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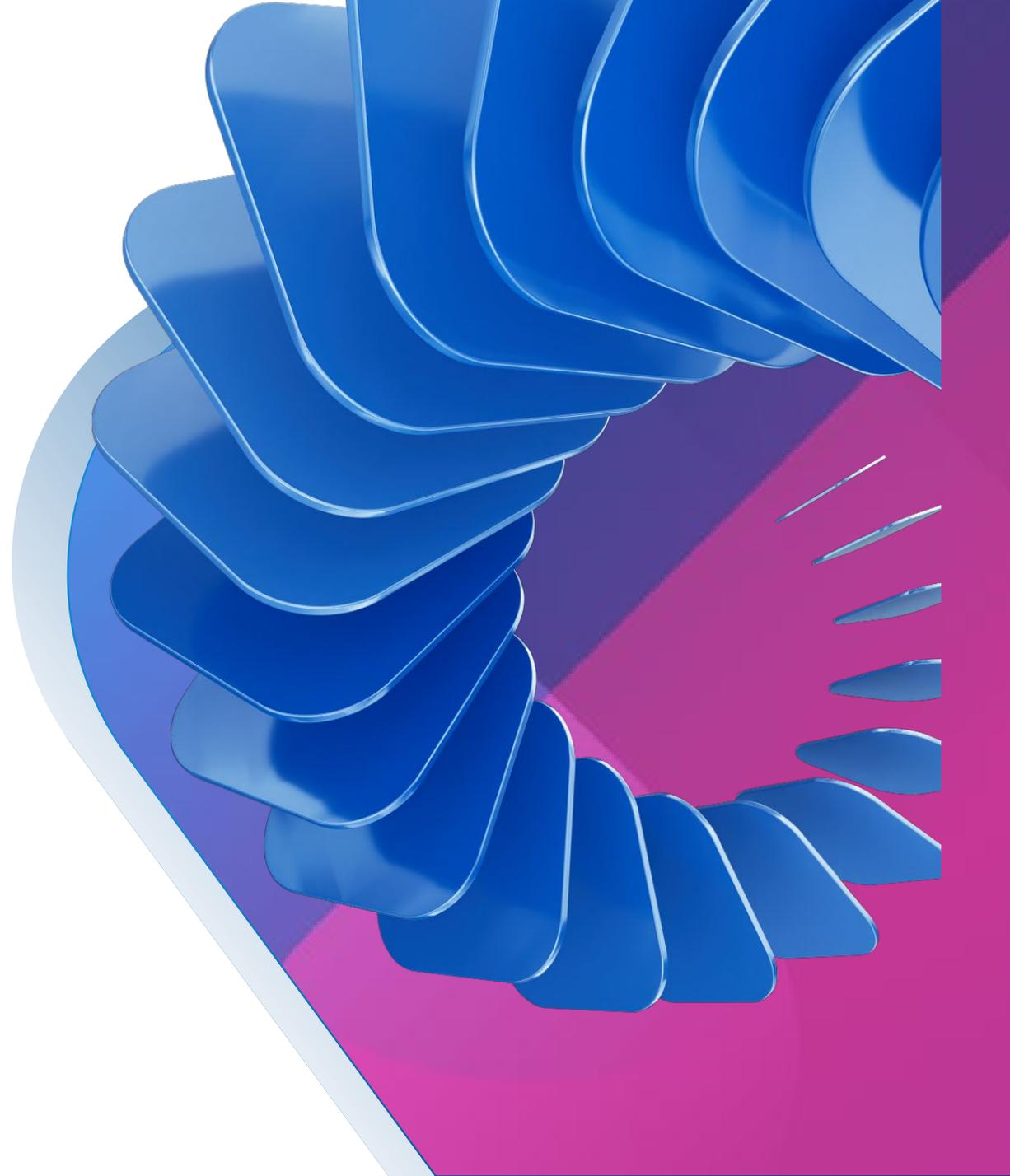
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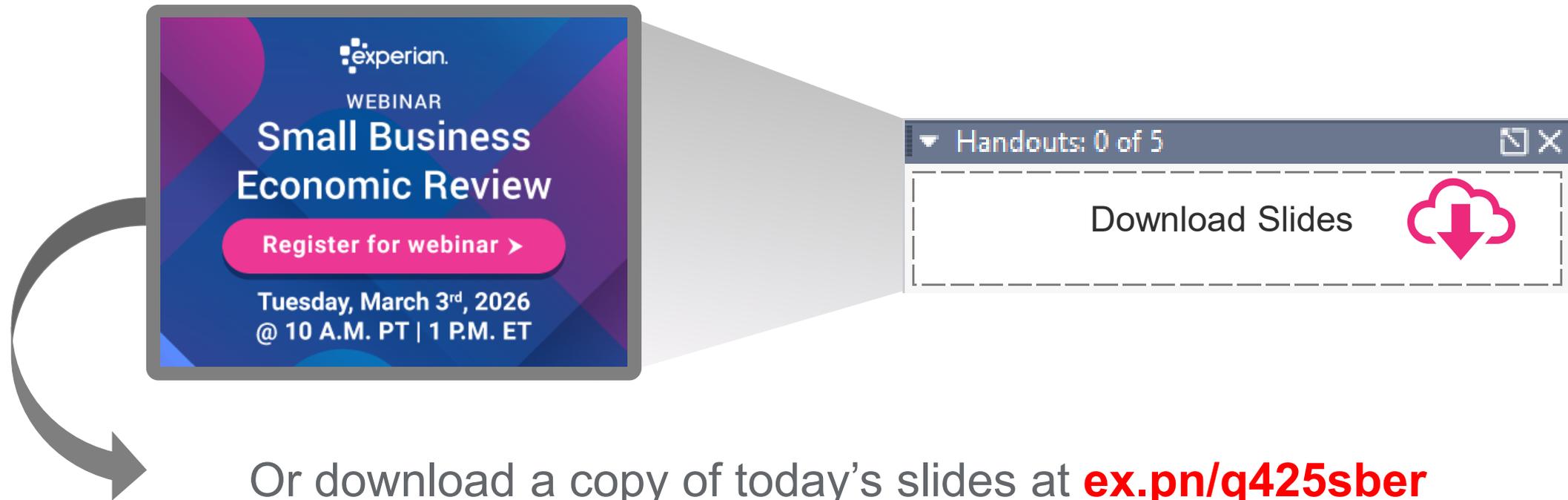
**WEBINAR**

# **Small Business Economic Review**

**Date: March 3rd, 2026  
10:00 a.m. Pacific | 1:00 Eastern**



# Download slides





# MAIN STREET REPORT

Your window into small business health

Download Q4 2025 report now

# Our Presenters

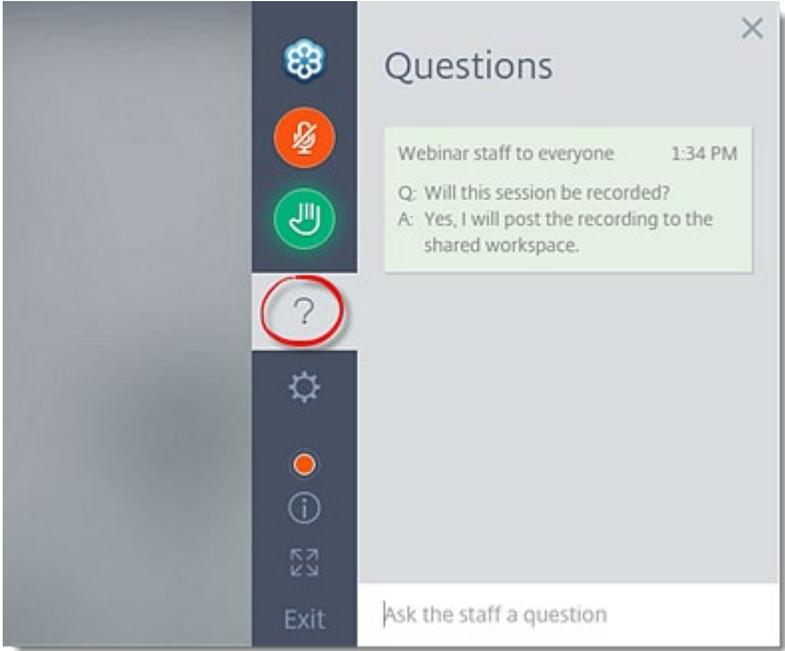


**Brodie Oldham**  
VP of Commercial Data Science  
Experian



**Marsha Silverman**  
Sr. Strategic Analytic Consultant  
Experian

# Send us your questions





**Brodie Oldham**

VP Commercial Data Science | Experian

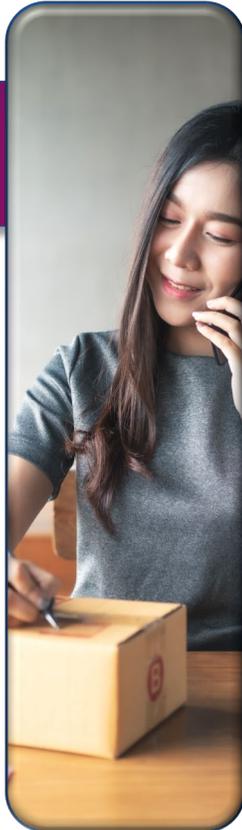
# Top stories impacting US growth

Global and domestic influence Q1 2026

## Supply Chain Pressures

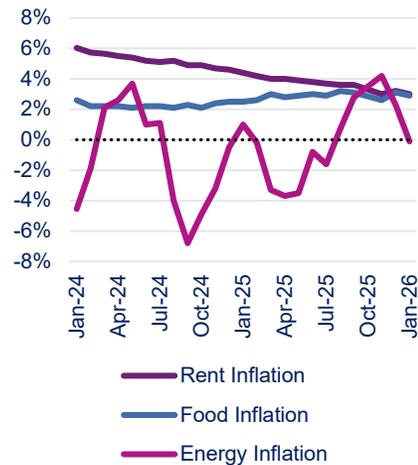
### Top global risks:

- **Geopolitical** flashpoints and energy security
- **Supply chain** redirect from regional hotspots
- **U.S. Tariffs** and trade policy – First Price
- **Mid-term affordability** focus



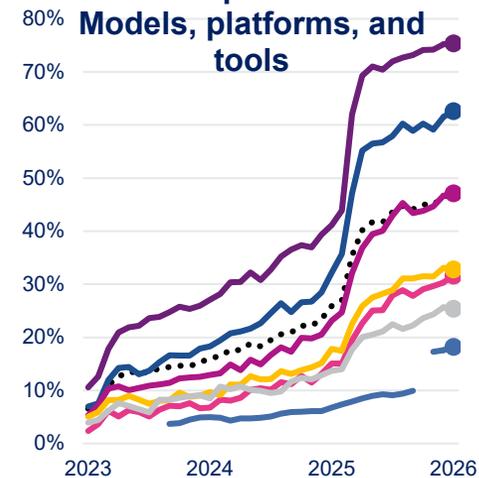
## Affordability

### Year-Over-Year Rate of Inflation



## Ai Adoption Rate

### US business with paid subscriptions to AI Models, platforms, and tools



- Technology
- Finance and Insurance
- Overall
- Manufacturing
- Health Care
- Construction
- Accommodation and Food Services
- Government

Sources: Ramp AI Index, NBER "Firm Data on AI", Bureau of Labor Statistics, Federal Reserve,

