



Commercial Lending  
**Insights**

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August 2025

# SMALL BUSINESS INDICES – JUNE 2025



## **Small Business Lending Index:**

- The Equifax Small Business Lending Index (SBLI) seasonally adjusted originations decreased 3% from 142.8 in May to 138.1 in June 2025. Compared to the same month one year ago, the index is up 2%.

## **Small Business Delinquency 31-90% Index:**

- US SBDI 31-90% increased 3 bps from 1.73% in May to 1.76% in June 2025. As compared to one year ago, delinquency is essentially flat, down 1 bp. Month-over-month, all industries had an increase in delinquency: Transportation 7 bps, Agriculture 5 bps, Construction and Health Care 4 bps, General 3 bps, and Retail 2 bps.

## **Small Business Default Index:**

- US SBDFI decreased 7 bps from 3.34% in May to 3.27% in June 2025. As compared to one year ago, default is down 9 bps (3%).

# SMALL BUSINESS INDICES – ECONOMIC CONTEXT



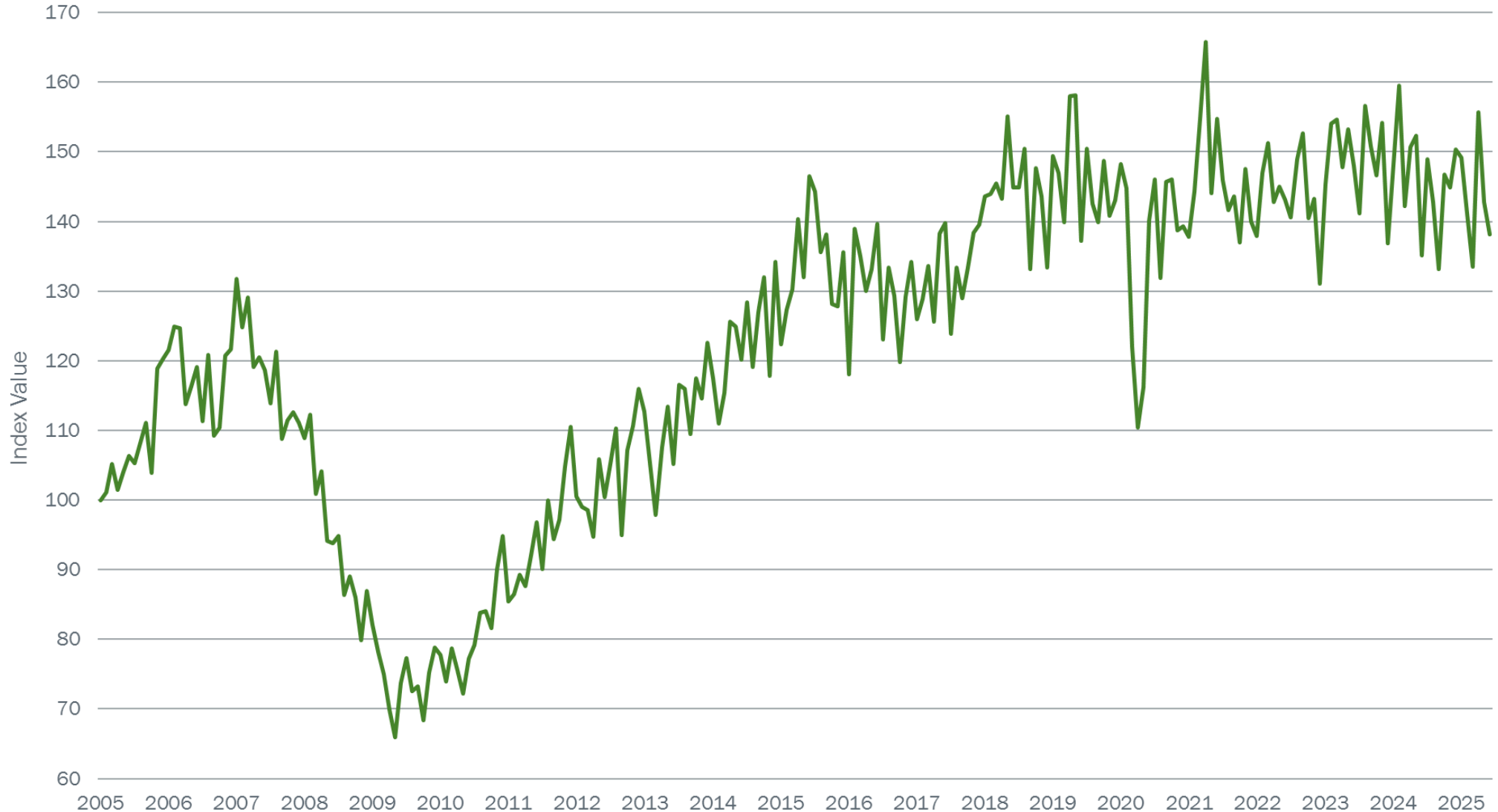
- Small business lending fell 3.3% M/M in June, and although the SBLI three-month-moving average ticked up 1.0%, this was due to robust growth in April that has been largely reversed. Credit quality appears to have stabilized: short-term delinquencies rose modestly but are essentially equivalent to levels from a year ago, while defaults fell 7bps M/M.
- Recent data suggest that the labor market has weakened in recent months, and higher tariffs are beginning to put upward pressure on prices. Lower interest rates are likely in Q3 and Q4, which should provide a boost to small business lending but may also exacerbate inflationary pressures.

