

Q2  
2024

# *Asset-Based Lending Index*



**Secured Finance  
Network**

An association of professionals  
putting capital to work

## Introduction

This report summarizes the headline results from the Secured Finance Network's Q2 2024 Asset-Based Lending Survey.

SFNet members who participate in these quarterly surveys receive more detailed reports each quarter to help them understand industry trends and benchmark their organization's performance and metrics relative to the broader respondent base. 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 and overall number of lenders providing data for this report changes from quarter to quarter. As such, the values presented in this report correspond only to lenders that responded in this most recent cycle and previous quarter values shown in this report may not be consistent with the previous quarters' reports. Please refer to the data footnotes on each slide for further clarification on the values being shown in corresponding charts.

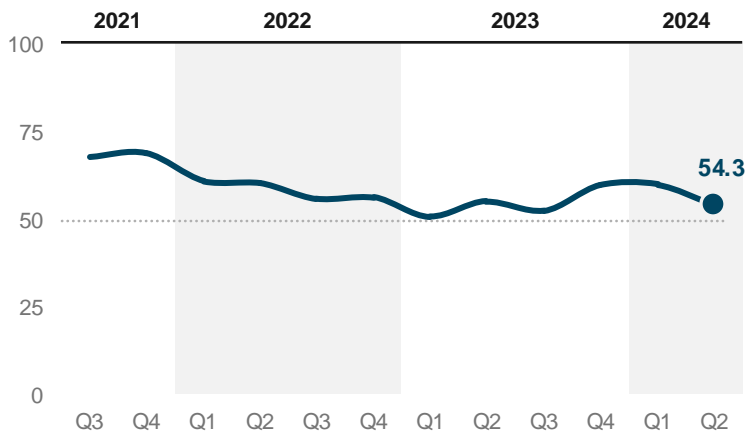
Values throughout this report cover data for both bank and non-bank lenders and may vary significantly for either group. For a detailed breakdown of bank and non-bank metrics please consider participating in the quarterly survey.

If you have any questions about the data represented in this report or have suggestions about how the report can be improved in the future, please contact Andy Yewdell at Keybridge Research at [ayewdell@keybridgedc.com](mailto:ayewdell@keybridgedc.com).

### Business Lender Confidence Index

Combined Lender Sentiment Score (0 -100)

