Report for July 2026

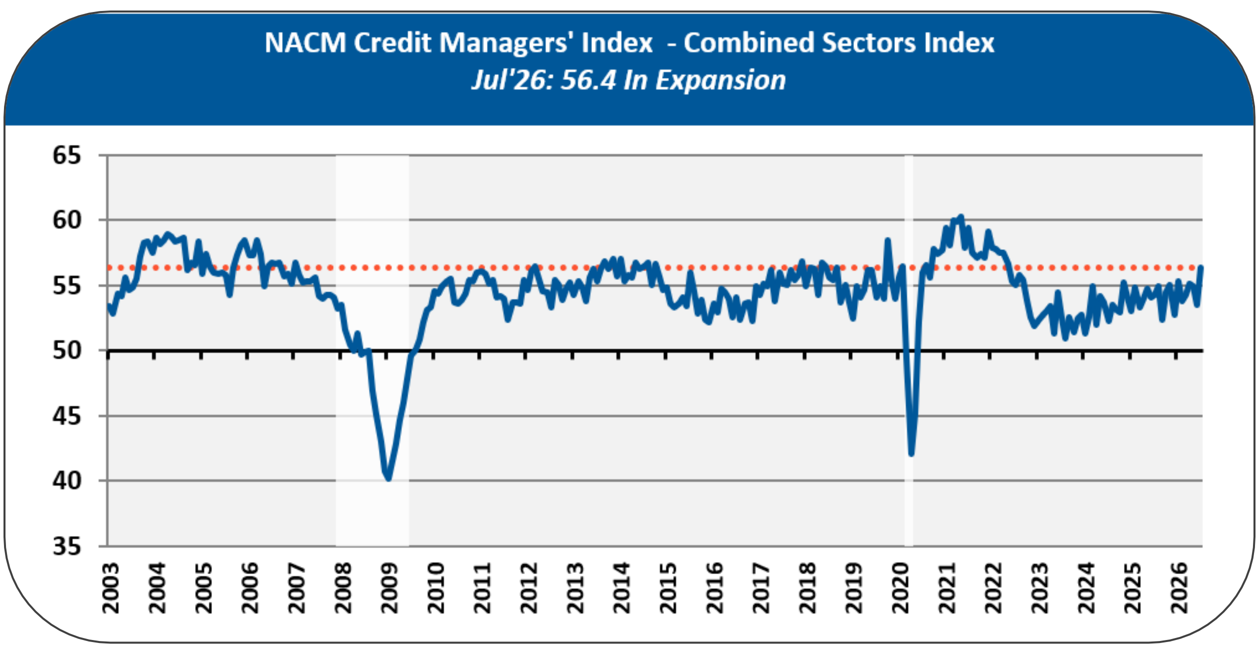
Issued August 3, 2026

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 July 2026 improved by 2.9 points to 56.4. The survey reflects business conditions for the month just completed. "The CMI improved in the July survey based on strong upswings in favorable factors, especially Dollar Sales, which reflects orders received during the month that have entered into the system but not yet shipped," said NACM Economist Amy Crews Cutts, Ph.D., CBE®.

Cutts continued, "Although we refer to some metrics as favorable or unfavorable to business conditions, they can have alternative interpretations. Dollar sales can rise because of higher unit sales, which is always viewed as a good thing. It can also be due to increased prices, which could be good because they have strong and rising demand for their products, or bad if they are having to do so because their costs are rapidly rising, squeezing or eliminating their margins. I have spoken with several members and over the past year many have raised prices mostly due to higher input costs. Some have had declining unit sales that may have occurred as a result of the higher prices or other stresses on their customers. More recently some respondents have indicated stronger demand and some of the highest sales levels in the firm's recent memory."



