

March
2025

NFIB

SMALL BUSINESS

ECONOMIC

TRENDS

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SMALL BUSINESS OPTIMISM INDEX COMPONENTS

Index Component	Seasonally Adjusted Level	Change from Last Month	Contribution to Index Change
Plans to Increase Employment	12%	-3	*
Plans to Make Capital Outlays	21%	2	*
Plans to Increase Inventories	-1%	0	*
Expect Economy to Improve	21%	-16	*
Expect Real Sales Higher	3%	-11	*
Current Inventory (too low)	-7%	-2	*
Current Job Openings	40%	2	*
Expected Credit Conditions	-4%	-1	*
Now a Good Time to Expand	9%	-3	*
Earnings Trends	-28%	-4	*
Total Change		-36	

Based on a Survey of Small and Independent Business Owners

NFIB
SMALL BUSINESS
ECONOMIC TRENDS

NFIB Research Center has collected Small Business Economic Trends Data with Quarterly surveys since 1973 and monthly surveys since 1986. The sample is drawn from the membership files of the National Federation of Independent Business (NFIB). Each was mailed a questionnaire and one reminder. Subscriptions for twelve monthly SBET issues are \$250. Historical and unadjusted data are available, along with a copy of the questionnaire, from the NFIB Research Center. You may reproduce Small Business Economic Trends items if you cite the publication name and date and note it is a copyright of the NFIB Research Center. © NFIB Research Center. ISBS #0940791-24-2. Chief Economist William C. Dunkelberg and Executive Director of the NFIB Research Center Holly Wade are responsible for the report.

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SUMMARY

OPTIMISM INDEX

The Small Business Optimism Index fell by 3.3 points in March to 97.4, falling below the 51-year average of 98. This was the largest monthly decline in the Optimism Index since June 2022. Of the 10 Optimism Index components, two increased, seven decreased, and one was unchanged. Better business conditions and sales expectations contributed the most to the decline in the Index. The Uncertainty Index fell 8 points from February's second highest reading to 96.

LABOR MARKETS

In March, 40 percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, up 2 points from February. Thirty-three percent have openings for skilled workers (up 2 points) and 13 percent have openings for unskilled labor (unchanged). The difficulty in filling open positions is particularly acute in the construction, transportation, and manufacturing industries. Openings were the lowest in the agriculture and wholesale industries. Job openings in construction were up 10 points from last month and up 12 points from the prior year. Also notable, job openings in the transportation sector rose 23 points from the prior month to 53 percent. More firms reduced their employment levels than increased them (14.4 percent reduced while 9.6 percent increased). A seasonally adjusted net 12 percent of owners plan to create new jobs in the next three months, down 3 points from February. The last time hiring plans were this low was April 2024. Job creation plans are in weak territory compared to recent history. Overall, 53 percent reported hiring or trying to hire in March, unchanged from February. Forty-seven percent (87 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (down 1 point). Twenty-six percent of owners reported few qualified applicants for their open positions (down 1 point) and 21 percent reported none (unchanged). The percent of small business owners reporting labor quality as the single most important problem for their business was unchanged from February at 19 percent, remaining the top issue with taxes 1 point behind. Labor costs reported as the single most important problem for business owners fell 1 point to 11 percent, only 2 points below the highest reading of 13 percent reached in December 2021.

CAPITAL SPENDING

Fifty-nine percent reported capital outlays in the last six months, up 1 point from February. Of those making expenditures, 43 percent reported spending on new equipment (up 6 points), 27 percent acquired vehicles (down 3 points), and 16 percent improved or expanded facilities (up 3 points). Thirteen percent spent money on new fixtures and furniture (up 1 point), and 5 percent acquired new buildings or land for expansion (unchanged). Twenty-one percent (seasonally adjusted) plan capital outlays in the next six months, up 2 points from February. Although there was improvement, planned capital outlays remain historically low.

SALES AND INVENTORIES

A net negative 11 percent of all owners (seasonally adjusted) reported higher nominal sales in the past three months, up 1 point from February and the highest reading since March 2024. However, reports of sales gains are in recession territory. The net percent of owners expecting higher real sales volumes fell 11 points from February to a net 3 percent (seasonally adjusted). This is the third consecutive month real sales expectations declined after surging from recession levels after the election. The net percent of owners reporting inventory gains improved 3 points from February to a net negative 3 percent (seasonally adjusted). This is due to weaker sales and reduced replacement of sold inventories. Not seasonally adjusted, 13 percent reported increases in stocks (up 5 points) and 19 percent reported reductions (unchanged). Stocks are still being liquidated to meet customer demand. The impact of new tariffs is yet to be felt. A net negative 7 percent (seasonally adjusted) of owners viewed current inventory stocks as "too low" in March, down 2 points from February. With more owners viewing stocks as excessive than too low, inventory accumulation will be weak. A net negative 1 percent (seasonally adjusted) of owners plan inventory investment in the coming months, unchanged from February. Prospects for sales growth don't support inventory investment.

COMPENSATION AND EARNINGS

Seasonally adjusted, a net 38 percent reported raising compensation, up 5 points from February. Small business owners are feeling pressured to retain and attract employees. But for most firms, labor costs are the largest cost in their profit/loss calculation. A seasonally adjusted net 19 percent plan to raise compensation in the next three months, up 1 point from February. Overall, wage cost increases continue to pressure the bottom line for owners. The frequency of reports of positive profit trends was a net negative 28 percent (seasonally adjusted), which was 4 points worse than February. More "bottom lines" are pointed down than are headed up. Among owners reporting lower profits, 35 percent blamed weaker sales, 18 percent cited usual seasonal change, 11 percent cited the rise in the cost of materials, and 8 percent cited labor costs. For owners reporting higher profits, 55 percent credited sales volumes, 16 percent cited usual seasonal change, and 11 percent cited higher selling prices.

CREDIT MARKETS

A net 6 percent reported their last loan was harder to get than in previous attempts, up 4 points from February and the largest monthly increase since September 2023. Three percent reported that financing and interest rates were their top business problem in March (unchanged). A net 4 percent of owners reported paying a higher rate on their most recent loan, unchanged from February. The average rate paid on short maturity loans was 8.9 percent, up 0.1 (10 basis points) from February. Twenty-eight percent of all owners reported borrowing on a regular basis, up 4 points from February's lowest reading since May 2022. High mortgage rates have slowed housing activity, a damper on GDP growth.

