JANUARY/2023

## Biz2Credit Small Business Lending Index™ Reports Growth in Business Loan Approval Rates at Non-Bank Lenders in January 2023

Business loan approval rates rose at Institutional Investors, Alternative Lenders and Small Banks, while Big Banks and Credit Unions slipped again.



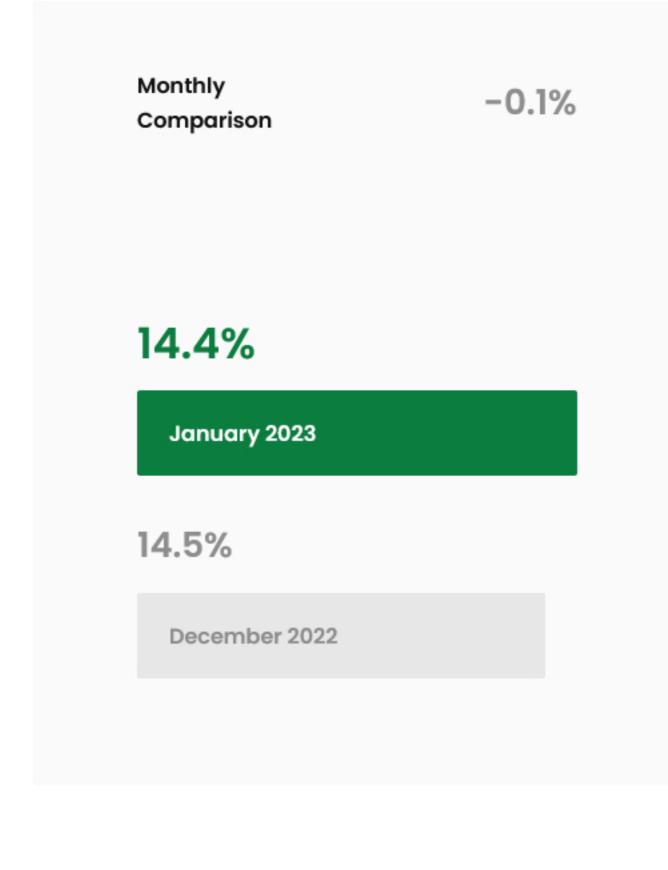
Small business loan approval percentages at big banks slipped again, falling from 14.5% in December to 14.4% in January 2023, according to the latest Biz2Credit Small Business Lending Index™ released today.

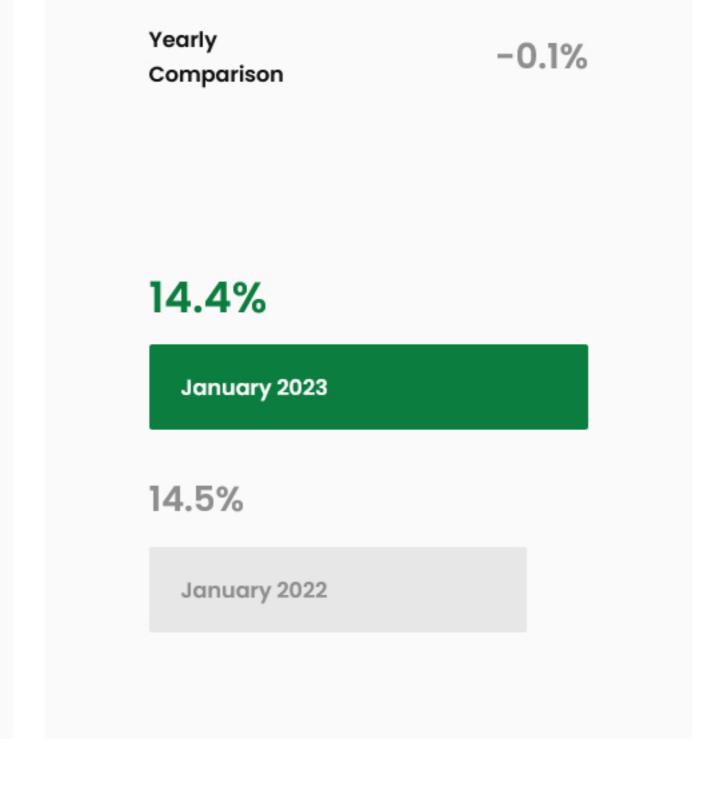
517,000 in January 2023. Meanwhile, the unemployment rate is currently at 3.4%, according to the <u>Jobs Report</u> released by the U.S. Bureau of Labor Statistics on Friday, Feb. 3. Job growth was widespread, led by gains in leisure and hospitality, professional and business services, and health care. Many of these jobs are created by small businesses.