Small Business  
**Lending Index (SBLI)**



# SMALL BUSINESS LENDING INDEX (SBLI)

JANUARY 2005–JUNE 2025





# 12 MONTH ROLLING SBLI NATIONAL BY INDUSTRY

## JUNE 2025

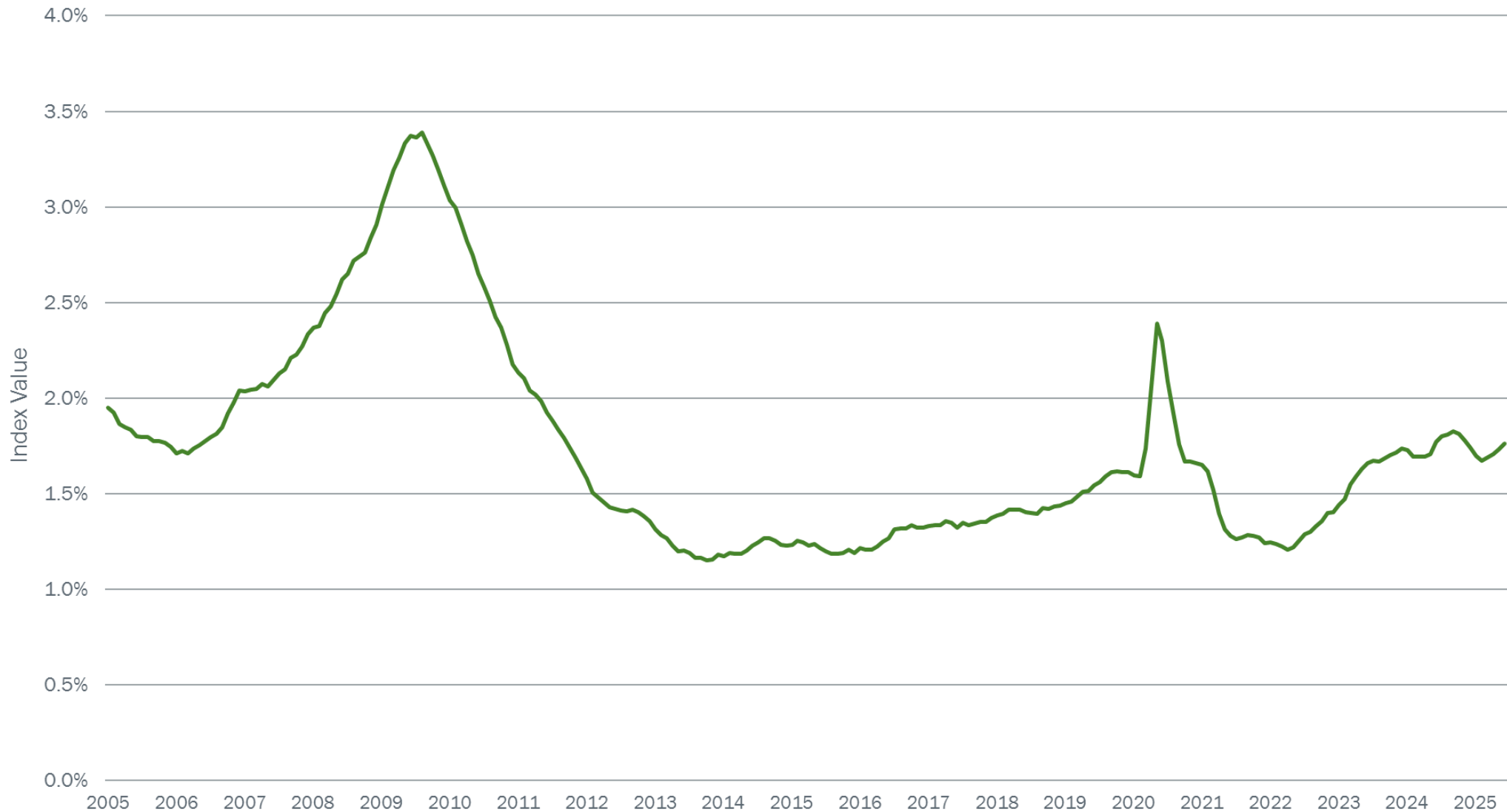
Industry	YoY % Change	MoM % Change
Accommodation and Food Services	-7%	-3%
Other Services (except Public Administration)	-7%	0%
Information	-6%	-2%
Transportation and Warehousing	-5%	0%
Mining, Quarrying, and Oil and Gas Extraction	-3%	1%
Wholesale Trade	-3%	0%
Administrative and Support and Waste Management	-2%	1%
Professional, Scientific, and Technical Services	-1%	-1%
Agriculture, Forestry, Fishing and Hunting	-1%	-1%
Real Estate and Rental and Leasing	-1%	0%
Retail Trade	-1%	0%
Manufacturing	0%	0%
Finance and Insurance	1%	0%
Construction	2%	0%
Health Care and Social Assistance	2%	0%
Educational Services	4%	-1%
Arts, Entertainment, and Recreation	8%	-1%
Overall US	0%	0%