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)	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26	Mar '26	Apr '26	May '26	Jun '26	Jul '26
Dollar Sales	60.9	63.3	52.8	61.3	60.6	55.3	67.4	56.8	60.4	64.5	62.6	57.3	71.8
New Credit Applications	56.4	57.0	59.6	58.1	60.8	53.3	59.9	59.1	60.5	59.5	62.0	57.8	61.7
Dollar Collections	60.8	62.4	56.5	64.1	60.2	56.1	62.5	60.1	60.8	61.8	62.1	61.4	66.6
Amount of Credit Extended	59.9	61.3	62.0	59.3	61.7	57.5	60.6	62.3	62.8	63.0	65.9	62.4	65.0
Index of Favorable Factors	**59.5**	**61.0**	**57.7**	**60.7**	**60.8**	**55.6**	**62.6**	**59.6**	**61.1**	**62.2**	**63.1**	**59.7**	**66.3**
Rejections of Credit Applications	50.2	50.8	49.7	51.9	50.5	51.8	50.6	50.1	50.7	49.3	49.2	49.5	48.3
Accounts Placed for Collection	47.7	45.5	43.7	47.4	47.1	45.3	46.6	48.1	44.3	47.7	47.6	46.5	46.7
Disputes	49.7	50.8	49.1	48.8	50.6	51.6	49.9	49.4	49.2	48.9	48.6	49.6	50.3
Dollar Amount Beyond Terms	52.9	53.0	47.0	51.8	54.2	51.3	51.3	48.4	50.1	50.4	49.5	47.2	48.8
Dollar Amount of Customer Deductions	51.7	52.1	50.8	52.1	51.3	52.7	52.7	51.1	52.1	52.8	50.2	51.9	51.4
Filings for Bankruptcies	52.8	53.5	52.3	50.3	53.2	53.1	51.9	52.4	51.8	53.6	51.8	51.8	53.6
Index of Unfavorable Factors	**50.9**	**50.9**	**48.8**	**50.4**	**51.1**	**51.0**	**50.5**	**49.9**	**49.7**	**50.4**	**49.5**	**49.4**	**49.8**
NACM Combined CMI	**54.3**	**55.0**	**52.4**	**54.5**	**55.0**	**52.8**	**55.3**	**53.8**	**54.3**	**55.2**	**55.0**	**53.5**	**56.4**

CMI Combined Sectors Factor Indexes

Key Findings:

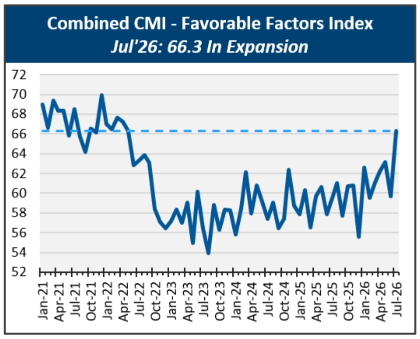
- The Index for Unfavorable Factors increased by 0.4 points and now sits at 49.8 points. This index has not wavered much above or below the 50-point line denoting the break between contraction and expansion since the summer of 2021.
- Two of the six unfavorable factors deteriorated in the July survey. The largest decline was in Rejections of Credit Applications, which lost 1.2 points, to sit at 48.3 points. This marks the factor's fourth month in contraction.
- The number of Accounts Placed for Collections rose 0.2 points to 46.7 points. This month's survey marks its 46th month in contraction out of the last 47. This means the number of accounts placed for collections at respondent firms has increased every month for almost four years with the exception of June of 2025 when it was essentially at neutral.
- The Index for Favorable Factors improved 6.6 points in this month's survey. The index sits at 66.3 points. All of the favorable factors improved this month, led by a 14.5-point rise in the Dollar Sales Index.
- All of the favorable factor indexes are in expansion.

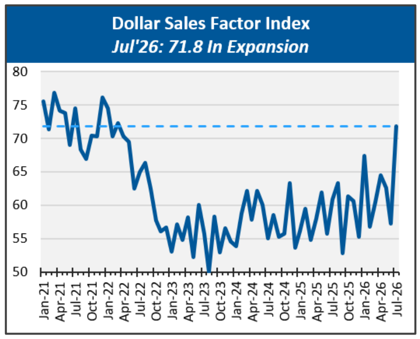
"Business bankruptcy filings were up 22.2% from first quarter 2025 to the first quarter of 2026 according to the U.S. Courts bankruptcy statistics," said Cutts. "NACM recently surveyed members about their experience with customer bankruptcies and 50% of respondents said they had seen no noticeable change in Chapter 11 filings, 35% reported a slight increase and 15% said they had seen a significant increase."

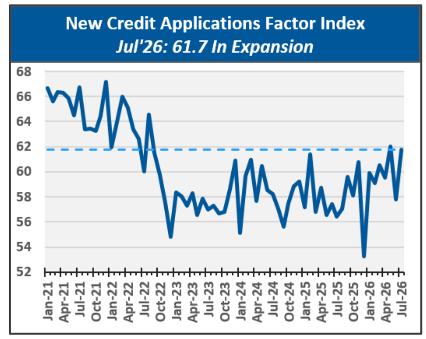
Cutts continued, "I spoke with several members at NACM's recent Credit Congress conference about business closures and they said that they are seeing a higher incidence of businesses simply ceasing operations, turning off the phones and the owners simply walking away. The members were essentially ghosted by these customers. On the other hand, this month a respondent said that they've seen some orderly business winddowns and liquidations outside of bankruptcy. Outside of the bankruptcy stats, it is hard to track business closures in a timely way to know if this is a meaningful economic trend."

