

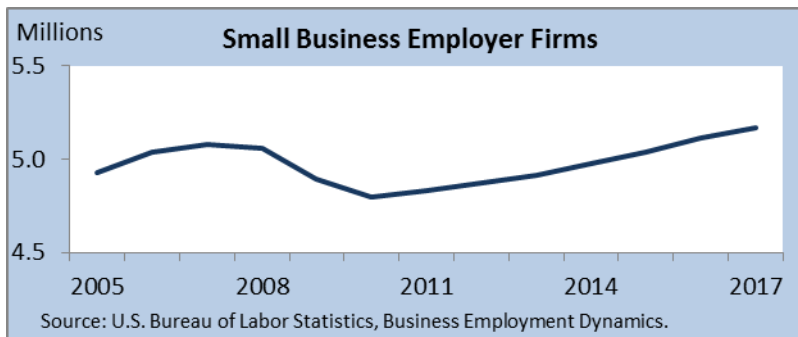
U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

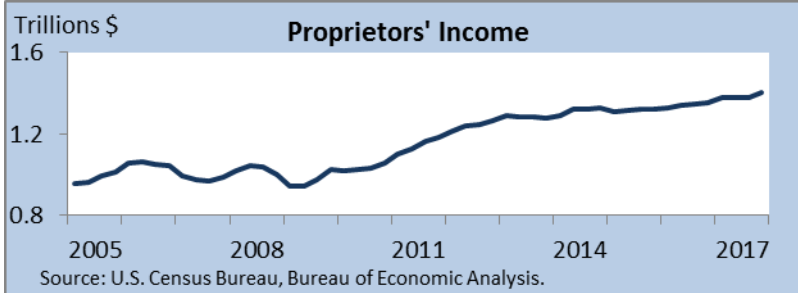
Small Business Quarterly Bulletin
Released March 2018

Small businesses continue to show growth in the number of firms, income, jobs, and new businesses. However, weak demand for small business loans and small business lending remain below pre-crisis levels. These are ongoing concerns.

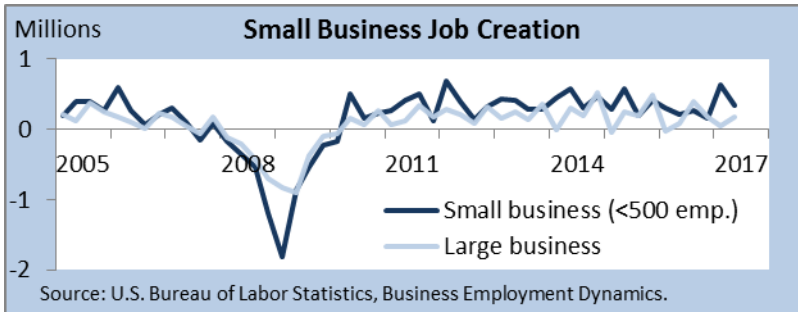
General



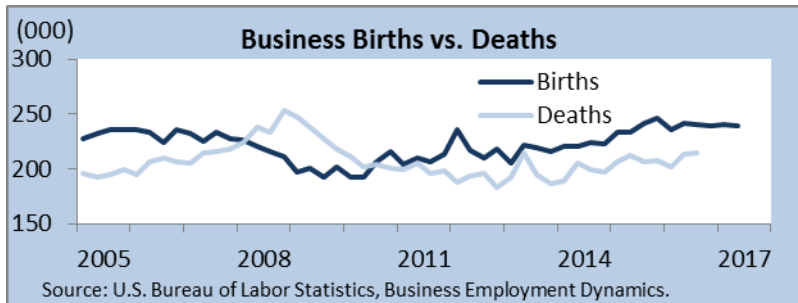
The number of small business employer firms (businesses with 1-499 employees) continues to grow, surpassing the 2007 level.



After a large post-recession jump, proprietors' income is in its 9th year of steady growth.