INFLATION

The net percent of owners raising average selling prices fell 6 points from February to a net 26 percent seasonally adjusted. This is the largest monthly decrease since December 2022. Sixteen percent of owners reported that inflation was their single most important problem in operating their business (higher input costs), unchanged from February. Currently, inflation is fairly low (under 3 percent), but prices are, for the most part, still 20 percent higher than in 2020. Unadjusted, 10 percent (up 4 points) reported lower average selling prices and 38 percent (unchanged) reported higher average prices. Price hikes were most frequent in the finance (59 percent higher, 6 percent lower), retail (52 percent higher, 5 percent lower), wholesale (46 percent higher, 13 percent lower), and construction (45 percent higher, 10 percent lower) sectors. Seasonally adjusted, a net 30 percent plan price hikes in March, up 1 point from February and the highest reading since March 2024. Demand is still too strong to trigger widespread price reductions.

OUTLOOK

The net percent of owners expecting better business conditions fell 16 points from February to a net 21 percent (seasonally adjusted). This is the third consecutive monthly decline and the largest monthly decline since December 2020. This component contributed the most to the decline in the Optimism Index. Nine percent (seasonally adjusted) reported that it is a good time to expand their business, down 3 points from February. Historically, this remains a low reading. When asked to rate the overall health of their business, 11 percent reported excellent (unchanged), and 53 percent reported good (down 2 points). Thirty-one percent reported the health of their business was fair (up 4 points) and 4 percent reported poor (down 2 points).

SINGLE MOST IMPORTANT PROBLEM

The percent of small business owners reporting labor quality as the single most important problem for business was unchanged from February at 19 percent. This was the second consecutive month that labor quality was ranked the top single most important problem. Taxes followed closely behind labor quality with 18 percent of small business owners reporting it as their single most important problem, up 2 points from February. Taxes as the single most important problem hasn't been this high since November 2021. Sixteen percent of owners reported that inflation was their single most important problem in operating their business (higher input costs), unchanged from February, and falling from its rank as the second top issue. Labor costs reported as the single most important problem for business owners fell 1 point to 11 percent, only 2 point below the highest reading of 13 percent reached in December 2021. The percent of small business owners reporting government regulations and red tape as their single most important problem rose 2 points from February to 8 percent. Three percent reported that financing and interest rates were their top business problem in March, unchanged for the third consecutive month. In March, the percent of small business owners reporting poor sales as their top business problem remained at 9 percent for the third consecutive month. Six percent reported competition from large businesses as their single most important problem, down 1 point from February's highest reading since May 2021. In March, 8 percent reported cost or availability of insurance as their single most important problem, up 1 point from February.

COMMENTARY

This year will be one ruled by uncertainty. Global and domestic actions are generating insecurities in abundance, both political and economic. President Trump's administration is rearranging the deck chairs at a record pace. Is there an "iceberg" looming ahead or will we sail through to a restructured economy safely? Since 1986, NFIB's Uncertainty Index (based on the percent of respondents reporting "uncertain" or "don't know" to six questions) has averaged 68. But, since 2016 it has averaged 80 and reached its highest level of 110 in October 2024.

NFIB's Small Business Optimism Index declined in March to 97.4, just below the 51-year average of 98, three months after reaching a near record high of 105.1 in December. Since last October, the Index component "Expected Business Conditions" has moved from net negative 5 percent to net 52 percent in December, and now back down to net 21 percent, "expectational whiplash!"

Inflation remains a sticky problem. The Consumer Price Index rose to 9.1 percent in June 2022, and has fallen to below 3 percent but not yet reaching the Fed target of 2 percent. From 2020 to 2024, the level of prices (CPI) increased 20 percent (cumulative). This delivered a huge reduction in purchasing power to consumers who now wish to see prices fall, not just rise more slowly. The net percent of owners raising selling prices was 26 percent in March, much lower than the 66 percent level reached in March 2022, but still historically high. From 1986 to 2020, the average was 8 percent! It is no surprise that historically high numbers of small business owners have recently picked inflation as their most important problem.

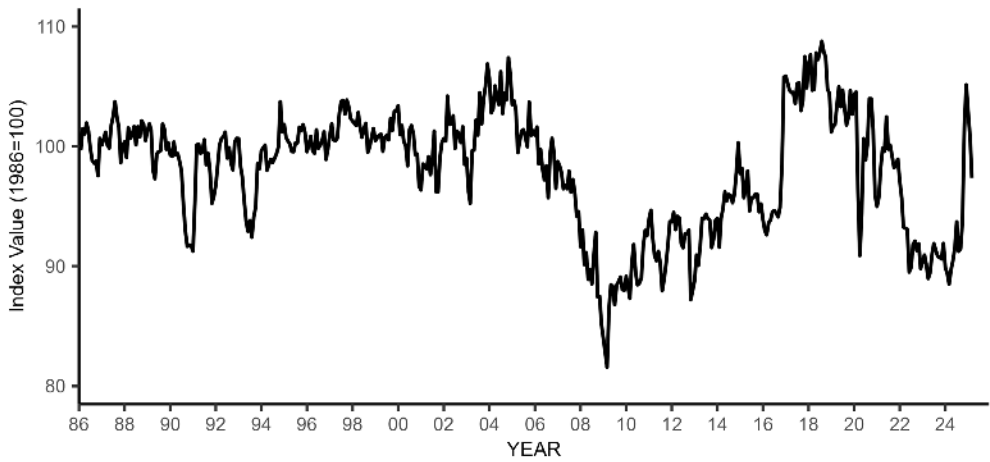
Credit availability, and not credit costs, is the most important financial variable to small firms. During the Fed's fight against inflation in the early 1980s, owners reported paying interest averaging 19 percent, compared to 8.9 percent in March.

As the deck chairs continue to move, it will be a turbulent time, even on Main Street.