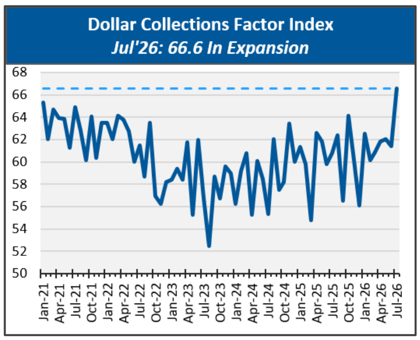
CMI Combined Sectors Factor Indexes Charts

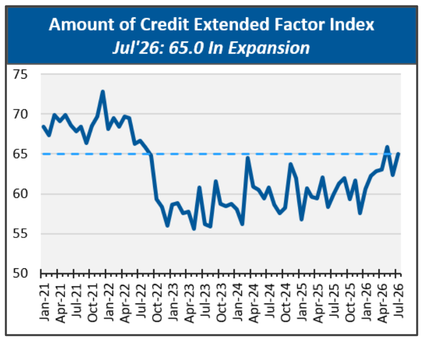
All charts contain seasonally adjusted data. Please note that the vertical axes are not scaled identically, and the dotted line represents the most recent value.

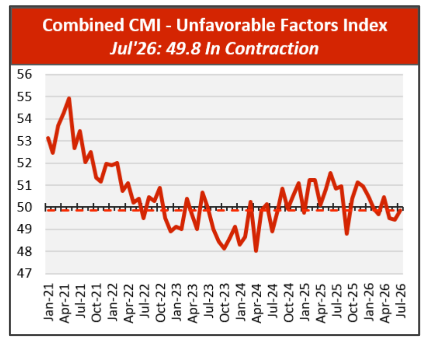


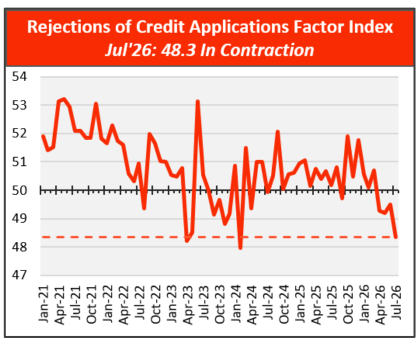


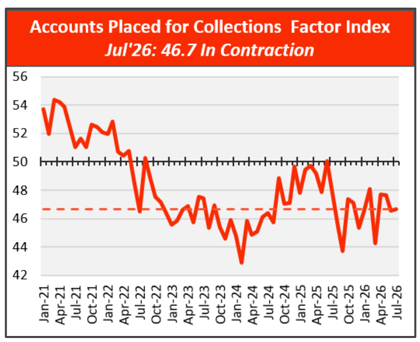


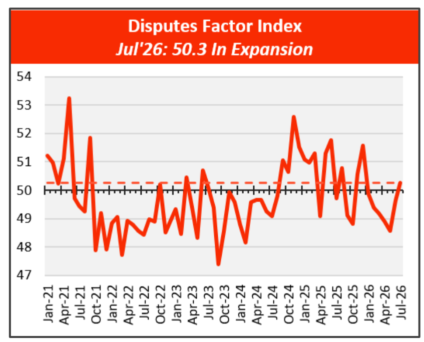


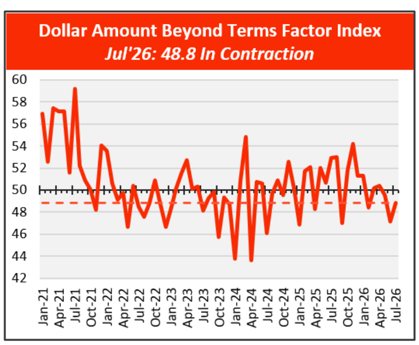


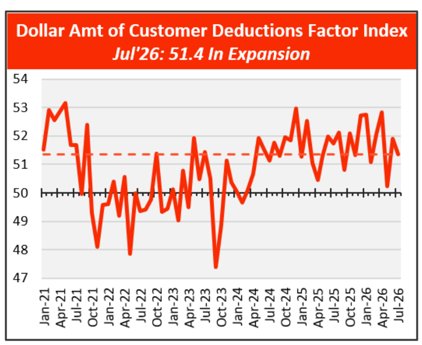


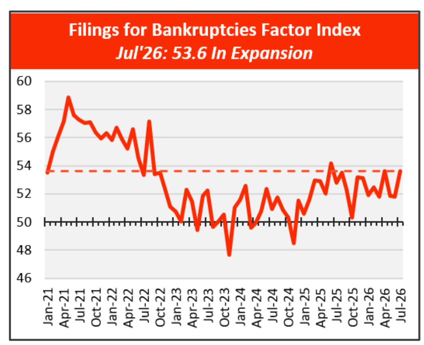






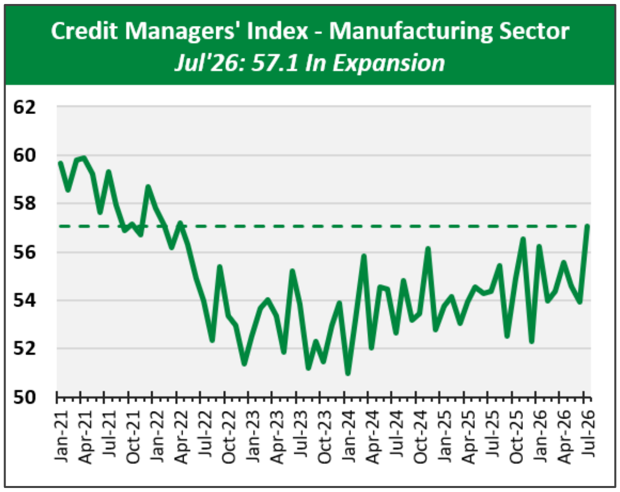


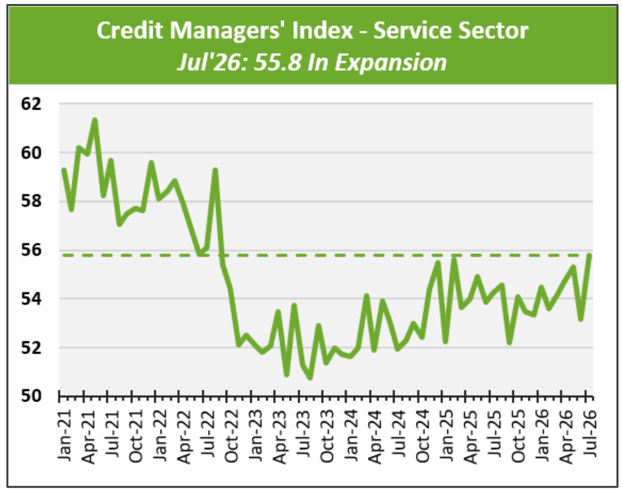




CMI Manufacturing versus CMI Service Sectors Indexes

The Manufacturing Sector CMI improved 3.2 points in the July CMI survey, which reflects June activity, to a level of 57.1. The Service Sector CMI improved 2.6 points to sit at 55.8 points.





The data in the charts are seasonally adjusted.

CMI Manufacturing Sector Factor Indexes

Among the CMI Manufacturing Sector Factor Indexes, favorable factors improved by 6.1 points to 64.6. The Unfavorable Factor Index also improved, gaining 1.1 points, and now stands at 52.0.

Key Findings:

- All of the factor indexes for the Manufacturing sector are in expansion.
- All of the four favorable factor indexes improved by a significant margin in this month's survey. Dollar Sales led the improvement among favorable factors, gaining 10.9 points to hit a level of 67.4.
- Two of the six unfavorable factors deteriorated this month. The factor for the number of Accounts Placed for Collections fell the most, losing 1.1 points to 50.4. This factor has been in expansion for the past 4 surveys.
- The Dollar Amount of Customer Deductions declined 1.0 point.

What Manufacturing Sector respondents are saying:

- "[There is a] noticeable trend in our dealers not getting timely payments from their customers, so it is slowing payment times to us. Cash flow is tight."
- "Customers are extending the time to pay, and we are going to higher levels of management in order to have invoices paid."
- "Companies like mine that do not have an online payment system are struggling with accounts receivable and should update their systems."
- "We are a seasonal business, mining and manufacturing of salt for deicing products."

