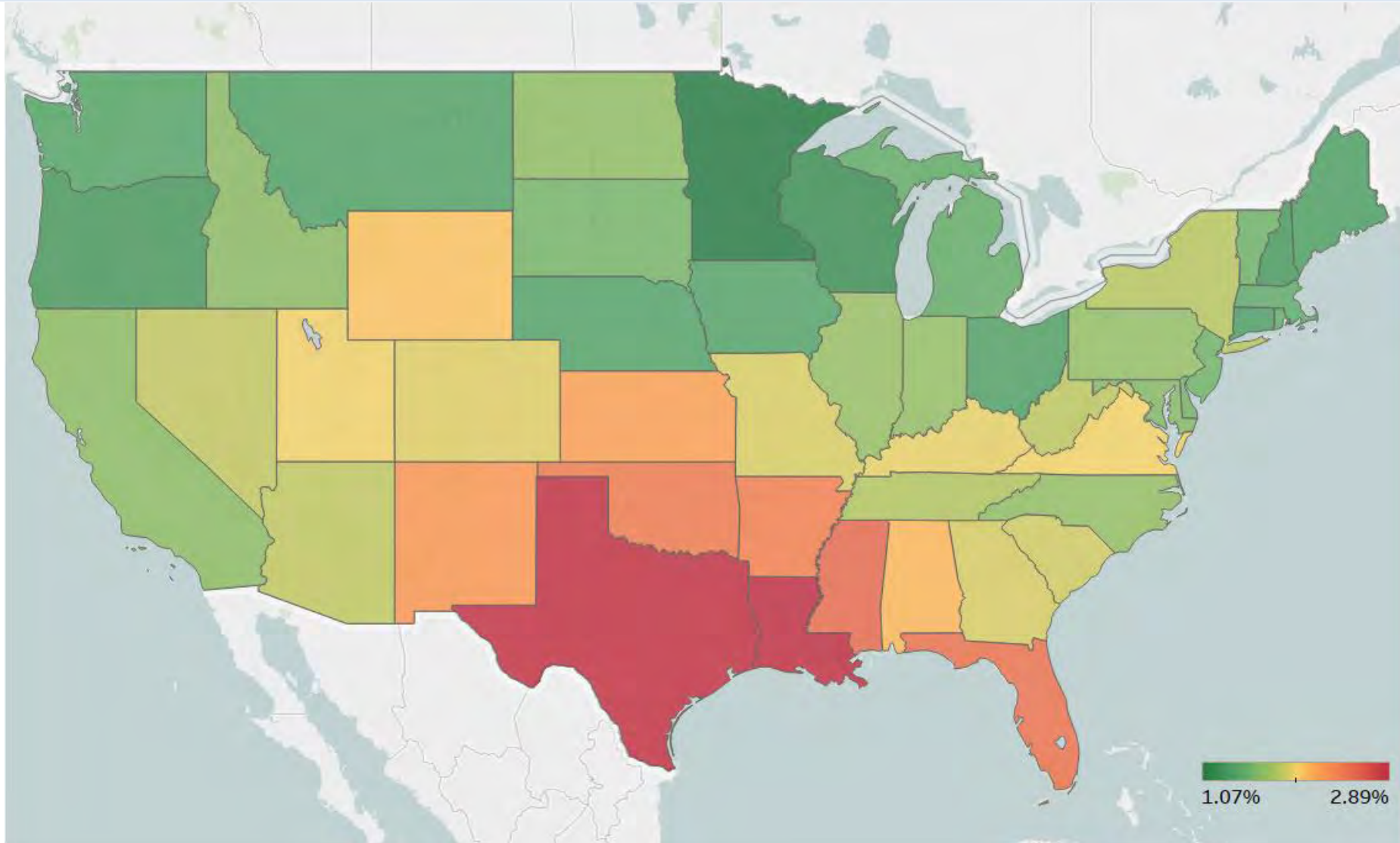
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# Small Business Default Index by Industry: August 2017