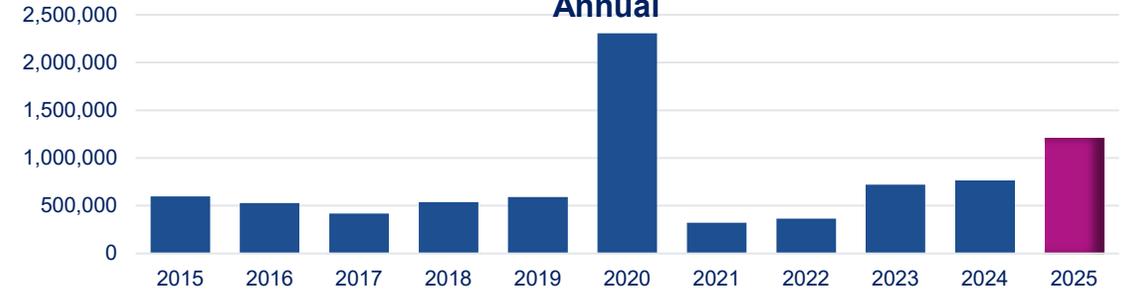
# AI adoption continues across industries

Businesses expect AI to drive productivity increases and change employment

**Average Impact of AI on Productivity Over Last 3 Years vs Over Next 3 Years**



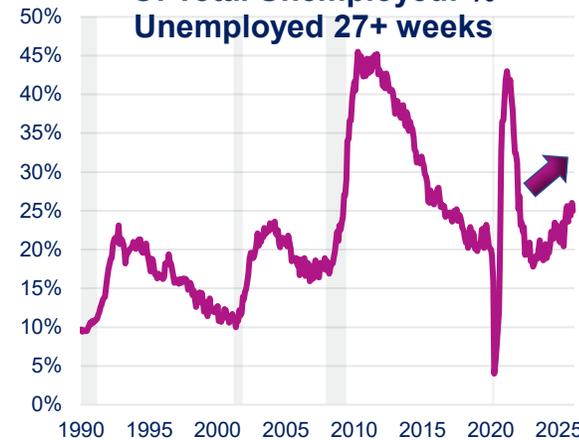
**Job Cut Announcements Annual**



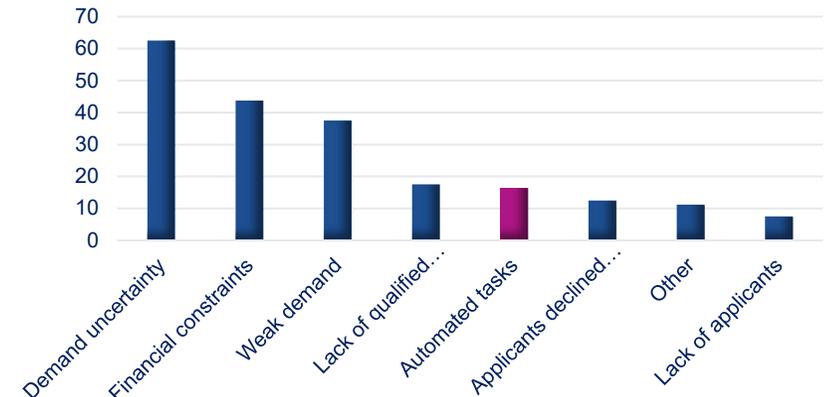
**Unemployment Rates Monthly**



**Of Total Unemployed: % Unemployed 27+ weeks**



**Asking CFOs "Why Layoff?"**

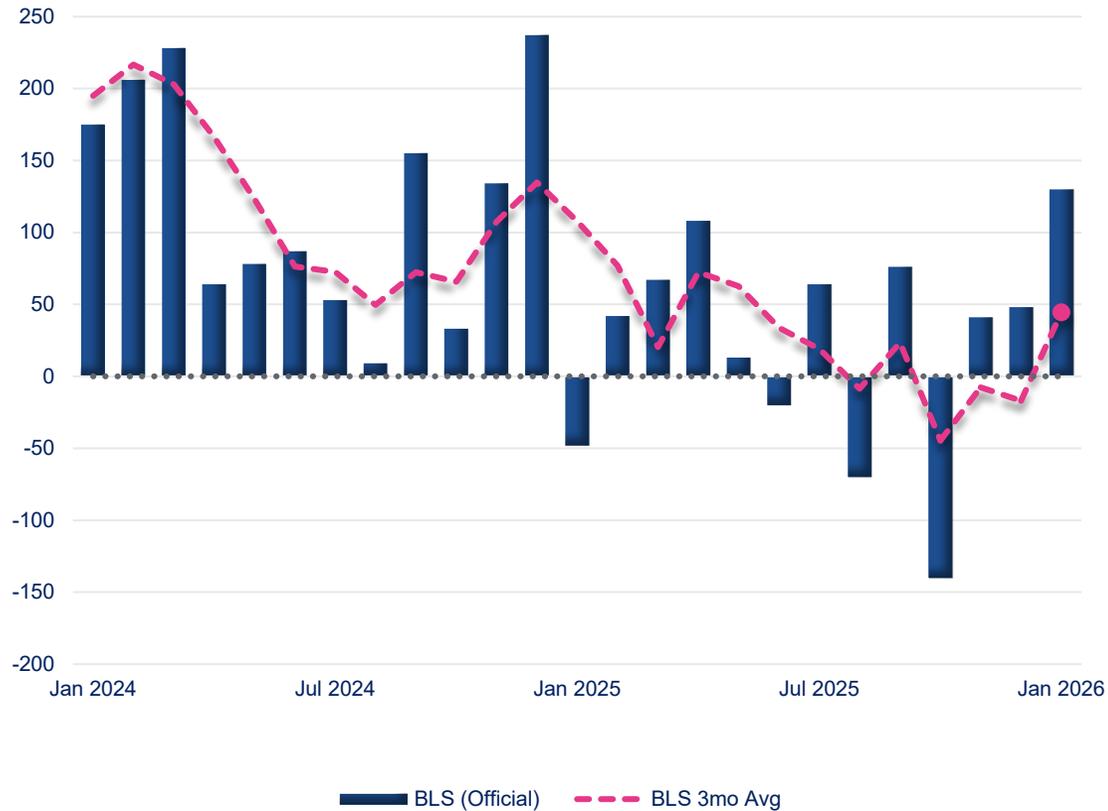


Sources: Bureau of Labor Statistics, Richmond Fed CFO Survey in conjunction with DUKE University, Federal Reserve Bank of Philadelphia and Experian Economic Strategy Group

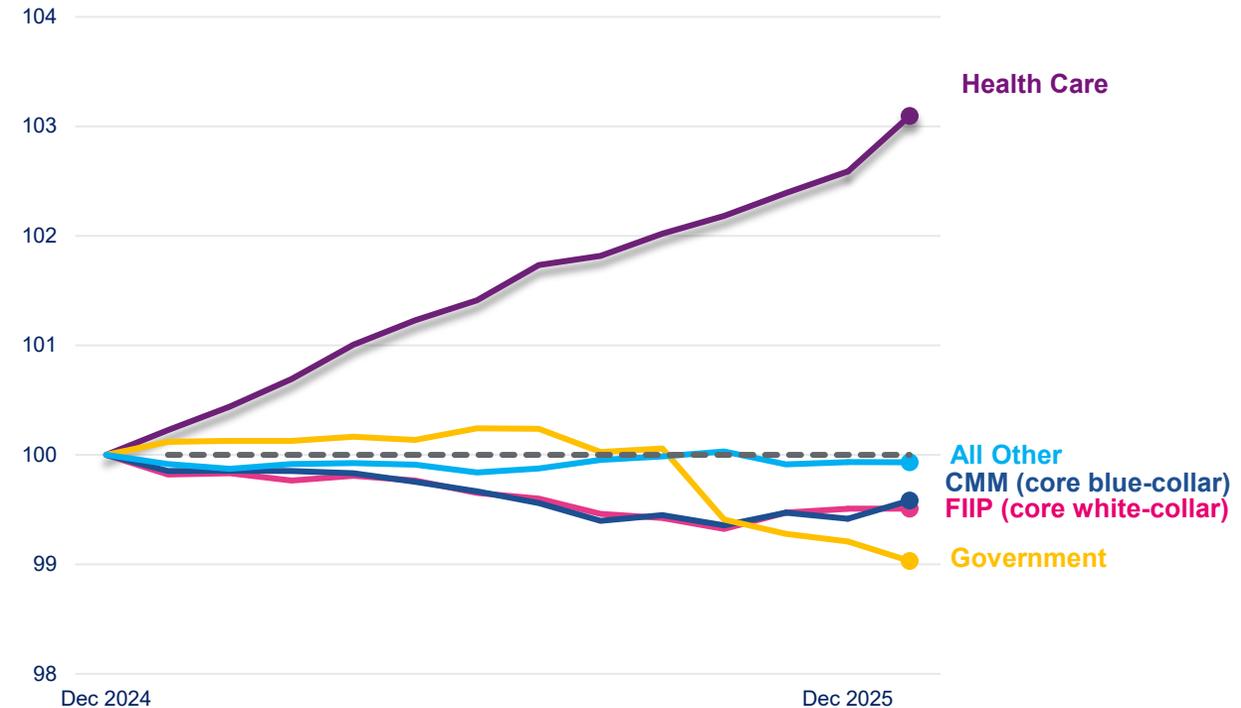
# Job creation improved in January but remains soft

The health care sector drove employment throughout 2025, key white-and-blue-collar industries declined

### Monthly Job Creation In thousands



### 2025 Job Creation by Segment Index: Dec 2024=100

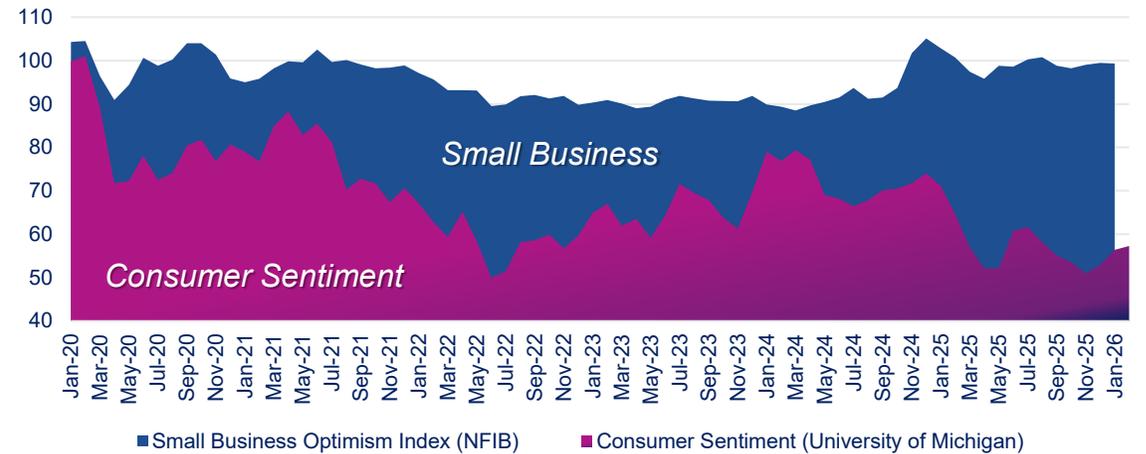
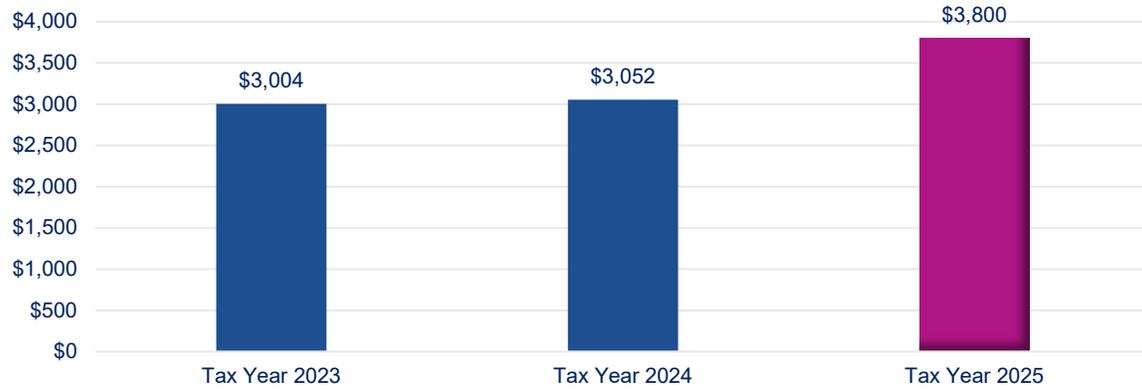


