

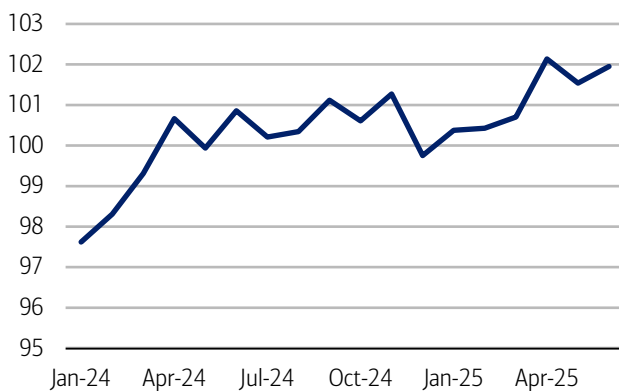
Institute Daily Insights

Small business balancing act

06 August 2025

Average small business credit card utilization has inched above the 2024 average level in June 2025

Small business average credit card utilization rate (monthly, indexed, 2024 average = 100)

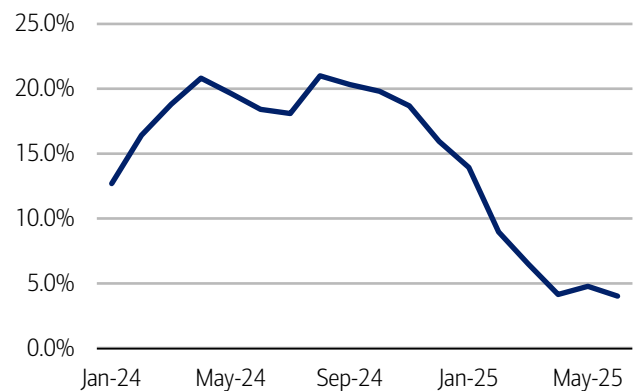


Source: Bank of America internal data

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The growth in the share of small business "minimum due payers" has come down significantly since the end of last year

Share of Bank of America small business accounts consisting of minimum due payers (monthly, YoY%)



Source: Bank of America internal data

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Small business credit card utilization was up nearly 2% in June compared to the 2024 average and has been rising steadily since the beginning of this year. However, this rise may not necessarily signal credit stress as the growth in the share of small business accounts that are only making the "minimum due" payment on their credit card has come down significantly. Moreover, Bank of America Institute continues to see fairly healthy trends in small business profitability.

Read more in [Small Business Checkpoint: Watching and waiting](#).

Methodology

Selected Bank of America transaction data is used to inform the macroeconomic views expressed in this report and should be considered in the context of other economic indicators and publicly available information. In certain instances, the data may provide directional and/or predictive value. The data used is not comprehensive; it is based on **aggregated and anonymized** selections of Bank of America data and may reflect a degree of selection bias and limitations on the data available.

Any **Small Business** payments data represents aggregate spend from Small Business clients with a deposit account or a Small Business credit card. Payroll payments data include channels such as ACH (automated clearing house), bill pay, checks and wire. Bank of America per Small Business client data represents activity spending from active Small Business clients with a deposit account or a Small Business credit card and at least one transaction in each month. Small businesses in this report include business clients within Bank of America and are generally defined as under \$5mm in annual sales revenue.

Unless otherwise stated, data is not adjusted for seasonality, processing days or portfolio changes, and may be subject to periodic revisions.

Revenue tiers are determined by the combination of following factors: 1) stated revenue on small businesses credit or Paycheck Protection Program applications, 2) actual account inflow into Bank of America Deposit Accounts, and 3) third party revenue estimation.

The alternative hiring indicator consists of payments from Bank of America small business clients to small business-focused hiring firms which include both direct deposits through Automated Clearing House (ACH) and payments via credit and debit cards.

Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

Additional information about the methodology used to aggregate the data is available upon request.

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Disclosures

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