OVERVIEW - SMALL BUSINESS OPTIMISM

OPTIMISM INDEX

Based on Ten Survey Indicators¹
(Seasonally Adjusted 1986=100)



¹ Questions included in the Optimism Index (see pages 22-23)

OPTIMISM INDEX

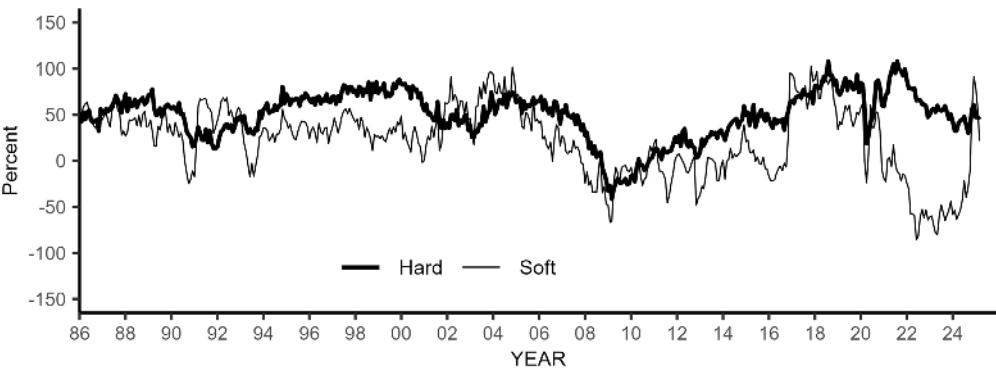
Based on Ten Survey Indicators
(Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	104.3	104.5	96.4	90.9	94.4	100.6	98.8	100.2	104.0	104.0	101.4	95.9
2021	95.0	95.8	98.2	99.8	99.6	102.5	99.7	100.1	99.1	98.2	98.4	98.9
2022	97.1	95.7	93.2	93.2	93.1	89.5	89.9	91.8	92.1	91.3	91.9	89.8
2023	90.3	90.9	90.1	89.0	89.4	91.0	91.9	91.3	90.8	90.7	90.6	91.9
2024	89.9	89.4	88.5	89.7	90.5	91.5	93.7	91.2	91.5	93.7	101.7	105.1
2025	102.8	100.7	97.4									

OPTIMISM INDEX COMPONENTS

Hard: Job Creation Plans, Job Openings, Inventory Plans, Earnings, Capital Expenditure Plans

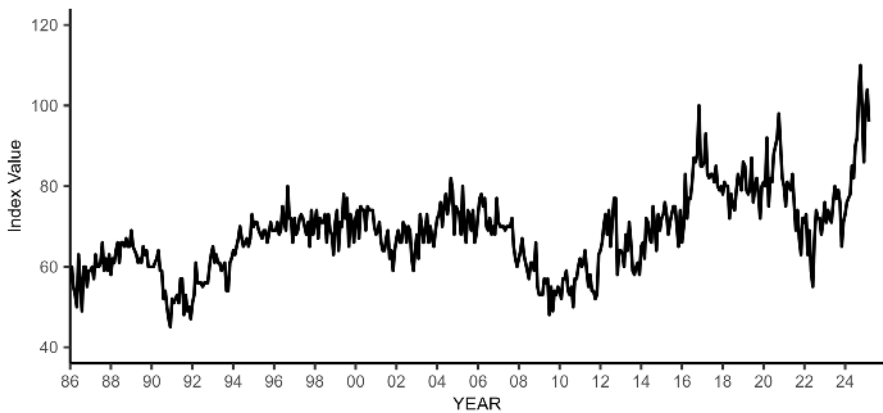
Soft: Expected Business Conditions, Outlook for Expansion, Expected Real Sales, Expected Credit Conditions, Inventory Satisfaction



SMALL BUSINESS UNCERTAINTY

UNCERTAINTY INDEX

Sum of “Don’t Know” & “Uncertain” Answers on 6 Questions²



² Questions included in the Uncertainty Index (see pages 22-23)

UNCERTAINTY INDEX

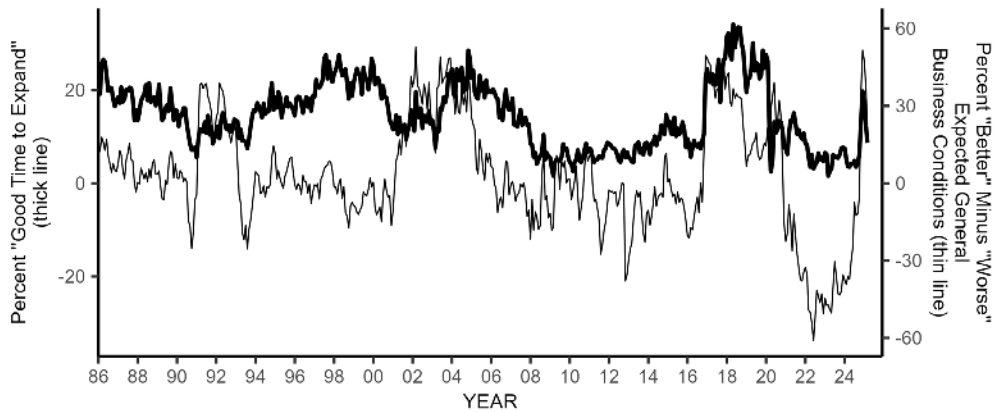
Sum of “Don’t Know” & “Uncertain” Answers on 6 Questions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	81	80	92	75	82	81	88	90	92	98	90	82
2021	80	75	81	80	79	83	76	69	74	67	63	72
2022	71	73	63	69	59	55	67	74	72	72	68	71
2023	76	71	74	72	71	76	80	77	79	76	65	71
2024	73	76	77	78	85	82	90	92	103	110	98	86
2025	100	104	96									

SMALL BUSINESS OUTLOOK

OUTLOOK

Good Time to Expand and Expected General Business Conditions
January 1986 to March 2025
(Seasonally Adjusted)



SMALL BUSINESS OUTLOOK (CONTINUED)

OUTLOOK FOR EXPANSION

Percent Next Three Months "Good Time to Expand"
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	28	26	13	3	5	13	11	12	13	13	12	8
2021	8	6	11	14	13	15	13	11	11	10	10	11
2022	9	8	6	4	6	3	4	5	6	5	6	5
2023	7	6	2	3	3	6	6	6	5	6	8	8
2024	8	5	4	4	4	4	5	4	4	6	14	20
2025	17	12	9									

MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook
March 2025

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	3	25	21
Sales Prospects	1	4	2
Fin. & Interest Rates	0	3	3
Cost of Expansion	0	5	7
Political Climate	6	6	8
Other / Not Available	0	2	1