Sources: Bureau of Labor Statistics and Experian Economic Strategy Group

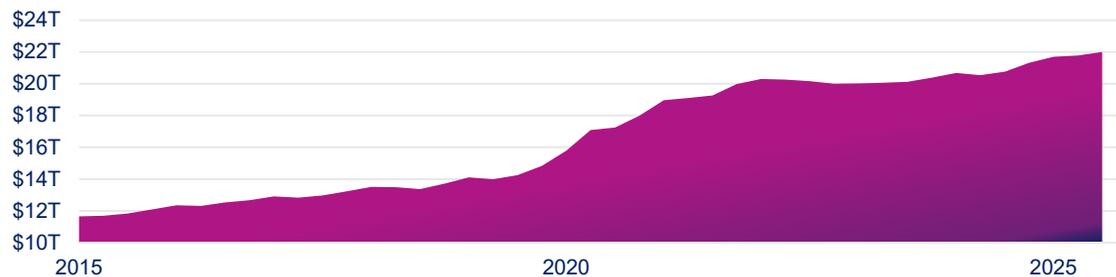
# Economic growth slowed in Q4 but outlook solid

Stable economy is not eliminating anxiety

### Average Tax Refunds



### Household Liquid Assets (Checkable Deposits, Time/Savings Accounts, Money Market Funds) Quarterly



### Debt Burden: Consumer Credit Outstanding as a Share of Disposable Personal Income



Sources: Congressional Budget Office, Tax Foundation, Census, Bureau of Labor Statistics, National Federation of Independent Business, University of Michigan, and Experian Economic Strategy Group



# Has anything changed...

Behaviors are adjusting to higher costs, but not volatility

## The Value-Driven Consumer Shift

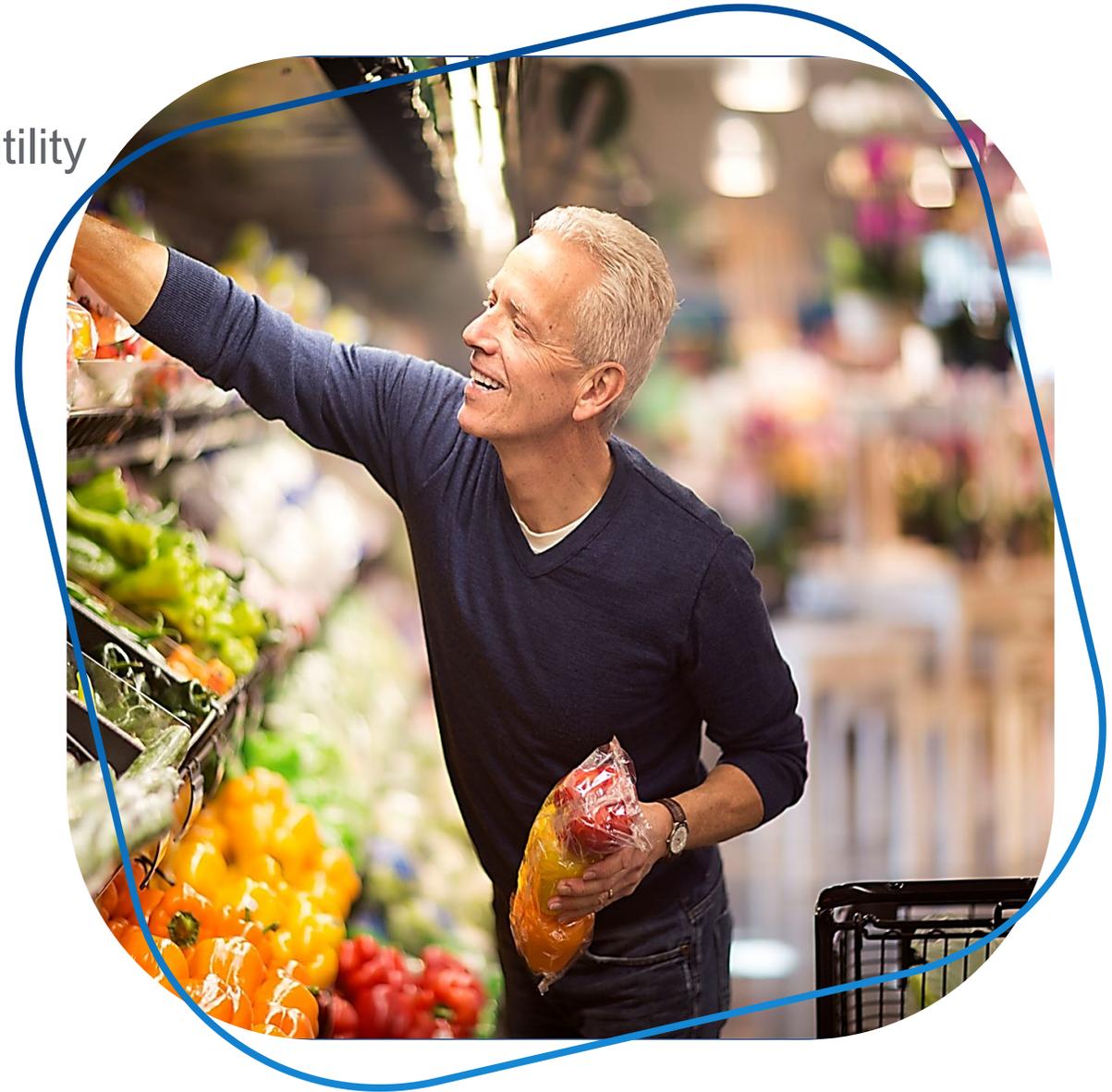
Walmart and TJX

- ✓ Consumers prioritize value-led purchases
- ✓ Grocery price reductions unlock spending.
- ✓ Shoppers trade down to off-price formats
- ✓ Traffic + basket growth shows value drives visits

## Housing Spend Reality Check

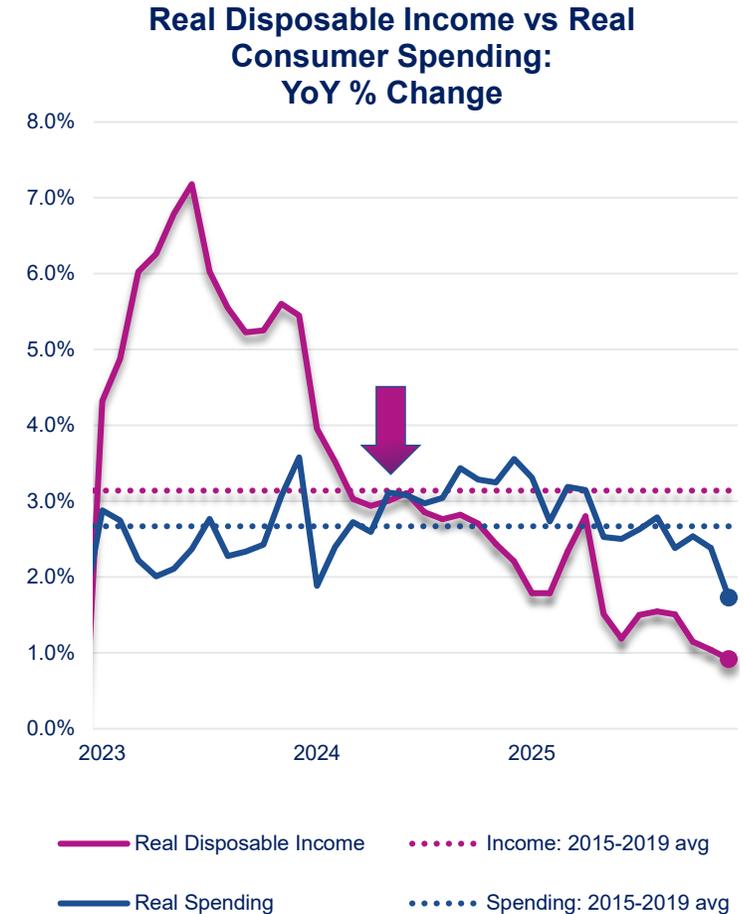
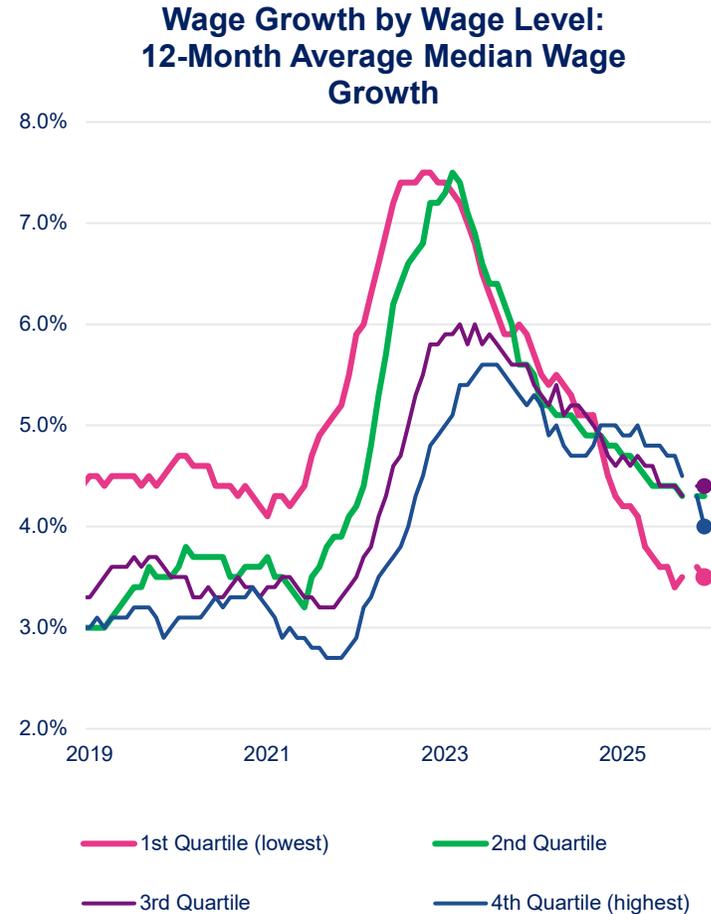
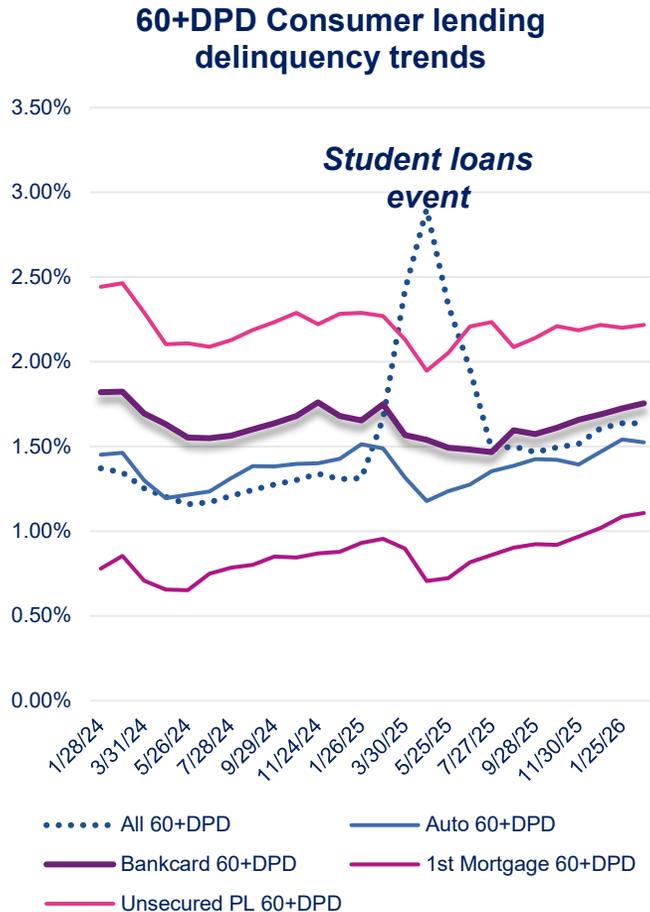
Home Depot and Lowes

