



Report for February 2026

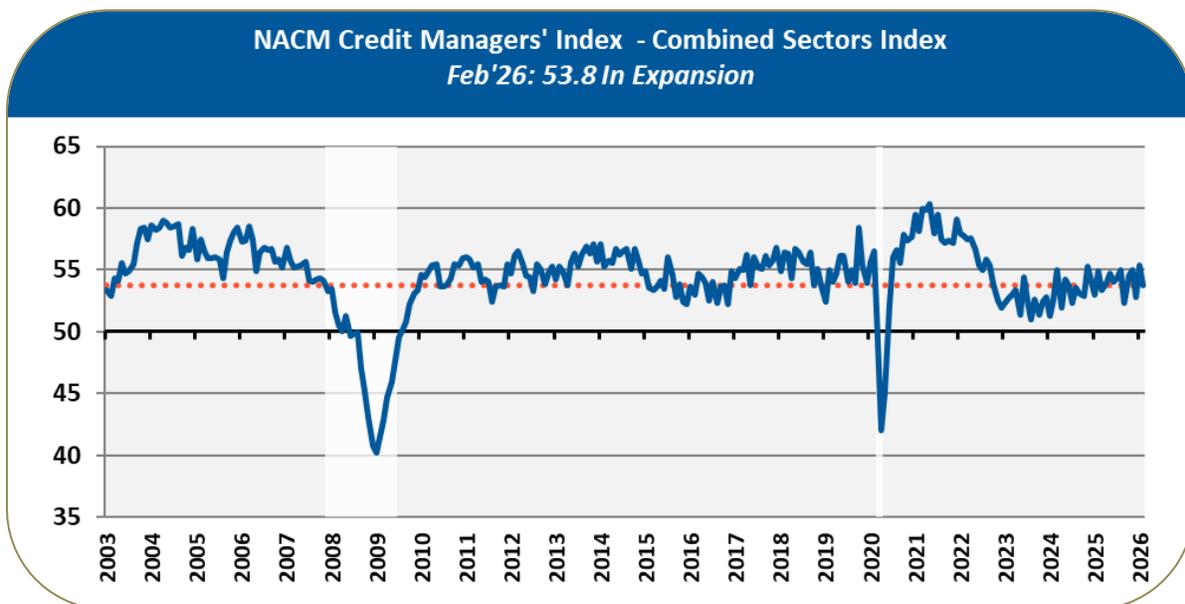
Issued March 2, 2026

National Association of Credit Management

Credit Managers' Index Combined Sectors

The National Association of Credit Management's seasonally adjusted combined Credit Managers' Index (CMI) for February 2026 deteriorated 1.5 points to 53.8. The survey reflects business conditions for the month just completed. "Unfavorable credit factors remained in or near contraction and favorable factors are mostly down this month," said NACM Economist Amy Crews Cutts, Ph.D., CBE®. "Respondents indicated that the big storms in January that affected much of the southeastern United States affected sales or production activity. Collections were also hampered by firm closures. One respondent indicated that, from the three days they were shut down, the knock-on effects will be seen in their deliveries over the next 60 days. I expect we will hear of similar impacts from the February bomb-cyclone storm that dumped a large amount of snow along the eastern seaboard from Maryland to Maine."

Cutts continued, "Several respondents noted a marked slowdown in construction, not including data centers. Whether this is due to labor shortages or other drivers is not yet obvious. We continue to suffer delays in data from federal statistical agencies, so we may not be able to see the trends for a while yet."



The CMI is centered on a value of 50, with values greater indicating expansion and values lower indicating economic contraction. Seasonal adjustment factors for prior periods were updated for this report.