OUTLOOK FOR GENERAL BUSINESS CONDITIONS

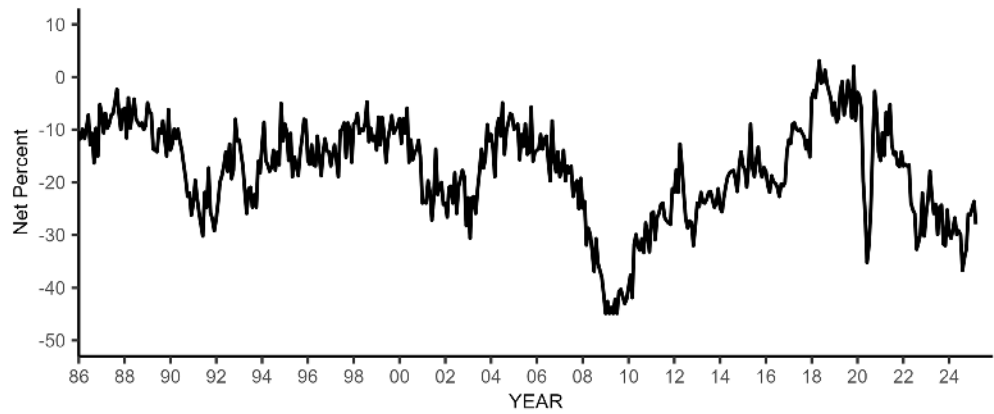
Net Percent ("Better" Minus "Worse") Six Months From Now
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	14	22	5	29	34	39	25	24	32	27	8	-16
2021	-23	-19	-8	-15	-26	-12	-20	-28	-33	-37	-38	-35
2022	-33	-35	-49	-50	-54	-61	-52	-42	-44	-46	-43	-51
2023	-45	-47	-47	-49	-50	-40	-30	-37	-43	-43	-42	-36
2024	-38	-39	-36	-37	-30	-25	-7	-13	-12	-5	36	52
2025	47	37	21									

SMALL BUSINESS EARNINGS

EARNINGS

Actual Last Three Months
January 1986 to March 2025
(Seasonally Adjusted)



ACTUAL EARNINGS CHANGES

Net Percent ("Higher" Minus "Lower") Last Three Months
Compared to Prior Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-3	-4	-6	-20	-26	-35	-32	-25	-12	-3	-7	-14
2021	-16	-11	-15	-7	-11	-5	-13	-15	-14	-17	-17	-14
2022	-17	-17	-17	-17	-24	-25	-26	-33	-31	-30	-22	-30
2023	-26	-23	-18	-23	-26	-24	-30	-25	-24	-32	-32	-25
2024	-30	-31	-29	-27	-30	-29	-30	-37	-34	-33	-26	-26
2025	-25	-24	-28									

MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason
March 2025

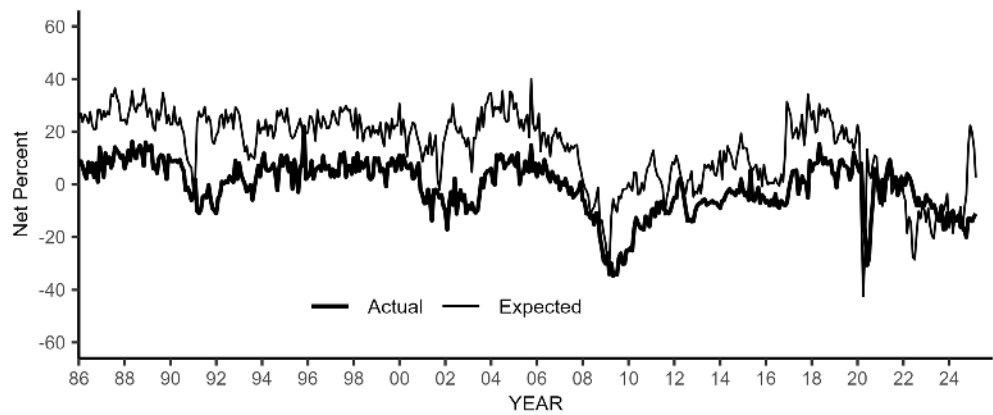
Reason	Current Month	One Year Ago	Two Years Ago
Sales Volume	16	14	11
Increased Costs*	12	17	12
Cut Selling Prices	2	6	3
Usual Seasonal Change	8	6	5
Other	1	2	1

* Increased costs include labor, materials, finance, taxes, and regulatory costs.

SMALL BUSINESS SALES

SALES

Actual (Prior Three Months) and Expected (Next Three Months)
January 1986 to March 2025
(Seasonally Adjusted)



ACTUAL SALES CHANGES

Net Percent ("Higher" Minus "Lower") Last Three Months
Compared to Prior Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	7	5	8	-11	-19	-31	-28	-15	-6	6	5	-2
2021	-7	2	-6	3	7	9	5	0	3	-4	-2	1
2022	2	0	4	3	1	-2	-5	-8	-5	-8	-7	-8
2023	-4	-6	-6	-9	-8	-10	-13	-14	-8	-17	-17	-11
2024	-11	-13	-10	-13	-14	-12	-16	-16	-17	-20	-13	-13
2025	-14	-12	-11									

SALES EXPECTATIONS

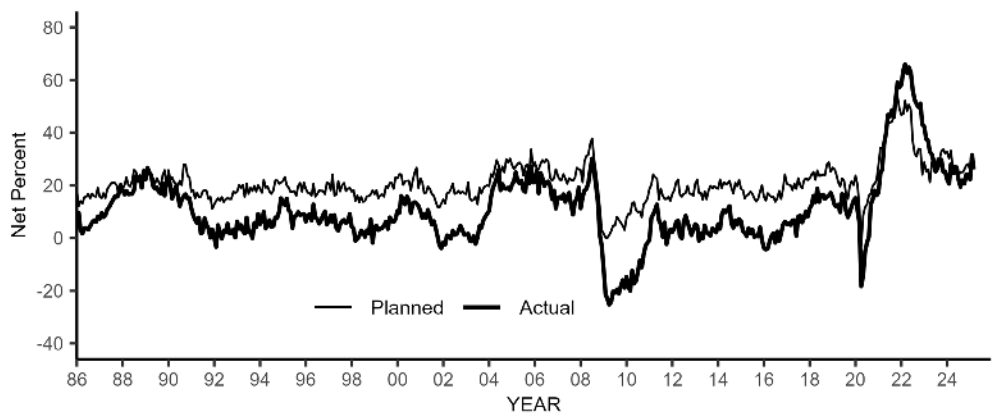
Net Percent ("Higher" Minus "Lower") During Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	23	19	-12	-42	-24	13	5	3	8	11	10	-4
2021	-6	-8	0	1	3	7	-4	-2	2	0	2	3
2022	-3	-6	-18	-12	-15	-28	-29	-19	-10	-13	-8	-10
2023	-14	-9	-15	-19	-21	-14	-12	-14	-13	-10	-8	-4
2024	-16	-10	-18	-12	-13	-13	-9	-18	-9	-4	14	22
2025	20	14	3									

