

Economics Group

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NFIB Small Business Optimism Moves Sideways in August

Small business optimism slipped 0.1 point to 94.0 in August. The underlying details were mixed. Small business owners have consistently been the greatest skeptics of this economic recovery.

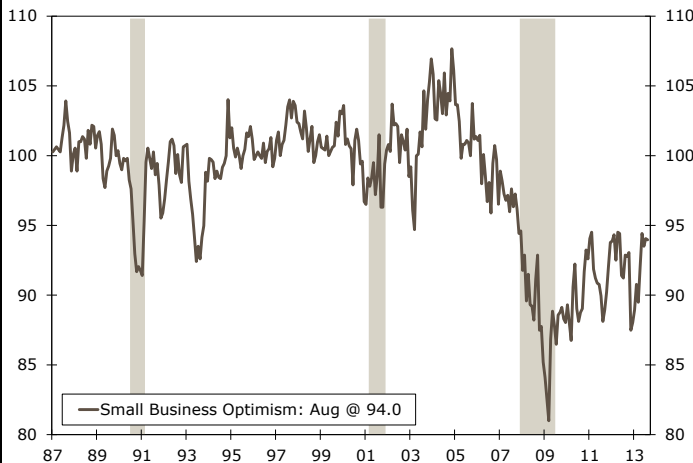
Small Businesses Remain Cautious

- Optimism has bounced around over the past four months as business owners have tried to navigate the unusually slow and uncertain economic environment. Concerns about sales have gradually decreased over the past four years but remain higher than they were prior to the recession. Worries about taxes and regulations have not let up, however, and have tended to keep business owners more cautious about investment and hiring.

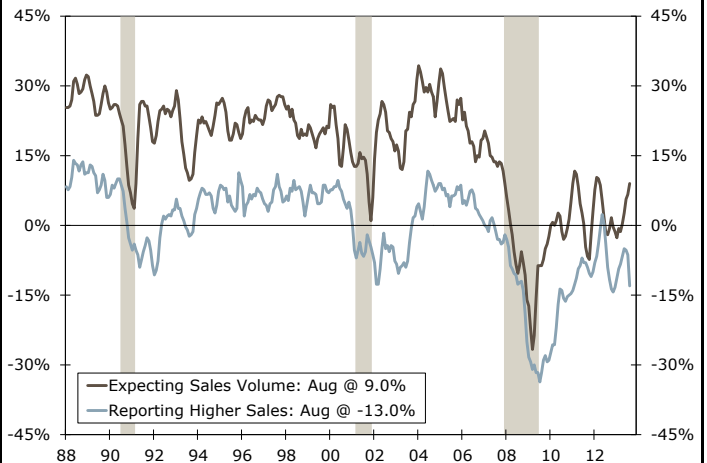
Underlying Details Were Mixed

- Sales plunged 13 points to -24 in August, marking the lowest reading since March 2010. The outlook for general business conditions also weakened.
- In contrast, sales expectations rose 8 points and hiring plans rose 7 points. The conflicting signals are consistent with the trend in the overall index, which has had difficulty breaking through its post-recession "high" and is still well off its norm.

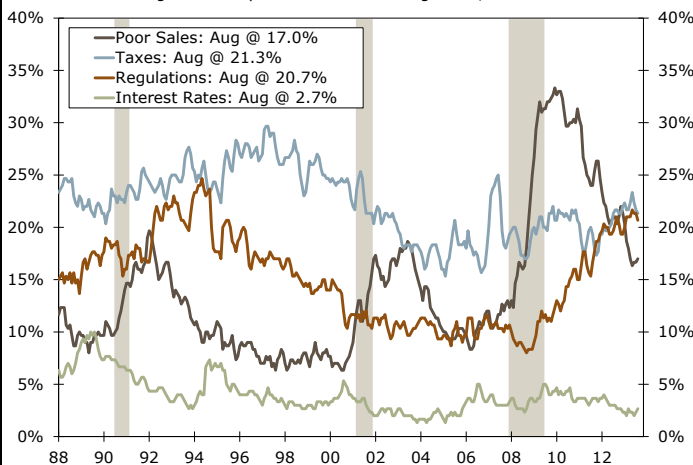
NFIB Small Business Optimism
Overall Index 1986 = 100



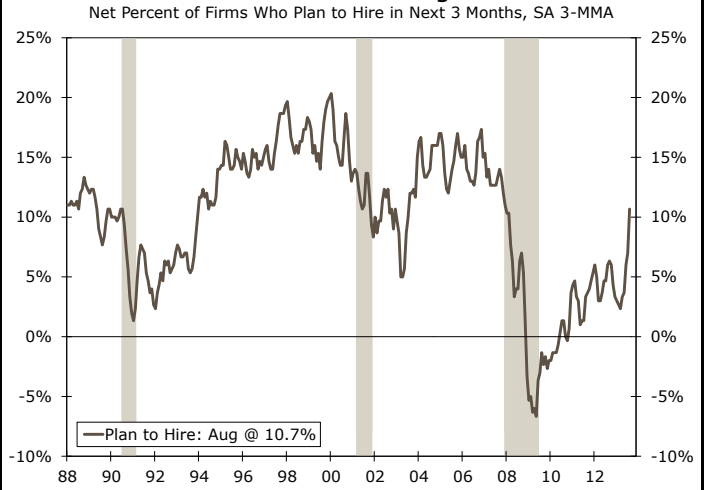
Small Business Actual Sales and Expected Sales
Net Percent of Firms, SA 3-MMA



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



Small Business Hiring Plans



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