Combined Manufacturing and Service Sectors (seasonally adjusted)	Feb '25	Mar '25	Apr '25	May '25	Jun '25	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26
Dollar Sales	59.5	54.9	58.0	61.9	55.8	60.9	63.3	52.8	61.3	60.6	55.3	67.4	56.8
New Credit Applications	61.4	56.8	58.8	56.5	57.4	56.4	57.0	59.6	58.1	60.8	53.3	59.9	59.1
Dollar Collections	59.8	54.8	62.6	61.8	59.8	60.8	62.4	56.5	64.1	60.2	56.1	62.5	60.1
Amount of Credit Extended	60.7	59.6	59.5	62.1	58.4	59.9	61.3	62.0	59.3	61.7	57.5	60.6	62.3
Index of Favorable Factors	60.3	56.5	59.7	60.6	57.9	59.5	61.0	57.7	60.7	60.8	55.6	62.6	59.6
Rejections of Credit Applications	51.1	50.2	50.8	50.4	50.7	50.2	50.8	49.7	51.9	50.5	51.8	50.6	50.1
Accounts Placed for Collection	49.4	49.7	49.2	47.9	50.1	47.7	45.5	43.7	47.4	47.1	45.3	46.6	48.1
Disputes	51.0	51.3	49.1	51.3	51.8	49.7	50.8	49.1	48.8	50.6	51.6	49.9	49.4
Dollar Amount Beyond Terms	51.7	52.1	48.3	52.0	50.7	52.9	53.0	47.0	51.8	54.2	51.3	51.3	48.4
Dollar Amount of Customer Deductions	52.5	51.1	50.4	51.3	52.0	51.7	52.1	50.8	52.1	51.3	52.7	52.7	51.1
Filings for Bankruptcies	51.6	53.0	52.9	52.0	54.2	52.8	53.5	52.3	50.3	53.2	53.1	51.9	52.4
Index of Unfavorable Factors	51.2	51.2	50.1	50.8	51.5	50.9	50.9	48.8	50.4	51.1	51.0	50.5	49.9
NACM Combined CMI	54.9	53.3	54.0	54.7	54.1	54.3	55.0	52.4	54.5	55.0	52.8	55.3	53.8

CMi Combined Sectors Factor Indexes

Key Findings:

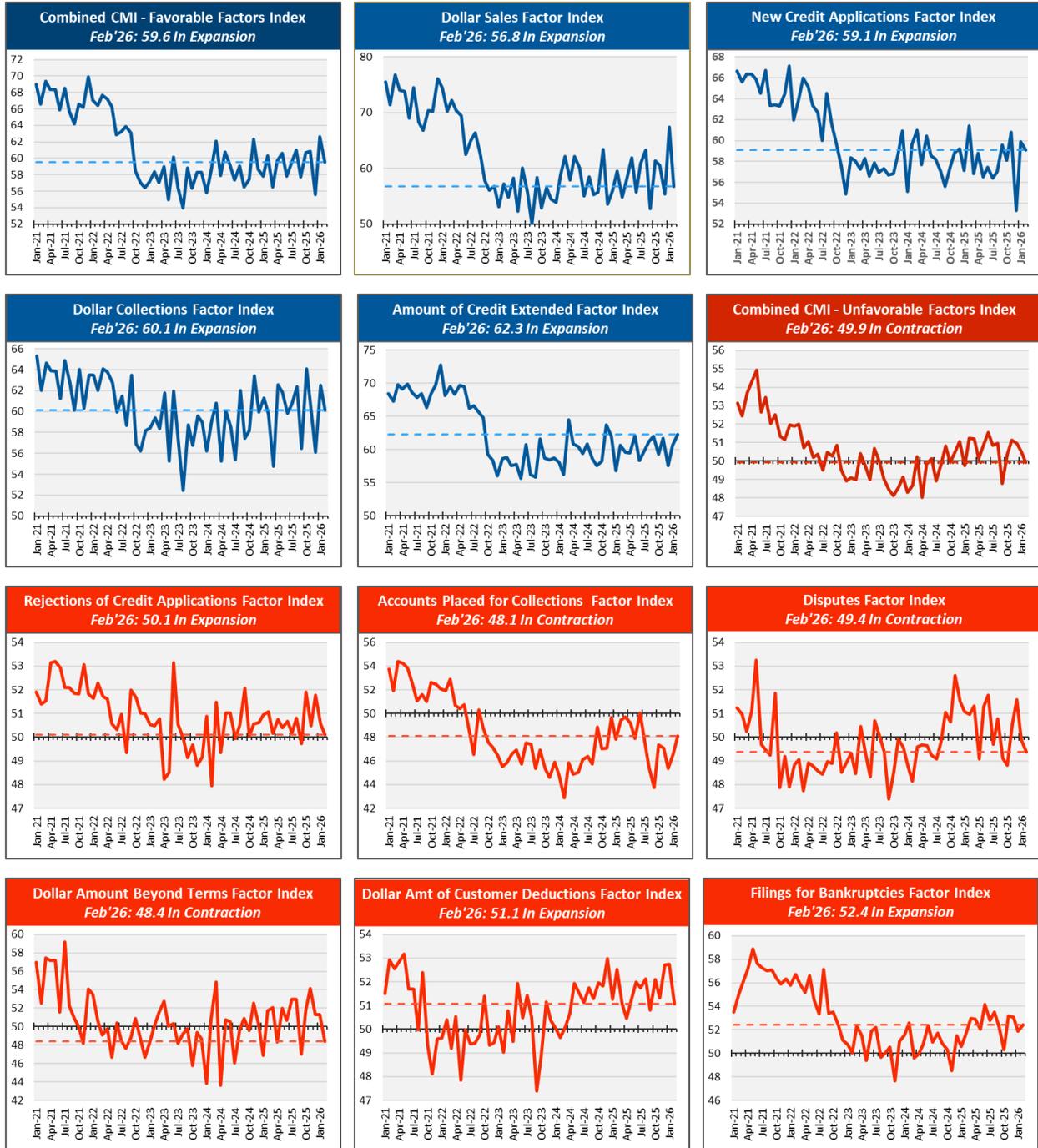
- The Index for Unfavorable Factors deteriorated 0.6 points and now sits at 49.9 points. This index has not wavered much above or below the 50-point line denoting the break between contraction and expansion since the summer of 2021.
- Four of the six unfavorable factor indexes deteriorated in the February survey. The largest decline was in the Dollar Amount Beyond Terms Index, which lost 2.9 points to fall into contraction territory at 48.4 points.
- The index for Accounts Placed for Collection improved by 1.5 points but remains in contraction. This marks the index's 41st month in contraction out of the last 42. This means the number of accounts placed for collections at respondent firms has increased every month for 3.5 years, except for June 2025 when it was essentially at neutral.
- The Index for Favorable Factors deteriorated by 3.1 points, landing it at 59.6 points.
- All of the favorable factor indexes are in expansion.

