



Economics Group

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Small Business Optimism Continues to Rise Modestly

NFIB Small Business Optimism rose 1.8 points in April to 95.2, reaching its highest level since October 2007. The rise above 95 is encouraging, but many business owners remain concerned about slow revenue growth.

Confidence Perks up a Bit in April

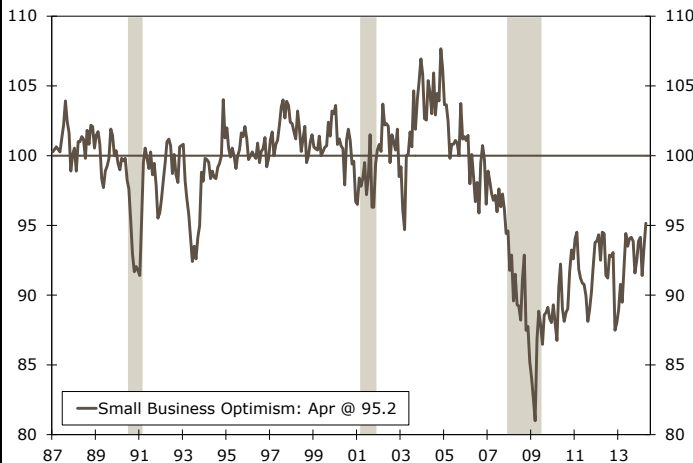
- April's jump in NFIB Small Business Optimism was led by a 9-point jump in expectations for economic growth. The rise in expectations was likely influenced by the bounce back from unusually severe winter weather earlier this year.
- Even with the increase, expectations remain exceptionally low. Businesses worry that revenues are growing too slowly relative to rising operating costs and the increasing regulatory burden.

More Firms Plan to Boost Hiring and Capital Spending

- More small businesses stated that they planned to hire additional workers. The employment series rose 3 points in April and has remained positive for the past 7 months. While more businesses are hiring, many are having trouble finding skilled workers. Among the 51 percent of firms either hiring or trying to hire workers over the past three months, 41 percent said they had few or no qualified applicants for their open positions.

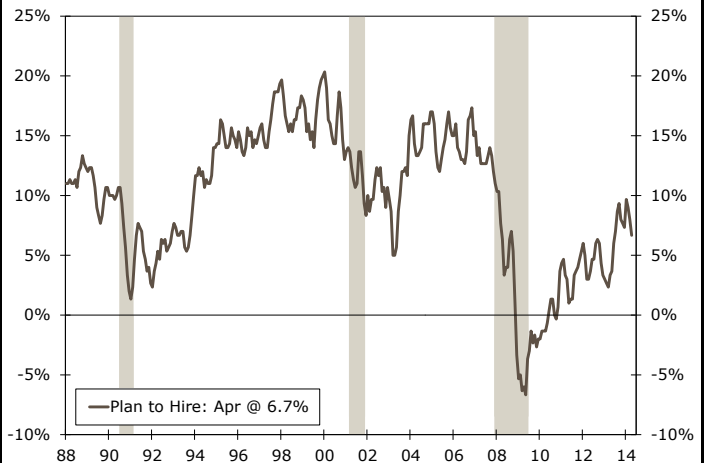
NFIB Small Business Optimism

Overall Index 1986 = 100



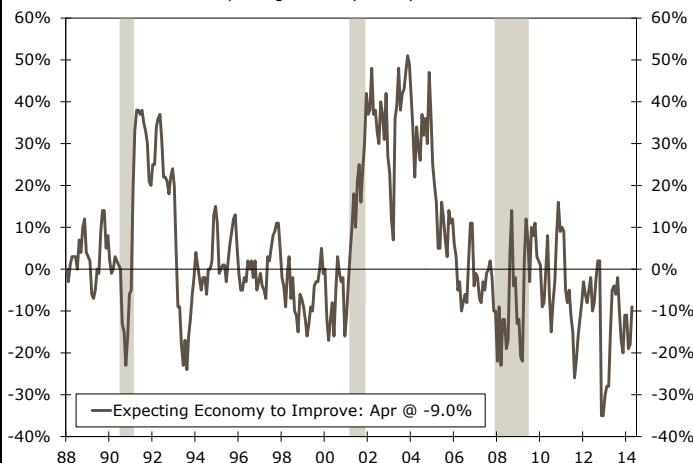
Small Business Hiring Plans

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



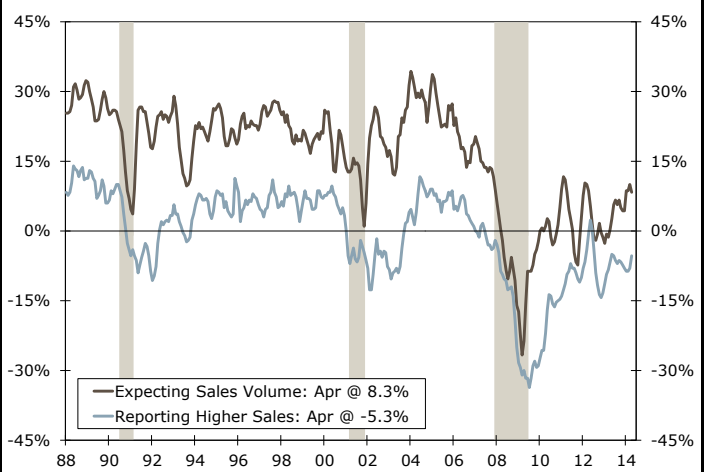
Firms Expecting Economy to Improve

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



Small Business Actual Sales and Expected Sales

Net Percent of Firms, SA 3-MMA



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

Wells Fargo Securities, LLC Economics Group

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