- ✓ Remodels delayed, repairs prioritized
- ✓ Pros outperform DIY demand
- ✓ Small projects replace renovations
- ✓ Housing turnover constrains spending



# Incomes and spending have softened

Wage growth has slowed across incomes pushing delinquencies slowly higher

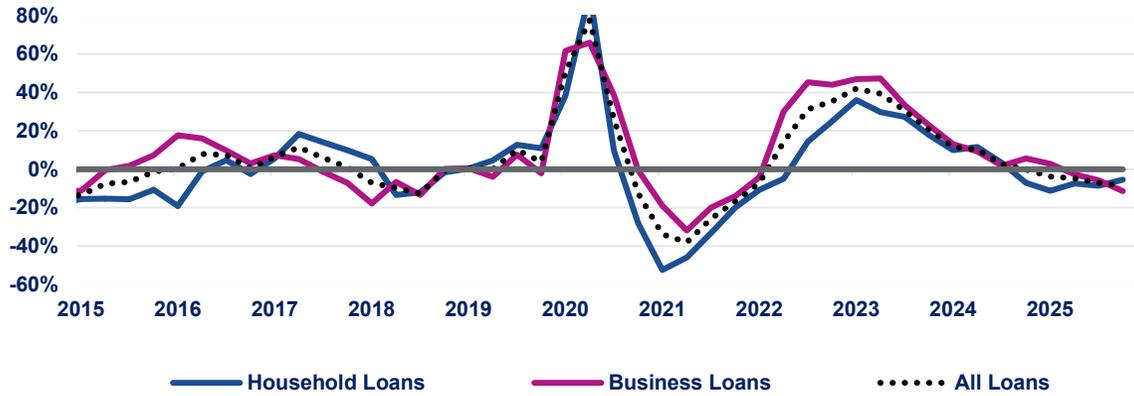


Sources: Bureau of Economic Analysis, Federal Reserve Bank of Atlanta, Federal Reserve, Experian State of Consumer Credit Benchmark, and Experian Economic Strategy Group

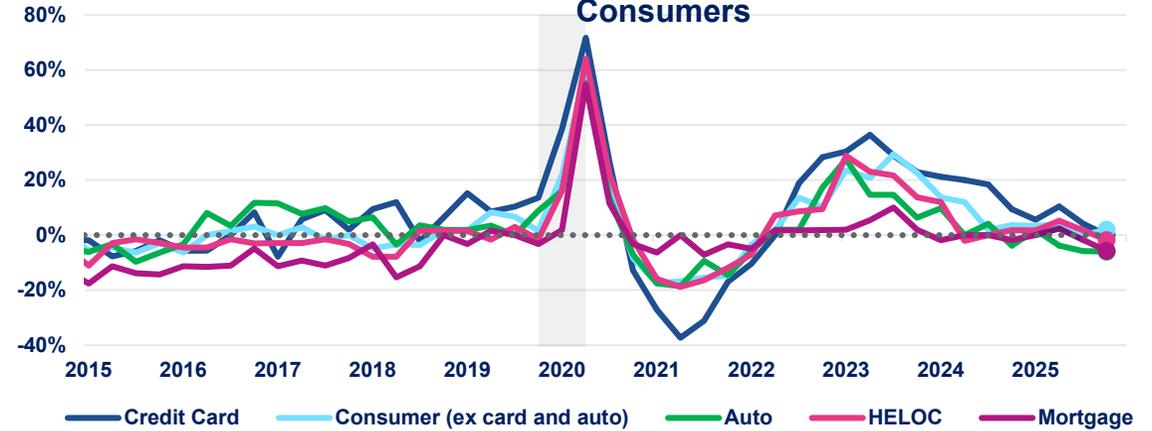
# Lenders find room to lend as macros find foothold

Slow growing delinquencies have not changed lending strategy for early 2026

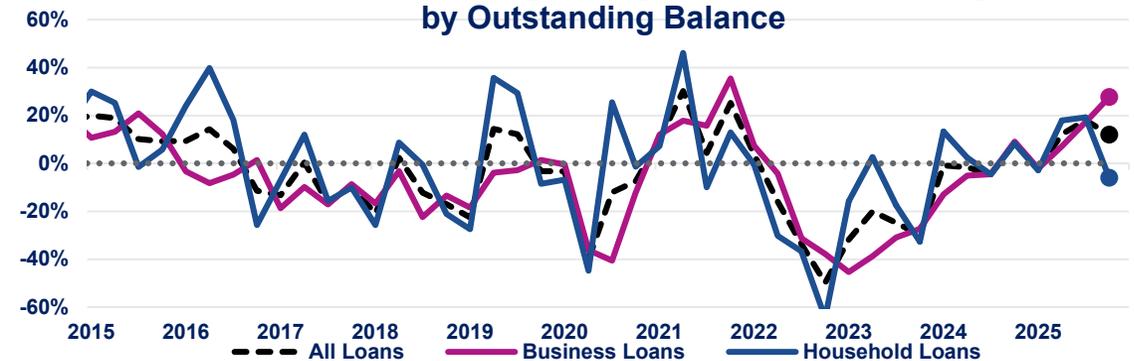
**Net % of Banks Tightening Lending Standards on Loans Weighted by Outstanding Balance**



**Net % of Banks Tightening Lending Standards on Loans for Consumers**



**Net % of Banks Reporting Stronger Loan Demand Weighted by Outstanding Balance**



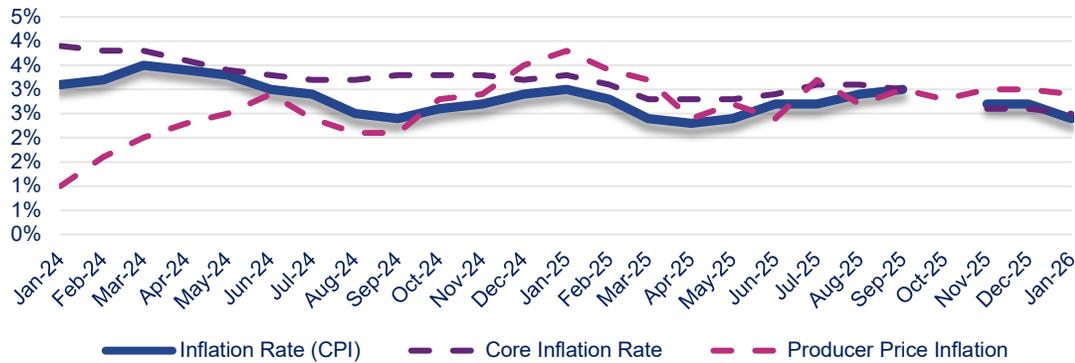
Sources: Federal Reserve Senior Loan Officer Survey, Federal Reserve Bank of New York, and Experian Economic Strategy Group



# Federal Reserve Cut Likely 2-3 times in 2026

Focus on labor as CFOs weigh timing

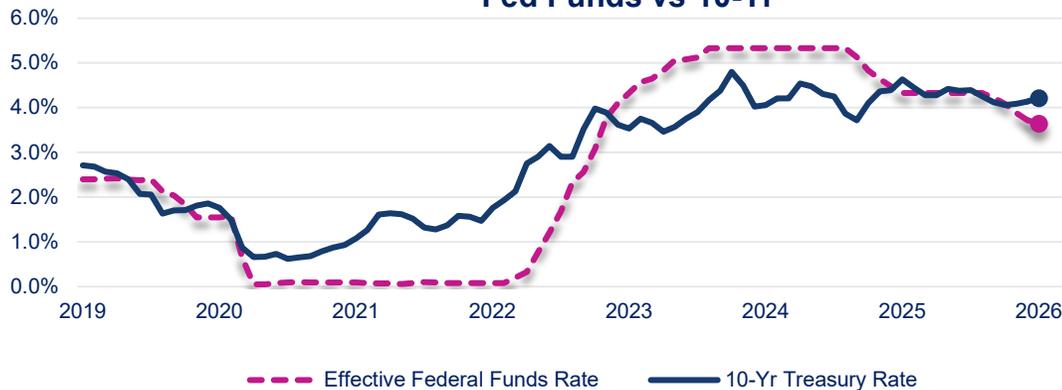
### Year-Over-Year Rate of Inflation



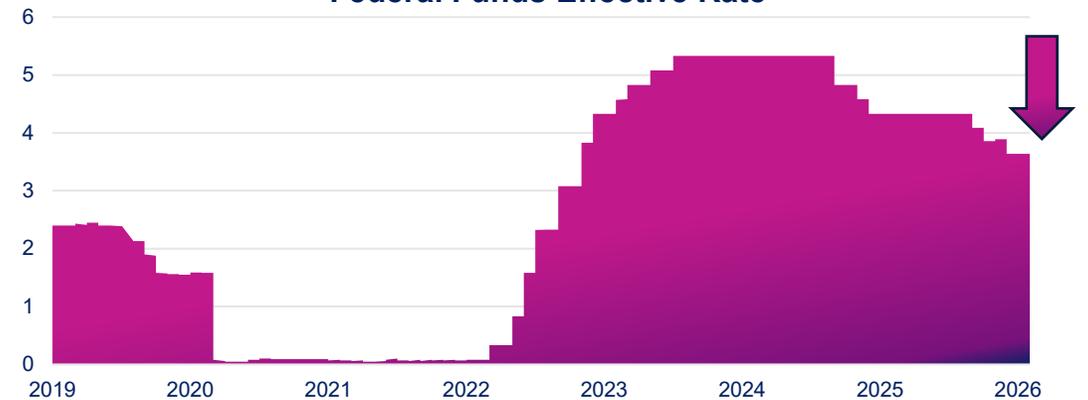
### Inflation: Core PCE Index Contributions to YOY % Change