“Between the storms and deep cold affecting much of the country especially in January, I suspect that businesses as well as consumers are struggling with unexpectedly high power and heating fuel bills,” said Cutts. One respondent noted the impacts from a supplier’s point of view saying, “We are a very seasonal business with home heating and agronomy being our primary services. The particularly brutal winter has played a factor in higher receivables and people have been less able to pay for two [liquid propane] orders in one month as opposed to a typical single order. We do see our farmers struggling with low milk and grain prices, finding it difficult to pay their cooperative accounts in full each month.”

Cutts continued, “Higher power bills driven by the cold weather will impact the ability of some clients to make timely or full payments on their invoices. Consumers are loudly protesting power bills that have doubled or tripled in January, but commercial users will face the same issues—they are just quieter about it.”

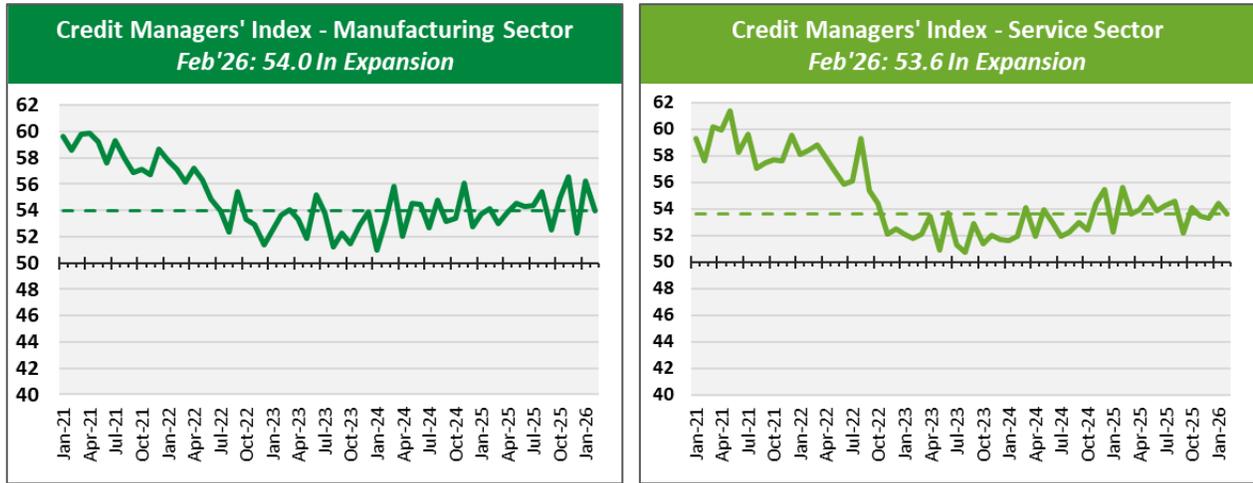
CMi Combined Sectors Factor Indexes Charts

All charts contain seasonally adjusted data. Please note that the vertical axes are not scaled identically, and the dotted line represents the most recent value.