Q3 2021 – Q2 2024

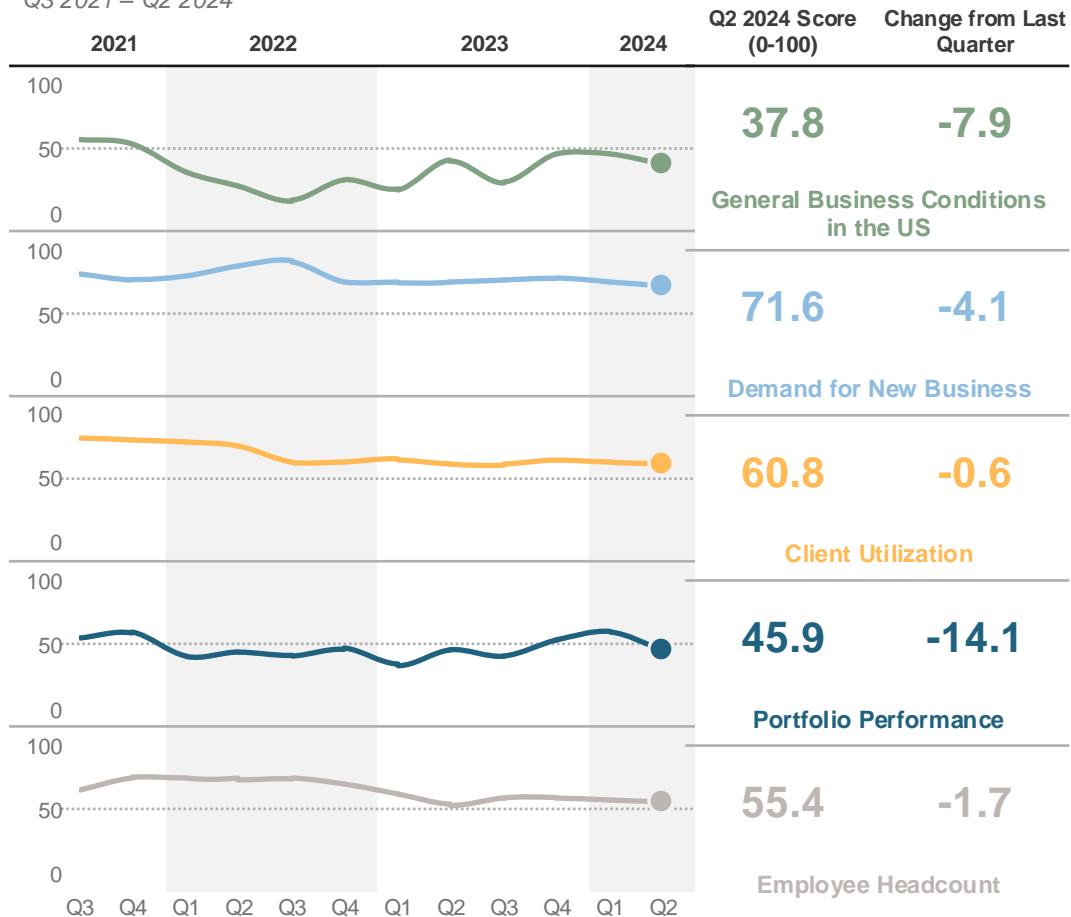


#### Highlights:

- Survey respondents assessed aspects of their business and the broader ABL market over the next quarter. Scores above 50 signal improvements, below 50 indicate declines, and at 50 imply an aspect will remain the same.
- The combined sentiment score dipped into neutral territory, dropping by 5.7 points from Q1 2024.
- Lenders reported positive expectations for demand for new business, client utilization, and employee headcounts, but all three indices declined slightly from Q1.
- Lenders reported lower expectations around general US business conditions. The index for portfolio performance dipped just below 50 and dropped the most from Q1.

Lender Sentiment Indices

Q3 2021 – Q2 2024

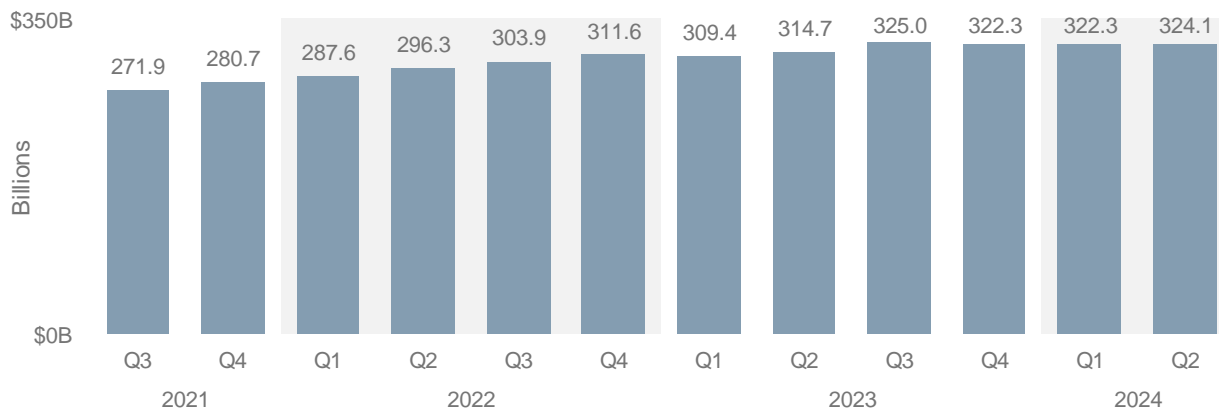


**Note:** The combined lender sentiment score represents an unweighted average across all five individual sentiment indices surveyed in Q2 2024. The above indices contain data from all respondents in any given quarter and are not scoped to a consistent base of lenders that responded in every quarter.