### Interest Rates Fed Funds vs 10-Yr

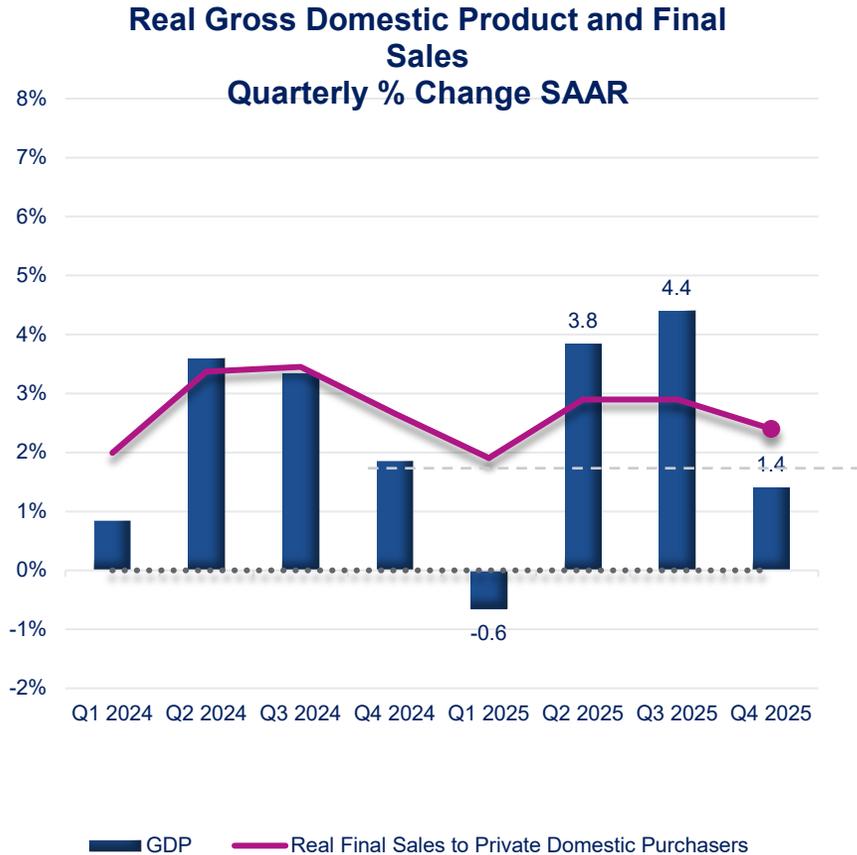


### Federal Funds Effective Rate

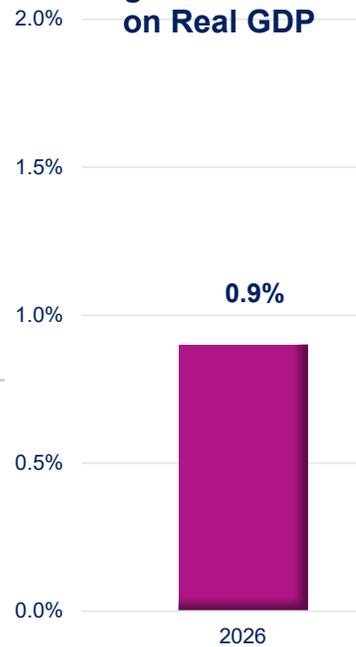


# Growth slowed in Q4 more than forecast

Base case forecast is for economy to expand by 2.1% in 2026, flat



### Impact of the One Big Beautiful Bill on Real GDP



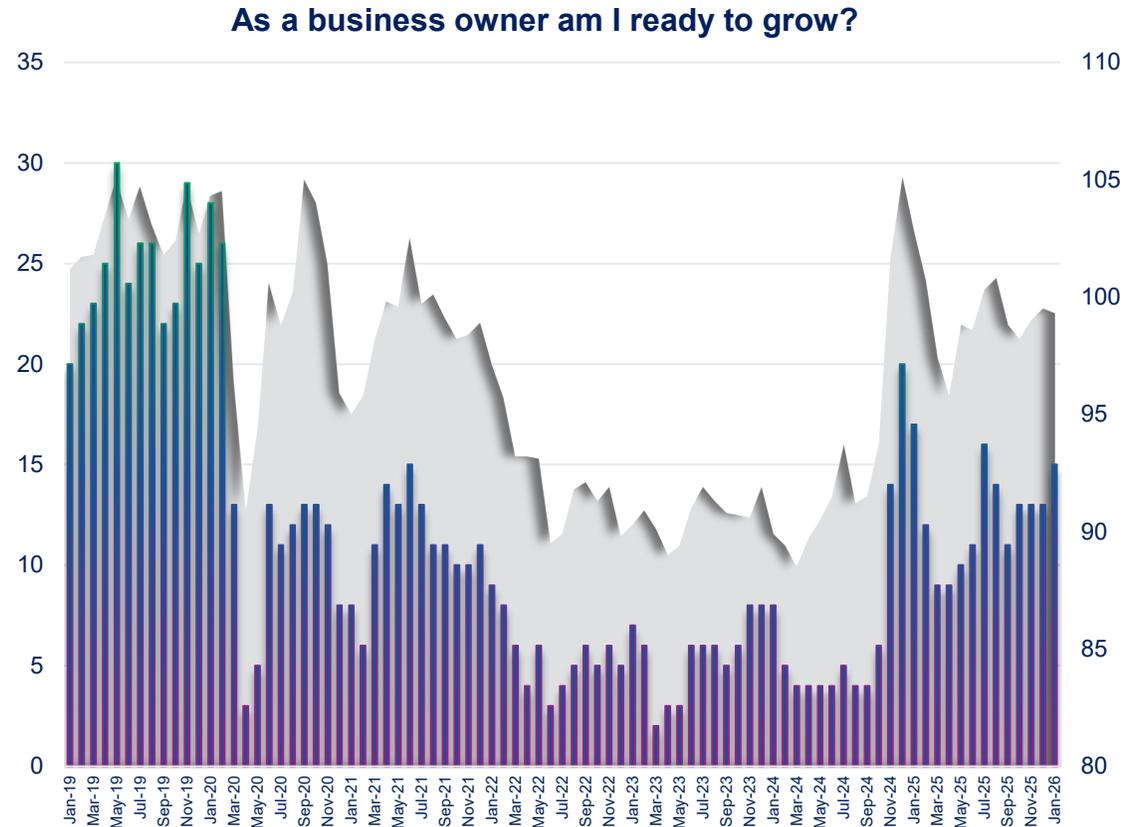
### Russell 3000 Index (RUA)



Sources: Bureau of Economic Analysis, RUA, S&P500, and Experian Economic Strategy Group

# Will small businesses grow in 2026

Businesses will closely monitor consumer spending as Ai allows for more efficient stewardship



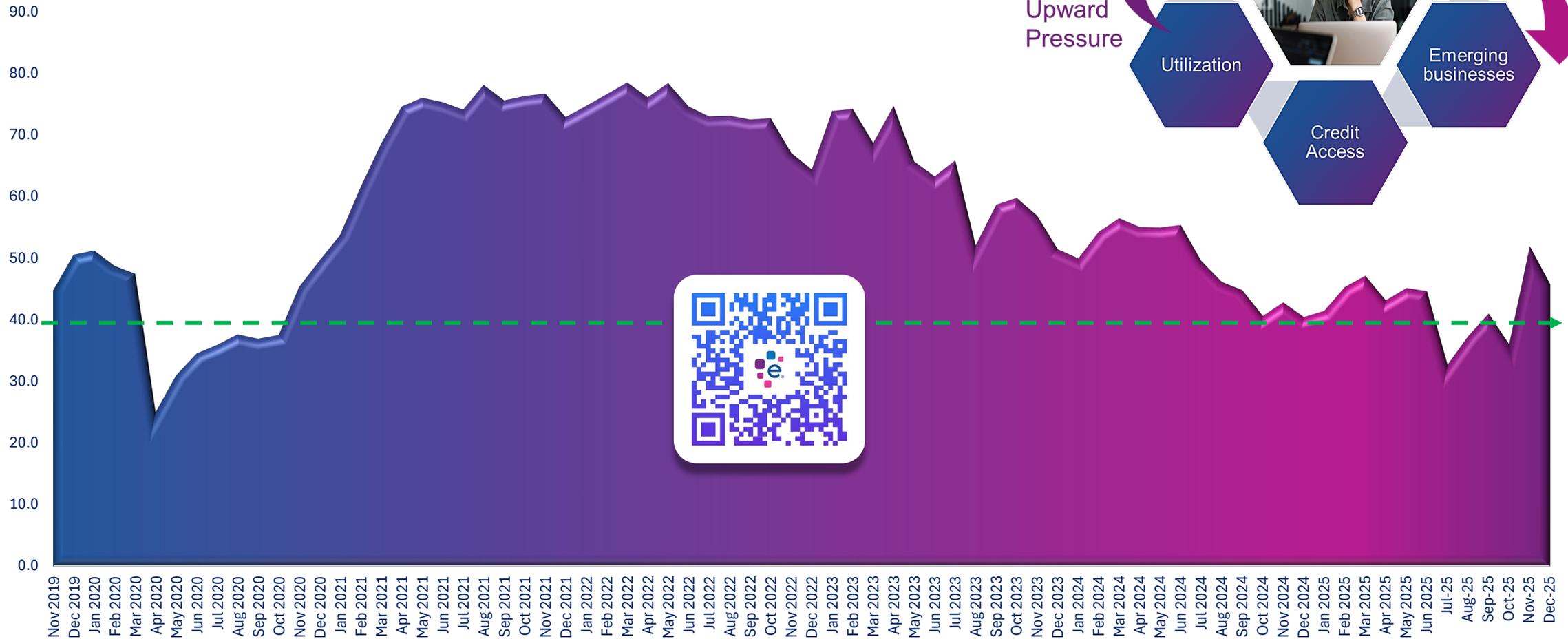
- ✓ Affordable AI for operations
- ✓ Optimism drives expansion plans
- ✓ Lower costs improve margins
- ✓ Digital commerce boosts sales
- ✓ Omnichannel reach expands markets
- ✓ Data tools sharpen decisions
- ✓ Labor constraints slowly easing

Source: Bureau of Economic Analysis, National Federation of Independent Business Expansion Expectation, and Experian Economic Strategy Group



**Marsha Silverman**  
Sr. Analytical Consultant | Experian

# Small business index rebounded



Upward Pressure

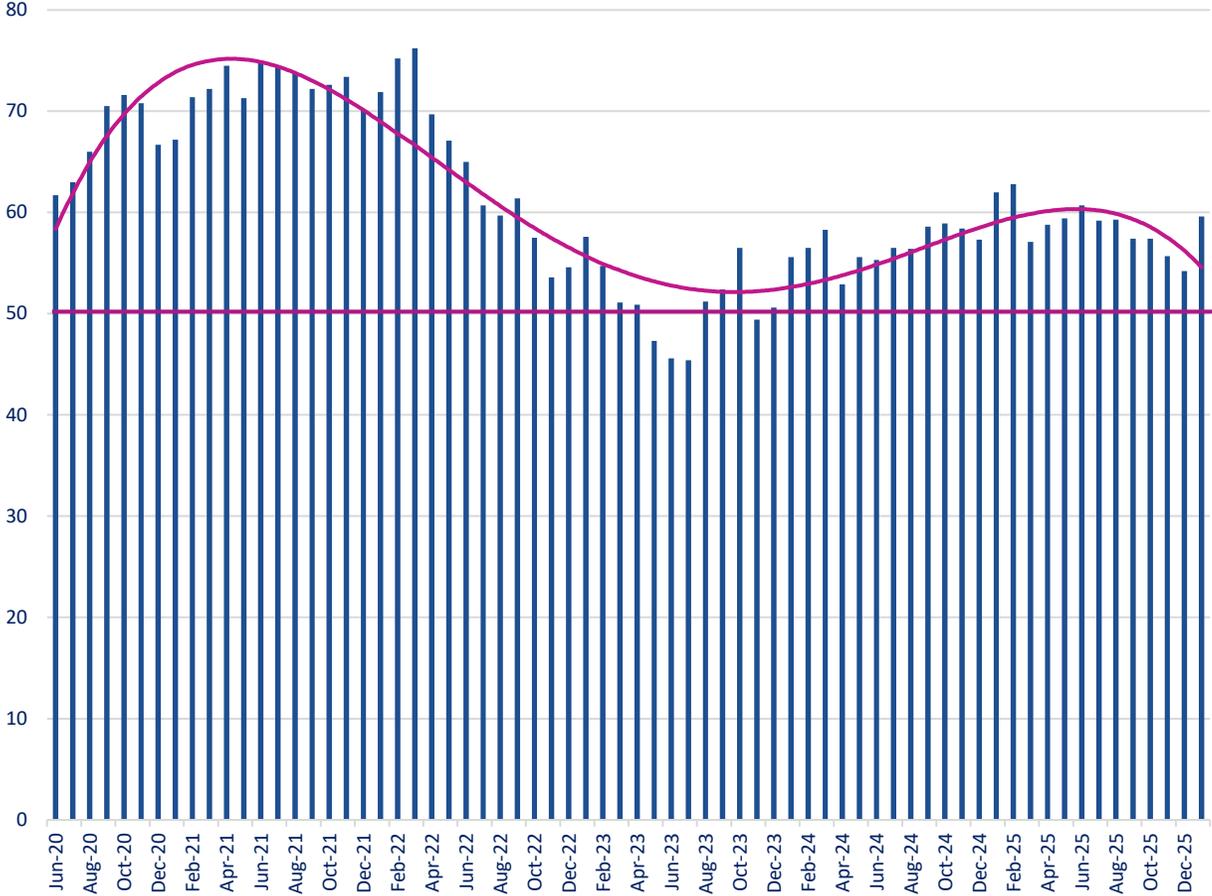


Source: Experian Small Business Index, Experian Commercial Insight Hub

# Supply Chain

Logistics Sector in extended period of expansion, but some index components are showing signs of slowing