CMI Manufacturing versus CMI Service Sectors Indexes

The Manufacturing Sector CMI deteriorated 2.2 points in the February CMI survey—which reflects January activity—to a level of 54.0. The Service Sector CMI lost 0.9 points bringing it to 53.6.



The data in the charts are seasonally adjusted.

CMI Manufacturing Sector Factor Indexes

Among the CMI Manufacturing Sector Factor Indexes, favorable factors deteriorated 4.9 points to 57.9. The Unfavorable Factor Index lost 0.6 points and now stands at 51.3.

Key Findings:

- Three of the four favorable factor indexes dropped in this month's survey. All remain in expansion.
- The index for dollar sales sank the most, losing 14.1 points, erasing nearly all of the improvement from the prior month. The index now sits at 55.6.
- The index for Customer Disputes marked its second consecutive month in contraction, losing 0.7 points to sit at 49.2 points.
- The Accounts Placed for Collections index improved 4.4 points to move back into expansion after six consecutive months below the 50-point contraction threshold.

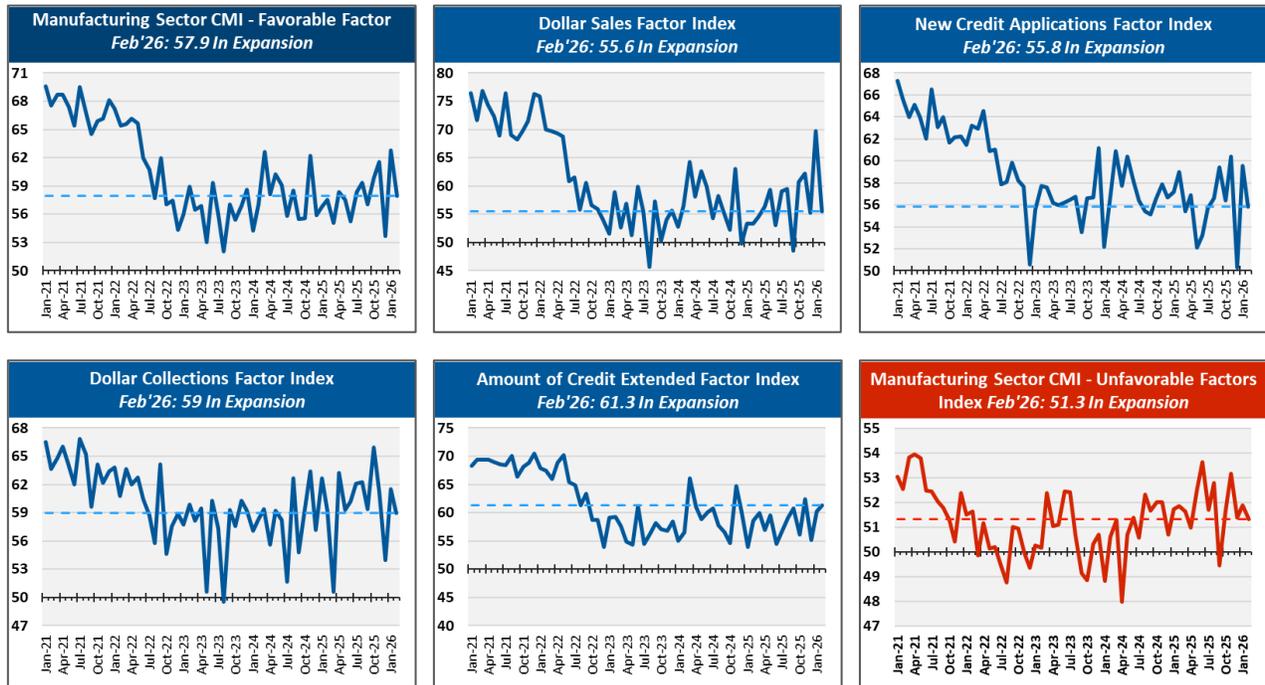
What Manufacturing Sector respondents are saying:

