KANSAS CITY, MISSOURI - The Federal Reserve Bank of Kansas City today released the results from the First Quarter 2023 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 credit standards tightened in the first quarter as small business commercial and industrial (C&I) lending declined.

Complete results of the survey are now available from the Kansas City Fed’s website, kansascityfed.org.

Key findings with this survey include:

- Lending declined sharply when compared to first quarter 2022.
- Loan demand decreased for the fourth consecutive quarter.
- Credit standards tightened for the sixth consecutive quarter, while respondents reported declining credit quality for the fourth consecutive quarter.
- Most respondents reported that lending to small businesses was not constrained by the availability of liquidity.

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. Small business lending refers to small business commercial and industrial lending.

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