



# COMMERCIAL FINANCE ASSOCIATION

Second Quarter 2018  
Asset-Based Lending Index

## Introduction

The Commercial Finance Association's Quarterly Asset-Based Lending Index is designed to allow CFA members to monitor industry trends and benchmark performance.

A significant number of CFA 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@cfa.com](mailto:asavaser@cfa.com). If you are not a member, please contact James Kravitz at [jkravitz@cfa.com](mailto:jkravitz@cfa.com) to learn about the many benefits of membership.

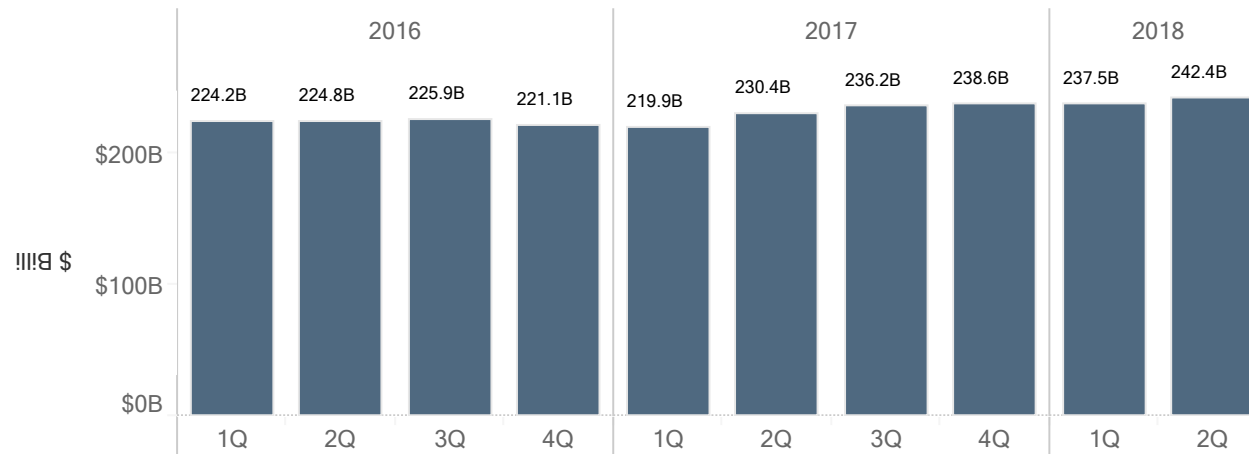
The makeup of the lenders providing data for this report changes from quarter to quarter. Participating members also have the ability to revise their previously reported data. As such, the data presented in this report reflects only organizations who responded during the current data collection cycle 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 [CFADataInitiative@westat.com](mailto:CFADataInitiative@westat.com) or 1-855-887-3820.

## Business Development

### Total Committed Credit Lines

1Q 2016 - 2Q 2018

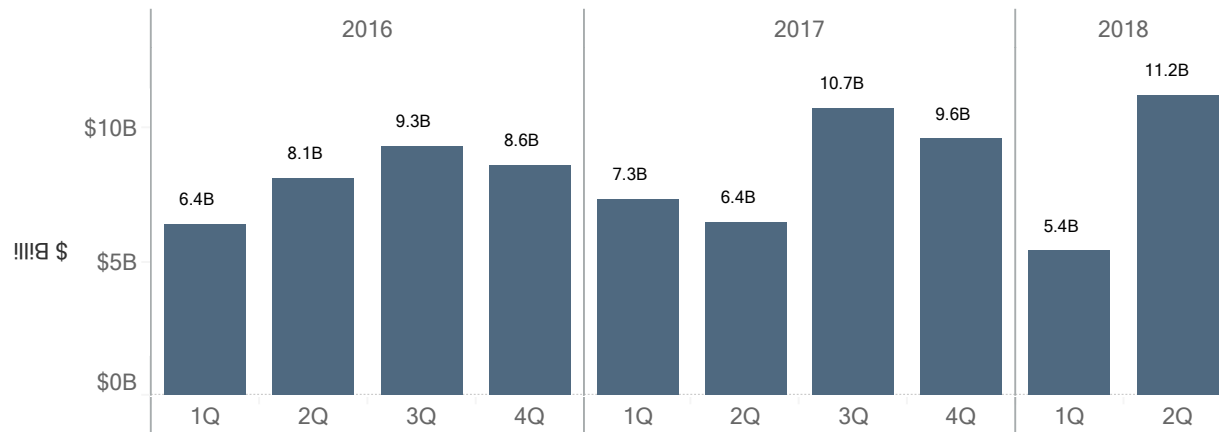


Note: Data represents lenders who responded to CFA's 2Q 2018 Asset-Based Lending Survey and reported on the referenced values in all quarters.

- Total committed credit lines increased by 2.1% compared to the previous quarter.
- Compared to the same quarter last year, total commitments increased 5.2%.

