

USMCA: soaring inflation prompts liquidity protection

Payment Practices Barometer

Canada, Mexico, USA

Agriculture, Chemicals/Pharma, Steel [\[+more\]](#)

6th July 2022

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Introduction

The 2022 edition of the Atradius Payment Practices Barometer survey findings for the USMCA region is a valuable opportunity to hear directly from companies about how their business operations are coping with the disruptive impacts of the current challenging economic and trading circumstances.

Topics covered include: payment terms set for business-to-business (B2B) customers, the average time it takes to turn overdue B2B invoices into cash, the impact of late or non-payment on the business, and expected challenges to profitability during the coming months.

The survey questionnaire was completed by businesses across many markets in the USMCA region (Canada, Mexico and the US) during Q2 2022. Responses given by companies polled are reported in the Atradius Payment Practices Barometer for the USMCA - June 2022 edition.

Key takeaways from the report

The impact of the alarming surge of inflation on businesses, and the consequent need to take measures to protect their profitability and viability, lies at the heart of the results of the latest Payment Practices Barometer survey conducted by global credit insurer Atradius among companies in Canada, Mexico and the United States (USMCA).

Several factors like sharply rising energy prices, and the severe instability caused by geopolitical unrest, have sent the global inflation figure soaring to a level not seen for decades. This has prompted immense concern for businesses worldwide amid fears it will increase the risk of B2B customers defaulting on payment of invoices. This is expected to pose a significant threat to profitability and, in the worst-case scenario, a danger of being pushed out of business completely.

The Atradius Payment Practices Barometer survey shows that companies in the USMCA region addressed this concern by greatly enhancing their management of credit risk arising from trading on credit with their B2B customers. USMCA companies that opted for managing the issue in-house told us that the primary method used was to make more regular credit checks of customers to detect any warning sign of likely default on payments.

Key survey findings for the USMCA

For further insights into the overall survey findings in each of the markets surveyed in the USMCA, please refer to the dedicated reports that form the 2022 edition of the Atradius Payment Practices Barometer for the region, available for download on this website.

Reports available on this website (click on the link to get to the specific report):

- [Canada: business alert to dangers of B2B customer payment default](#)
- [Mexico: rising bad debt levels](#)
- [US: DSO worries prompt strategic credit management](#)

Overview of B2B payment practices in the USMCA - By industry

A detailed overview of the B2B payment practices by industry in each of the markets surveyed in the USMCA region is contained in the market reports that form the 2022 edition of the Atradius Payment Practices Barometer for the USMCA.

Industries covered in each market report:

- **Canada:** Chemicals/Pharma, Steel/Metals, and Services
- **Mexico:** Agri/food, Chemicals/Pharma, and Steel/Metals
- **US:** Agri/food, Chemicals/Pharma, Electronics/ICT, and Steel/Metals

Related documents

 [Payment Practices Barometer Canada 2022 \(3.6MB PDF\)](#)

 **Payment Practices Barometer Mexico 2022** (3.53MB PDF)

 **Payment Practices Barometer USA 2022** (4.01MB PDF)

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