Source: SBInsights.com

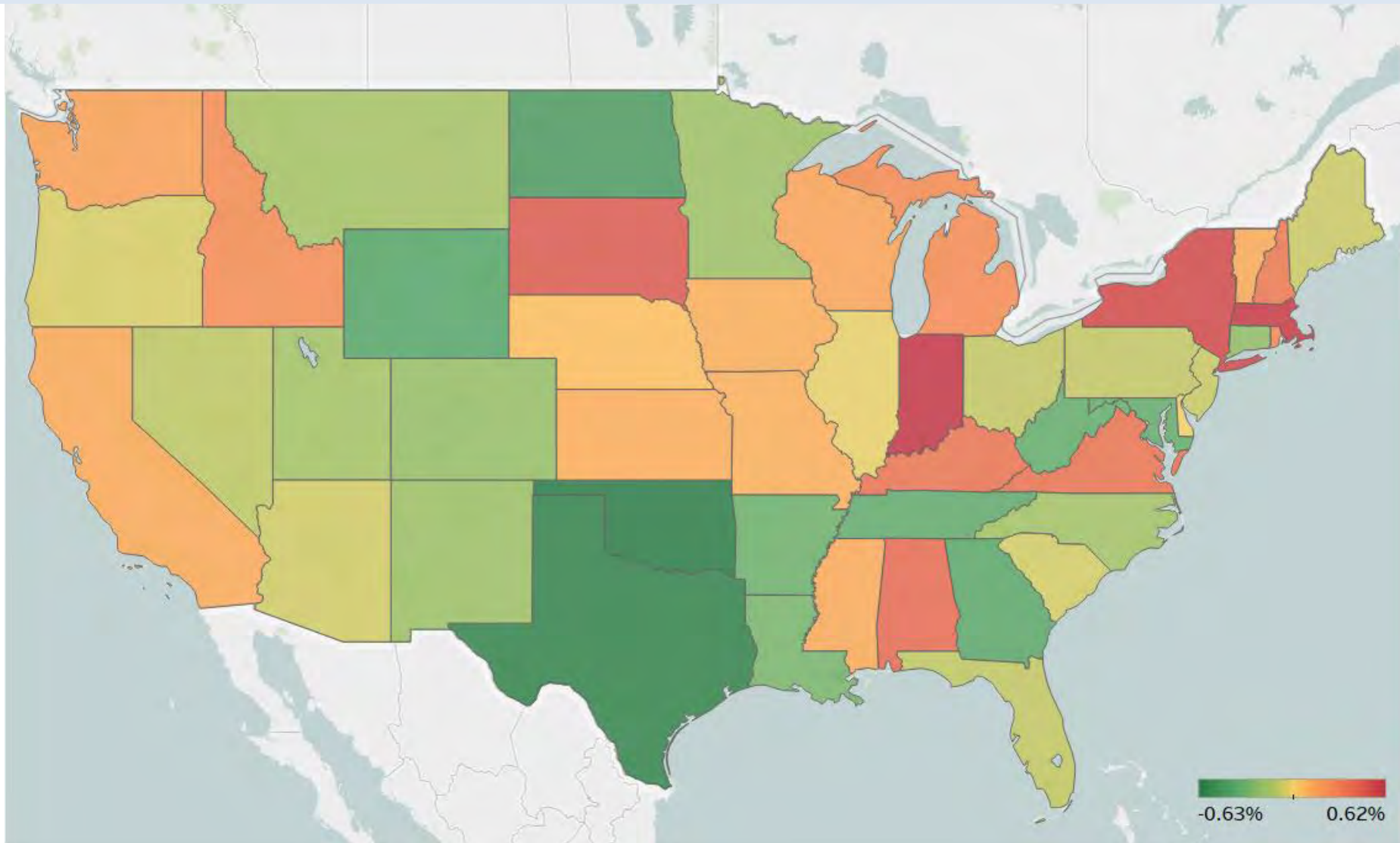
# Small Business Default Index by State: August 2017