### Business Development

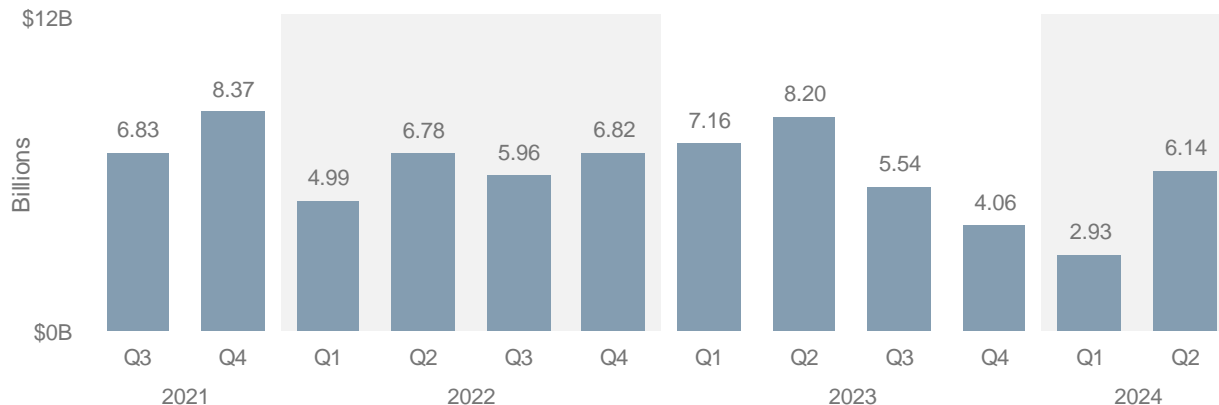
#### Total Committed Credit Lines

Q3 2021 – Q2 2024



#### New Credit Commitments (Gross)

Q3 2021 – Q2 2024



#### Highlights:

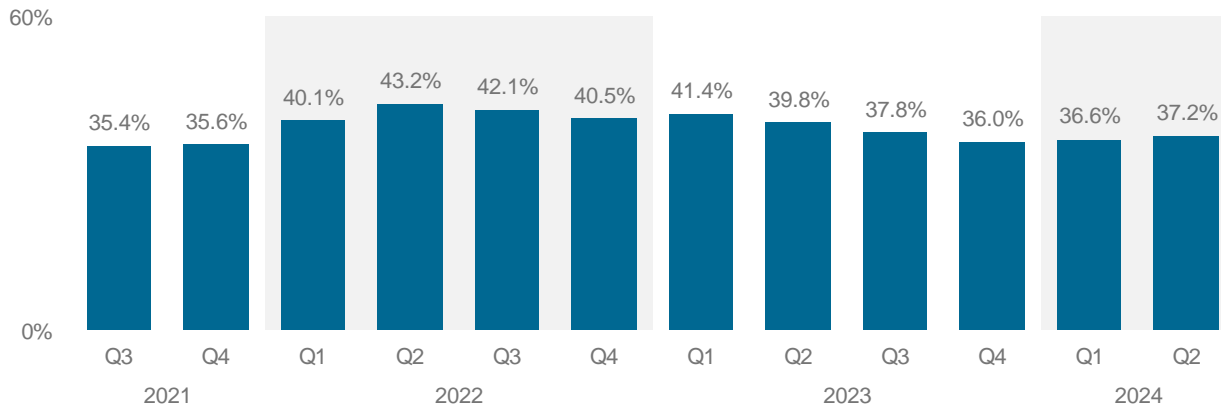
- Among lenders that responded across all quarters shown, total committed credit lines in Q2 2024 edged up by 0.6% from the previous quarter.
- Compared to the same quarter last year, total committed credit lines among consistent respondents increased by 3.0% Y/Y.
- Across lenders that reported on new credit commitments in all quarters shown, new commitments in Q2 2024 more than doubled (+109.1%) from the previous quarter.
- Compared to the same quarter last year, new commitments among these lenders decreased by 25.1% Y/Y.

**Note:** Values in the above charts cover lenders that responded to the Q2 2024 SFNet Asset-Based Lending Survey and that have reported on the referenced fields in all quarters shown.

## Credit Line Utilization

Loans Outstanding as Percentage of Total Credit Commitments

Q3 2021 – Q2 2024



### Highlights:

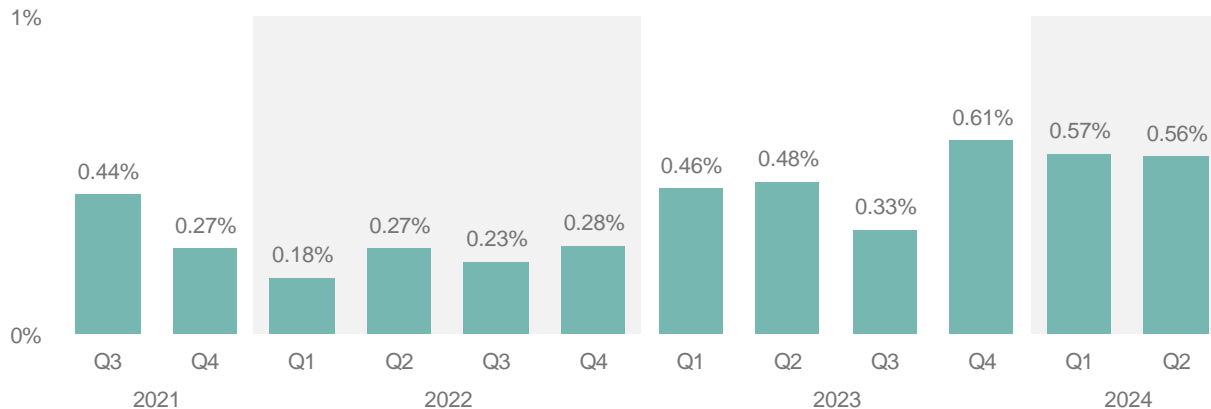
- Among lenders that responded across all quarters shown, credit line utilization in Q2 2024 increased by 62 basis points from the previous quarter.
- Compared to the same quarter last year, credit line utilization among these lenders decreased by 262 basis points Y/Y.