Manufacturing Sector (seasonally adjusted)	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26	Mar '26	Apr '26	May '26	Jun '26	Jul '26
Dollar Sales	59.1	59.4	48.6	60.7	62.2	55.2	69.7	55.6	57.1	62.8	59.1	56.5	67.4
New Credit Applications	55.7	56.6	59.4	56.4	60.4	50.3	59.6	55.8	58.4	56.5	58.5	55.0	60.4
Dollar Collections	62.1	62.3	59.4	65.9	61.2	54.0	61.5	59.0	57.6	61.4	62.3	61.6	68.2
Amount of Credit Extended	56.6	59.1	60.8	56.2	62.5	55.2	60.3	61.3	60.3	63.1	63.4	60.8	62.6
Index of Favorable Factors	**58.4**	**59.3**	**57.1**	**59.8**	**61.6**	**53.7**	**62.8**	**57.9**	**58.3**	**61.0**	**60.8**	**58.5**	**64.6**
Rejections of Credit Applications	50.1	52.2	51.7	55.0	53.1	52.3	52.7	51.3	51.6	50.1	49.8	51.2	51.5
Accounts Placed for Collection	51.8	47.3	45.1	48.7	49.2	45.7	47.8	52.2	47.5	52.0	50.6	51.5	50.4
Disputes	50.1	52.5	49.4	48.7	52.5	52.8	49.9	49.2	50.1	48.4	48.2	50.2	51.7
Dollar Amount Beyond Terms	52.5	58.6	50.7	53.6	60.2	50.8	54.0	52.3	55.1	52.5	51.7	47.3	51.1
Dollar Amount of Customer Deductions	51.5	53.1	50.4	52.3	51.5	53.1	54.5	50.9	53.7	53.8	50.3	52.7	51.7
Filings for Bankruptcies	54.2	53.0	49.5	51.7	52.8	53.5	52.3	51.9	52.4	54.9	52.0	52.2	55.7
Index of Unfavorable Factors	**51.7**	**52.8**	**49.5**	**51.7**	**53.2**	**51.4**	**51.9**	**51.3**	**51.7**	**52.0**	**50.4**	**50.9**	**52.0**
NACM Manufacturing CMI	**54.4**	**55.4**	**52.5**	**54.9**	**56.5**	**52.3**	**56.2**	**54.0**	**54.4**	**55.6**	**54.6**	**53.9**	**57.1**

CMI Manufacturing Sector Factor Indexes Charts

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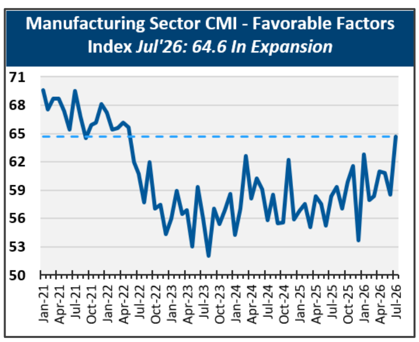