### New Credit Commitments (Gross)

1Q 2016 - 2Q 2018

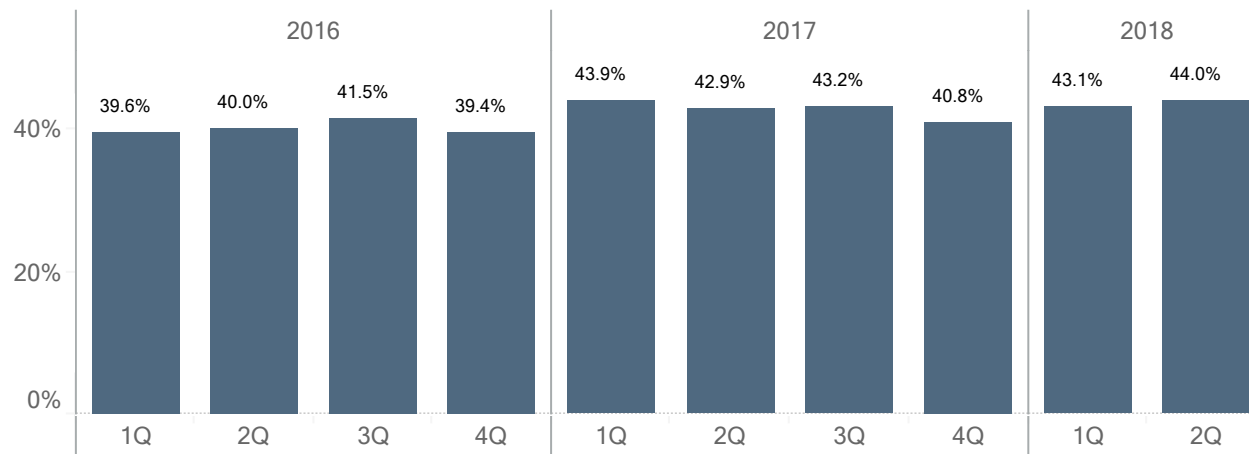


Note: Data represents lenders who responded to CFA's 2Q 2018 Asset-Based Lending Survey and reported on the referenced values in all quarters.

- Compared to the previous quarter, new credit commitments increased 107.4% to \$11.2B in 2Q 2018.
- Compared to the same quarter in the previous year, new credit commitments increased by 75.0%.

## Loans Outstanding as Percent of Total Credit Commitments

1Q 2016 - 2Q 2018



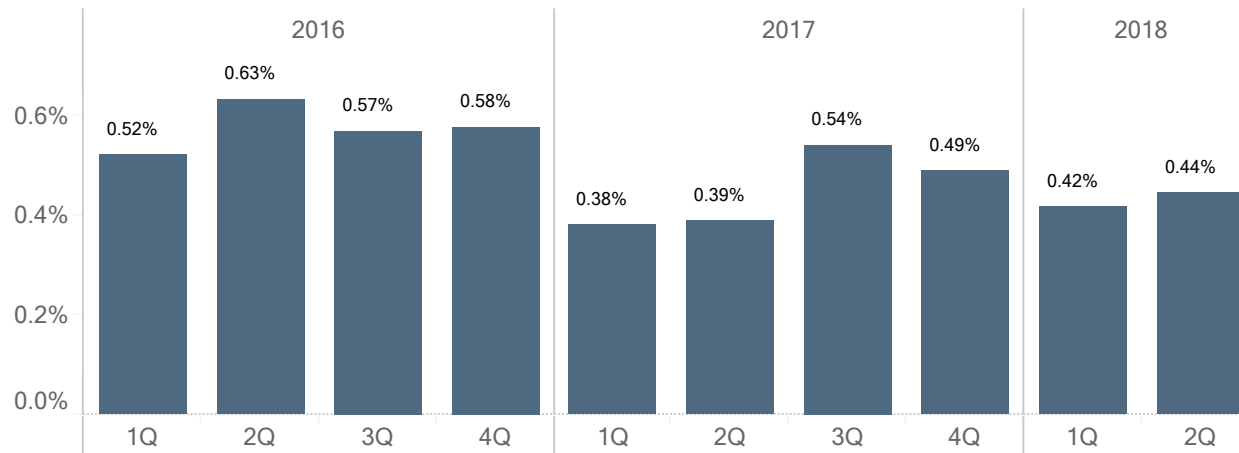
Note: Data represents lenders who responded to CFA's 2Q 2018 Asset-Based Lending Survey and reported on the referenced values in one or more quarters.

- Credit line utilization increased modestly in 2Q 2018, rising 90 basis points compared to 1Q 2018.
- Compared to 2Q 2017 credit line utilization increased by 110 basis points in 2Q 2018.