Source: SBInsights.com



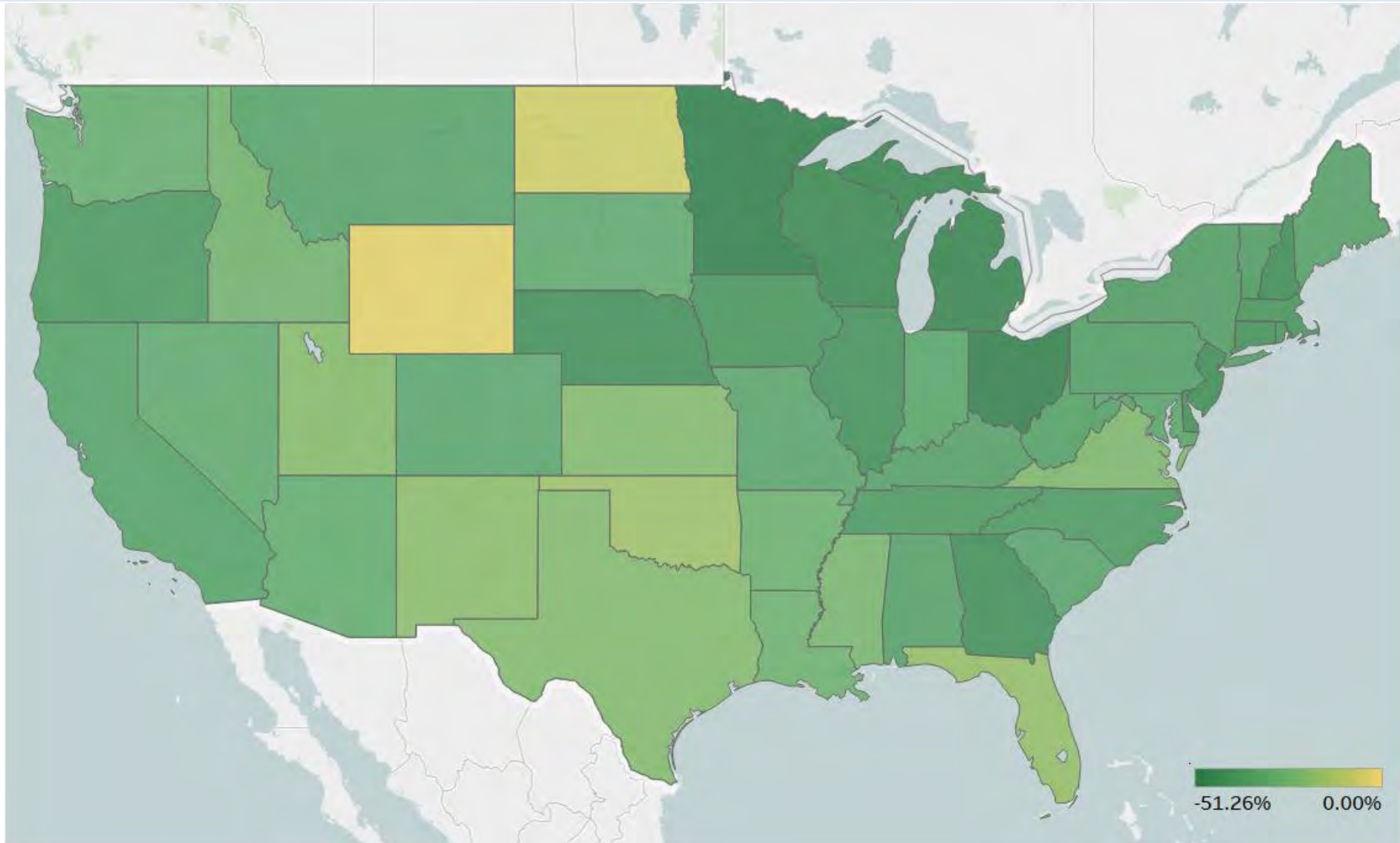
# Annualized Change in SBDFI by State over the Last Six Months