Total nonfarm payroll employment rose by a surprising

business more than two years with credit scores above 680. The results are based on primary data submitted by more than 1,000 small business owners who applied for funding on Biz2Credit's platform. To view the report for January 2023 click here.

Biz2Credit analyzed loan requests from companies in





Small Banks <sup>®</sup>

"The inflation rate has dropped quite a bit compared to what it was three

or four months back, but with the latest Jobs Report showing such strong

hiring numbers, the Fed may again raise interest rates. Thus, the cost of

capital for small business will continue to climb," said Rohit Arora, CEO of

Biz2Credit, one of the nation's leading experts in small business finance

and fintech. "Business owners were hoping to see an end to interest rate

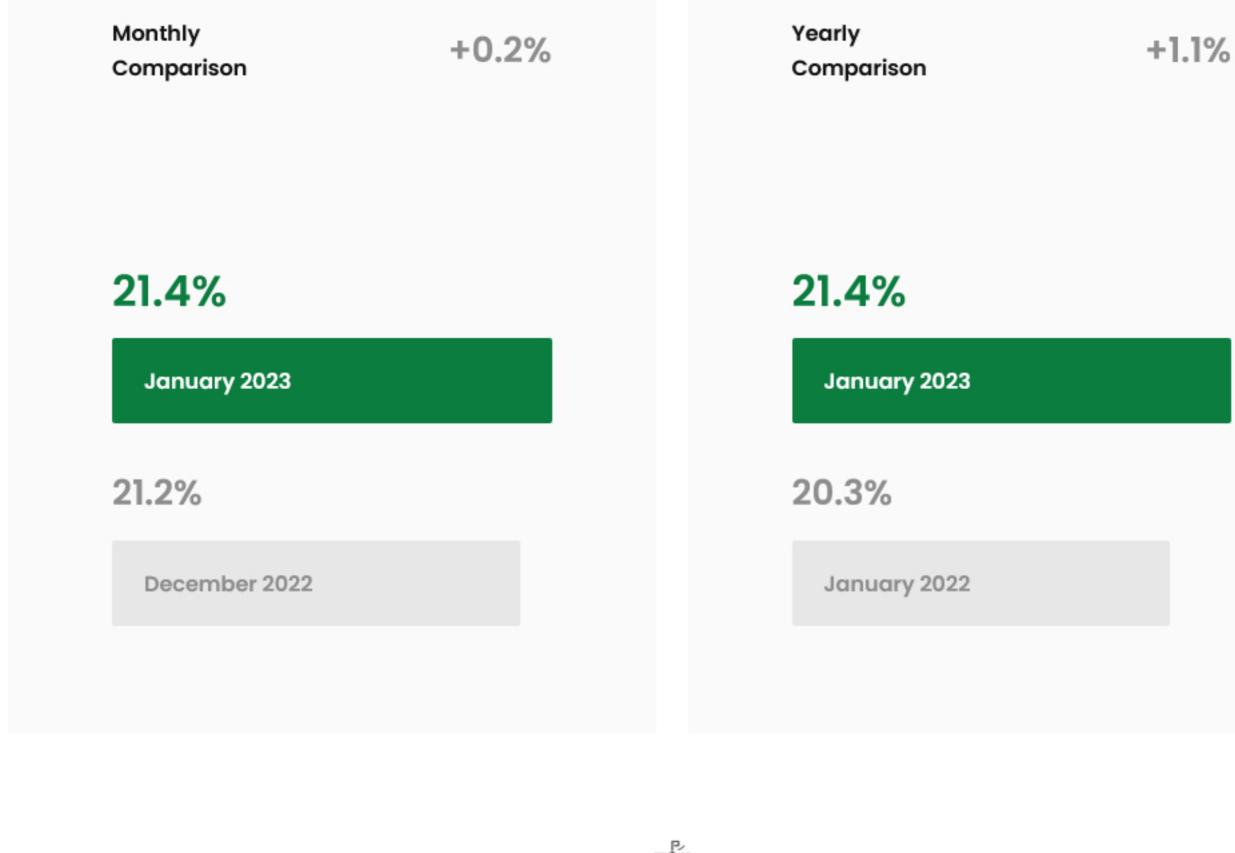
**Rohit Arora** 

Biz2Credit CEO

hikes in early 2023, but it doesn't appear that will happen soon."