**Note:** Values in the above chart cover lenders that responded to the Q2 2024 SFNet Asset-Based Lending Survey and that have reported on the referenced fields in all quarters shown.

### Portfolio Performance – Non-Accruing Loans

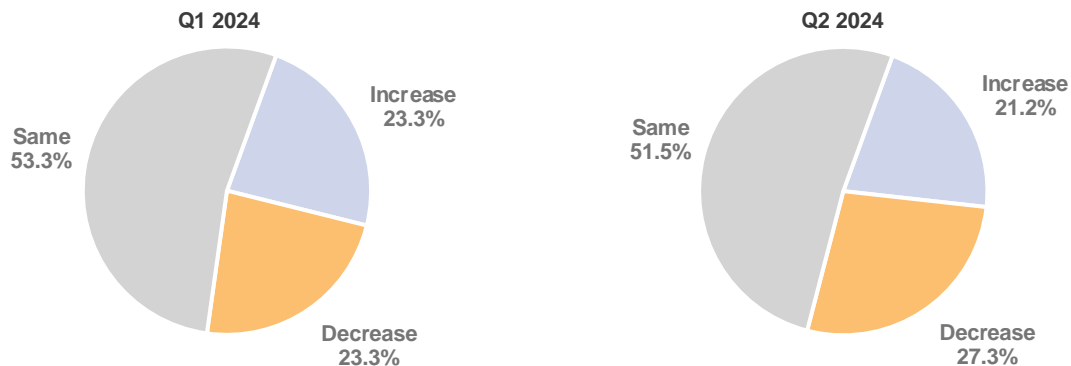
Non-Accruing Loans as a Percentage of Total Loans Outstanding

Q3 2021 – Q2 2024



Q/Q Change in Non-Accruing Loans

Percentage of Respondents



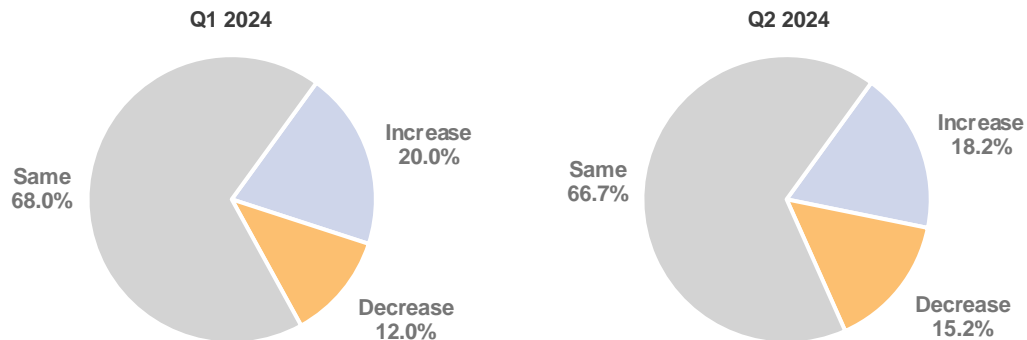
#### Highlights:

- As a percentage of loans outstanding among consistent respondents, non-accruing loans declined by 1 basis point from Q1 to Q2 2024.
- Compared to the same quarter last year, the percentage of non-accruing loans among these respondents increased by 7 basis points.
- 21.2% of lenders reported an increase in non-accruing loans in Q2 2024, less than the share reporting an increase in Q1 2024.
- The share of lenders reporting a decrease in non-accruals rose to 27.3% in Q2 2024.

**Note:** Values in the top chart cover lenders that responded to the Q2 2024 SFNet Asset-Based Lending Survey and that have reported on the referenced fields in all quarters shown. Quarter-on-quarter changes in the bottom pie charts cover bank lenders that reported on non-accruing loans in two or three of the relevant quarters.

## Portfolio Performance – Gross Write-Offs

Q/Q Change in Gross Write-Offs  
*Percentage of Respondents*



### Highlights:

- The share of respondents reporting a Q/Q decrease in gross write-offs increased to 15.2%. The percentage of respondents reporting an increase dropped to 18.2% in Q2, down from 20.0% in Q1.
- The share of lender respondents that reported no change in gross write-offs declined from 68.0% to 66.7% from Q1 to Q2 2024.

**Note:** Quarter-on-quarter changes in the above pie charts cover bank lenders that reported on gross write-offs in two or three of the relevant quarters.