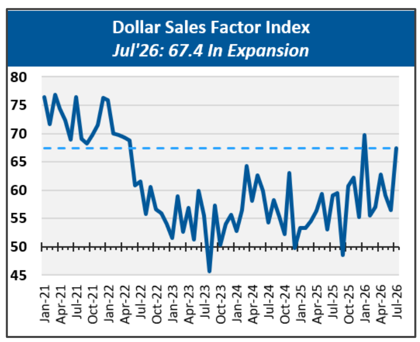

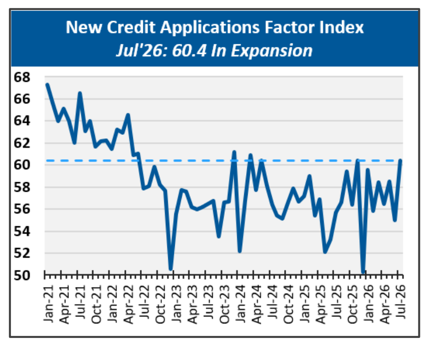

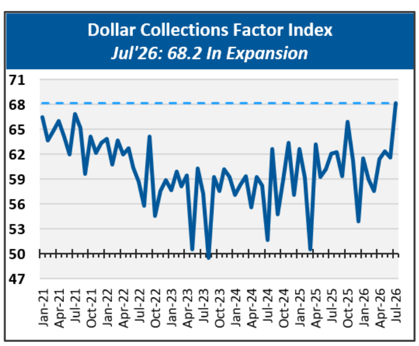

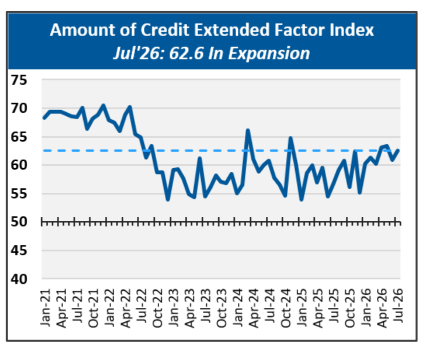

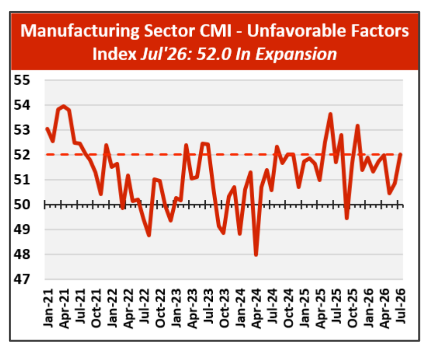

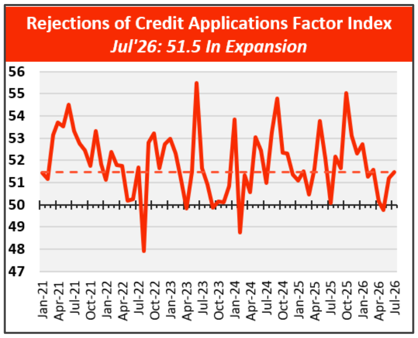

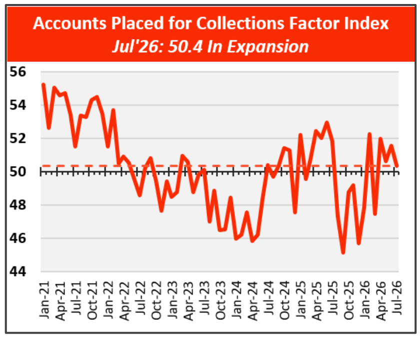

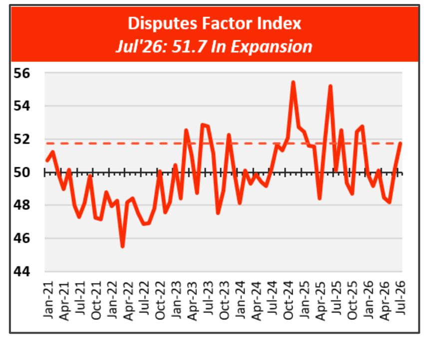

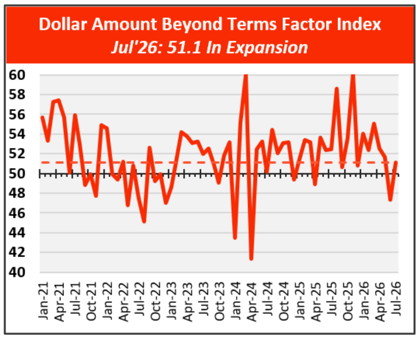

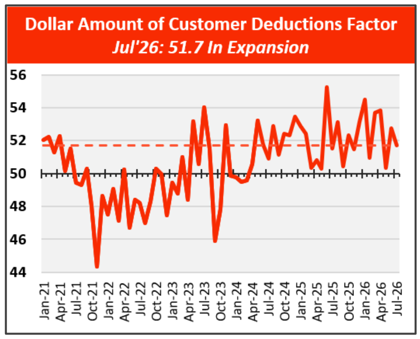

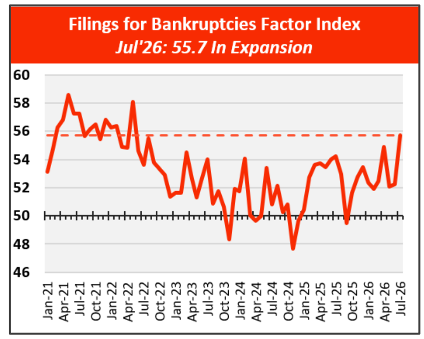

CMI Service Sector Factor Indexes

The CMI Service Sector Favorable Factors Index marked a 7.0-point improvement to 68.0. The sector's Unfavorable Factors Index deteriorated 0.3 points to 47.7, its seventh consecutive month in contraction.

Key Findings:

- The Unfavorable Factors Index has been in contraction for 43 of the past 49 months with another two months sitting exactly at neutral (at 50.0). It has risen above a level of 51 only once in that time span.
- All of the four favorable factors improved this month, with Dollar Sales leading that rise with a gain of 18.1 points to a recent high value of 76.2. All favorable factors remain in expansion.
- Accounts Placed for Collections was one of two unfavorable factors that improved, rising by 1.5 points to a value of 43.0 to mark its 49th month in contraction out of the last 52 months. During that period it was in expansion only in May 2022, August 2022, and December 2024.
- Four of the six unfavorable factors are in contraction and have been for seven months. They are the indexes for: Rejections of Credit Applications, Accounts Placed for Collections, Disputes, and the Dollar Amount Beyond Terms.

What Service Sector respondents are saying:

- "Utilities such as electric get paid due to the nature of the business, which leans highly on financial reporting agencies to track how they pay other vendors."
- "Still some slowness in [accounts receivables] collections as our customers are advising that end users continue to push on extended terms and pay outside of them."
- "No bankruptcies this month."
- "Most credit losses are happening in the sunbelt states. The risk runs from FL to TX and into AZ. FL is the worst. TX is a close second. The losses are concentrated in residential. Commercial, industrial, and underground utilities remain strong across the board."

