



Economics Group

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Small Business Sees Slight Improvement in February

The NFIB Small Business Index rose 1.9 points to 90.8 in February, as fewer firms plan to reduce inventories and more firms plan to boost capital outlays. Job openings also increased.

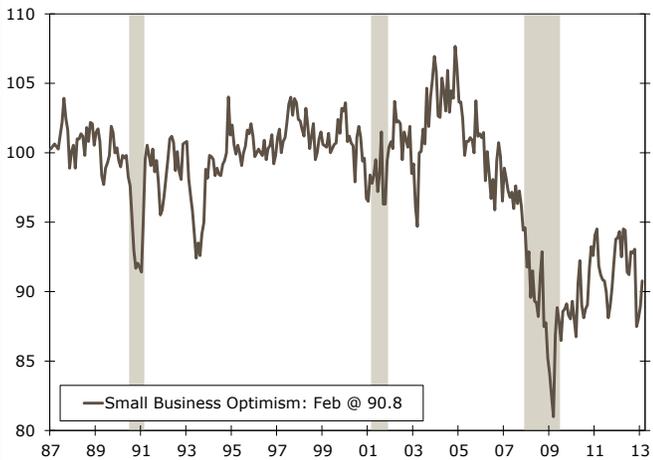
Small Businesses Are Looking for Ways to Grow

- The NIFB Small Business Optimism Index continues to soldier on, rising 1.9 points in February, but remains slightly below its pre-election level. While business owners remained concerned about the broader economic outlook and policy battles in Washington, they are also looking to grow their businesses.
- Plans to increase inventories improved during the month, suggesting that the drawdown in inventories is ending.

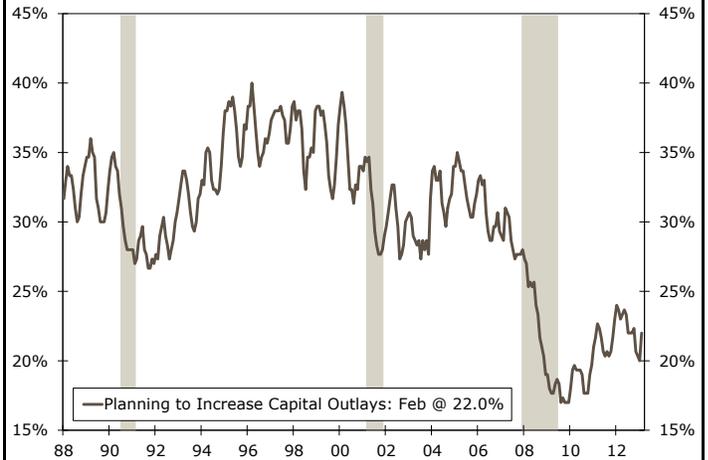
Capital Spending Plans Rise Amid Ongoing Concerns

- The proportion of small businesses planning to boost capital spending rose 4 points to 25 percent. Spending plans remain at historically low levels, however, and only 5 percent of business owners feel now is a good time to expand their business.
- Job openings rose to the highest level since June 2008, but firms are still struggling to fill positions. Of the 44 percent of firms looking to hire, 34 percent had few or no qualified applicants.

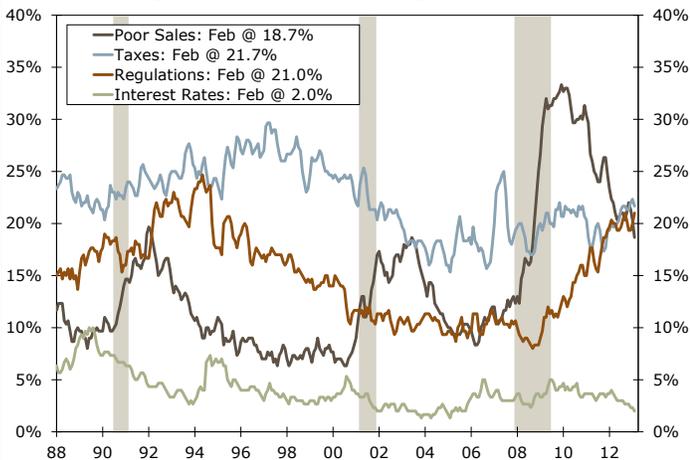
NFIB Small Business Optimism
 Overall Index 1986 = 100



Small Business Capital Spending Outlook
 Net Percent of Firms Planning to Increase Capital Spending, SA 3-MMA

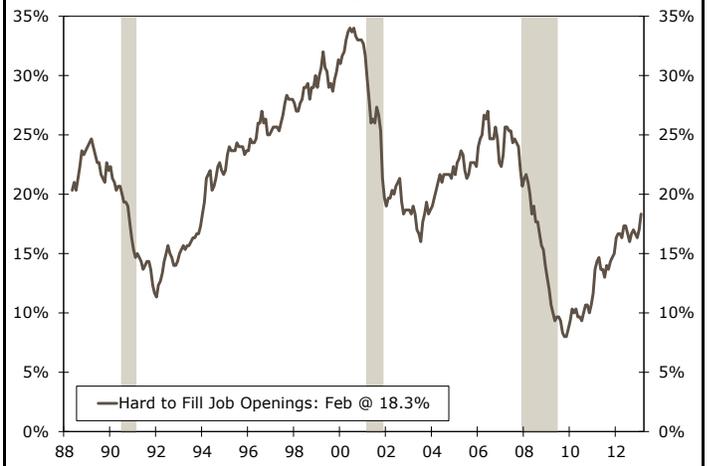


Small Business Important Problems
 Single Most Important Problem Facing Firms, SA 3-MMA



Small Business Hiring

Firms With a Job Opening Hard To Fill, SA 3-MMA



Source: National Federation of Independent Business and Wells Fargo Securities, LLC

Wells Fargo Securities, LLC Economics Group

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