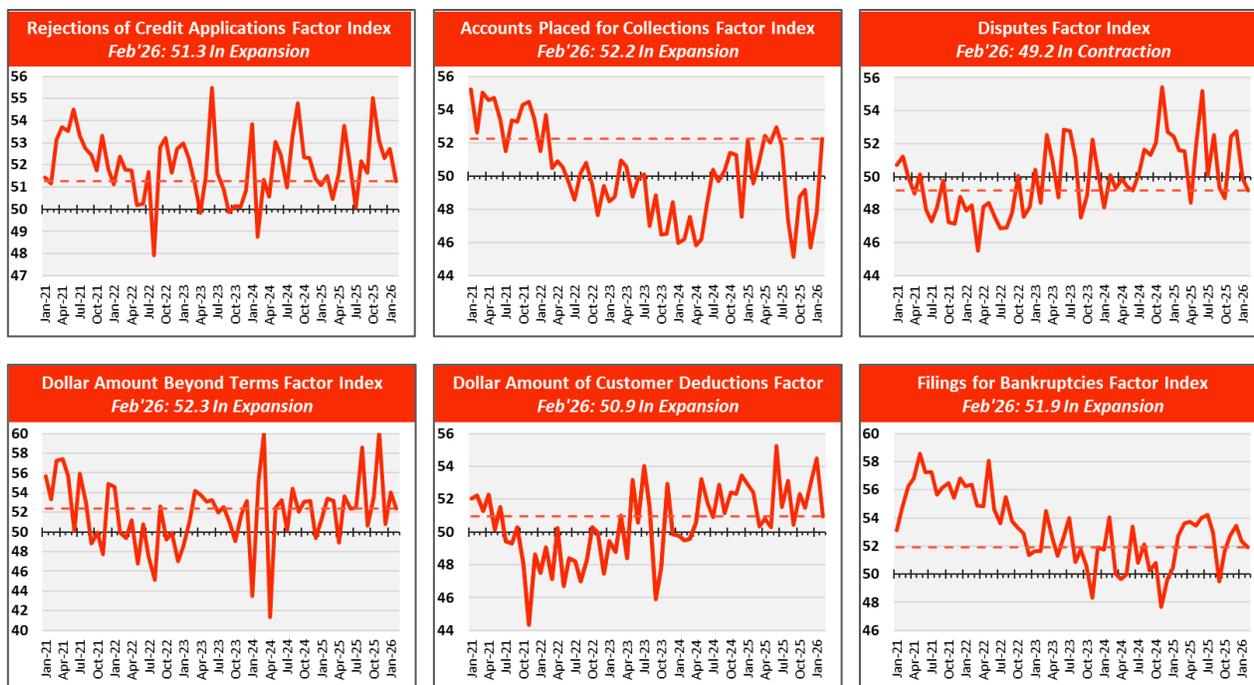
- "In January, we had the best sales month that we have had in a long time—several years. I'm speaking mainly of tons of product sold, not necessarily an increase in revenue, but we probably had that too."
- "Business has slowed considerably, but our accounts receivables collections are extraordinary."
- "Sales are slowing down. I even heard of one VP of Construction that was laid off due to slow sales."
- "Tariffs are driving costs and hitting customers in the form of reduced inventory and availability."
- "We had only 16 manufacturing days in January due to bad weather. This will skew all aspects of the business for 60 days."

Manufacturing Sector (seasonally adjusted)	Feb '25	Mar '25	Apr '25	May '25	Jun '25	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26
Dollar Sales	53.4	54.5	56.4	59.3	53.1	59.1	59.4	48.6	60.7	62.2	55.2	69.7	55.6
New Credit Applications	59.0	55.4	56.9	52.1	53.2	55.7	56.6	59.4	56.4	60.4	50.3	59.6	55.8
Dollar Collections	59.2	50.6	63.3	59.3	60.2	62.1	62.3	59.4	65.9	61.2	54.0	61.5	59.0
Amount of Credit Extended	58.6	59.9	56.9	59.5	54.5	56.6	59.1	60.8	56.2	62.5	55.2	60.3	61.3
Index of Favorable Factors	57.5	55.1	58.3	57.6	55.2	58.4	59.3	57.1	59.8	61.6	53.7	62.8	57.9
Rejections of Credit Applications	51.5	50.5	51.6	53.8	52.1	50.1	52.2	51.7	55.0	53.1	52.3	52.7	51.3
Accounts Placed for Collection	49.5	50.8	52.4	52.0	52.9	51.8	47.3	45.1	48.7	49.2	45.7	47.8	52.2
Disputes	51.6	51.5	48.4	52.0	55.2	50.1	52.5	49.4	48.7	52.5	52.8	49.9	49.2
Dollar Amount Beyond Terms	53.4	53.2	48.9	53.6	52.4	52.5	58.6	50.7	53.6	60.2	50.8	54.0	52.3
Dollar Amount of Customer Deductions	52.4	50.3	50.8	50.3	55.3	51.5	53.1	50.4	52.3	51.5	53.1	54.5	50.9
Filings for Bankruptcies	52.7	53.6	53.7	53.4	54.0	54.2	53.0	49.5	51.7	52.8	53.5	52.3	51.9
Index of Unfavorable Factors	51.9	51.6	51.0	52.5	53.6	51.7	52.8	49.5	51.7	53.2	51.4	51.9	51.3
NACM Manufacturing CMI	54.1	53.0	53.9	54.5	54.3	54.4	55.4	52.5	54.9	56.5	52.3	56.2	54.0

CMI Manufacturing Sector Factor Indexes Charts

All charts contain seasonally adjusted data. Please note that the vertical axes are not scaled identically, and the dotted line represents the most recent value.





