

AUGUST / 2022

### **Biz2Credit Small Business** Lending Index<sup>TM</sup>

#### Finds Business Loan Approval Dipped at Big Banks in August 2022

Small business loan approval percentages at big banks (\$10B+ in assets)

dipped from 15.3% in July to 15.1% in August, but rose at small banks from 21.2% in July to 21.4%, according to the latest Biz2Credit Small Business Lending Index<sup>™</sup> released today.



### Big banks (\$10B+ in assets) dipped from 15.3% in July to

15.1% in August, according to the latest Biz2Credit Small

Business Lending Index™ released today. Total nonfarm payroll employment increased 2022. Notable job gains occurred in by 315,000 in August, and the unemployment professional and business services, health care,

Yearly

Comparison

**Monthly** -0.2% Comparison August 2022

rate rose to 3.7 percent, according to the Jobs

Report released by the U.S. Bureau of Labor

Statistics released on Friday, September 2,

by small businesses.

+1.2%

and retail trade. Many of these jobs are created

15.3% **July 2022** now," said Rohit Arora, Biz2Credit CEO and co-founder, and one of the nation's

August 2022 13.9% August 2021 "The overall conditions are tightening, and big banks are taking more provisions

government-guaranteed products is high." **Rohit Arora** Biz2Credit CEO

leading experts in small business lending and fintech. "Since smaller banks are

more active in SBA lending, their approval rates are still strong as demand for



**Small Banks** 

### Index<sup>™</sup> released today.

Monthly Yearly +0.2% +2.1% Comparison Comparison

21.4%

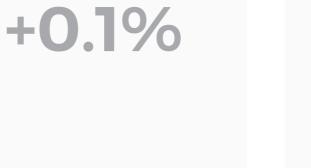
21.4% August 2022 21.2% **July 2022** "Inflation is hitting small businesses hard as their input costs have gone up thus they need more working capital. Further, labor shortages have led to companies having to do more with less. Since their automation level is lower than big businesses, higher labor and material costs impact small companies more,"

August 2022 19.3% August 2021

**Institutional Lenders** Institutional lenders approved 25.9% of loan requests in

**Rohit Arora** 

Biz2Credit CEO



August, a slight increase from 25.8% in July.

Yearly

Comparison

August 2022

August 2021

24.3%

27.3%

25.2%

August 2022

August 2021

+1.6%

### 25.9%

+0.1%

Monthly

Comparison

25.9%

25.8%

**July 2022** 

**Monthly** 

Comparison

**27.3**%

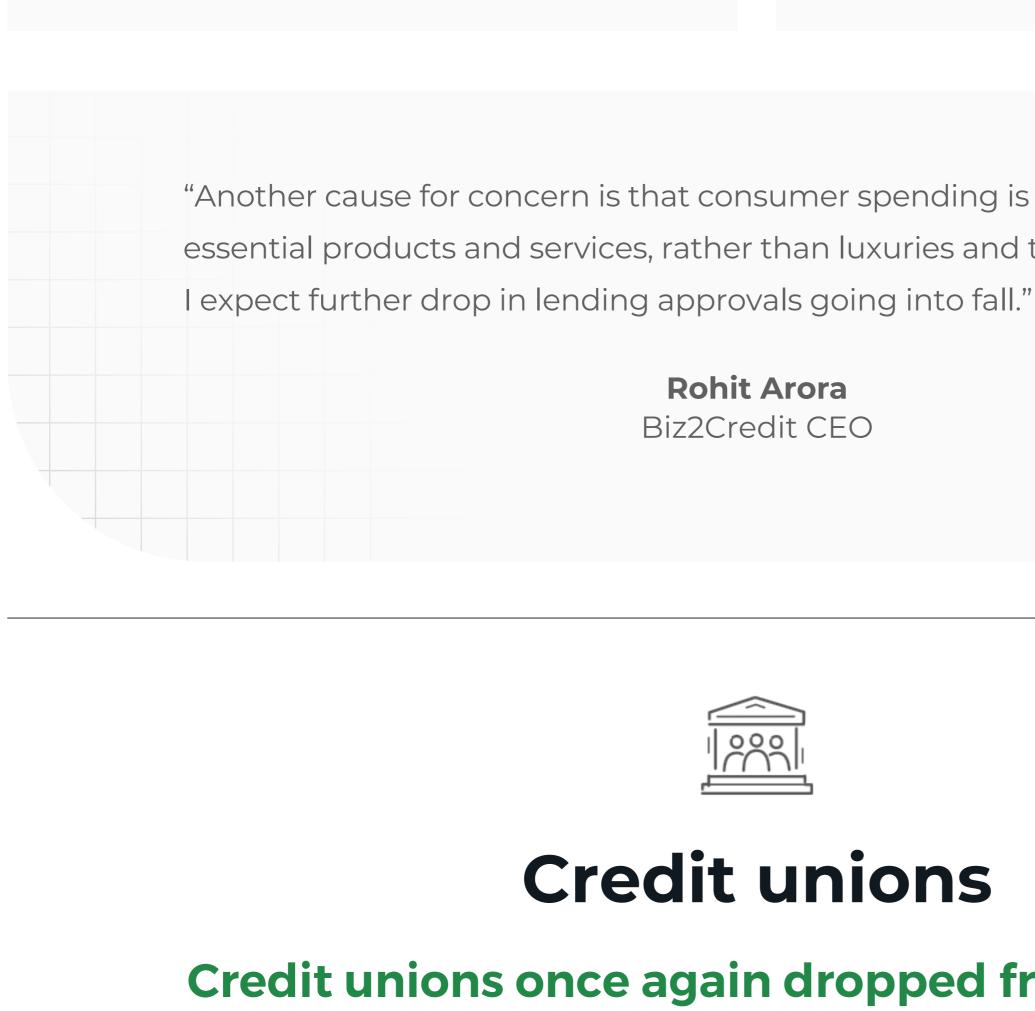
27.2%

**July 2022** 

August 2022

August 2022

**Alternative Lenders** Alternative lenders' approval rates rose from 27.2% in July to 27.3% in August. Yearly +2.1% Comparison



# "Another cause for concern is that consumer spending is going more towards essential products and services, rather than luxuries and travel," Arora said. "So, **Rohit Arora** Biz2Credit CEO Credit unions once again dropped from 20.4% in July to 20.3% in August.

## 20.3%

-0.1%

Yearly

Comparison

August 2022

20.5%

**July 2022** 

**Monthly** 

Comparison

20.3%

20.4%

August 2022

August 2021 **About the Biz2Credit Small Business** 

#### Lending Index TM Biz2Credit analyzed loan requests from companies in 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. About Biz2Credit

Founded in 2007, Biz2Credit has arranged more than \$7 billion in small business financing. The company is expanding its industry-leading technology in custom digital platform solutions for banks and other financial institutions, investors, and service providers. Visit www.biz2credit.com or Twitter @Biz2Credit, Facebook, and LinkedIn.