



Economics Group

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NFIB Small Business Optimism Rises in August

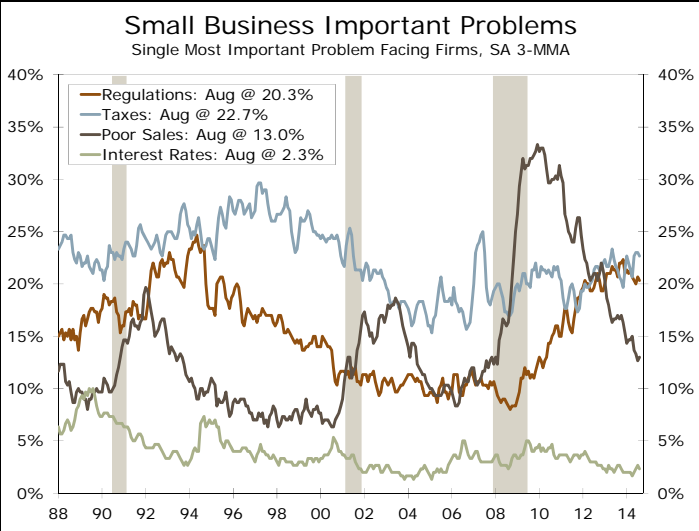
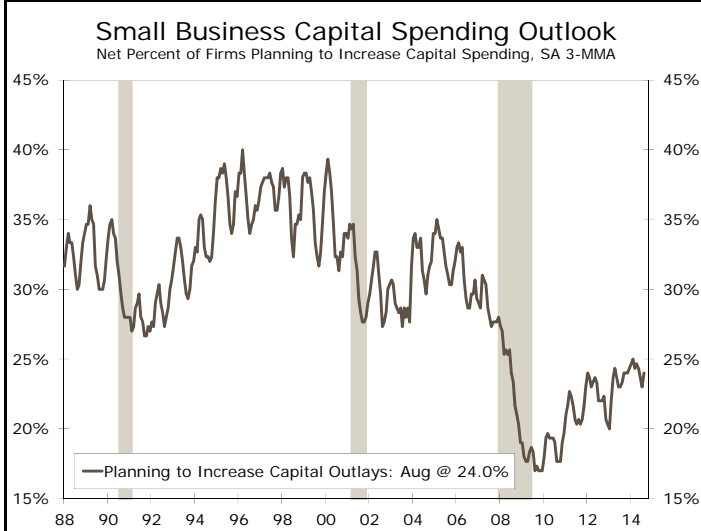
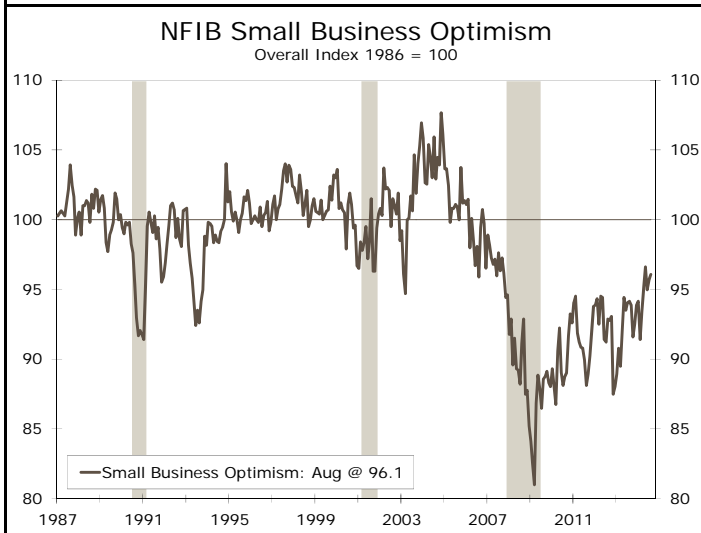
Small business optimism rose 0.4 points in August, the second consecutive monthly increase. The bulk of the gain was due to an increase in plans to make capital outlays and the outlook for economic conditions.

Confidence Rises, Consistent with Real GDP

- The NFIB Small Businesses Optimism Index rose in August, marking the second highest reading since October 2007. Capital outlays showed the largest increase, rising 4 points in August. The increase in the capital expenditures component is consistent with strengthening real GDP growth and the pickup in structure, equipment and software investment. Owners' outlook for future economic conditions increased 3 points.

Job Skills Gap Remains Front and Center

- Plans to increase employment fell 3 points in August. Business owners continue to note the lack of qualified applicants for open positions. Current job openings rose 2 points on the month.
- Small businesses continued to point to taxes, regulatory burdens and soft sales as their top three concerns. However, government regulation and poor sales are showing a slower trend compared to one year ago.



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