CMI Service Sector Factor Indexes

The CMI Service Sector Favorable Factors Index marked a 1.3-point decrease to 61.2, still well into expansion. The sector’s Unfavorable Factors Index deteriorated 0.6 points to 48.5, marking the ninth month out of the past 13 that this index has been in contraction.

Key Findings:

- The Unfavorable Factors Index has been in contraction for 38 of the past 44 months, with two additional months exactly at neutral (at 50.0), and has risen above 51 only once.
- The two favorable factors that improved this month were New Credit Applications and the Amount of Credit Extended rising.
- The Index for Accounts Placed for Collections fell by 1.4 points to 44.0, marking its 43rd month in contraction out of the last 45 months. During that period, the index was in expansion only in August 2022 and December 2024.
- Four of the six unfavorable factor indexes are in contraction.

What Service Sector respondents are saying:

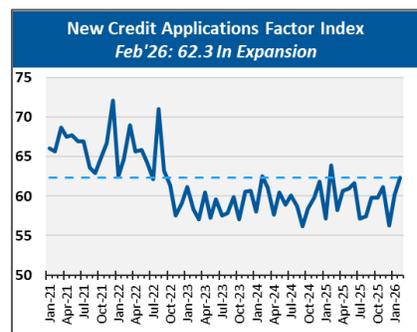
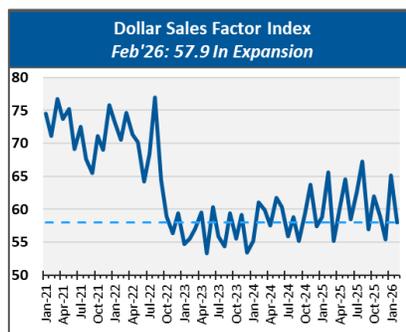
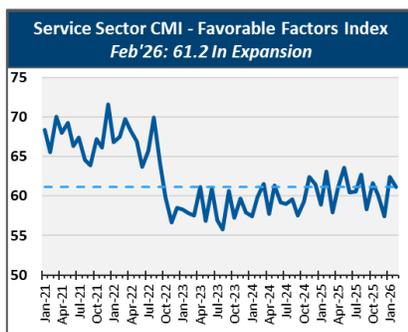
- “Bad weather with ice/snow that hit the South caused us to lose three full business days for several of our divisions. That hurt our collection efforts and led to less cash being collected. Despite this, we still ended the month with higher sales and more orders in the pipeline. Cash flow issues with some customers persist.”
- “Collect as much info as you can if involved with construction projects. You need to pause and find out who your customer truly is, as well as who the legal entity and the general contractor is. If you're already doing that, well then kudos to you!”
- “Customers are pushing harder for pay-when-paid terms.”
- “Data center business continues to drive sales and credit lines up.”

