

Q1  
2019

# *Asset-Based Lending Index*



**Secured Finance  
Network**

An association of professionals  
putting capital to work

## Introduction

The Secured Finance Network's Quarterly Asset-Based Lending Index is designed to allow SFNet members to monitor industry trends and benchmark performance.

A significant number of SFNet members engaged in asset-based lending and factoring participated in this year's surveys. Members who participate in the surveys received more detailed reports mapping additional facets of their industry. If you are a member and are interested in participating, please contact Aydan Savaser at [asavaser@SFNet.com](mailto:asavaser@SFNet.com). If you are not a member, please contact James Kravitz at [jkravitz@SFNet.com](mailto:jkravitz@SFNet.com) to learn about the many benefits of membership.

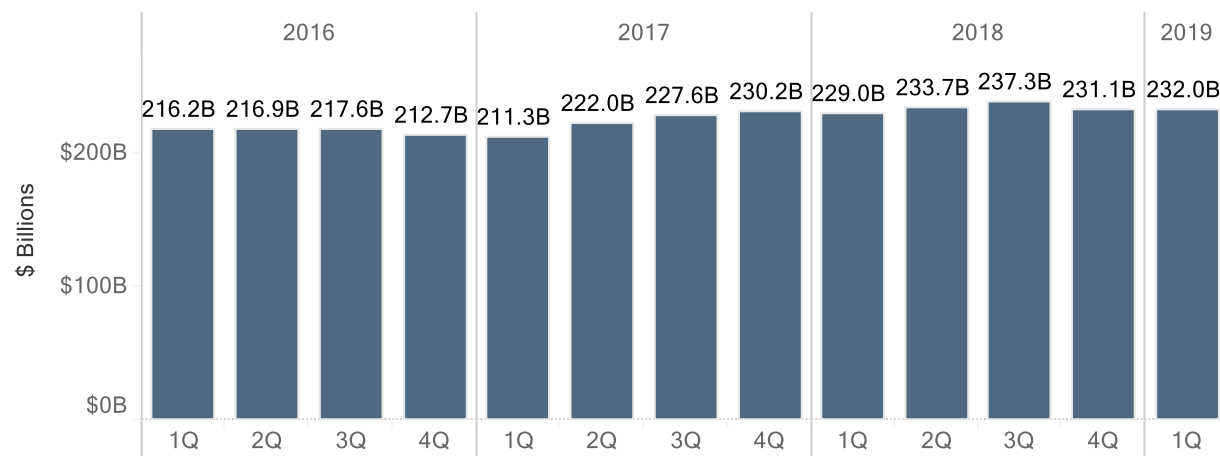
The makeup of the lenders providing data for this report changes from quarter to quarter. Participating members also have the ability to revise their previously reported data. As such, the data presented in this report reflects only organizations who responded during the current data collection cycle and previous quarter values reported in this report may not be consistent with the previous quarters' reports.

If you have any questions about the data contained in this report, or if you have suggestions on how we can improve the report in future years, please contact the Westat analysis team at [CFADDataInitiative@westat.com](mailto:CFADDataInitiative@westat.com) or 1-855-887-3820.

## Business Development

### Total Committed Credit Lines

1Q 2016 - 1Q 2019

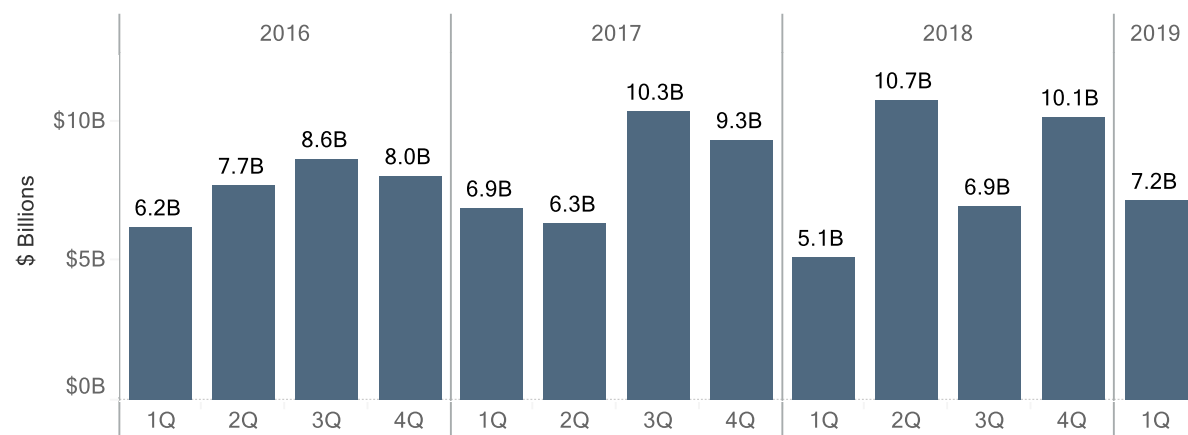


Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in all quarters.

- Total committed credit lines increased by 0.4% compared to the previous quarter.
- Compared to the same quarter last year, total commitments increased 1.3%.