- "Despite being in seasonal slowdown (summer's typically slow), orders and billing remain fairly strong. M&A activity also seems more active and we've seen some orderly business winddowns and liquidations outside of bankruptcy."
- "Customers are paying when paid instead of in terms."
- "Chapter 11 filings have increased."

Service Sector (seasonally adjusted)	Jul '25	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26	Mar '26	Apr '26	May '26	Jun '26	Jul '26
Dollar Sales	62.7	67.3	57.0	61.9	58.9	55.4	65.2	57.9	63.7	66.2	66.1	58.1	76.2
New Credit Applications	57.2	57.5	59.8	59.8	61.1	56.2	60.2	62.3	62.6	62.6	65.6	60.5	63.1
Dollar Collections	59.4	62.6	53.6	62.3	59.2	58.3	63.5	61.3	64.0	62.2	61.8	61.2	65.0
Amount of Credit Extended	63.1	63.5	63.1	62.4	61.0	59.9	61.0	63.2	65.4	62.9	68.4	63.9	67.5
Index of Favorable Factors	**60.6**	**62.7**	**58.4**	**61.6**	**60.0**	**57.5**	**62.5**	**61.2**	**63.9**	**63.5**	**65.5**	**60.9**	**68.0**
Rejections of Credit Applications	50.3	49.4	47.8	48.8	47.9	51.2	48.4	49.0	49.9	48.4	48.6	47.8	45.2
Accounts Placed for Collection	43.6	43.6	42.3	46.0	45.1	45.0	45.4	44.0	41.1	43.4	44.7	41.5	43.0
Disputes	49.3	49.0	48.8	48.9	48.7	50.4	49.9	49.6	48.3	49.3	49.0	49.1	48.8
Dollar Amount Beyond Terms	53.4	47.4	43.4	50.0	48.2	51.8	48.6	44.5	45.2	48.3	47.4	47.0	46.6
Dollar Amount of Customer Deductions	52.0	51.1	51.2	51.9	51.2	52.3	51.0	51.2	50.4	51.8	50.1	51.0	51.0
Filings for Bankruptcies	51.4	54.1	55.2	49.0	53.6	52.7	51.5	53.0	51.2	52.3	51.6	51.4	51.5
Index of Unfavorable Factors	**50.0**	**49.1**	**48.1**	**49.1**	**49.1**	**50.6**	**49.1**	**48.5**	**47.7**	**48.9**	**48.5**	**48.0**	**47.7**
NACM Services CMI	**54.2**	**54.5**	**52.2**	**54.1**	**53.5**	**53.3**	**54.5**	**53.6**	**54.2**	**54.7**	**55.3**	**53.2**	**55.8**

CMI Service Sector Factor Indexes Charts

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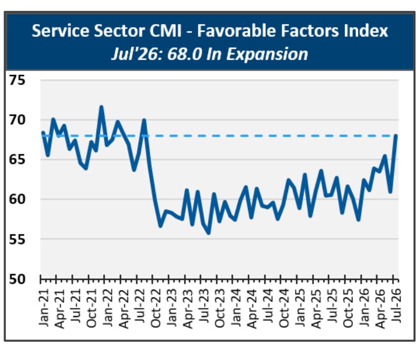