Small Business  
**Delinquency Index (SBDI)**



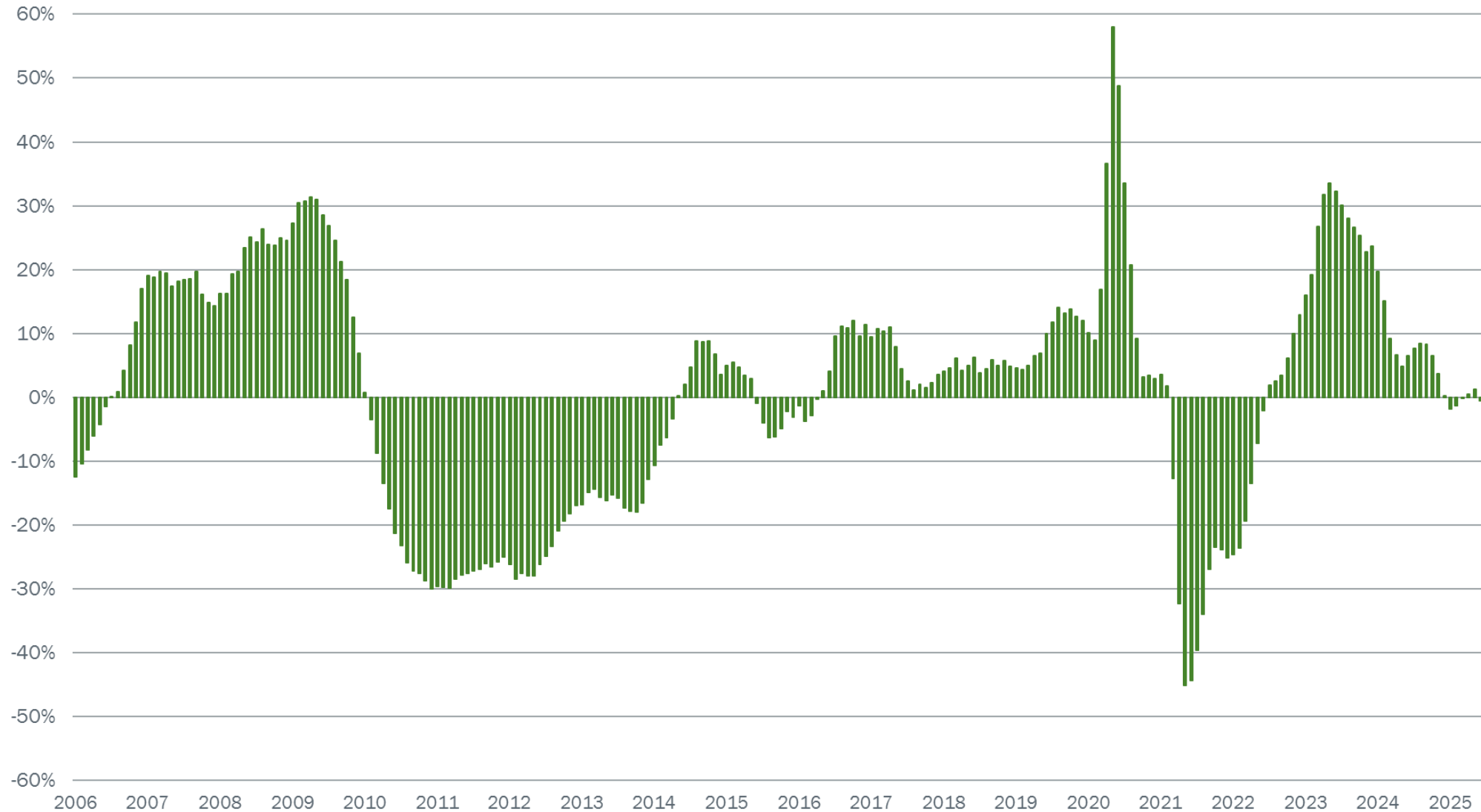
# SMALL BUSINESS DELINQUENCY INDEX (SBDI) 31-90%

JANUARY 2005–JUNE 2025