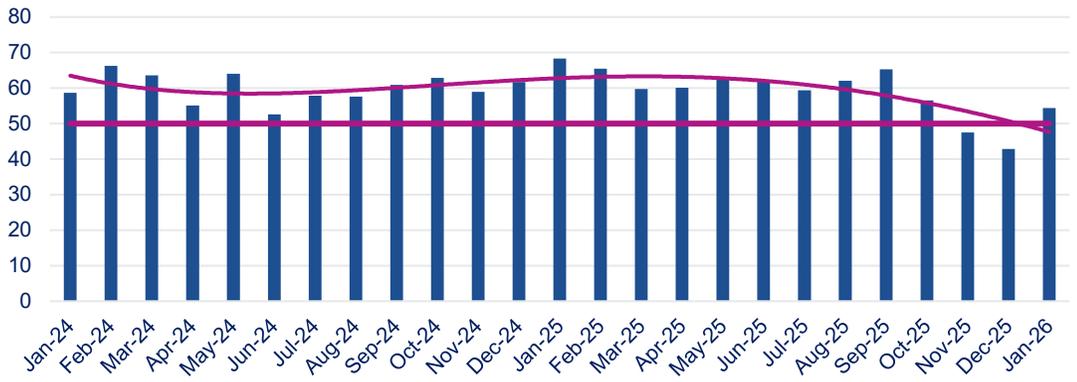
**Logistic Managers Index (LMI)**



**Inventory Levels**



**Warehousing Utilization**



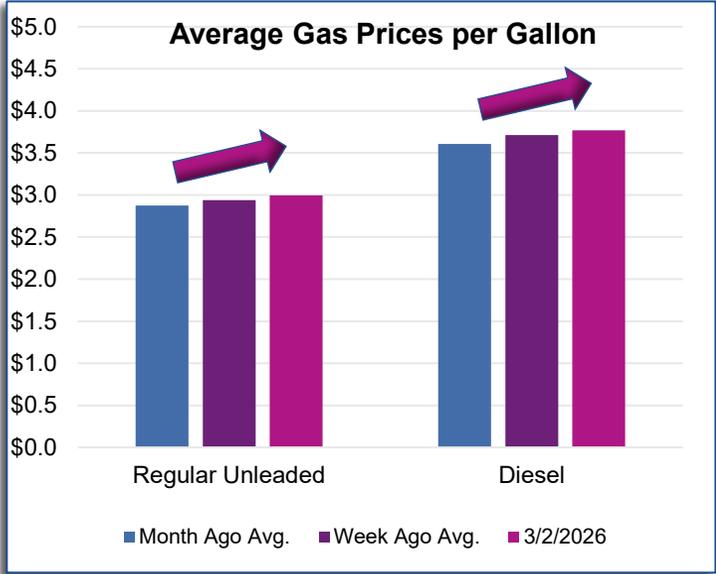
Source: Logistic Managers Index



# Crude Oil prices up in early 2026 amid geopolitical uncertainty

Driving higher prices at the pump

### Crude Oil (Brent) Price per Barrel



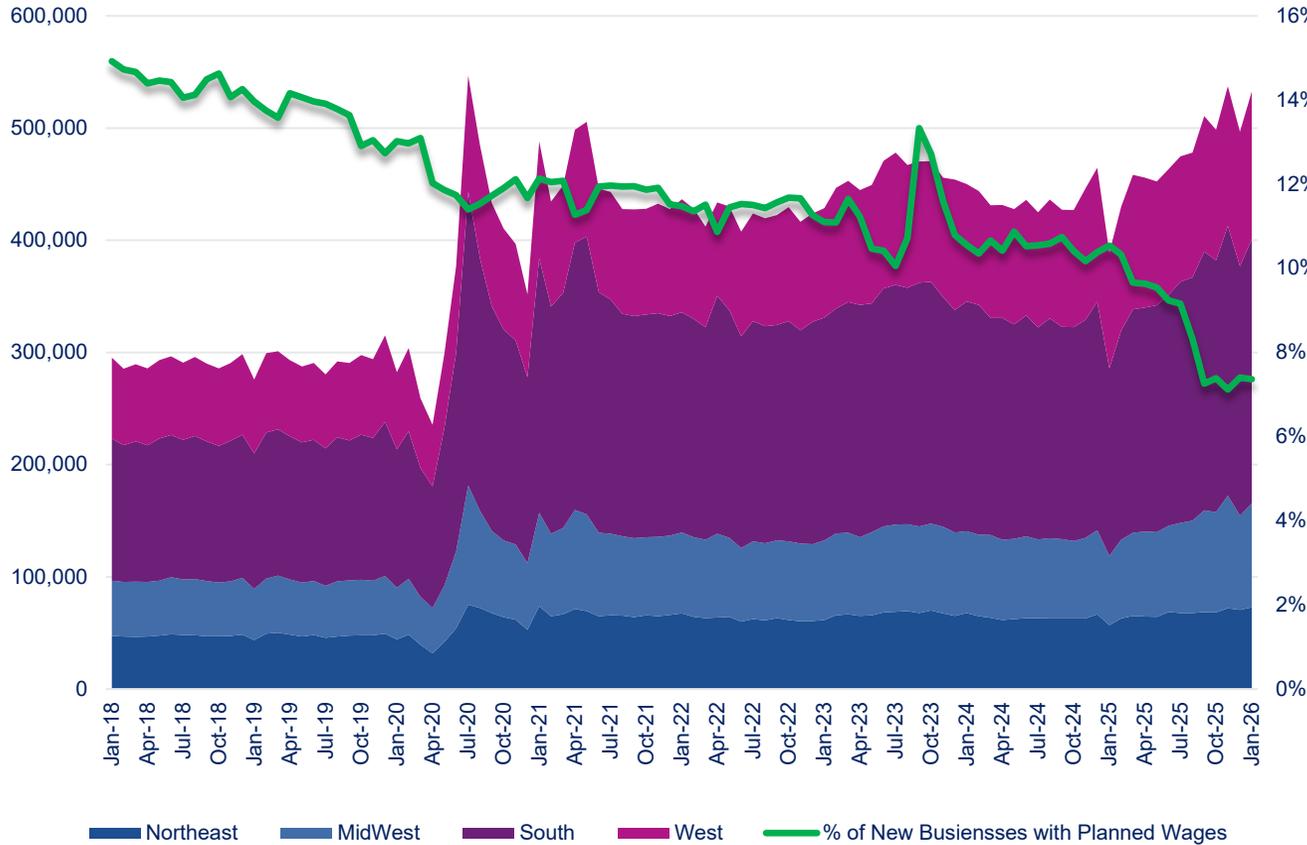
Sources: Market Insider, AAA



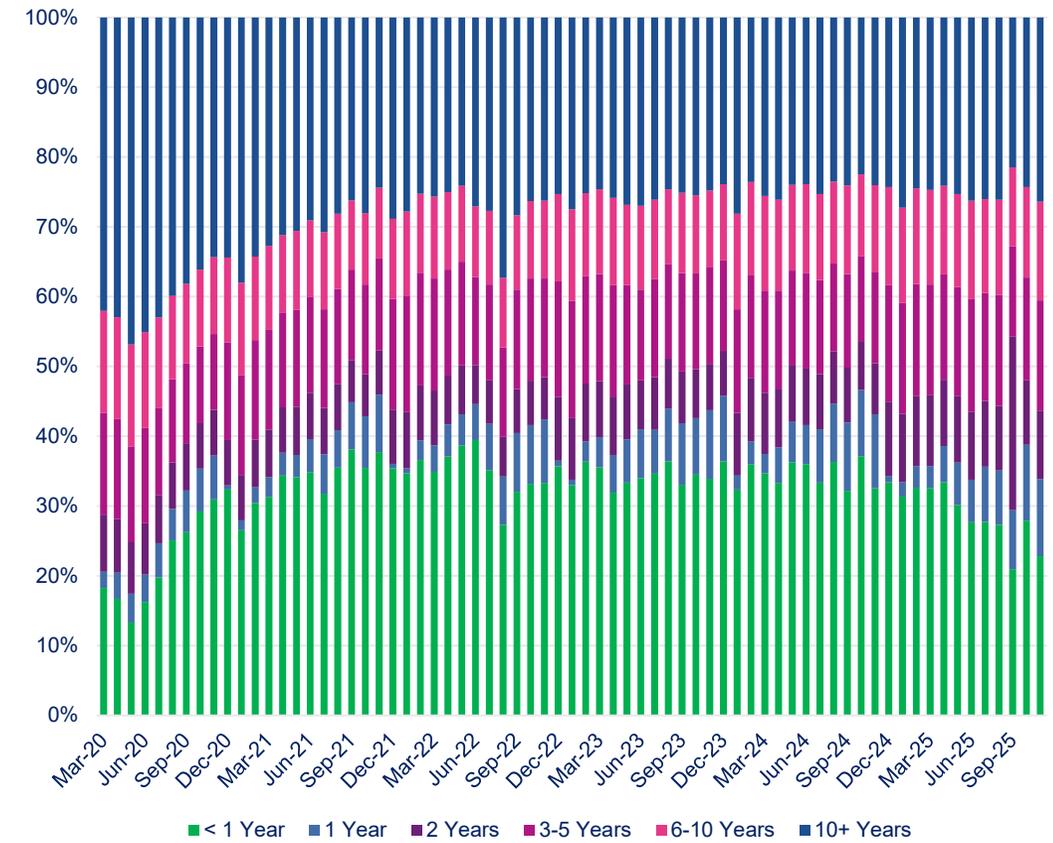
# New businesses opening at elevated level

Fueled by sole-proprietors and younger businesses make up larger portion of new commercial credit accounts