## New Credit Commitments (Gross)

1Q 2016 - 1Q 2019

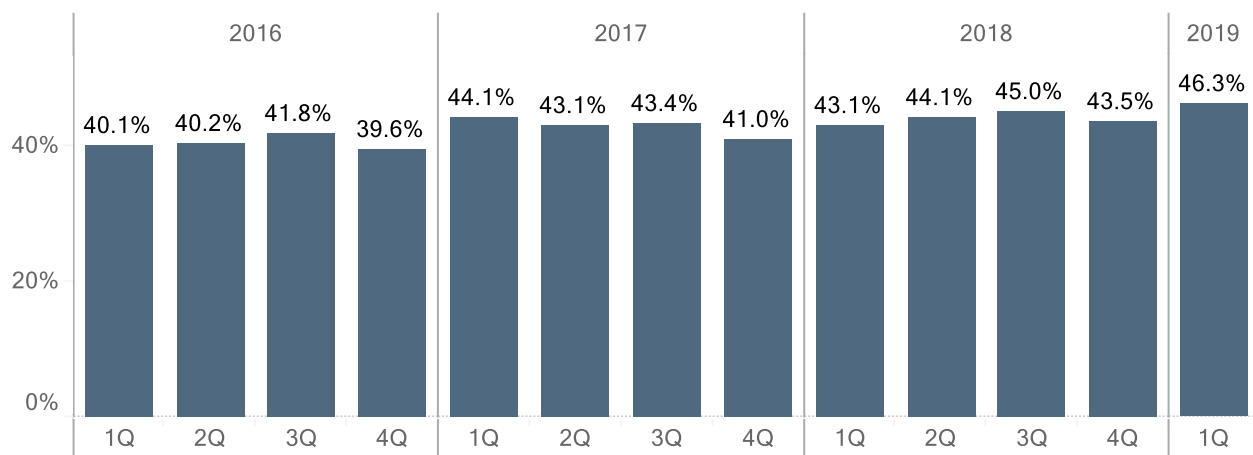


Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in all quarters.

- Compared to the previous quarter, new credit commitments decreased 28.7% to \$7.2B in 1Q 2019.
- Compared to the same quarter in the previous year, new credit commitments increased by 41.2%.

## Loans Outstanding as Percent of Total Credit Commitments

1Q 2016 - 1Q 2019



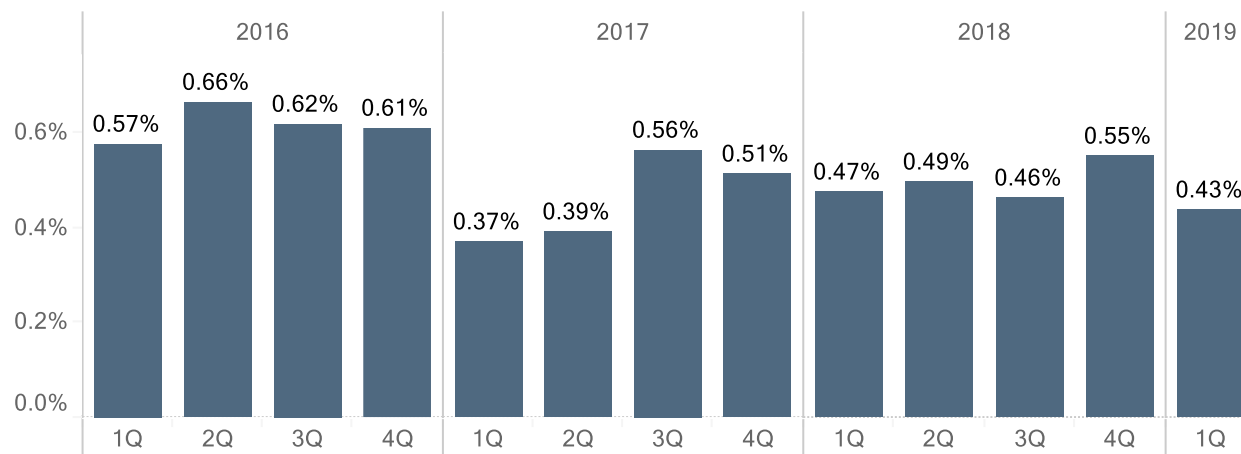
Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in one or more quarters.

- Credit line utilization increased in 1Q 2019, rising 280 basis points compared to 4Q 2018.
- Compared to 1Q 2018 credit line utilization increased by 320 basis points in 1Q 2019.