# SBDI 31-90% YEAR-OVER-YEAR CHANGE

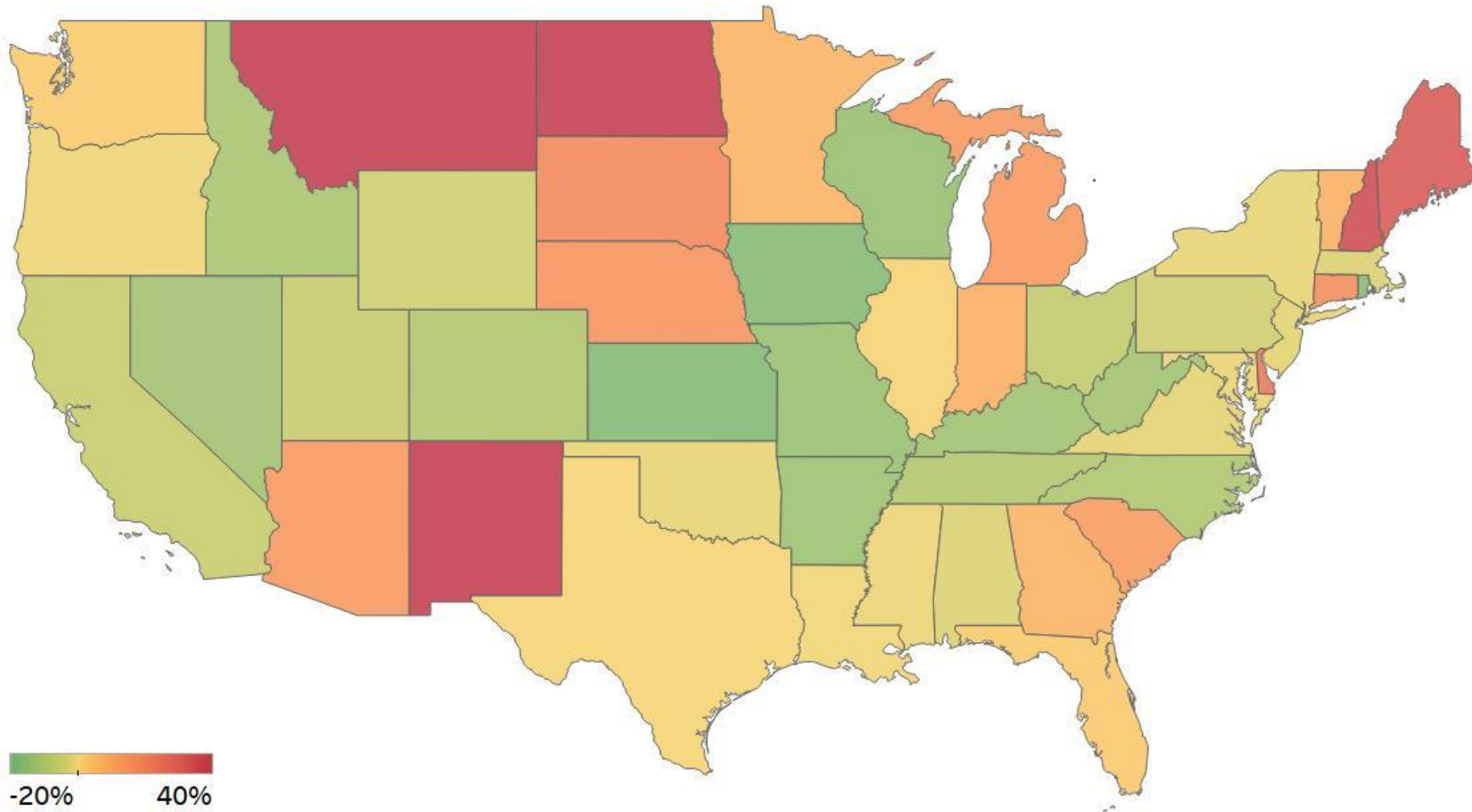
## JANUARY 2006-JUNE 2025





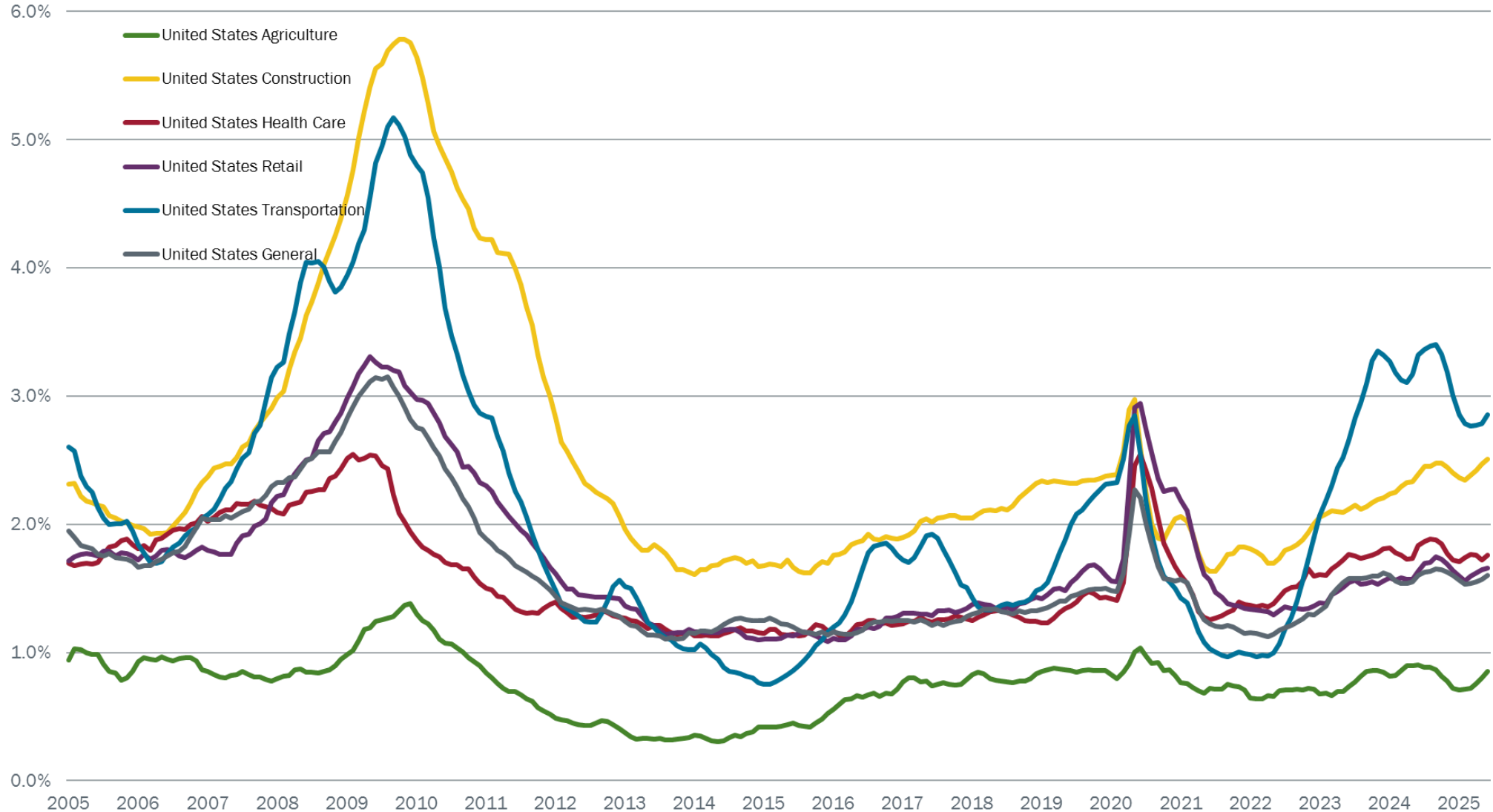
# SBDI 31-90% YEAR-OVER-YEAR CHANGE

JUNE 2025 VS. JUNE 2024



