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Dun & Bradstreet U.S. Economic Health Tracker
A multi-dimensional view of the U.S. Economy

NOV 2024

U.S. SMALL BUSINESS HEALTH INDEX

1.6 Points M/M ↓

105.0
100.0
95.0
90.0
85.0
80.0
75.0
70.0

Jan 2019 — Sep 2024

Source: Dun & Bradstreet
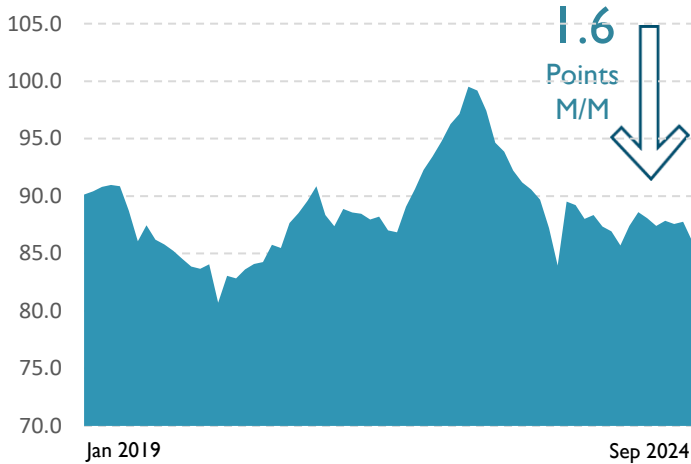
PAYMENT DELINQUENCY ↑ 1.8% Y/Y

CREDIT CARD DELINQUENCY ↑ 2.1% Y/Y
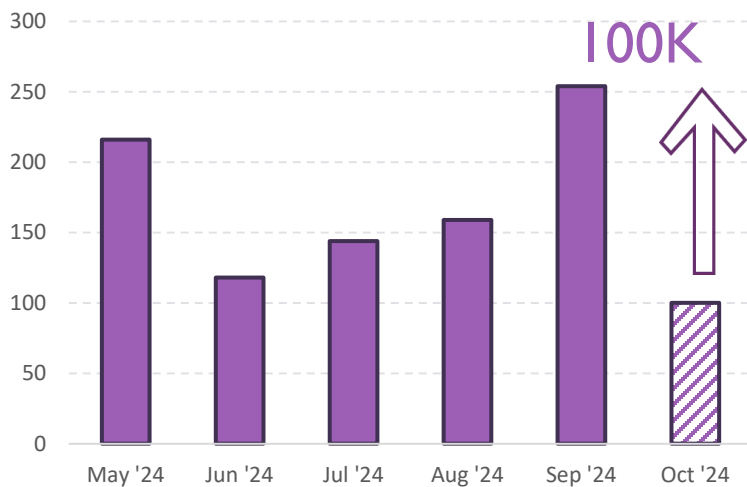
CREDIT CARD USE ↑ 3.3% Y/Y

Last month, the Small Business Health Index (SBHI) fell 1.6 points to January 2024 level, marking a 2.1% Y/Y decline as well. Credit card delinquency hit its highest since Nov 2021, and trade credit delinquency and credit card usage peaked since May 2023, indicating tighter credit for small businesses. Sector indices declined M/M across the board and mostly Y/Y, except for business services, construction, and financial services. While the SBHI remains in the upper 80s, a downward trend since March raises concerns, which mirrors the underlying economic pressure and resilient yet fragile consumer spending.