Source: SBInsights.com

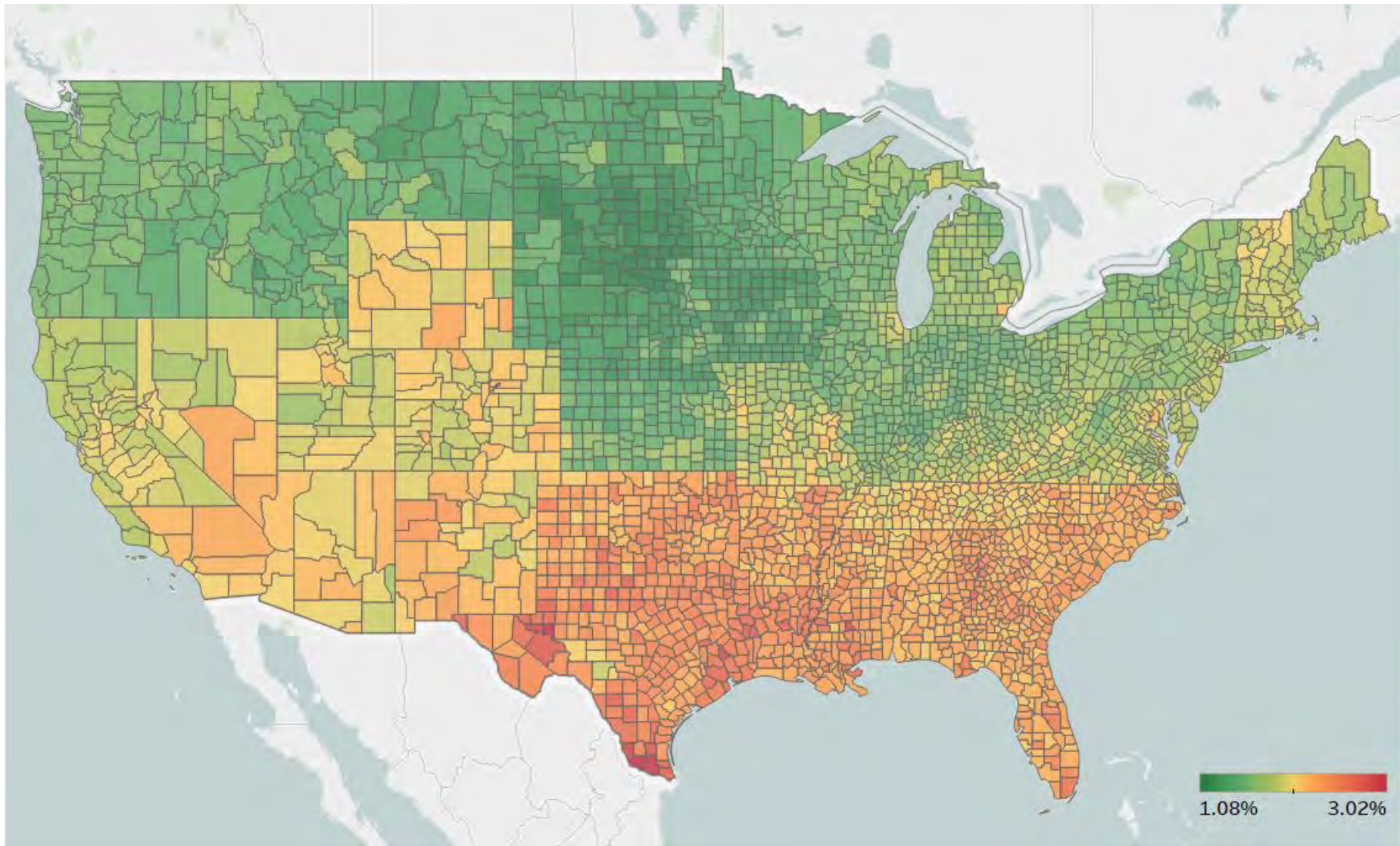


# Difference Between Current SBDFI and 2005-06 Average



Source: SBInsights.com

