D&B U.S. Economic Health Tracker
A multi-dimensional view of the U.S. Economy

July 2014

Small Business Health Index

D&B's Small Business Health Index continued to improve during the reporting period, underscored by impressive declines in late bill payments. Small businesses continue to rely on credit cards, however, as traditional lending sources remain scarce.

Source: D&B Global Data, Insights & Analytics

U.S. Jobs Health

D&B estimates 244,000 new jobs were added to U.S. payrolls in June 2014, with notable gains in business services and retail.

Source: D&B Global Data, Insights & Analytics
U.S. Business Health Index

The D&B U.S. Economic Health Tracker continued to improve – albeit slowly – in June 2014. Small business indicators show slow and steady improvement in balance sheet health, although access to credit remains a concern. On the employment front, some 244,000 new non-farm jobs were created, driven by strong gains in the business services and retail segments. Finally, the U.S. Business Health Index strengthened once again in June, registering a 53.7-percent index value. Although it was the index’s first month-to-month decline in eight months, U.S. businesses show sustained balance sheet and financial health, based on the weighted average of D&B’s Viability Rating, Delinquency Predictor, and Total Loss Predictor. While continued headwinds to economic expansion are a drag on D&B’s 2014 economic forecast, incremental improvements may translate to a brighter forecast for 2015.

U.S. business health improved 7.6 percent year-over-year in June 2014, driven largely by lower risk of future business failure and total loss. The improvement over the last year remains remarkable and reflects the robust financial health of U.S. businesses.

Perspectives

The D&B U.S. Economic Health Tracker continued to improve – albeit slowly – in June 2014. Small business indicators show slow and steady improvement in balance sheet health, although access to credit remains a concern. On the employment front, some 244,000 new non-farm jobs were created, driven by strong gains in the business services and retail segments. Finally, the U.S. Business Health Index strengthened once again in June, registering a 53.7-percent index value. Although it was the index’s first month-to-month decline in eight months, U.S. businesses show sustained balance sheet and financial health, based on the weighted average of D&B’s Viability Rating, Delinquency Predictor, and Total Loss Predictor. While continued headwinds to economic expansion are a drag on D&B’s 2014 economic forecast, incremental improvements may translate to a brighter forecast for 2015.

Methodology

The Small Business Health Index measures year-over-year small business performance through equally weighted payment patterns and credit use. U.S. Jobs Health combines Small Business Health Index industry data with BLS figures to forecast monthly nonfarm payroll employment. The U.S. Business Health Index provides a year-over-year equally weighted average of D&B’s Viability Score, Delinquency Predictor and Total Loss Predictor. The index ranges from zero (with all businesses recording high levels of risk) to 100% (with all businesses recording low levels of risk). Data available as of June 27, 2014.

To learn more, visit www.dnb.com/tracker