

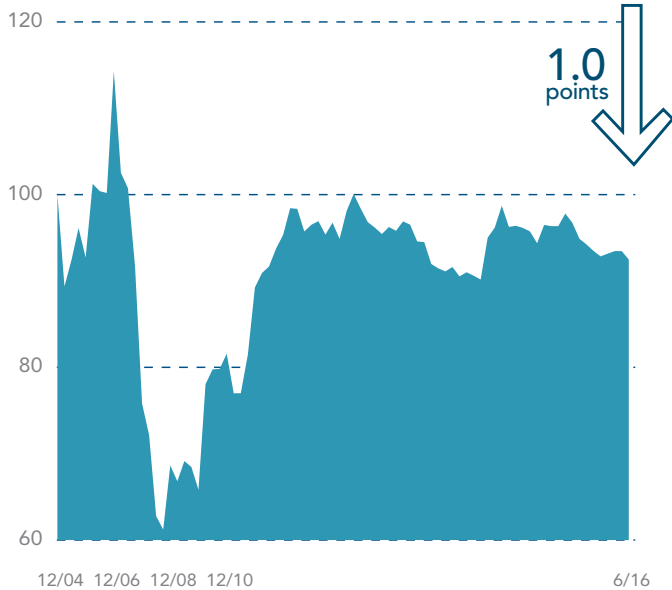
Dun & Bradstreet U.S. Economic Health Tracker

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

AUGUST 2016

WWW.DNB.COM/TRACKER

SMALL BUSINESS HEALTH INDEX



Source: Dun & Bradstreet



PAYMENT DELINQUENCY

↑ 1.37%



CREDIT CARD DELINQUENCY

↑ 0.27%

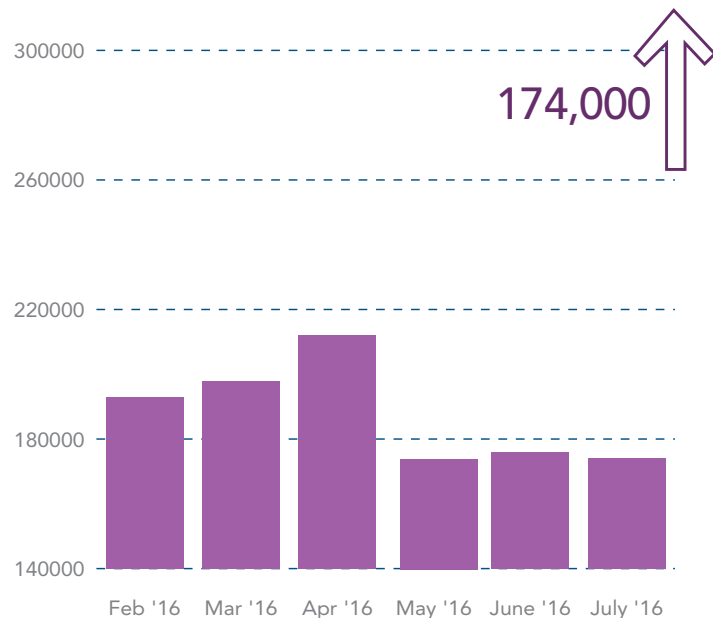


CREDIT CARD USE

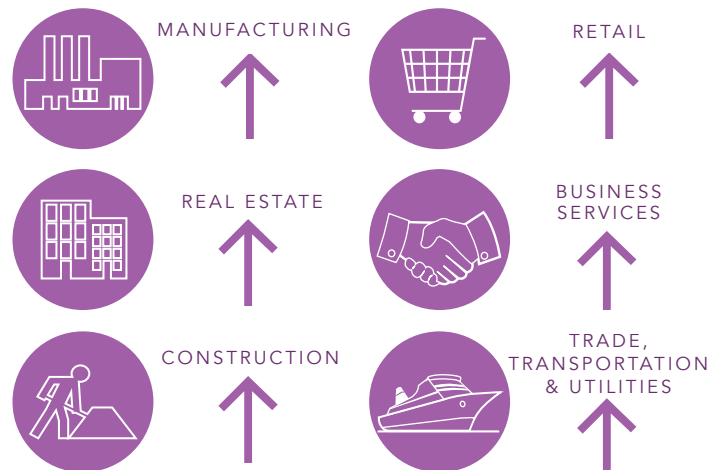
↑ 0.02%

Dun & Bradstreet's Small Business Health Index dropped 1.0 points, bringing down the value of the index to 93.2 points. All major verticals declined on a sequential basis, construction being the only sector that gained on a y/y basis.

U.S. JOBS HEALTH

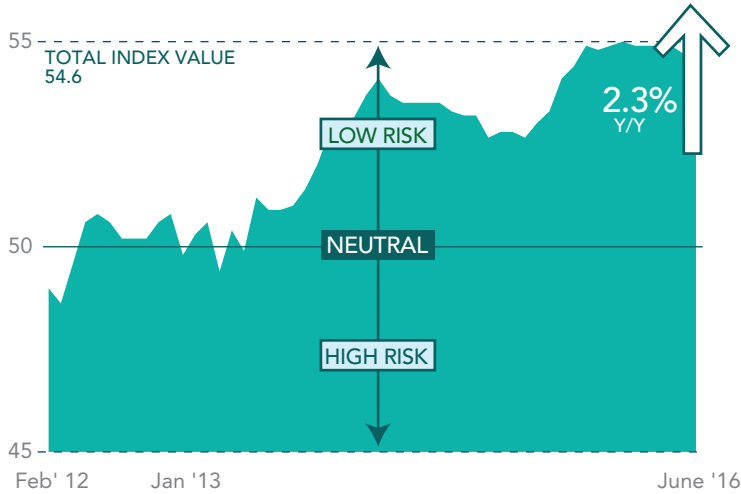


Source: Dun & Bradstreet



Dun & Bradstreet estimates the U.S. labor market added about 174,000 nonfarm jobs to the in July 2016. The largest gains are expected from Business Services. With consumer spending going strong despite the general weakness in the economy Retail is expected to be another sector to watch for increasing gains.

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.

VIABILITY ↑ 1.9%

DELINQUENCY ↓ 1.7%

TOTAL LOSS ↓ 3.4%

Source: Dun & Bradstreet

Overall business risks rose during June as the Overall Business Health Index fell 0.2% from May 2016. This is the third consecutive month of deteriorating sequential overall business health. Conditions in most sectors remain broadly in descent.

PERSPECTIVES

Dun & Bradstreet's Small Business Health Index dropped by a point in June 2016, after a months of modest gains. Rising political uncertainty, lackluster business investment, along with the slowdown in Europe have added to the burdens of the small business community. Meanwhile, D&B estimates 174,000 new non-farm jobs were added to U.S. payrolls in July 2016. In addition, overall business fundamentals also deteriorated in June as the Overall Business Health Index declined on a month-to-month basis and continued its slowdown on an annual basis. Although aggregate business risk remains near the lowest levels recorded over the prior six years the stalling nature of the index is a cause for concern.

While the August Tracker is not able to spread the same air of optimism of the past few months, given the performance of our proprietary indicators, consumer spending and the labor market remain two strong pillars of the US economy, which may carry momentum to the rest of economy.

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. Overall Business Health Index** provides a 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). Report based on data available as of July 28, 2016.

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

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