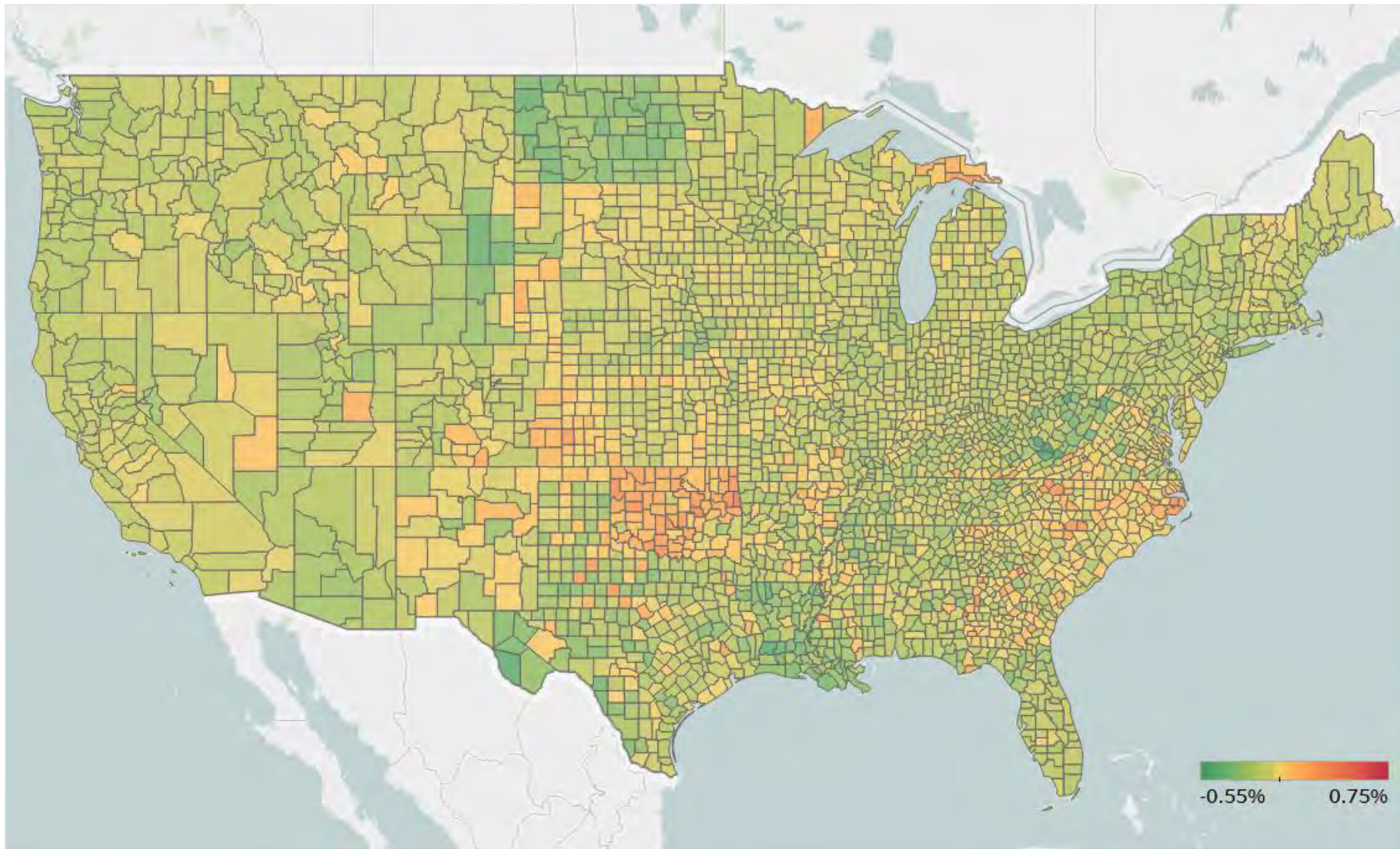
# County-Level Borrower Weighted Probability of Default: July 2017