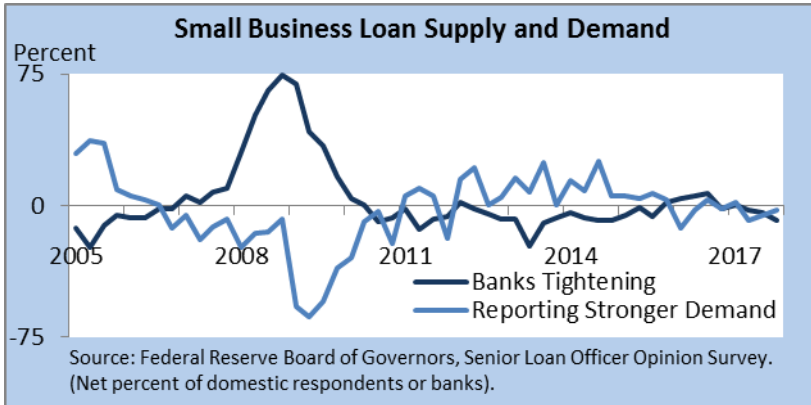


By creating 2 out of 3 net new jobs over the last five years, small businesses were persistent job creators, topping large businesses job creation in 15 of the last 20 quarters.

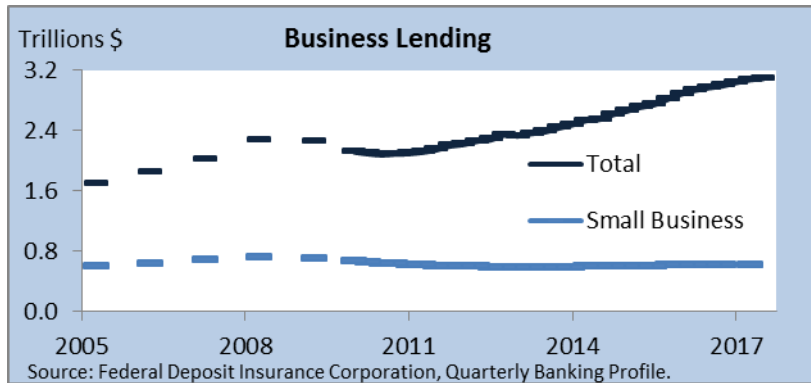


Gains in employer businesses are from the growth in business births which has outnumbered deaths in every quarter since a year after the Great Recession or mid-2010.

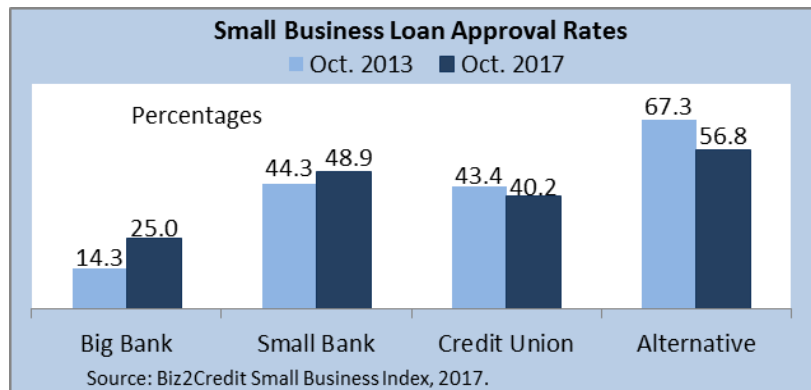
Finance



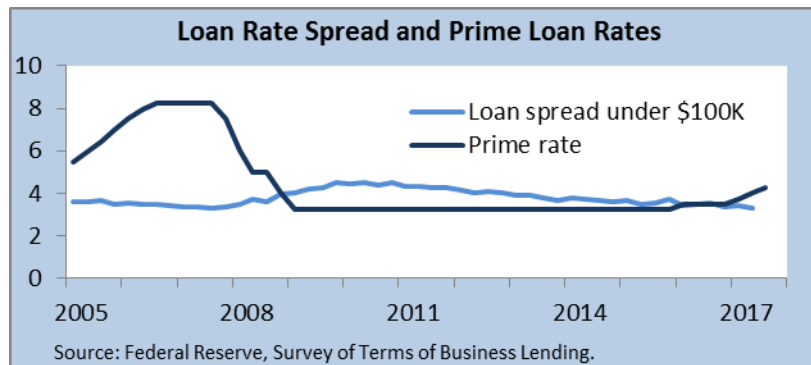
Bankers report easing lending standards and weak demand for small businesses loans.



Total business lending (commercial and industrial plus commercial real estate) has been up since the Great Recession while small business lending (loans under \$1 million), some 9 years later, is still below their 2008 peak.



The small business loan approval rates for traditional lenders continue to improve as borrowers seek low credit costs. Alternative lenders continue to be accommodating at higher interest rates.



The loan spread for loans under \$100K is staying low while the prime rate (the base rate used to determine business loan rates) has been rising in 2017.