## Portfolio Performance

### Non-Accruing Loans as % of Total Loans Outstanding

1Q 2016 - 1Q 2019

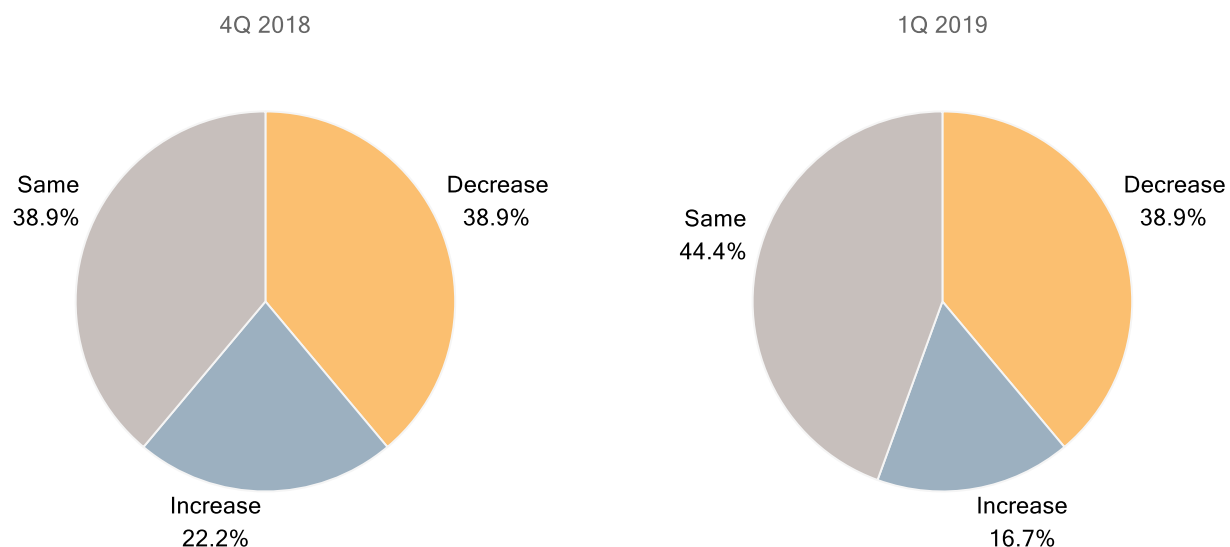


- As a percentage of outstanding loans, non-accruing loans in 1Q 2019 decreased by 12 basis points from the previous quarter.
- Compared to the same quarter last year, the percentage of non-accruing loans decreased by four basis points.

Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in one or more quarters.

## Change in Non-Accruing Loans

*4Q 2018 and 1Q 2019*

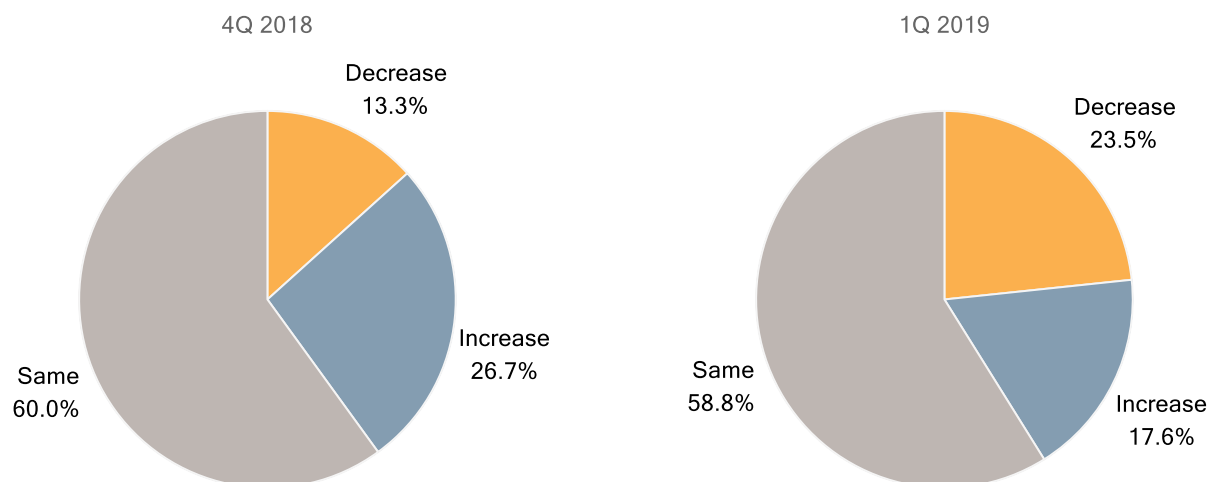


Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in two or three quarters.

- 16.7% of lenders reported an increase in non-accruals in 1Q 2019 compared to 22.2% of lenders in 4Q 2018.
- The share of lenders that reported a decrease in non-accruing loans remained the same at 38.9% in 4Q 2018 and 1Q 2019.
- In 4Q 2018, 38.9% reported no change from the previous quarter whereas 44.4% reported no change in 1Q 2019.

### Change in Gross Write-offs

*4Q 2018 and 1Q 2019*



Note: Data represents lenders who responded to CFA's 1Q 2019 Asset-Based Lending Survey and reported on the referenced values in two or three quarters.

- The percentage of lenders reporting an increase in gross write-offs decreased from 26.7% in 4Q 2018 to 17.6% in 1Q 2019.
- The share of lenders reporting a decrease in gross write-offs increased from 13.3% in 4Q 2018 to 23.5% in 1Q 2019.
- Additionally, the share of lenders that reported no change in gross write-offs from the previous quarter fell slightly from 60.0% in 4Q 2018 to 58.8% in 1Q 2019.