SMALL BUSINESS PRICES

PRICES

Actual Last Three Months and Planned Next Three Months
January 1986 to March 2025
(Seasonally Adjusted)



ACTUAL PRICE CHANGES

Net Percent ("Higher" Minus "Lower")
Compared to Three Months Ago
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	15	11	6	-18	-14	-5	-2	1	13	15	18	16
2021	17	25	26	36	40	47	46	49	46	53	59	57
2022	58	64	66	63	65	63	56	53	51	50	51	43
2023	42	38	37	33	32	29	25	27	29	30	25	25
2024	22	21	28	25	25	27	22	20	22	21	24	24
2025	22	32	26									

PRICE PLANS

Net Percent ("Higher" Minus "Lower") in the Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	24	20	12	-3	9	12	13	16	17	20	21	22
2021	28	34	34	36	43	44	44	44	46	51	54	49
2022	47	47	52	48	51	49	37	32	31	34	34	24
2023	29	25	26	21	29	31	27	30	30	33	34	32
2024	33	30	33	26	28	26	24	25	25	26	28	28
2025	26	29	30									

SMALL BUSINESS EMPLOYMENT

ACTUAL EMPLOYMENT CHANGES

Net Percent ("Increase" Minus "Decrease") in the Last Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	9	13	8	-12	-16	-16	-11	-12	-6	-2	-2	-5
2021	0	-3	-2	1	-5	-2	-6	-8	-1	-2	-1	1
2022	-1	1	-2	-2	-4	-2	-4	-8	-4	-2	-3	1
2023	2	4	2	-2	-4	-2	-2	-4	-2	-3	-2	-2
2024	0	-1	-2	0	-2	-5	-3	-6	-4	-3	-1	-3
2025	1	-3	-1									

QUALIFIED APPLICANTS FOR JOB OPENINGS

Percent Few or No Qualified Applicants

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	49	52	47	41	37	43	44	46	50	48	47	48
2021	46	51	51	54	57	56	57	60	62	58	56	57
2022	55	57	55	55	61	60	57	57	57	55	54	51
2023	52	54	53	55	55	54	56	54	57	55	50	49
2024	49	51	48	51	51	51	49	56	52	46	48	49
2025	47	48	47									

EMPLOYMENT

Planned Next Three Months and Current Job Openings
January 1986 to March 2025
(Seasonally Adjusted)



SMALL BUSINESS EMPLOYMENT (CONTINUED)

JOB OPENINGS

Percent With Positions Not Able to Fill Right Now
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	37	38	35	24	23	32	30	33	36	33	34	32
2021	33	40	42	44	48	46	49	50	51	49	48	49
2022	47	48	47	47	51	50	49	49	46	46	44	41
2023	45	47	43	45	44	42	42	40	43	43	40	40
2024	39	37	37	40	42	37	38	40	34	35	36	35
2025	35	38	40									

HIRING PLANS

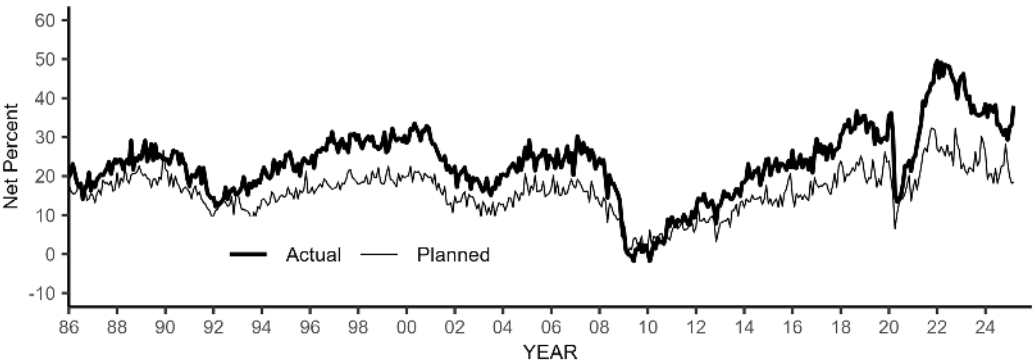
Net Percent ("Increase" Minus "Decrease") in the Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	19	21	9	1	8	16	18	21	23	18	21	17
2021	17	18	22	21	27	28	27	32	26	26	25	28
2022	26	19	20	20	26	19	20	21	23	20	18	17
2023	19	17	15	17	19	15	17	17	18	17	18	16
2024	14	12	11	12	15	15	15	13	15	15	18	19
2025	18	15	12									

SMALL BUSINESS COMPENSATION

COMPENSATION

Actual Last Three Months and Planned Next Three Months
January 1986 to March 2025
(Seasonally Adjusted)



SMALL BUSINESS COMPENSATION (CONTINUED)

ACTUAL COMPENSATION CHANGES

Net Percent ("Increase" Minus "Decrease") During Last Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	36	36	31	16	14	14	15	18	23	23	24	21
2021	25	25	28	31	34	39	38	41	42	44	44	48
2022	50	45	49	46	49	48	48	46	45	44	40	44
2023	46	46	42	40	41	36	38	36	36	36	36	36
2024	39	35	38	38	37	38	33	33	32	31	32	29
2025	33	33	38									

COMPENSATION PLANS

Net Percent ("Increase" Minus "Decrease") in the Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	24	19	16	7	10	13	14	14	16	18	20	14
2021	17	19	17	20	22	26	27	26	30	32	32	32
2022	27	26	28	27	25	28	25	26	23	32	28	27
2023	22	23	22	21	22	22	21	26	23	24	30	29
2024	26	19	21	21	18	22	18	20	23	23	28	24
2025	20	18	19									

