

< Back

## Small Business Lending, Confidence Up: U.S. Small Business Report

By Nathan Denny on Jan 3, 2012

Like (0)

We're less than a week into 2012 and business finance experts are already making some extremely positive reports. Based on how last year ended, here's a recap of what we might expect in the months to come.

First, topping off an already-promising high in [October of last year](#), the rate of **small business lending** hit a "near four-year high" in November.

"The Thomson Reuters/PayNet Small Business Lending Index, which measures the overall volume of financing to small businesses, surged 10.2 points to 106.4, the highest level since February 2008," [writes Lucia Mutikani for Reuters](#).

Those figures represent a rise of 18 percent from a year earlier, in November 2010.

"We are entering a new phase of the business cycle," said Bill Phelan, founder of PayNet, a firm specializing in financial tracking and risk management expertise. "Businesses are betting on the future with increased investment spending."

And because more borrowing often indicates "underlying economic strength," the Reuters report goes on to paint a generally positive picture about what the U.S. economy may look like in the year ahead.



Modified from Shutterstock

**FINANCE PEER SESSION: Lowering Operating Expenses**, Friday, March 23.

Reuters isn't the only optimistic voice. In a recent poll of small businesses, online payroll provider [SurePayroll reported that 63 percent of small business owners are "expressing optimism about the economy."](#) That's a 10 percent increase from November and a *thirty* percent increase over September.

"We saw caution in 2011, but the leading indicators suggest 2012 looks positive," said SurePayroll CEO and President Michael Alter. "The sun is on the horizon. Optimism is higher, 50 percent plan to hire and wages look to go up."

Amid the implications of a brightening U.S. economy there are, of course, still a myriad of **political battles** being fought over U.S. small business.

Yesterday, the American Small Business League [issued a statement](#) charging President Obama with dissing U.S. small business by extending the Comprehensive Subcontracting Plan Test Program (CSPTP), which enables the "large defense contractors to evade the Small Business Act."

According to the ASBL, the program also lets large contractors "dodge the Federal Acquisition Regulation 'liquidated damages' clause, which requires any government contractor that fails to meet its small business-subcontracting goal to pay damages to the federal government in the amount of the deficiency."

More on the economics of small business and U.S. politics from [Vistage Connect](#):

- [BOOM -- or Doom? 2012 Small Business Financial Forecast](#)
- [SBA News: Congress Says Yes to Small Business Funding](#)
- [GROW -- or Sell? More 2012 Financial Predictions](#)

### ACTIONS

- [Edit Article](#)
- [Delete Article](#)

### MORE LIKE THIS

[2012 Small Business Financial Forecast](#)

[Signs of Economic Hope as Business Lending, Hiring Improve](#)

[News: Small Biz More 'Confident' Says Reuters: Amazon Under Fire](#)

[Report: More Small Business Lending ... and More Small Business](#)

[Franchising and Selling: The Year Ahead For U.S. Small Business](#)

### Comments (0)

[Add a comment](#) Leave a comment on this article.

There are no comments on this article.