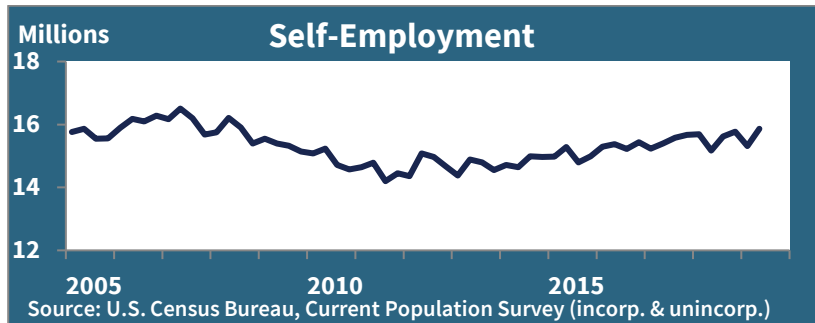


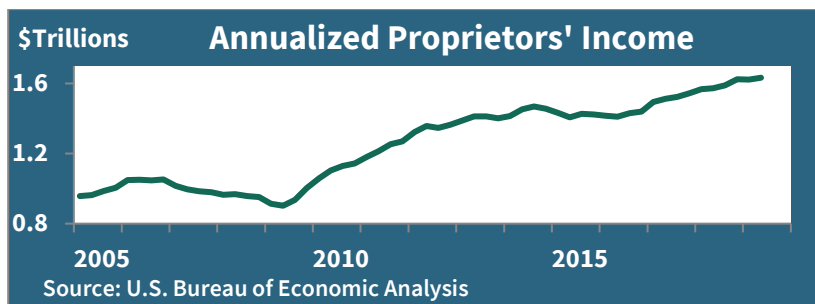
## Small Business at a Glance

Small businesses show strength in self-employment increases, proprietors' income gains, job creation advances and births staying above deaths. Loan delinquency rates remain low, but small business loan demand is waning.

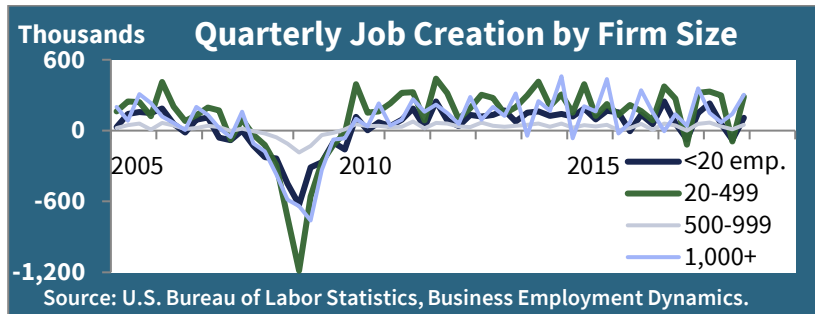
### General



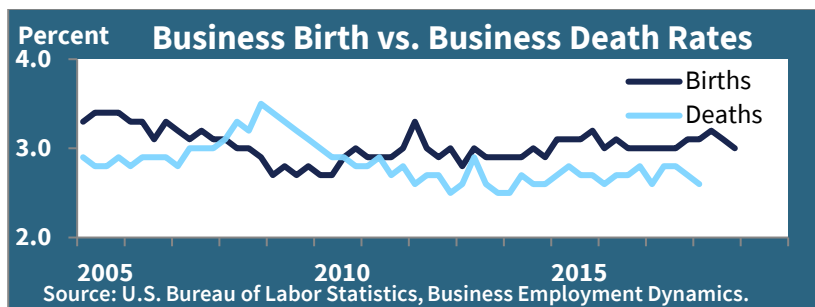
Self-employment (as a primary occupation) has been on an upward trend for the last eight years but remains below the peak in mid-2007. The self-employment rate (the self-employed as share of those working) in mid-2019 of 10 percent was just below the rate in mid-2007 of 11 percent.



Proprietor's income has been trending upward and increased by 15 percent since 2016. Proprietor's income has nearly doubled from the level in mid-2009.

