

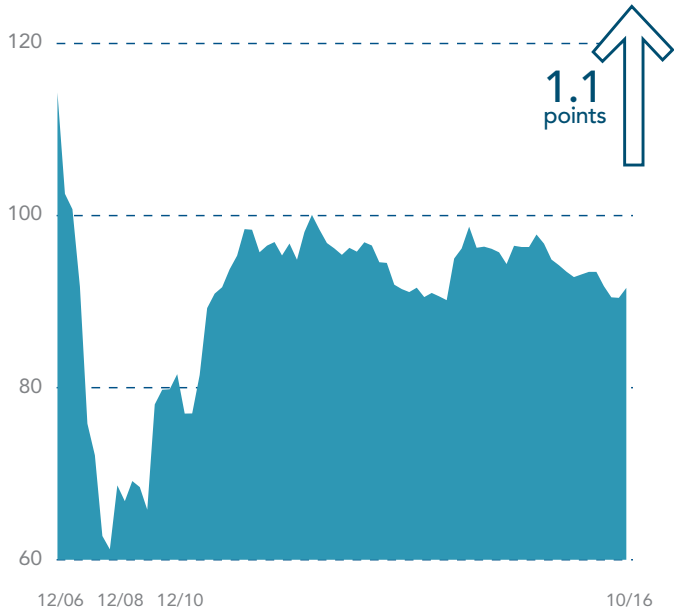
Dun & Bradstreet U.S. Economic Health Tracker

A multi-dimensional view of the U.S. Economy

DECEMBER 2016

WWW.DNB.COM/TRACKER

SMALL BUSINESS HEALTH INDEX

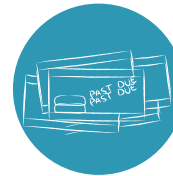


Source: Dun & Bradstreet



PAYMENT DELINQUENCY

↑ 5.4%



CREDIT CARD DELINQUENCY

↓ 4.1%

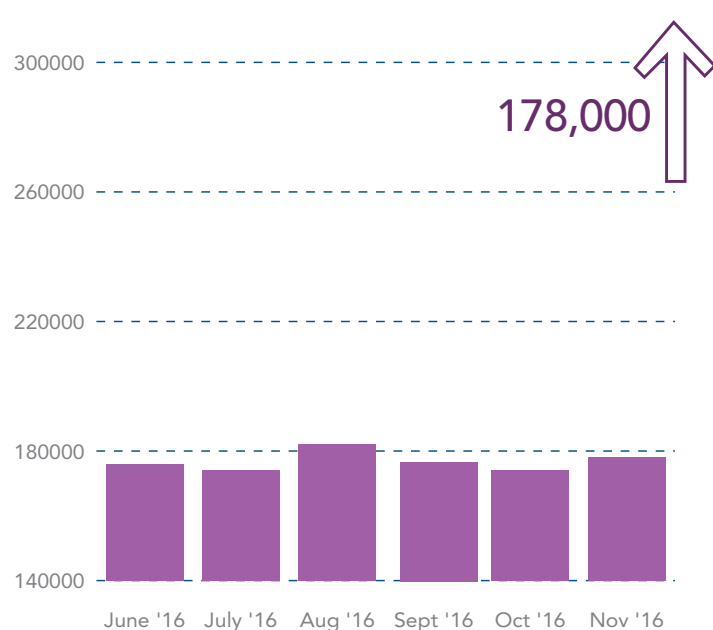


CREDIT CARD USE

↓ 0.3%

The U.S. Small Business Health Index shows some recuperation over the latest reporting period with most major sectors notably showing gains on a sequential basis. Although the index continues to slip on a y/y basis, this month's upturn is encouraging as it comes after some significantly disappointing moves through several months.

U.S. JOBS HEALTH



Source: Dun & Bradstreet



MANUFACTURING



RETAIL



REAL ESTATE



BUSINESS SERVICES



CONSTRUCTION

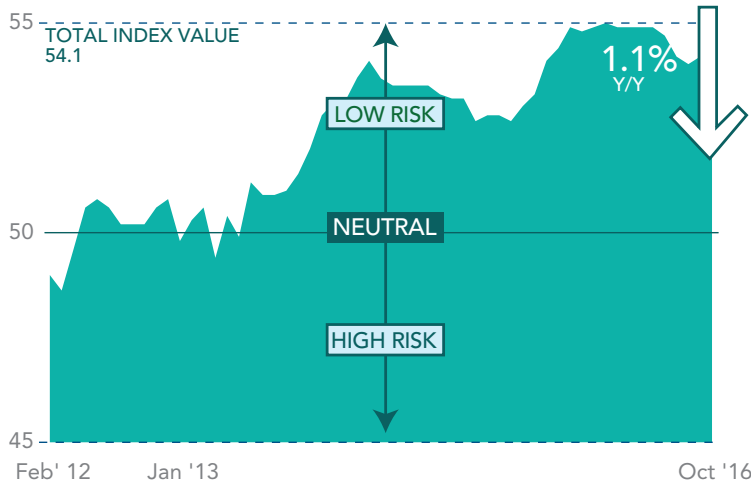


TRADE, TRANSPORTATION & UTILITIES



Dun & Bradstreet estimates the U.S. labor market to add about 178,000 nonfarm jobs in November 2016. Although the U.S. labor market has seen a moderate recovery, room for improvement remains. Both the labor force participation rate and the employment to population ratio remain static, showing only modest increases compared to the past year.

U.S. OVERALL BUSINESS HEALTH INDEX



HOW TO READ THIS INDICATOR:
 A reading of 50% represents “neutral.”
 A reading of more than 50% reflects generally lower risk and a reading of less than 50% reflects generally higher risk.



Source: Dun & Bradstreet

U.S. businesses fundamentals declined this month as the U.S. Overall Business Health Index fell on a sequential basis (-0.1%). All active and confirmed open businesses are slightly more likely to close up shop or become severely delinquent compared to the prior month.

PERSPECTIVES

This month, Dun & Bradstreet’s Tracker presents some optimism for the small business community as the Small Business Health Index (SBHI) inched up supported by most major sectors and driven largely by improving credit card delinquencies. As the country braces for the final month of 2016 we expect to see improvement in the fundamental stability of small businesses as they continue to augment their payment behaviors and are able to access more conventional avenues of credit. In addition, even though balance sheet health has deteriorated in 2016 according to the Overall Business Health Index (OBHI), the overall aggregate of both small and large businesses remain near the lowest risk level of the prior six years—signaling U.S. firms are on firm footing to expand.

In summary, the December Tracker provides some assurance of growth balanced as the SBHI rebounds on a month-to-month basis while the OBHI remains near low levels of risk.

METHODOLOGY

The Small Business Health Index measures year-over-year small business performance through 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. Overall Business Health Index provides a year-over-year weighted average of Dun & Bradstreet’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). Report based on data available as of November 25, 2016.

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

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