PRICES AND LABOR COMPENSATION

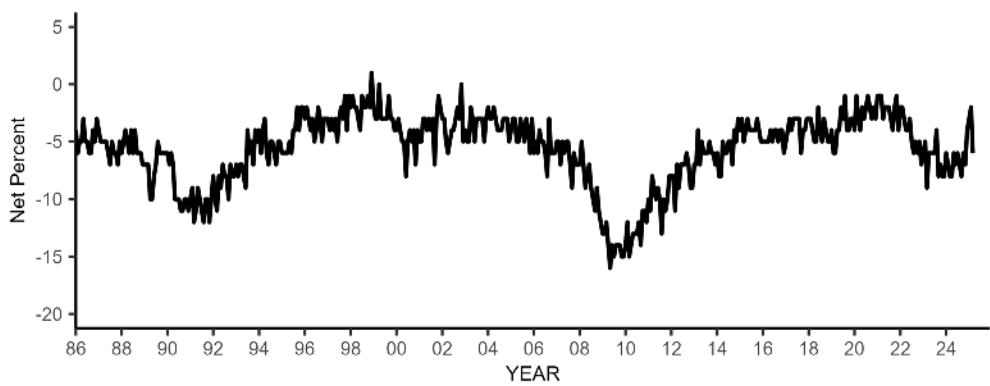
Net Percent Price Increase and Net Percent Compensation
(Seasonally Adjusted)



SMALL BUSINESS CREDIT CONDITIONS

CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago*
January 1986 to March 2025



* For the population borrowing at least once every three months.

REGULAR BORROWERS

Percent Borrowing at Least Once Every Three Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	31	28	26	29	26	27	26	24	26	25	22	26
2021	23	26	23	24	23	21	21	20	20	23	21	23
2022	23	23	25	26	23	25	26	27	26	28	27	28
2023	29	30	30	31	29	28	27	28	31	27	31	29
2024	29	25	28	31	31	28	27	27	26	25	28	25
2025	27	24	28									

AVAILABILITY OF LOANS

Net Percent ("Easier" Minus "Harder")
Compared to Three Months Ago
(Regular Borrowers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-4	-1	-3	-4	-2	-3	-2	-1	-2	-3	-2	-3
2021	-1	-1	-1	-3	-2	-2	-2	-3	-4	-2	-1	-4
2022	-2	-2	-3	-4	-4	-3	-5	-6	-5	-6	-5	-7
2023	-6	-5	-9	-6	-6	-6	-6	-4	-8	-7	-8	-8
2024	-6	-7	-8	-8	-6	-7	-6	-7	-8	-6	-7	-4
2025	-3	-2	-6									

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

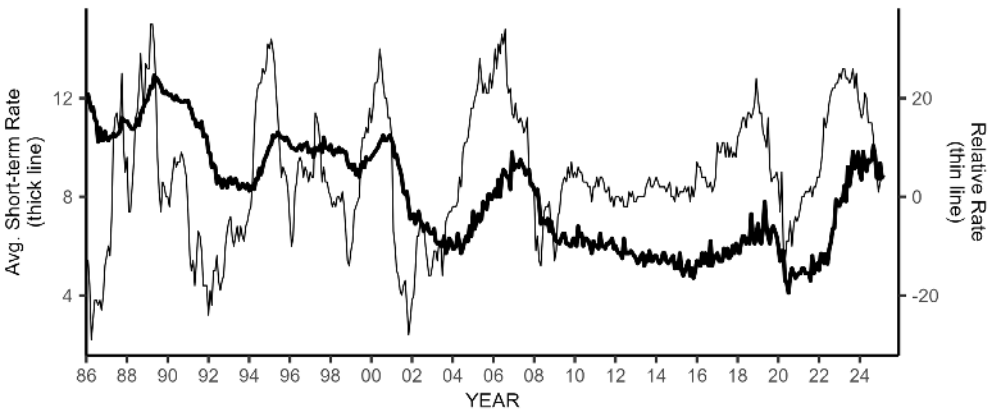
EXPECT EASIER CREDIT CONDITIONS

Net Percent ("Easier" Minus "Harder") During Next Three Months
(Regular Borrowers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-4	-1	-4	-6	-4	-6	-5	-4	-5	-4	-3	-5
2021	-3	-6	-3	-3	-3	-4	-4	-4	-4	-4	-3	-4
2022	-4	-4	-4	-5	-4	-5	-7	-8	-6	-8	-6	-9
2023	-8	-6	-9	-8	-10	-8	-8	-6	-10	-9	-11	-8
2024	-8	-6	-8	-9	-7	-7	-7	-8	-8	-6	-5	-2
2025	-4	-3	-4									

INTEREST RATES

Relative Rates and Actual Rates Last Three Months
January 1986 to March 2025



RELATIVE INTEREST RATE PAID BY
REGULAR BORROWERS

Net Percent ("Higher" Minus "Lower") Compared to Three Months Ago

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	3	-3	5	-11	-13	-9	-9	-5	-10	-6	-4	-5
2021	-4	-2	0	0	1	1	1	2	0	2	2	4
2022	4	6	9	16	14	16	19	21	22	22	23	23
2023	25	24	26	26	24	24	23	24	26	22	25	20
2024	18	16	17	21	20	15	15	15	12	5	5	1
2025	3	4	4									

Borrowing at Least Once Every Three Months.

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

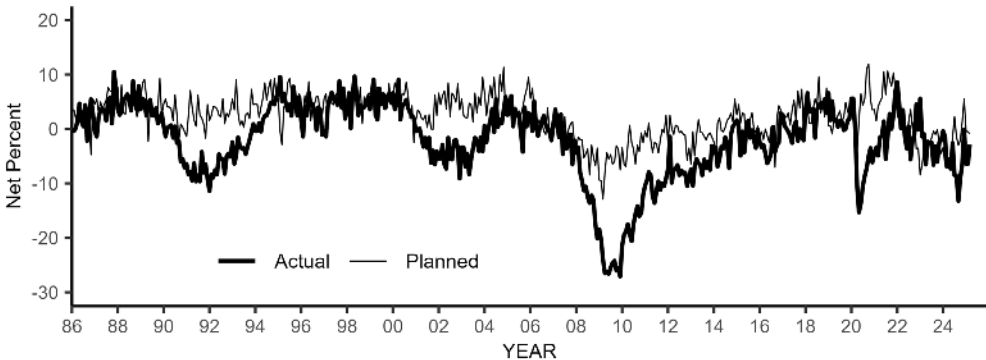
Average Interest Rate Paid

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	6.0	5.4	5.8	5.8	4.6	4.5	4.1	4.8	5.1	4.9	4.7	4.8
2021	4.9	4.9	5.1	5.1	4.9	4.9	4.9	4.6	5.6	4.9	5.1	5.3
2022	5.0	5.7	5.7	5.3	5.7	5.3	5.9	6.2	6.7	6.7	7.9	7.7
2023	7.6	7.9	7.8	8.5	7.8	9.2	8.5	9.0	9.8	9.1	9.3	9.8
2024	9.0	8.7	9.8	9.3	9.0	9.5	9.4	9.5	10.1	9.7	8.8	8.7
2025	9.4	8.8	8.9									

