



# Economics Group

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## Small Businesses Still See Economic Prospects As Shaky

*The NFIB Small Business Index fell 1.3 points in March to 89.5, which continues the string of disappointing economic reports for that month. Fewer businesses expect sales to increase and fewer are hiring.*

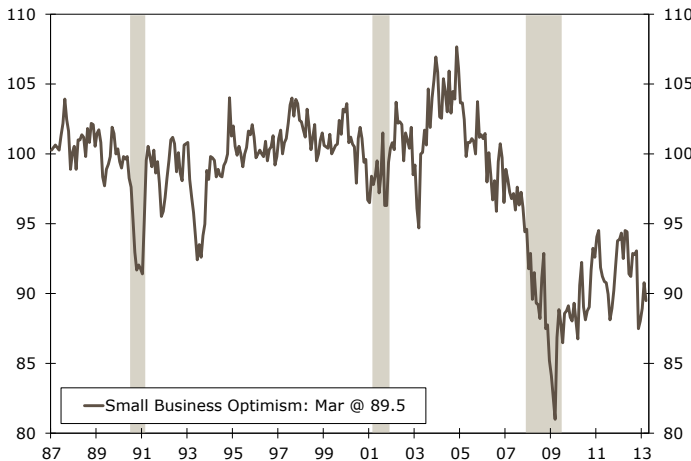
### Small Businesses Remain Exceptionally Cautious

- Small business owners continue to struggle with an unusually tough operating environment. While the net number of businesses reporting higher sales rose 2 points to the best reading in 8 months, more business owners still report declines than gains in sales, and expectations for future sales decreased.
- Taxes, regulations and poor sales remain the top concerns for small businesses, while financing has become less of a burden.

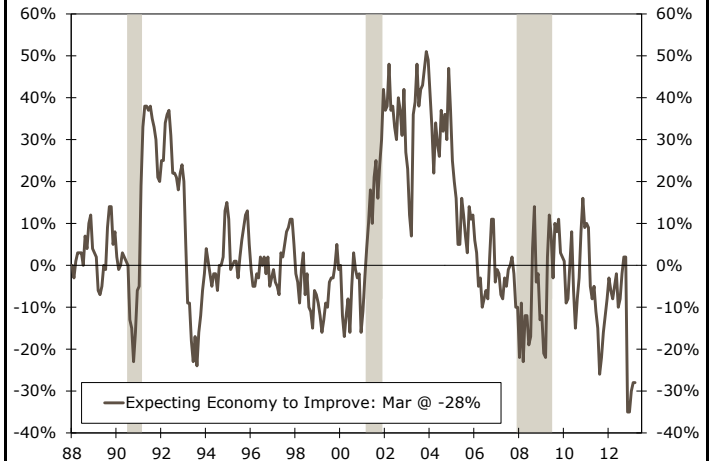
### Fewer Business Owners Plan To Hire

- Small business owners view the economic outlook more negatively than they did during the recession. The net proportion expecting the economy to improve over the next six months was unchanged at -28 and has averaged -31.2 since October.
- Job openings fell back to 18 in March, which is roughly in line with the average for the past year. Actual hiring remained slightly negative, while hiring plans tumbled 4 points to 0.

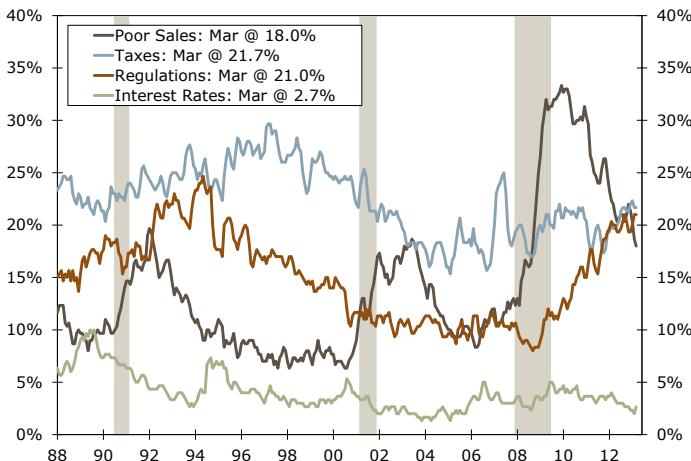
**NFIB Small Business Optimism**  
 Overall Index 1986 = 100



**Firms Expecting Economy to Improve**  
 Net % of Firms Expecting Economy to Improve Over the Next 6 mo.

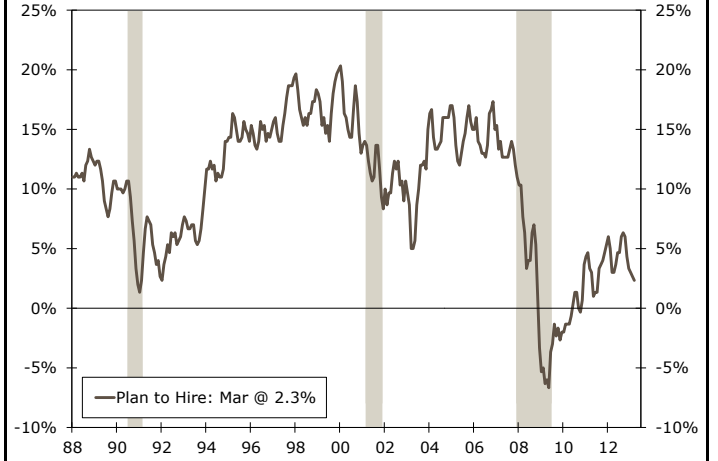


**Small Business Important Problems**  
 Single Most Important Problem Facing Firms, SA 3-MMA



**Small Business Hiring Plans**

Net Percent of Firms Who Plan to Hire in Next 3 Months, SA 3-MMA



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

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