### New Business Formation Applications (seasonally adjusted)



### % Monthly Commercial Account Originations by Age of Business

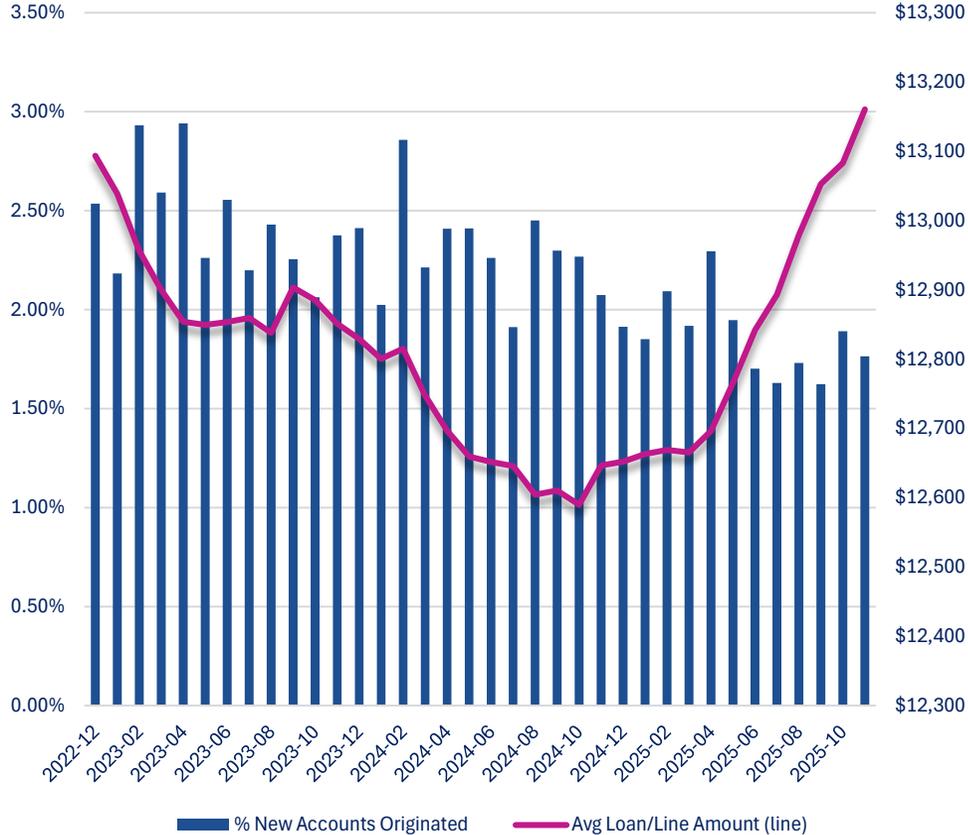


Source: U.S. Census Bureau, Experian Commercial Credit Data

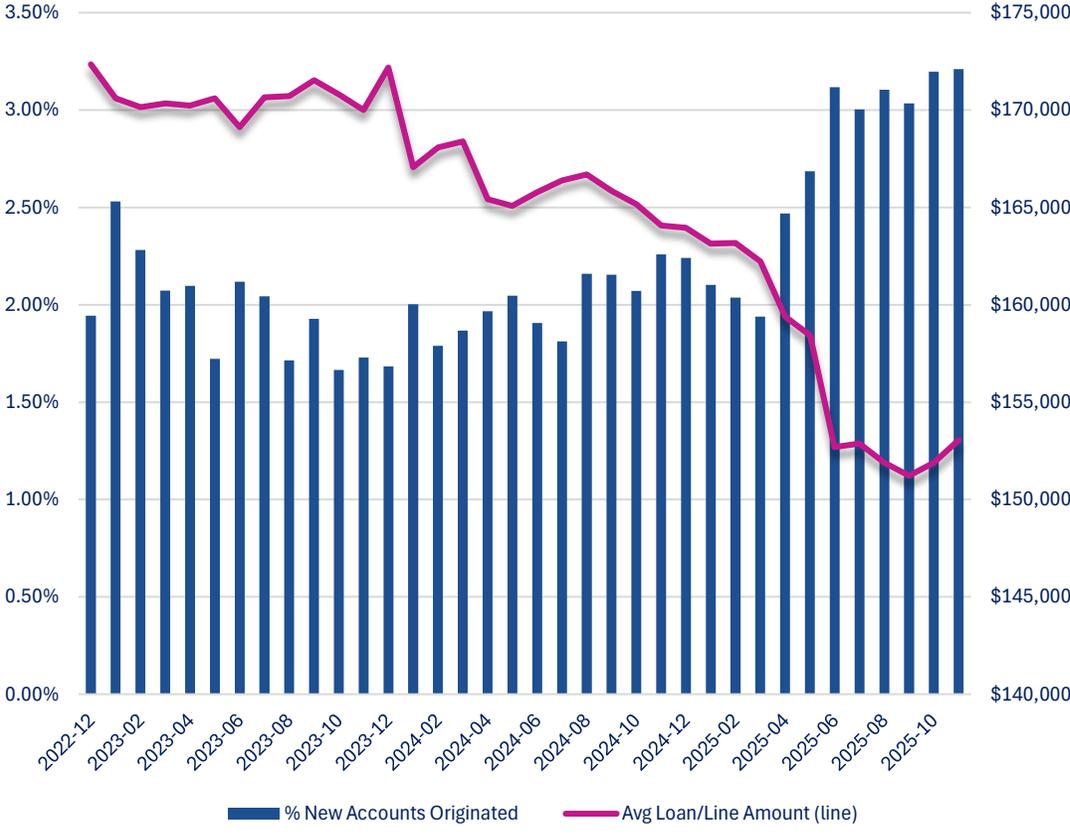


# Business Borrowing Trends

**New Originations US Credit Card  
Small Business**



**New Originations US Installment Loans  
Small Business**

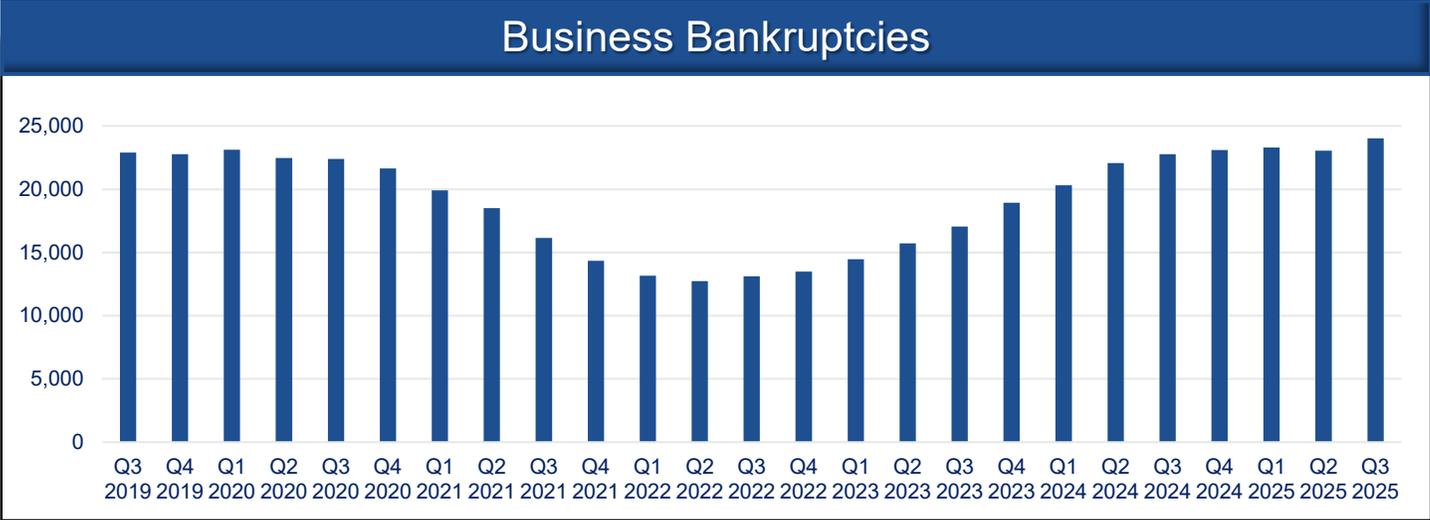


Sources: Experian Commercial Benchmarking

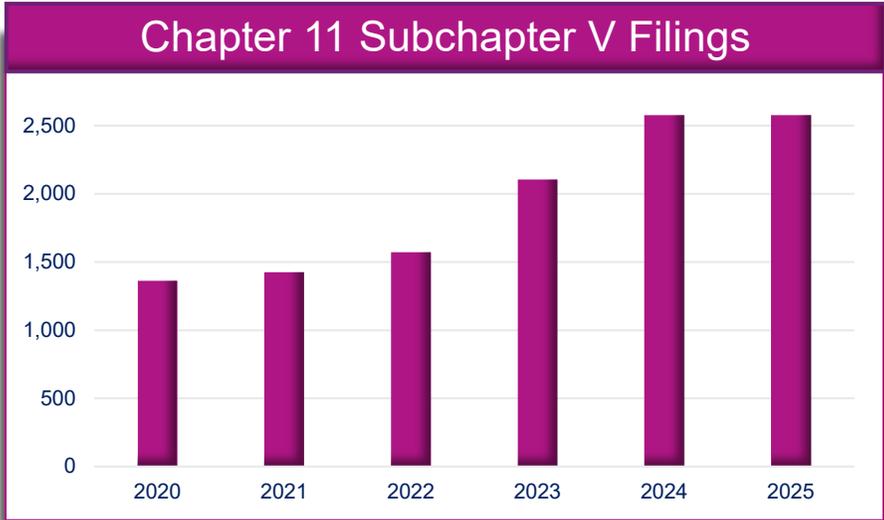


# Business Bankruptcies at 10-year high

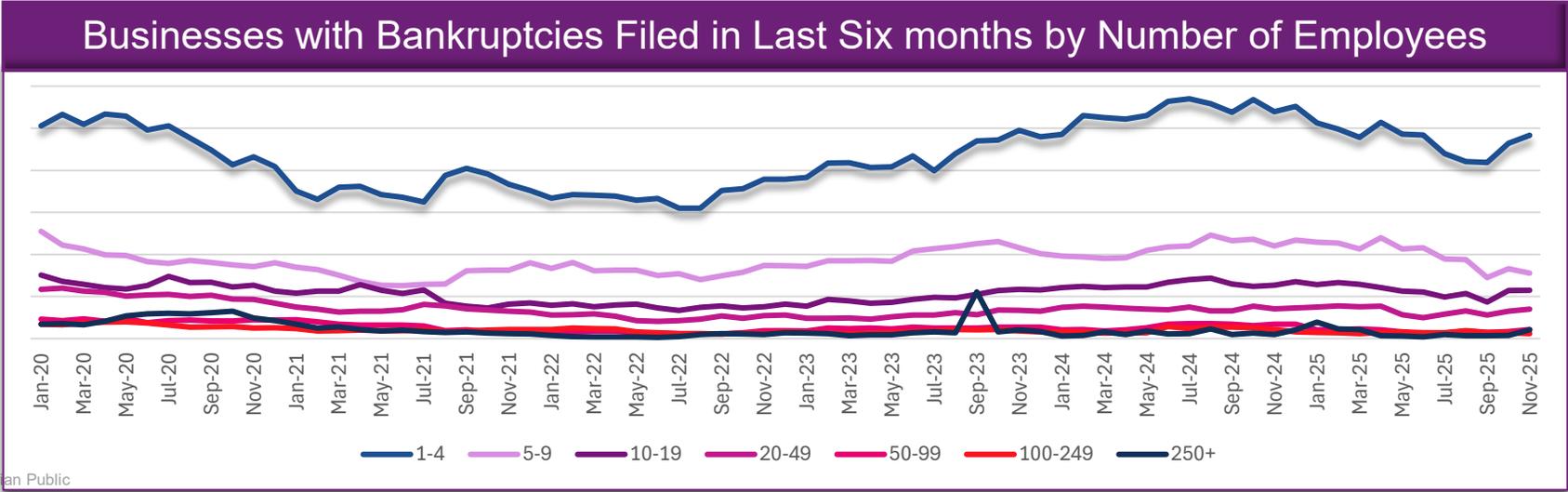
Driven by increase in Chapter 11 filings, especially subchapter V



