



Federal Reserve Bank of Kansas City Announces Second Quarter Small Business Lending Survey Results

September 30, 2021

The second quarter Small Business Lending Survey found that balances on small business commercial and industrial loans decreased in the second quarter of 2021.

The Federal Reserve Bank of Kansas City today released the results from the Second Quarter 2021 National [Small Business Lending Survey](#). The quarterly survey of U.S. banks provides data on lending activity and terms for small businesses, a critical source of employment and economic growth for the country.

The survey found that balances on small business commercial and industrial (C&I) loans decreased in the second quarter of 2021. This coincided with the end of the Paycheck Protection Program (PPP) and increased PPP loan forgiveness payments.

Complete results of the survey are now available from the Kansas City Fed's website, [kansascityfed.org](https://www.kansascityfed.org).

Key findings include:

- Outstanding small business C&I; loan balances decreased 13.8 percent quarter-over-quarter and 13.4 percent year-over-year, reversing seven consecutive quarters of year-over-year increases.
- New small business C&I; loan balances decreased by 81.7 percent compared to second quarter 2020.
- The percentage of small business C&I; loan balances guaranteed by the Small Business Administration (SBA) declined to 32 percent.
- Survey participants indicated increasing loan demand and borrower credit quality amid tightening credit standards.

The Federal Reserve Bank of Kansas City's national quarterly Small Business Lending Survey (FR 2028D) includes quantitative and qualitative data on credit market conditions for bank lending to small businesses across the country. The survey results provide detailed information on commercial banks' lending activity and terms and offer a snapshot of small businesses' access to credit.