SMALL BUSINESS INVENTORIES

INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)
January 1986 to March 2025
(Seasonally Adjusted)



ACTUAL INVENTORY CHANGES

Net Percent ("Increase" Minus "Decrease") During Last Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	6	6	0	-11	-15	-14	-11	-9	-7	-5	-4	-6
2021	-4	-3	-5	-2	-1	1	-6	-2	3	0	3	7
2022	9	5	0	4	-1	-4	1	-6	-2	-1	5	0
2023	6	-1	-1	-7	-2	-3	-3	-7	-3	-6	-3	-2
2024	0	-1	-7	-6	-7	-3	-9	-9	-13	-9	-7	0
2025	-6	-6	-3									

SMALL BUSINESS INVENTORIES (CONTINUED)

CURRENT INVENTORY (TOO LOW)

Net Percent ("Too Low" Minus "Too Large") at Present Time
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-3	-4	-2	-7	-5	1	1	3	5	4	5	7
2021	5	5	3	7	8	11	12	11	10	9	15	9
2022	7	7	9	6	8	5	2	3	1	0	-2	1
2023	-1	-4	1	-5	-3	-4	-4	-5	-4	-3	0	-5
2024	-4	-4	-5	-4	-8	-2	-4	-5	-4	-2	-2	-1
2025	-1	-5	-7									

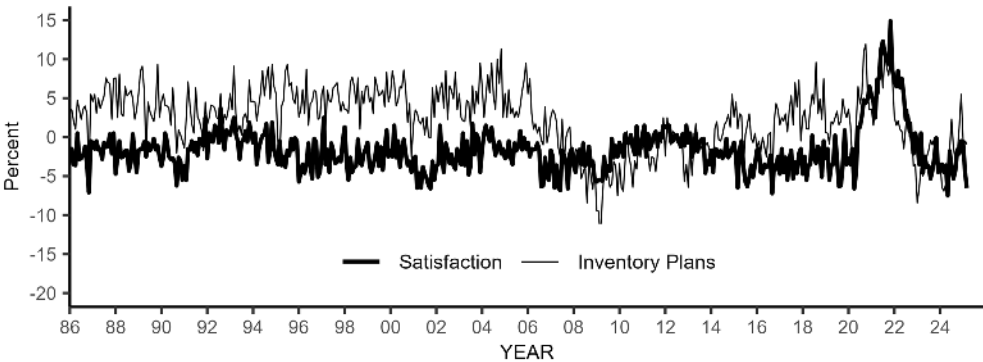
INVENTORY PLANS

Net Percent ("Increase" Minus "Decrease") in the Next Three to Six Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	4	2	-3	-4	2	7	4	6	11	12	5	4
2021	4	2	4	5	6	11	6	11	9	8	10	8
2022	3	2	2	1	1	-2	1	4	0	2	-4	-4
2023	-8	-7	-4	-5	-2	-3	-2	0	-1	0	-3	-5
2024	-3	-7	-7	-6	-6	-2	2	-1	-3	-2	1	6
2025	0	-1	-1									

INVENTORY SATISFACTION AND INVENTORY PLANS

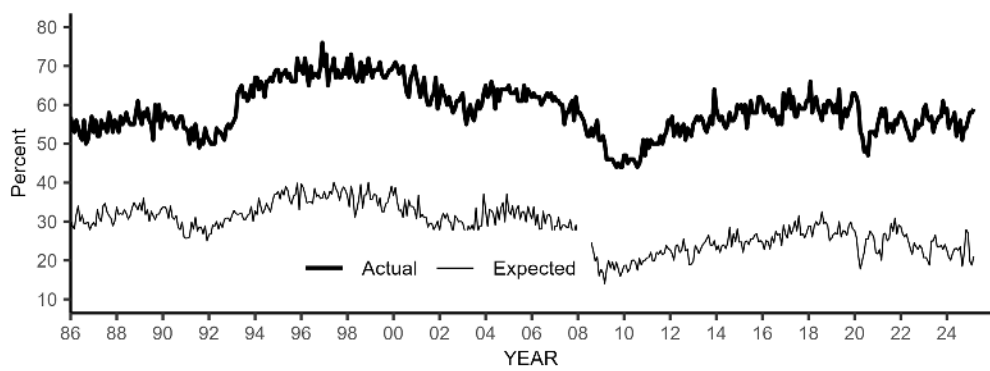
Net Percent ("Too Low" Minus "Too Large") at Present Time
Net Percent Planning to Add Inventories in the Next Three to Six Months
(Seasonally Adjusted)



SMALL BUSINESS CAPITAL OUTLAYS

CAPITAL EXPENDITURES

Actual Last Six Months and Planned Next Three Months
January 1986 to March 2025
(Seasonally Adjusted)



ACTUAL CAPITAL EXPENDITURES

Percent Making a Capital Expenditure During the Last Six Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	63	62	60	53	52	48	49	47	53	53	53	52
2021	55	57	59	57	59	53	55	55	53	56	55	57
2022	58	57	56	54	53	51	51	52	56	54	55	55
2023	59	60	57	56	57	53	55	56	57	57	61	58
2024	59	54	56	56	58	52	54	56	51	54	54	56
2025	58	58	59									

TYPE OF CAPITAL EXPENDITURES MADE

Percent Purchasing or Leasing During Last Six Months

Type	Current Month	One Year Ago	Two Years Ago
Vehicles	27	24	23
Equipment	43	38	40
Furniture or Fixtures	13	10	11
Add. Bldgs. or Land	5	5	6
Improved Bldgs. or Land	16	17	15

SMALL BUSINESS CAPITAL OUTLAYS (CONTINUED)

AMOUNT OF CAPITAL EXPENDITURES MADE

Percent Distribution of Per Firm Expenditures
During the Last Six Months

Amount	Current Month	One Year Ago	Two Years Ago
\$1 to \$999	1	2	1
\$1,000 to \$4,999	5	6	7
\$5,000 to \$9,999	7	3	5
\$10,000 to \$49,999	15	17	16
\$50,000 to \$99,999	13	11	11
\$100,000 +	17	17	14
No Answer	1	0	3