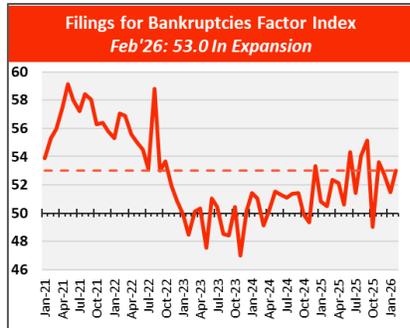
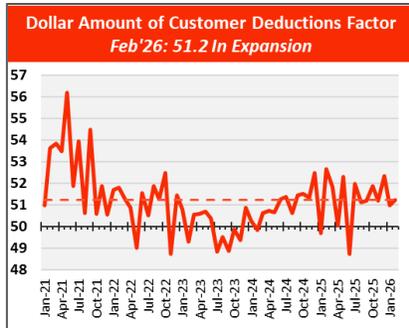
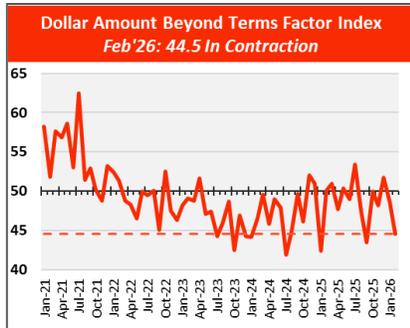
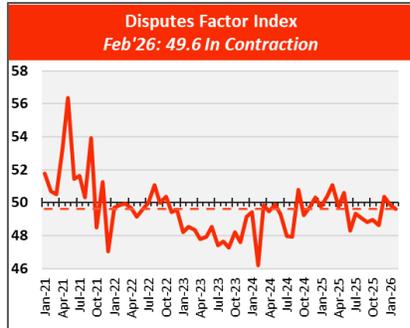
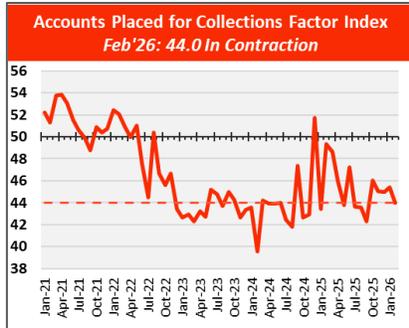
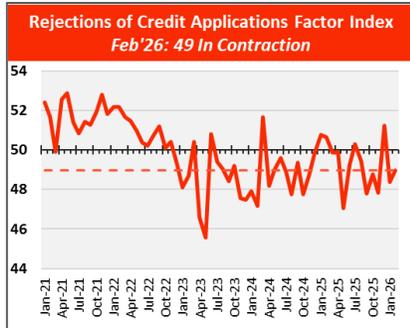
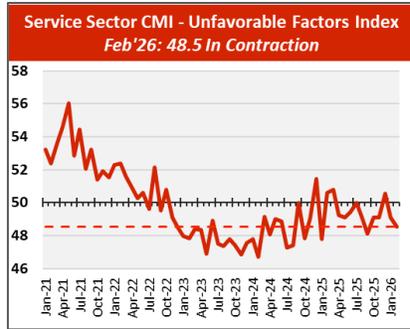
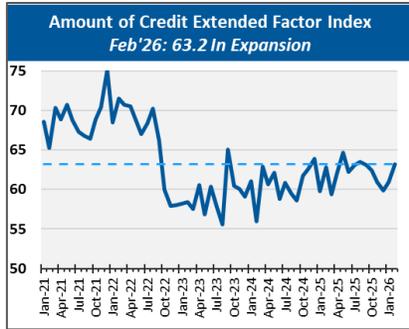
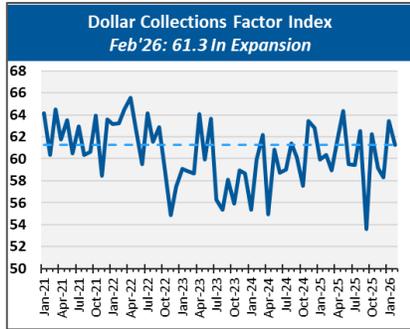
- “Our revenue is seasonal with the worst months being November, December and January, which aligns recent months well with our historical performance. Now, revenue is increasing and customers are clearing invoices they held back on paying during the holidays.”
- “Sales and revenue are much improved from the same period in 2025.”
- “We have found that it is taking longer than the terms set to collect for 45% of our customers. The construction industry has slowed down tremendously.”
- “We're seeing more customers requesting payment plans, and other avenues to make later/smaller payments.”

Service Sector (seasonally adjusted)	Feb '25	Mar '25	Apr '25	May '25	Jun '25	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26
Dollar Sales	65.6	55.2	59.7	64.5	58.4	62.7	67.3	57.0	61.9	58.9	55.4	65.2	57.9
New Credit Applications	63.9	58.2	60.6	61.0	61.6	57.2	57.5	59.8	59.8	61.1	56.2	60.2	62.3
Dollar Collections	60.3	58.9	61.9	64.4	59.5	59.4	62.6	53.6	62.3	59.2	58.3	63.5	61.3
Amount of Credit Extended	62.8	59.3	62.0	64.7	62.3	63.1	63.5	63.1	62.4	61.0	59.9	61.0	63.2
Index of Favorable Factors	63.1	57.9	61.1	63.6	60.5	60.6	62.7	58.4	61.6	60.0	57.5	62.5	61.2
Rejections of Credit Applications	50.6	49.9	49.9	47.0	49.2	50.3	49.4	47.8	48.8	47.9	51.2	48.4	49.0
Accounts Placed for Collection	49.3	48.7	46.0	43.8	47.2	43.6	43.6	42.3	46.0	45.1	45.0	45.4	44.0
Disputes	50.3	51.1	49.8	50.6	48.3	49.3	49.0	48.8	48.9	48.7	50.4	49.9	49.6
Dollar Amount Beyond Terms	50.1	51.0	47.7	50.4	48.9	53.4	47.4	43.4	50.0	48.2	51.8	48.6	44.5
Dollar Amount of Customer Deductions	52.7	51.8	50.1	52.3	48.7	52.0	51.1	51.2	51.9	51.2	52.3	51.0	51.2
Filings for Bankruptcies	50.5	52.3	52.1	50.6	54.3	51.4	54.1	55.2	49.0	53.6	52.7	51.5	53.0
Index of Unfavorable Factors	50.6	50.8	49.3	49.1	49.5	50.0	49.1	48.1	49.1	49.1	50.6	49.1	48.5
NACM Service CMI	55.6	53.6	54.0	54.9	53.9	54.2	54.5	52.2	54.1	53.5	53.3	54.5	53.6