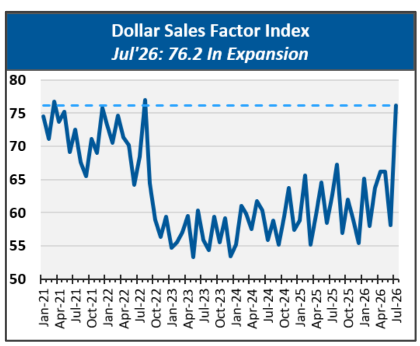

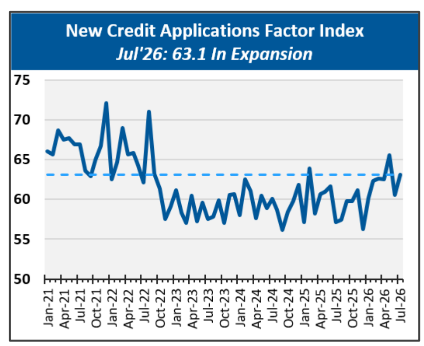

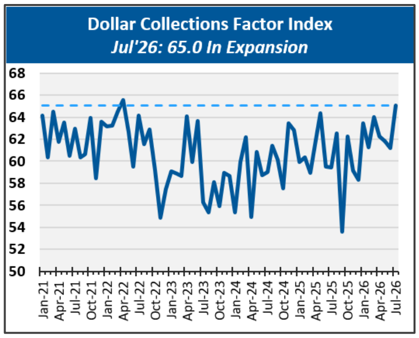

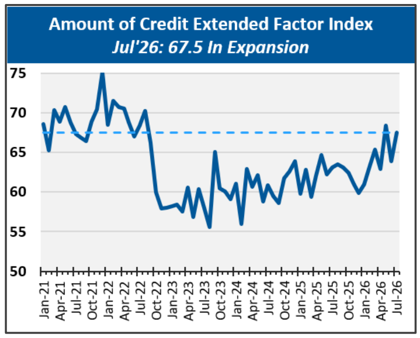

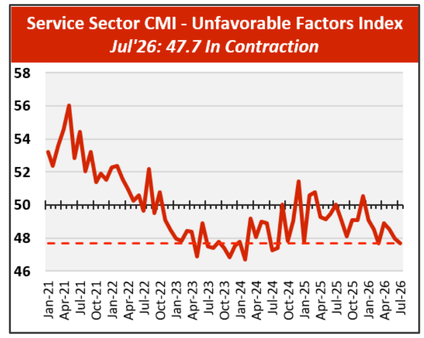

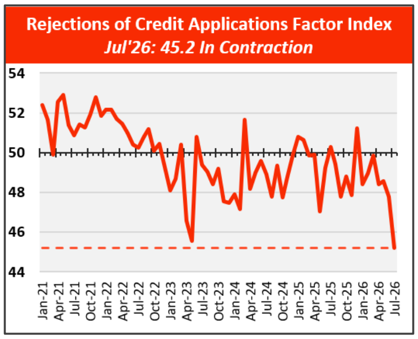

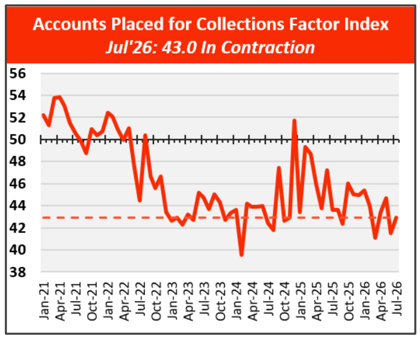

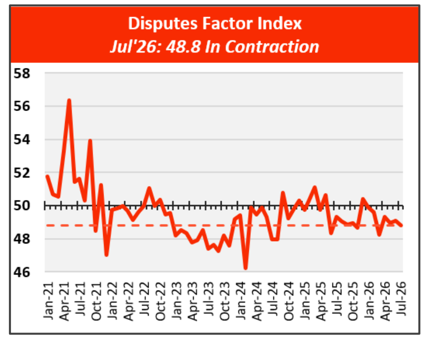

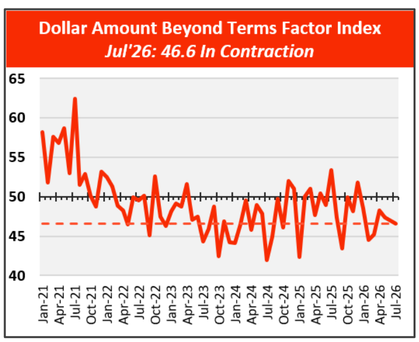

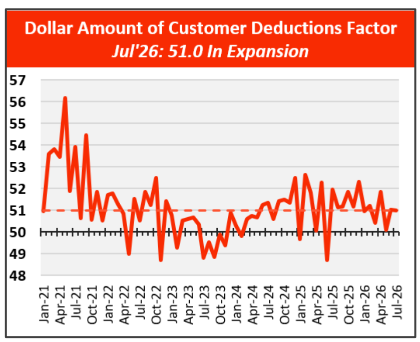

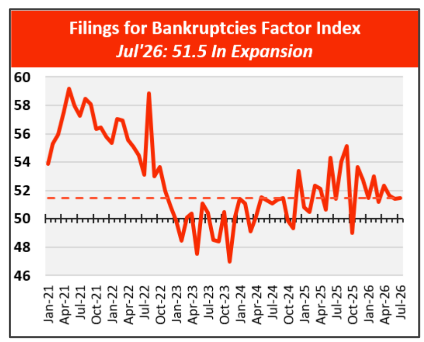

View CMI archives at https://www.nacm.org/cmi/cmi-archive.html.

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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:

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

For negative indicators, the calculation is:

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

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/cmiarchive.html.