Source: SBInsights.com



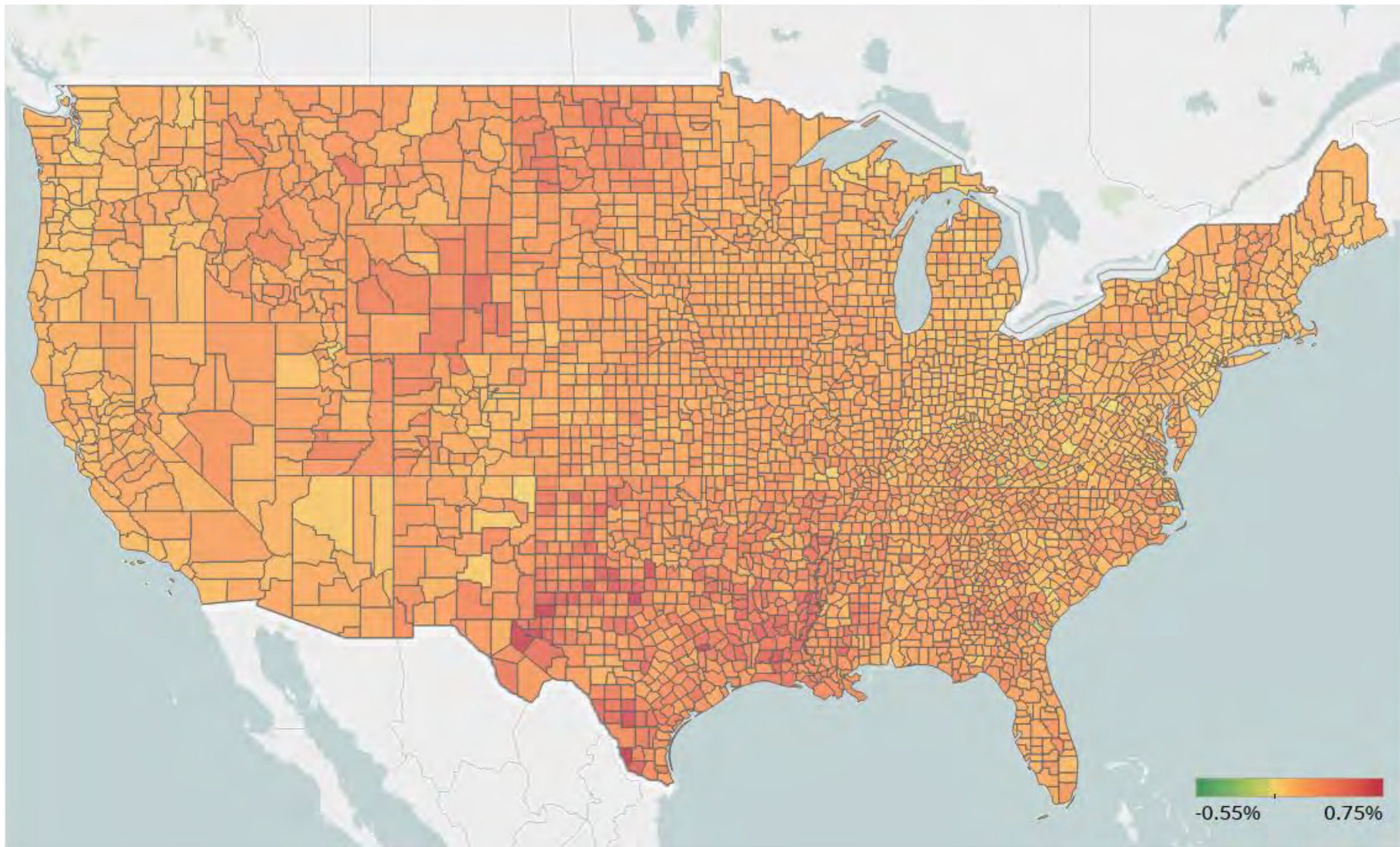
# One Year Change in County-Level Prob. Of Default: July 2017



Source: SBInsights.com



# One Year Change in County-Level Prob. Of Default: July 2016



Source: SBInsights.com



# Questions?