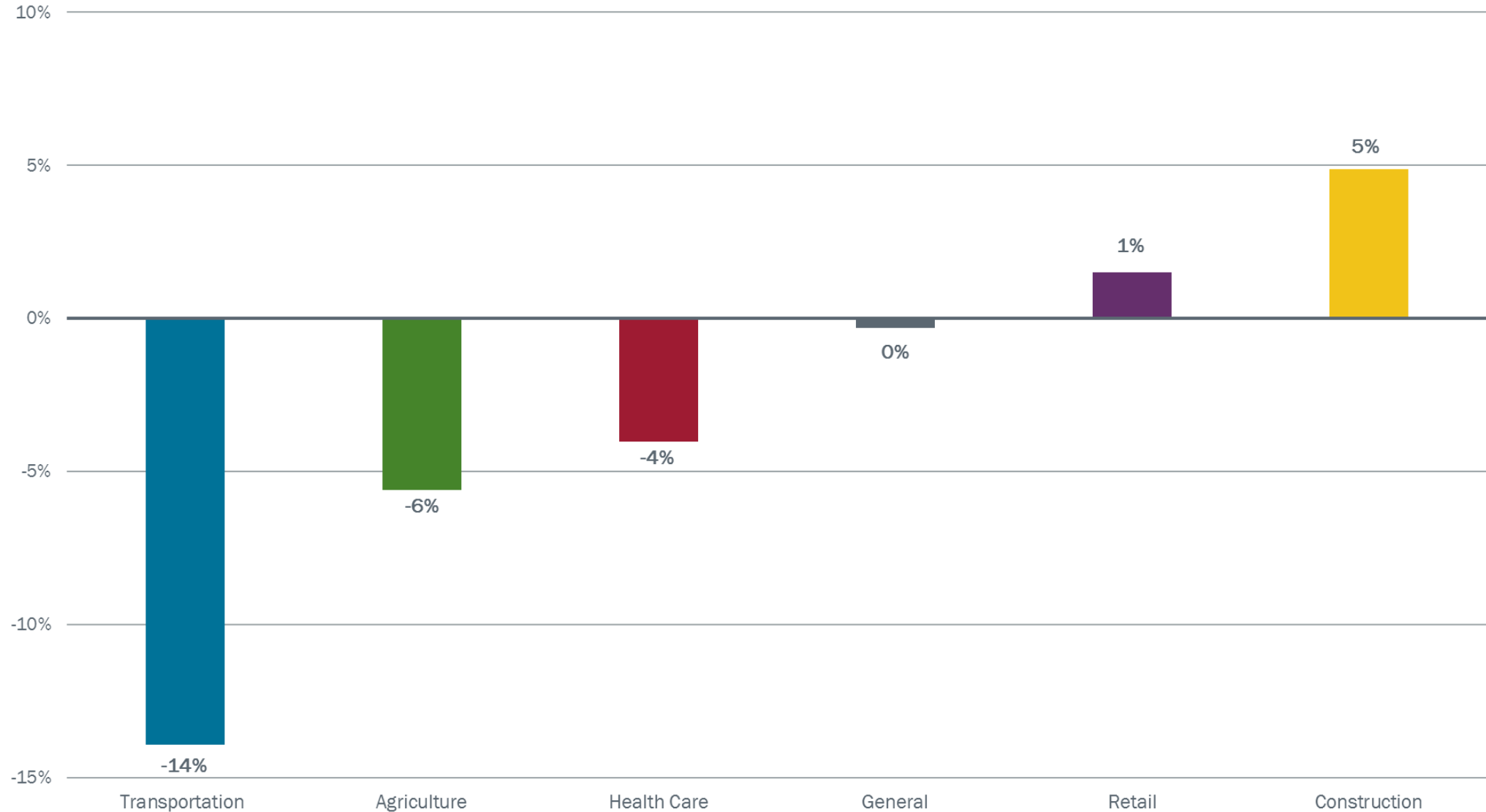
# SBDI 31-90% NATIONAL BY INDUSTRY

## JANUARY 2005-JUNE 2025



# SBDI 31-90% NATIONAL BY INDUSTRY

## JUNE 