U.S. JOBS HEALTH

100K ↑

300
250
200
150
100
50
0

May '24 | Jun '24 | Jul '24 | Aug '24 | Sep '24 | Oct '24

Source: Dun & Bradstreet

MANUFACTURING ↓

REAL ESTATE ↓

CONSTRUCTION ↑

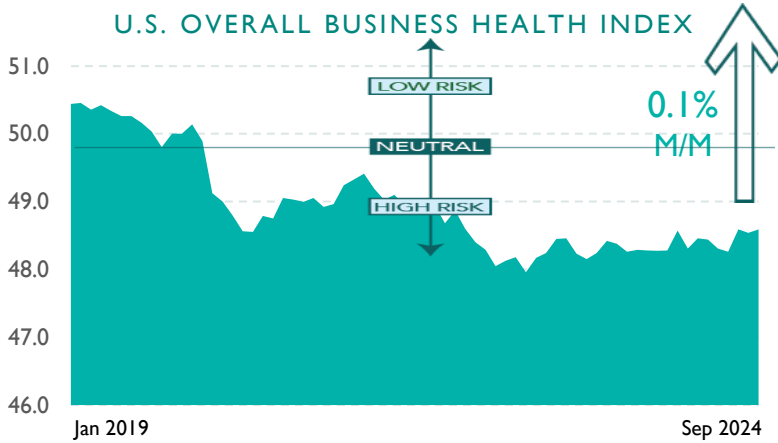**RETAIL** ↑

BUSINESS SERVICES ↑

TRADE TRANSPORTATION & UTILITIES ↑

The U.S. labor market is expected to add about 100k jobs in October 2024. This is the smallest expected job gain since early in the Pandemic and marks the low water mark for expected job gains. Manufacturing in particular, is expected to see a net loss in jobs in October, with low growth in the industries that are expected to see gains. While Hurricane Milton may play some transitory role in these estimates, it is nevertheless prudent to prepare for slower growth going forward.

U.S. OVERALL BUSINESS HEALTH INDEX

LOW RISK

NEUTRAL

HIGH RISK

0.1% M/M

51.0
50.0
49.0
48.0
47.0
46.0

Jan 2019   Sep 2024

Source: Dun & Bradstreet

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   0.8% Y/Y

DELINQUENCY   0.1% Y/Y

TOTAL LOSS   0.1% Y/Y

The Overall Business Health Index (OBHI) slightly rose by 0.1% M/M and 0.6% Y/Y to 48.59, marking a modest upward yet still below the neutral 50-point threshold, signaling sustained elevated risk for businesses. The four-month rise in viability and delinquency suggests resilience amid ongoing but contained financial pressures, while a minor increase in total loss highlights mild balance sheet strain. Resilient consumer spending suggests businesses continue to benefit from strong demand despite tighter credit. However, with moderating inflation and potential Fed policy shifts, businesses face emerging risks from changes in consumer behavior and credit access, warranting cautious optimism.

* February 2024 marks the last comprehensive historical revision to the Overall Business Health Index with subsequent planned revisions occurring during February of each year.

PERSPECTIVES

The November Tracker continues on the moderate growth path, leaning towards some sluggishness in business performance and the that of the U.S. economy. All our indicators registered some weakness with a M/M decline in SBHI, a practically unchanged OBHI and the smallest expected additions to the labor market this year. Despite the recent rate cuts by the Federal Reserve interest remain high and businesses continue to face higher costs of borrowing and policy uncertainty in the near term, which is resulting in lower investment and hiring. Normalization of the labor market, however, will help the disinflation process – with the Fed's 2% target already looking quite achievable.

One additional cause of the weak business and labor market performance this month are the several storms that have made landfall on various parts of the country over this very active hurricane season, Beyond the immediate damages, the ripple effects on the economy are extensive and more so when broader economic impact through international trade and supply chains are considered. For example, Dun & Bradstreet hurricane disruption insights were able to determine that 4.4 million Florida businesses, out of which 2.6 million small businesses were in the projected path of Hurricane Milton. Combining this information with other various datasets provides unique impact statistics that help measure financial impact. As the hurricane season winds down impact to international trade from port strikes in the United States and geopolitical tensions stemming from the Middle East remain potential risks.

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 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 October 30, 2024.**

To learn more, visit https://www.dnb.com/perspectives/analytics/us-business-economic-trends.html

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