## Portfolio Performance

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

1Q 2016 - 2Q 2018

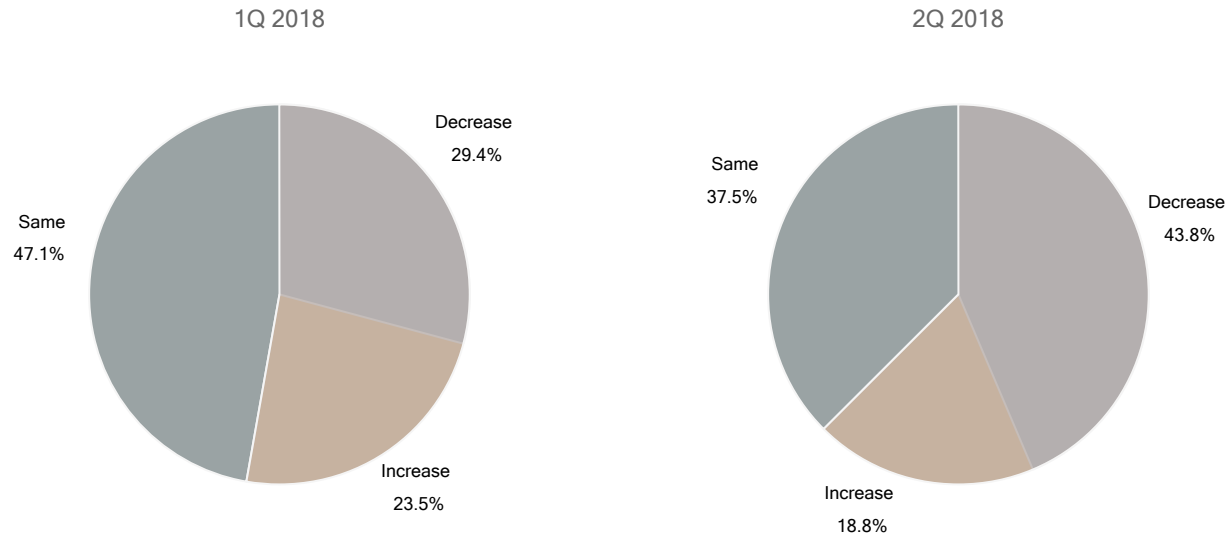


- As a percentage of outstanding loans, non-accruing loans in 2Q 2018 increased by two basis points from the previous quarter.
- Compared to the same quarter last year, the percentage of non-accruing loans increased by five basis points.

Note: Data represents lenders who responded to CFA's 2Q 2018 Asset-Based Lending Survey and reported on the referenced values in one or more quarters.

## Change in Non-Accruing Loans

1Q 2018 and 2Q 2018

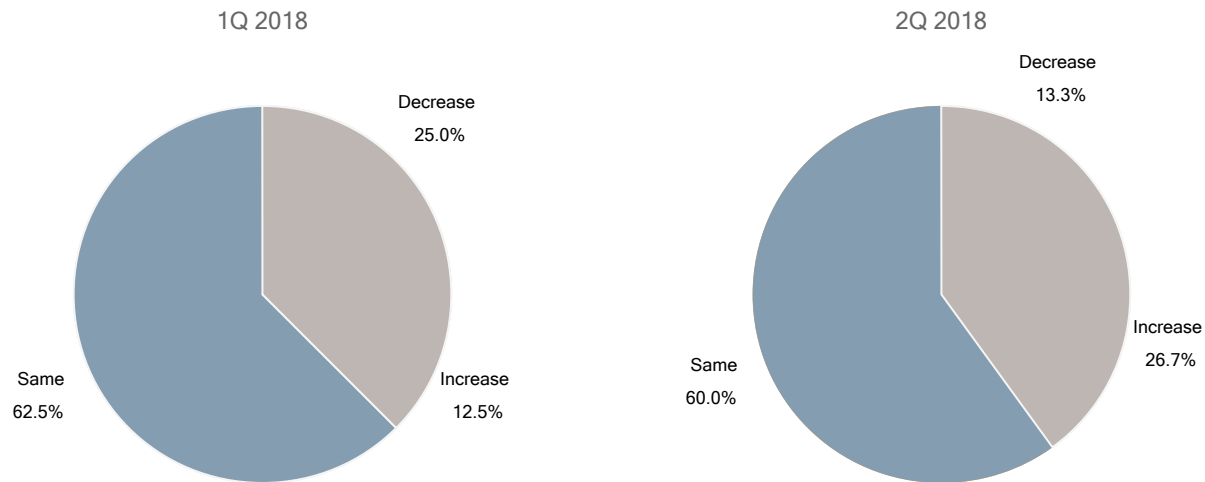


Note: Data represents lenders who responded to CFA's 2Q 2018 Asset-Based Lending Survey and reported on the referenced values in two or three quarters.

- 18.8% of lenders reported an increase in non-accruals in 2Q 2018 compared to 23.5% of lenders in 1Q 2018.

## Change in Gross Write-offs

1Q 2018 and 2Q 2018



Note: Data represents lenders who responded to CFA's 2Q 2018 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 grew from 12.5% in 1Q 2018 to 26.7% in 2Q 2018.