2025 VS. JUNE 2024

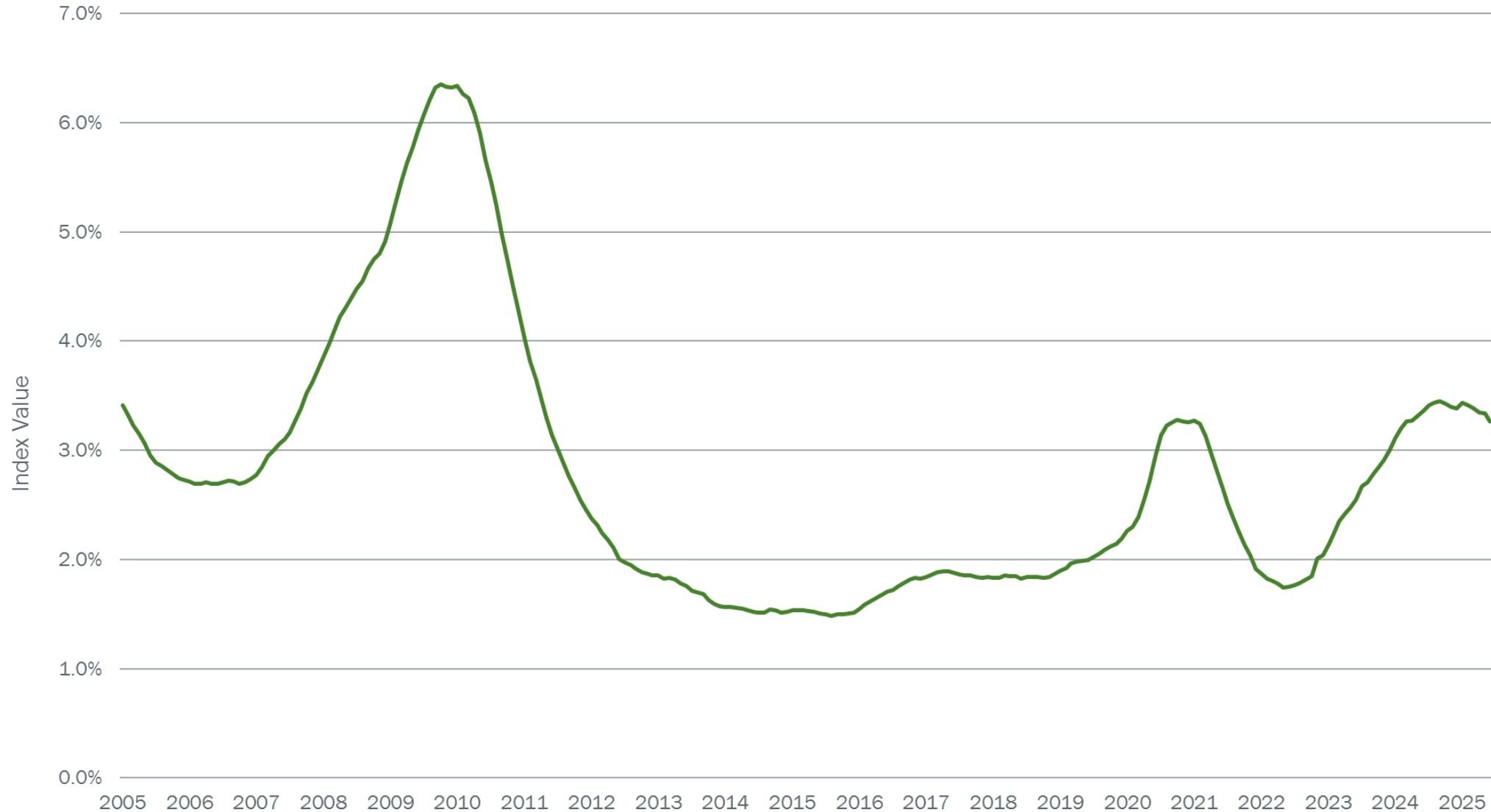


Small Business  
**Default Index (SBDFI)**



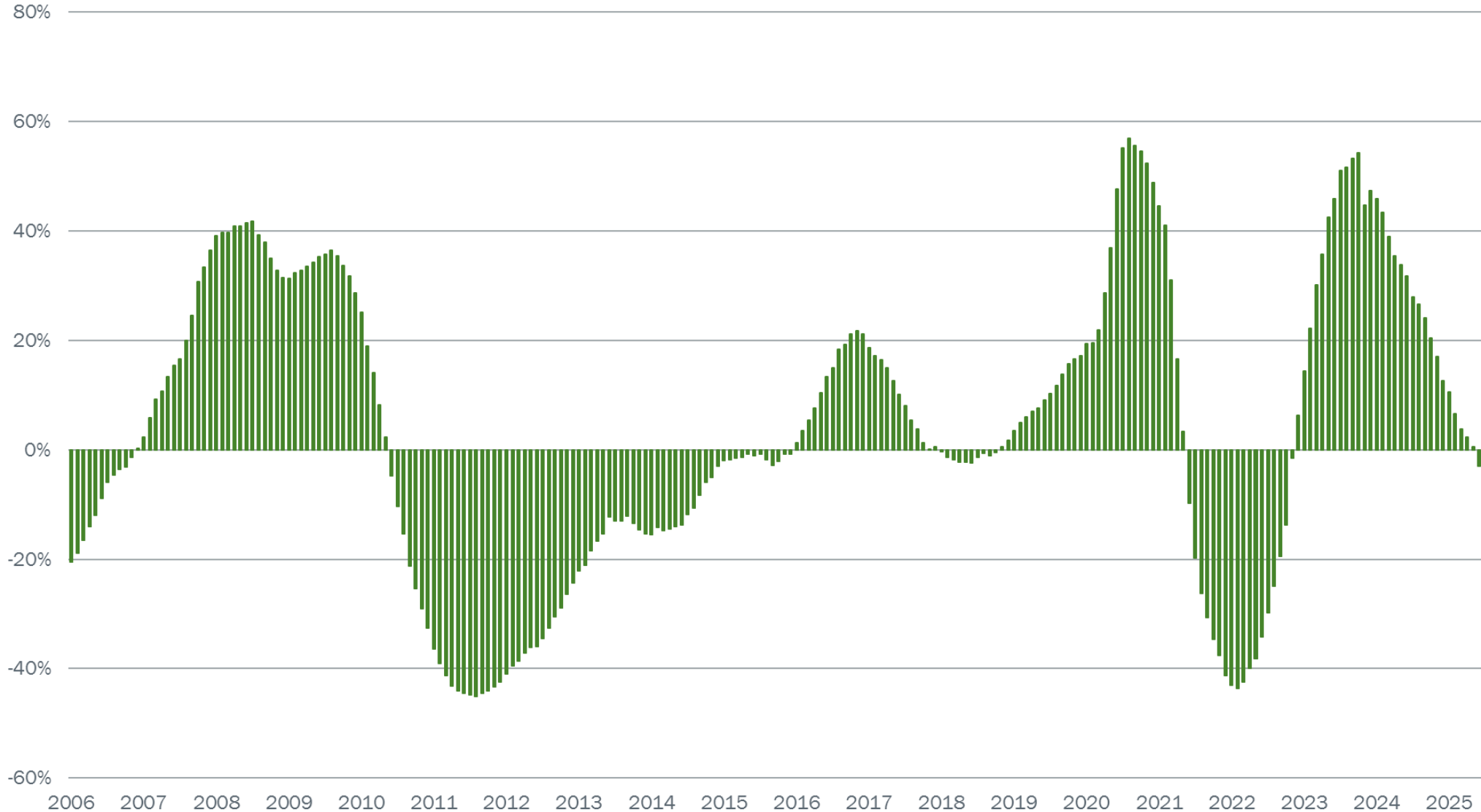
# SMALL BUSINESS DEFAULT INDEX (SBDFI)

JANUARY 2005–JUNE 2025



# SBDFI YEAR-OVER-YEAR CHANGE

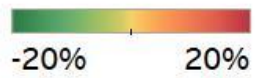
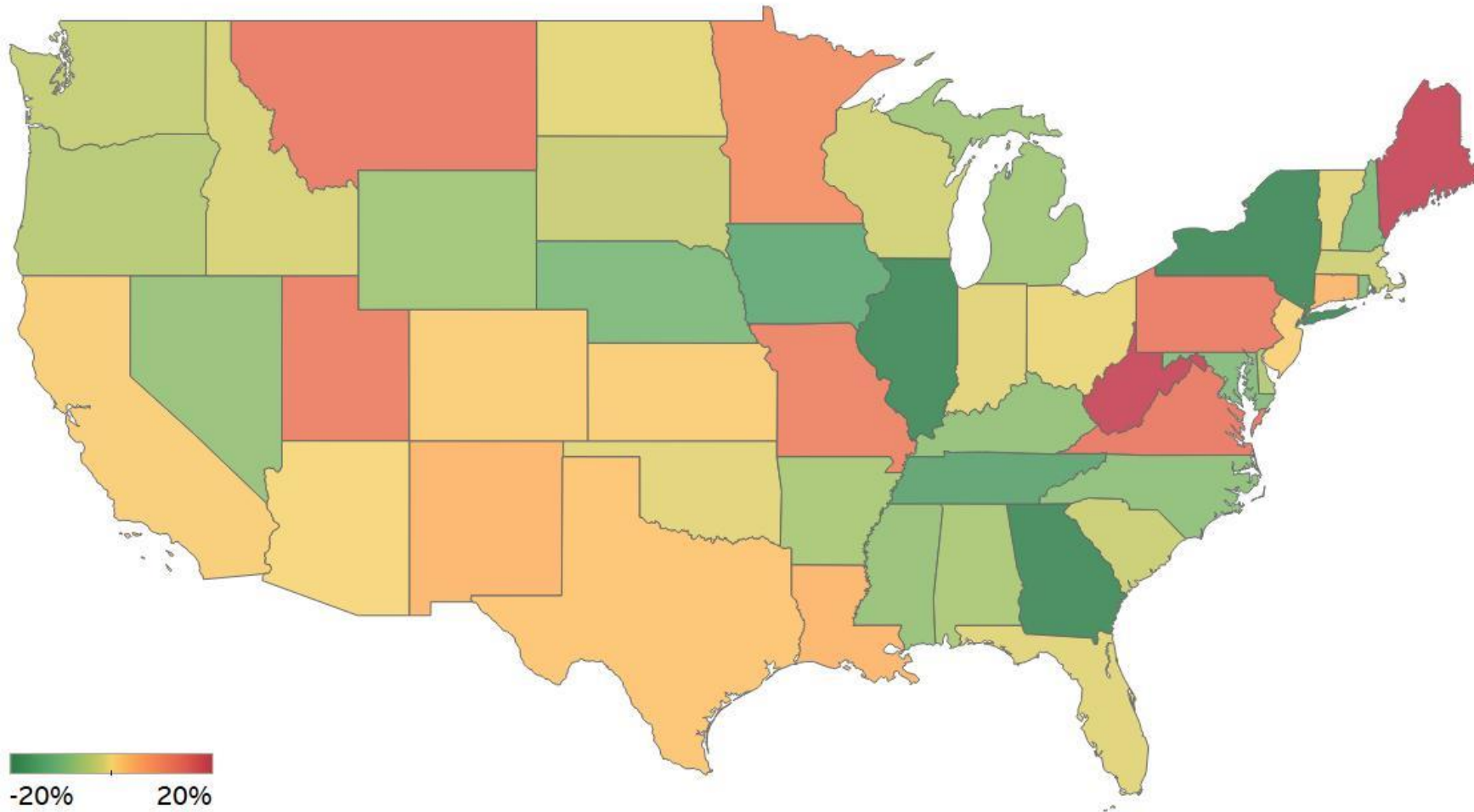
JANUARY 2006–JUNE 2025