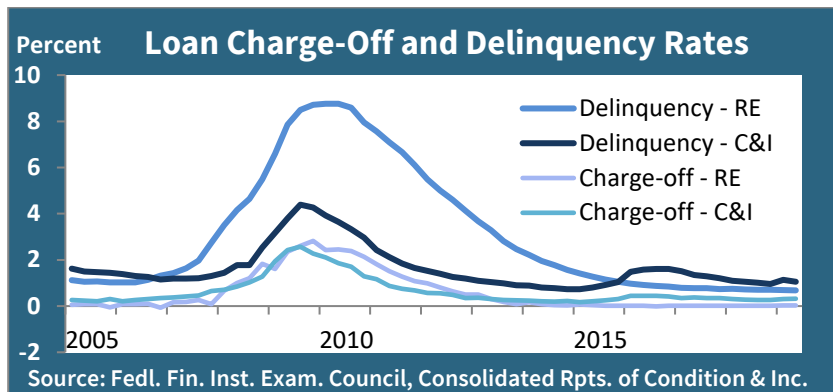


Small firms (fewer than 500 employees) accounted for 8.7 million net new private-sector jobs since 2005, or 62 percent of the total. The larger small firms (with 20-499 employees) and the larger large firms (with 1,000 or more employees) have been the main drivers of growth.

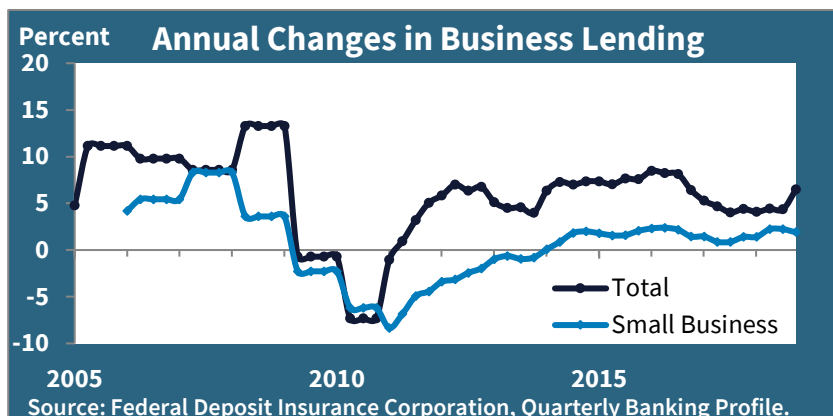


The quarterly rate of new business locations (establishment births) has been above the rate of locations closing (establishment deaths) in every quarter since mid-2011.

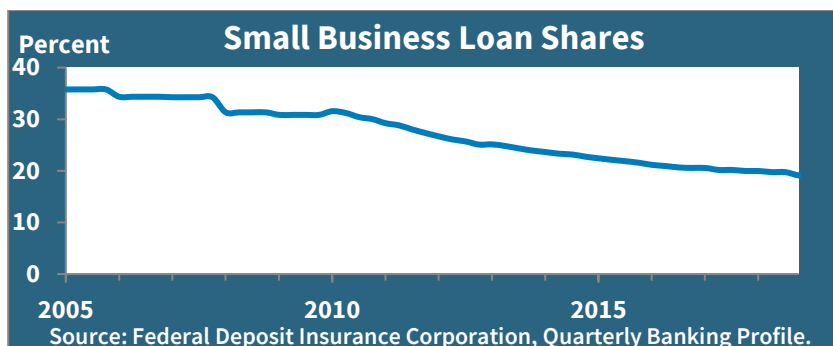
## Finance



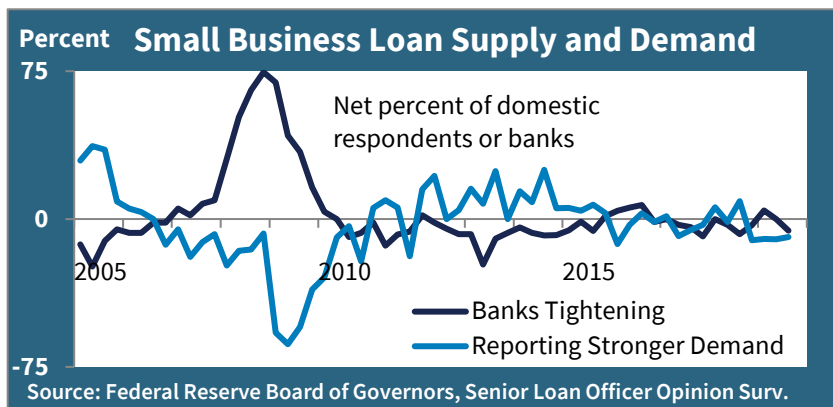
Quarterly delinquency and charge-off rates for commercial and industrial loans (C&I) and commercial real estate loans (RE) are relatively low.



In recent years, the dollar growth in small business loans (\$1 million or less) has been less than the growth rate of larger loans.



As a result of these lower growth rates, the small business loan share (loans \$1 million or less) of total loans has consistently declined — falling by nearly half from 2005 to 2019.



Demand for small business loans remains weak even though bankers report easing lending standards. Overall, the banking conditions for small businesses have changed little in the past five years compared to years past.