CMI Service Sector Factor Indexes Charts

All charts contain seasonally adjusted data. Please note that the vertical axes are not scaled identically, and the dotted line represents the most recent value.





View CMI archives at <https://www.nacm.org/cmi/cmi-archive.html>.

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Methodology Appendix

CMI data has been collected and tabulated monthly since May 2002. The index, published since May 2003, is based on a survey of approximately 1,000 trade credit managers in the first half of each month, with about equal representation between the manufacturing and service sectors. The survey asks respondents to comment whether they are seeing improvement, deterioration, or no change for various favorable and unfavorable factors. There is representation from all states, except some of the less populated, such as Vermont and Wyoming. The computation of seasonality is based on the formula used by the U.S. Census Bureau and most of the federal government's statistical gathering apparatus, making it possible to compare the CMI diffusion index with comparable indices, such as the Purchasing Managers' Index (PMI) and other manufacturing and service sector indices.

Factors Making Up the Diffusion Index

As shown in the table below, 10 equally weighted items determine the index. These items are classified into two categories: favorable factors and unfavorable factors. A diffusion index is calculated for each item with the overall CMI being a simple average of the 10 items. Survey responses for each item capture the change—higher, lower or the same—in the current month compared to the previous month.

For positive indicators, the calculation is:

$$\frac{\text{Number of "higher" responses} + \frac{1}{2} \times \text{number of "same" responses}}{\text{Total number of responses}}$$

For negative indicators, the calculation is:

$$\frac{\text{Number of "lower" responses} + \frac{1}{2} \times \text{number of "same" responses}}{\text{Total number of responses}}$$

A resulting CMI number of more than 50 indicates an economy in expansion; less than 50 indicates contraction.

Favorable Factors	Why Favorable
Sales	Higher sales are considered more favorable than lower sales.
New credit applications	An increase in credit applications says that demand is greater, which represents increased business if credit is extended.
Dollar collections	Higher dollar collections represent improved cash flow for the selling firm and the ability of buying firms to pay.
Amount of credit extended	An increase for this item means business activity is expanding with greater sales via trade credit.
Unfavorable Factors*	Why Unfavorable
Rejections of credit applications	Increased rejections of credit applications mean more marginal creditworthy customers are seeking trade credit and being denied.
Accounts placed for collection	As this item increases, the selling firm is having trouble collecting accounts, or conversely, there is an increase in buyers not paying.

Disputes	Higher dispute activity often is associated with cash flow problems of customers. They dispute the invoice to defer payment until later.
Dollar amount of receivables beyond terms	As this item becomes higher, it means customers are taking longer to pay.
Dollar amount of customer deductions	Higher deductions often are associated with cash flow problems of customers.
Filings for bankruptcies	Higher bankruptcy filings mean cash flow difficulties of customers are increasing.

**Note: When survey respondents report increases in unfavorable factor activities, the index numbers drop, reflecting worsening conditions.*

About the National Association of Credit Management

NACM, headquartered in Columbia, Maryland, supports thousands of business credit and financial professionals worldwide with premier industry services, tools and information. NACM and its network of affiliated associations are the leading resource for credit and financial management information, education, products and services designed to improve the management of business credit and accounts receivable. NACM's collective voice has influenced our nation's policy makers on federal legislation concerning commercial business and trade credit for over 100 years and continues to play an active role in legislative issues that pertain to business credit and corporate bankruptcy. Its annual Credit Congress & Expo is the largest gathering of credit professionals in the world. NACM has a wealth of member experts in the fields of business-to-business credit and law. Consider using NACM as a resource in the development of your next credit or finance story. View CMI archives at <https://www.nacm.org/cmi/cmi-archive.html>.