# SBDFI YEAR-OVER-YEAR CHANGE

JUNE 2025 VS. JUNE 2024



# SBDFI NATIONAL BY INDUSTRY

## JUNE 2025

Industry	YoY % Change	MoM % Change	Jun-25
Mining, Quarrying, and Oil and Gas Extraction	33%	-5%	3.5%
Arts, Entertainment, and Recreation	32%	0%	2.2%
Information	18%	-5%	6.4%
Agriculture, Forestry, Fishing and Hunting	12%	1%	3.0%
Accommodation and Food Services	10%	0%	5.1%
Wholesale Trade	7%	2%	2.5%
Retail Trade	7%	-3%	3.7%
Construction	5%	-1%	3.5%
Manufacturing	4%	-3%	3.6%
Administrative and Support and Waste Management	1%	-2%	3.3%
Professional, Scientific, and Technical Services	1%	-1%	3.0%
Other Services (except Public Administration)	-1%	-1%	2.7%
Health Care and Social Assistance	-2%	-2%	3.5%
Real Estate and Rental and Leasing	-7%	-3%	2.7%
Transportation and Warehousing	-17%	-4%	6.6%
Educational Services	-19%	0%	1.8%
Finance and Insurance	-27%	-5%	2.6%
Overall	-3%	-2%	3.3%

# ACTUAL AND PREDICTED DEFAULT RATES AS OF 4/1/2025

## FROM SBDFI AND ABSOLUTE<sup>®</sup>PD

Industry Segment	Actual Historical Default Rates							Forecast Default Rates	
	2018	2019	2020	2021	2022	2023	2024	2025	2026
Transportation	3.0%	4.9%	4.8%	2.0%	2.4%	6.9%	7.8%	5.5%	6.1%
Information	3.9%	3.4%	6.0%	3.7%	3.3%	4.7%	6.1%	5.2%	4.7%
Accommodation and Food	2.6%	3.4%	7.0%	3.2%	2.4%	3.9%	5.0%	4.6%	4.6%
Health Care	2.1%	2.1%	3.8%	2.0%	2.3%	3.2%	3.7%	3.3%	3.5%
Construction	2.1%	2.5%	2.8%	1.9%	2.2%	3.1%	3.5%	3.6%	4.2%
Manufacturing	1.8%	2.3%	3.4%	2.1%	2.0%	3.2%	3.5%	3.3%	3.5%
Administrative Services	2.1%	2.3%	3.2%	1.9%	2.0%	2.8%	3.5%	3.5%	3.9%
Retail	1.7%	2.4%	3.2%	1.7%	1.7%	3.2%	3.4%	3.4%	3.5%
Finance	1.4%	1.8%	2.5%	1.7%	2.2%	3.1%	3.3%	3.0%	3.4%
Mining	2.5%	1.8%	3.5%	1.8%	1.4%	2.2%	3.1%	2.8%	3.0%
Agriculture	2.1%	2.1%	3.0%	2.0%	1.9%	2.3%	3.0%	3.2%	3.4%
Professional Services	1.7%	2.1%	3.1%	2.2%	2.3%	3.0%	2.9%	2.9%	3.3%
Real Estate	1.6%	1.7%	2.6%	1.6%	1.7%	2.5%	2.8%	3.0%	3.8%
Other Services	1.6%	1.8%	2.6%	1.5%	1.8%	2.5%	2.7%	2.9%	3.2%
Wholesale	1.7%	1.7%	2.6%	1.5%	1.4%	1.8%	2.5%	2.5%	2.9%
Education	0.8%	1.1%	2.3%	1.2%	1.7%	2.0%	1.9%	3.2%	4.3%
Entertainment	1.0%	1.6%	2.8%	1.2%	0.8%	1.4%	1.9%	2.2%	2.3%
All Industries	1.9%	2.2%	3.3%	1.9%	2.0%	3.0%	3.4%	3.3%	3.6%