

## Small Business Lending: First Quarter 2011

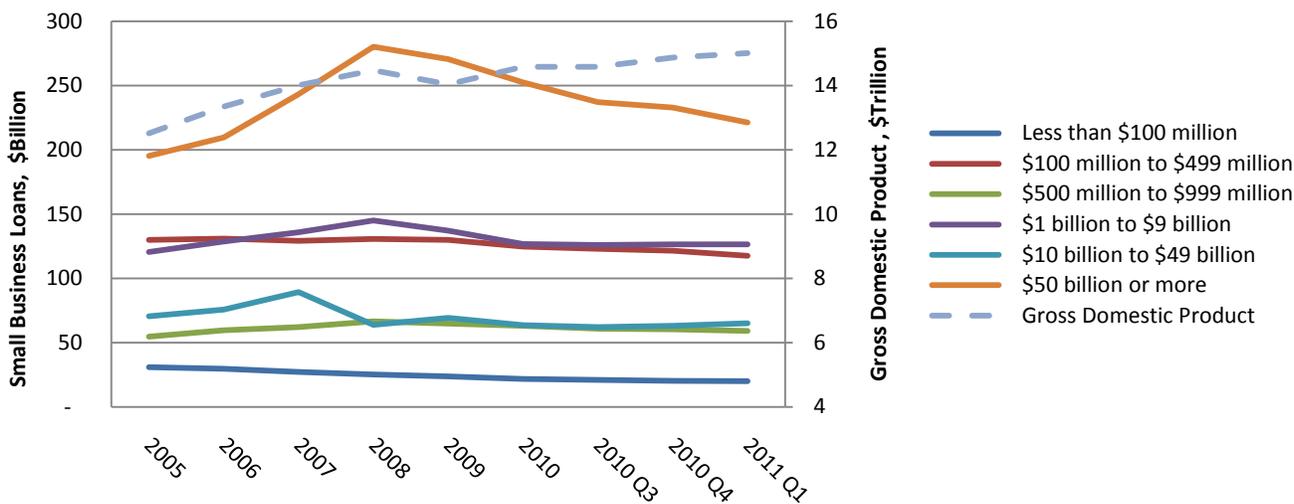
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Small business lending declined further in the first quarter of 2011, while gross domestic product continued to grow. Total small business loans outstanding dropped 2.4 percent from \$624.3 billion in December 2010 to \$609.4 billion in March 2011. Micro business loans outstanding (under \$100,000) were down by 2.9 percent, while macro business loans outstanding (\$100,000–\$1 million) declined by 2.2 percent. (See chart.)

Small business loans outstanding by the largest lenders (assets of \$50 billion or more) declined the most, by 4.9 percent. Loans outstanding from lenders in the \$1 billion–\$9 billion asset category remained constant. Lenders with \$10 billion to \$49 billion in assets had a modest increase of 3.1 percent in loans outstanding.

Loans outstanding to small businesses continued to decline amid an improving economy. While the rate of decline appeared to slow in the last quarter of 2010, it has turned down slightly in the first quarter of 2011. Remarkably, nominal small business loans outstanding as reported by the Call Reports have declined to levels below those reported in June 2006.

**Aggregate Small Business Lending and Gross Domestic Product (Nominal)**  
From 2005 through First Quarter 2011



Source: U.S. Small Business Administration. Office of Advocacy, based on Call Reports from the Federal Deposit Insurance Corporation.

The *Quarterly Lending Bulletin* is produced in the Office of Economic Research of the Office of Advocacy. Thanks to George Haynes for his comments and input. Direct questions to [victoria.williams@sba.gov](mailto:victoria.williams@sba.gov) or (202) 205-6533. See the Advocacy publication, *Small Business Lending in the United States, 2009-2010*, for state rankings of small business lenders: [www.sba.gov/content/banking-study-2010](http://www.sba.gov/content/banking-study-2010).