Small banks rose from 21.2% in December to

21.4% in January.



up from 25.9% in December.

+0.2%

Yearly

Comparison

+1.0%

+1.5%

Monthly

Monthly

Comparison

27.8%

Comparison

Institutional lenders rose to 26.1% last month,

Institutional Lenders ®

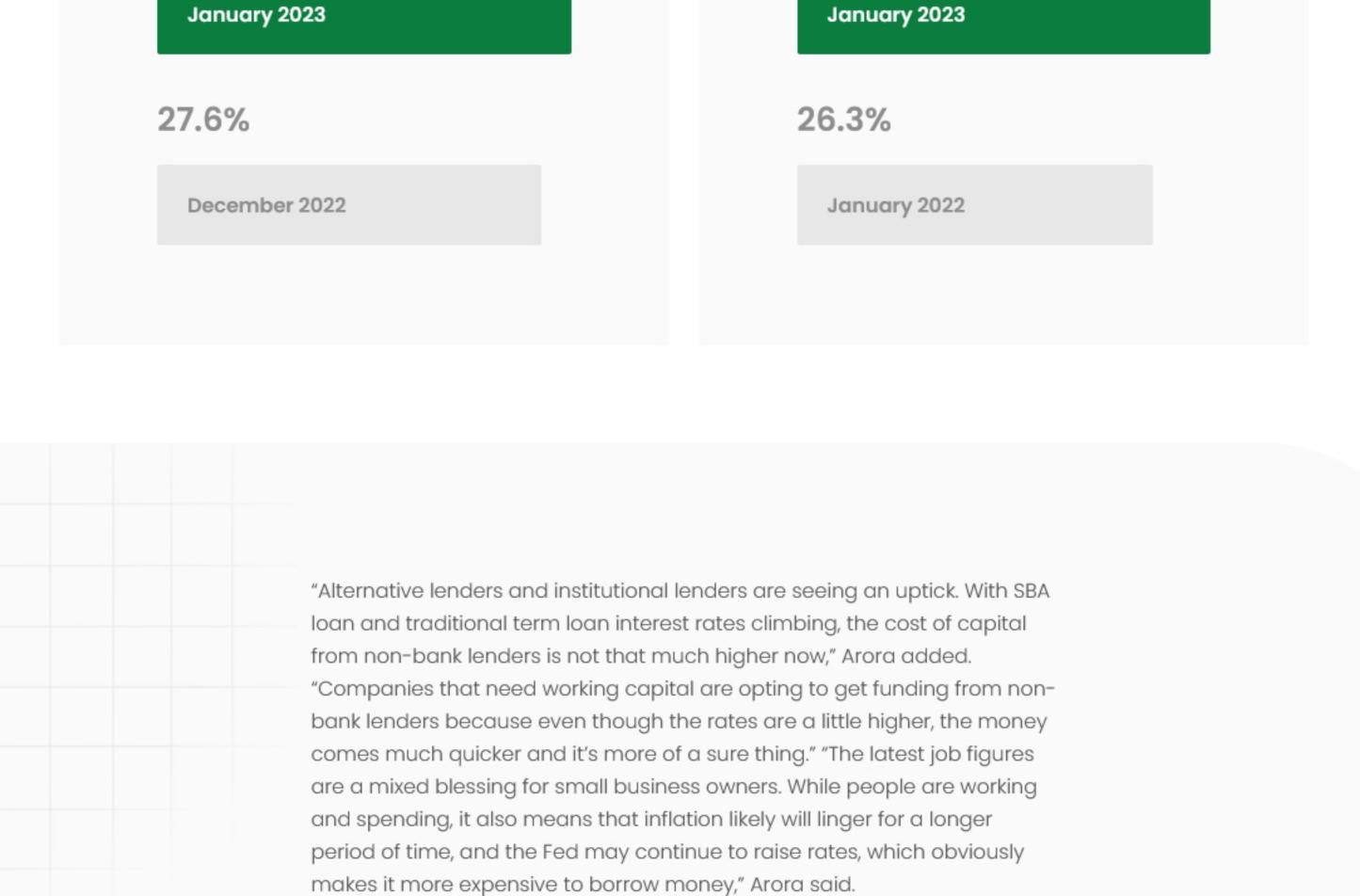


27.8%

+0.2%

Yearly

Comparison



## Credit Unions ®

Credit unions continue to drop. In January,

credit unions approved 20.1% of loan

**Rohit Arora** 

Biz2Credit CEO

requests, down one-tenth of a percentage from December.