Source: Administrative Office of the U.S. Courts



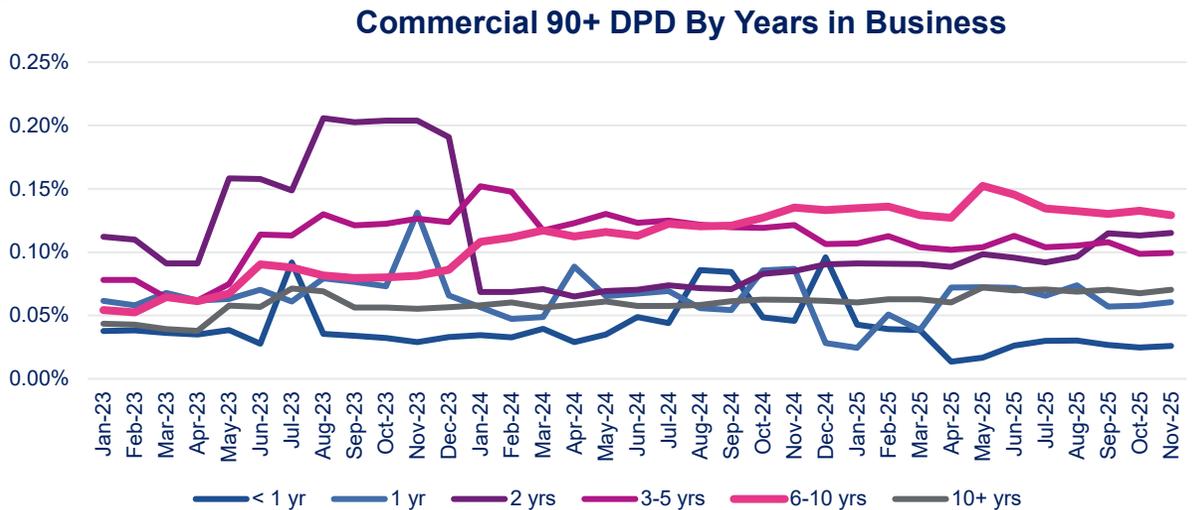
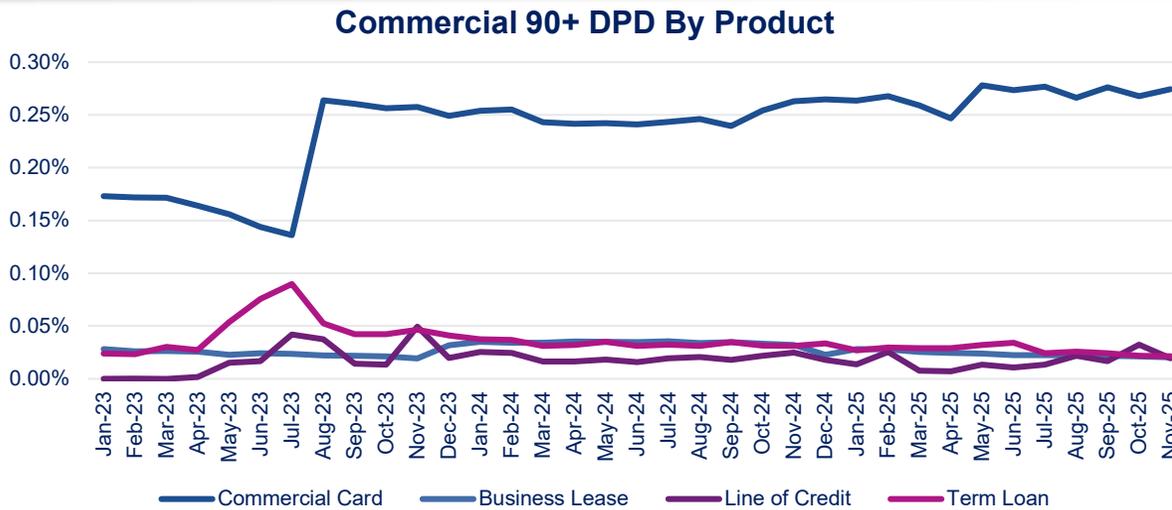
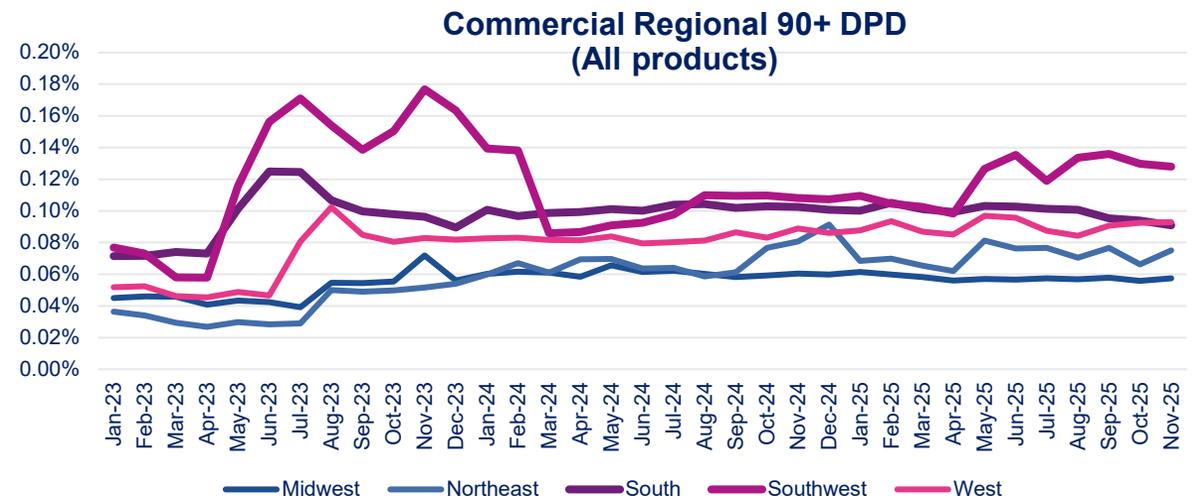
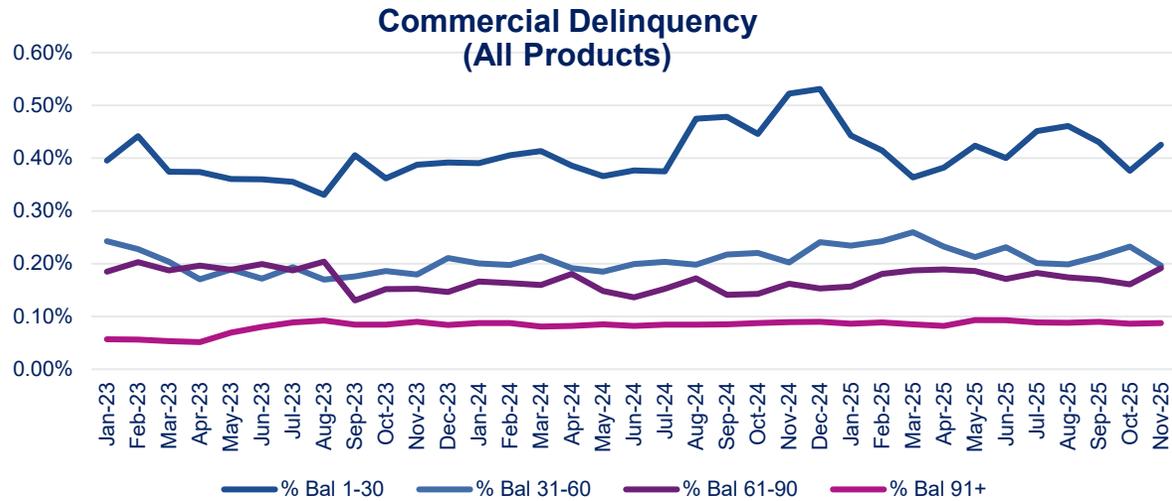
Source: American Bankruptcy Institute



Sources: Experian Commercial Database



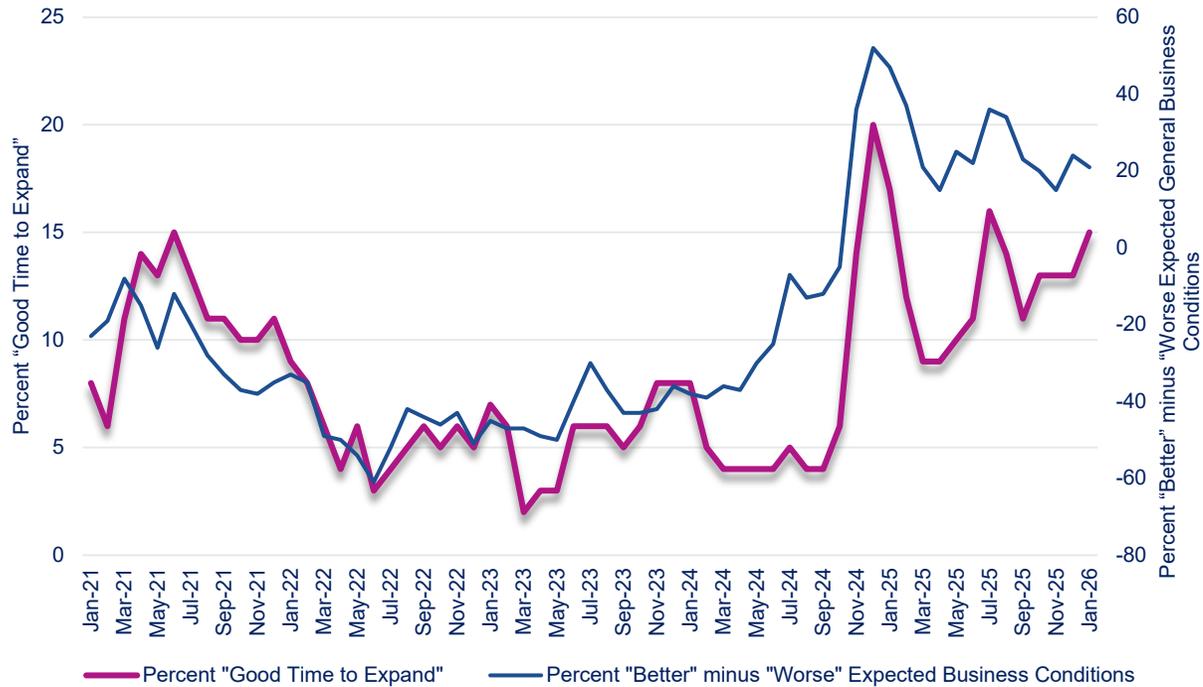
# Commercial Delinquency Trends



Sources: Experian Commercial Benchmarking

# 2026 Outlook

### Small Business Outlook



### SINGLE MOST IMPORTANT PROBLEM

January 2026

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	18	17	32	8
Inflation	12	18	41	0
Poor Sales	9	9	34	2
Fin. & Interest Rates	3	3	37	0
Cost of Labor	9	9	13	2
Government Regulation	9	10	27	4
Comp. from Large Bus.	6	5	17	0
Quality of Labor	16	18	29	2
Cost/Avail. of Insurance	13	7	29	0
Other	4	2	31	0

Sources: National Federation of Independent Business

# Summary

## U.S. ECONOMIC ENVIRONMENT

**1** Solid Economy with Momentum

**2** A Labor Market Stuck in Neutral

**3** Easing Inflation Yet Persistent

**4** Consumer Spending Slowing

**5** AI Investment and Adoption

## SMALL BUSINESS LANDSCAPE

**1** Entrepreneurship Going Strong

**2** Supply Chain Solid

**3** Bankruptcies Up But Delinquencies Steady

**4** Businesses Optimistic for 2026



Please take a moment to ask any questions. If we do not answer them here, we will route them to our experts and get back to you after the webinar.



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A report card for 'Main Street Report' with a background image of a city street. The title 'MAIN STREET REPORT' is in a large, white font inside a white-bordered box. Below it is the text 'Your window into small business health'.

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