CAPITAL EXPENDITURE PLANS

Percent Planning a Capital Expenditure During Next Three to Six Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	28	26	21	18	20	22	26	26	28	27	26	22
2021	22	23	20	27	27	25	26	30	28	31	27	29
2022	29	27	26	27	25	23	22	25	24	23	24	23
2023	21	21	20	19	25	25	27	24	24	24	23	24
2024	23	21	20	22	23	23	23	24	19	22	28	27
2025	20	19	21									

SMALL BUSINESS HEALTH

OVERALL HEALTH OF BUSINESS

March 2025

Rating	Current	One Year Ago	Survey High
Excellent	11	-	-
Good	53	-	-
Fair	31	-	-
Poor	4	-	-

SINGLE MOST IMPORTANT PROBLEM

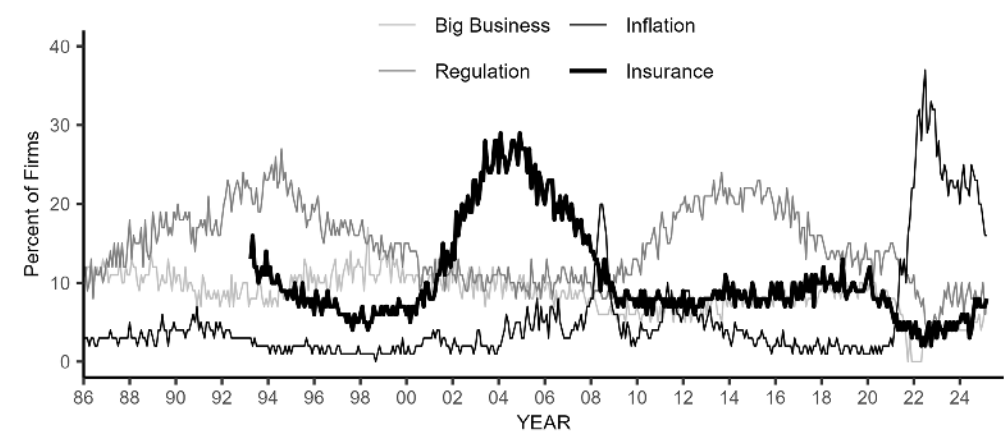
SINGLE MOST IMPORTANT PROBLEM

March 2025

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	18	14	32	8
Inflation	16	25	41	0
Poor Sales	9	8	34	2
Fin. & Interest Rates	3	4	37	0
Cost of Labor	11	10	13	2
Government Regulation	8	6	27	4
Comp. from Large Bus.	6	4	14	0
Quality of Labor	19	18	29	3
Cost/Avail. of Insurance	8	6	29	0
Other	1	5	31	0

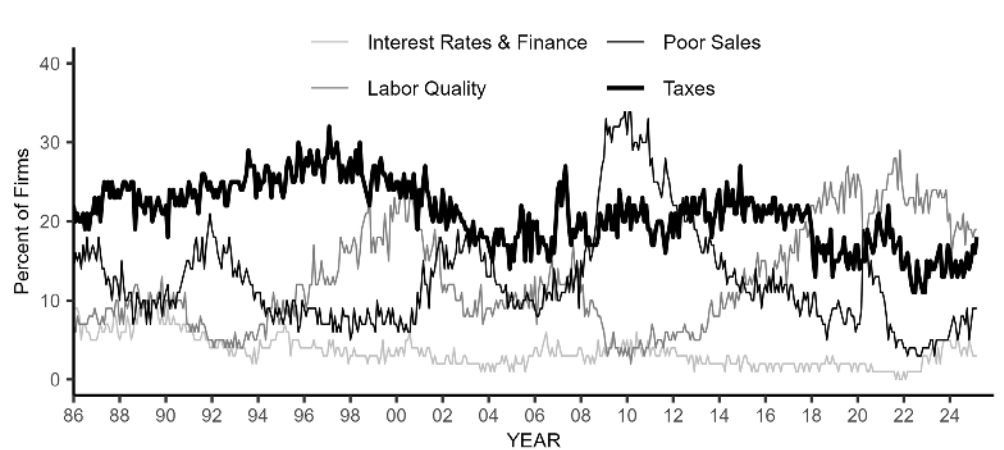
SELECTED SINGLE MOST IMPORTANT PROBLEM

Inflation, Big Business, Insurance and Regulation
January 1986 to March 2025



SELECTED SINGLE MOST IMPORTANT PROBLEM

Taxes, Interest Rates, Sales and Labor Quality
January 1986 to March 2025



SURVEY PROFILE

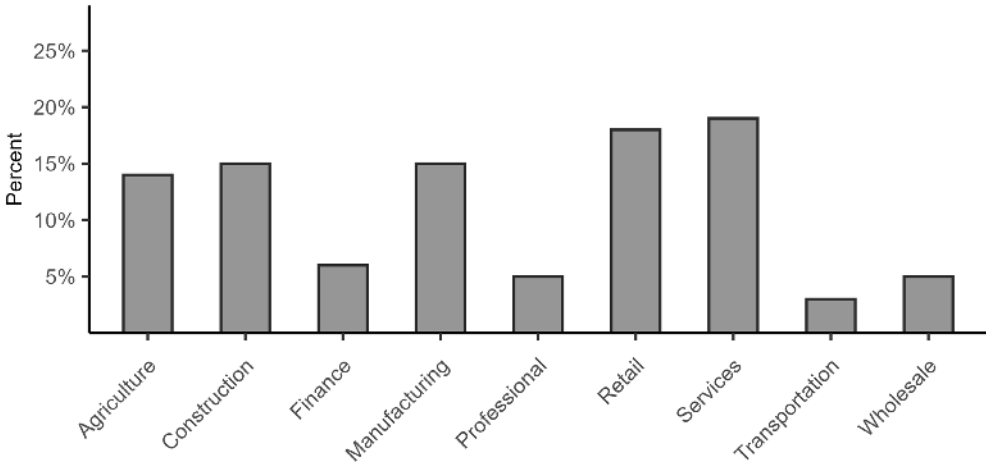
OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

Actual Number of Firms

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	1692	641	627	1832	814	670	1652	751	604	1719	561	542
2021	1109	678	514	1516	659	592	1440	595	537	1431	613	639
2022	1504	665	560	1457	581	505	1351	622	557	1342	572	514
2023	1466	626	573	1365	632	496	1313	611	582	1382	573	518
2024	1287	604	506	1215	578	514	1309	590	559	1197	532	513
2025	1205	509	508									

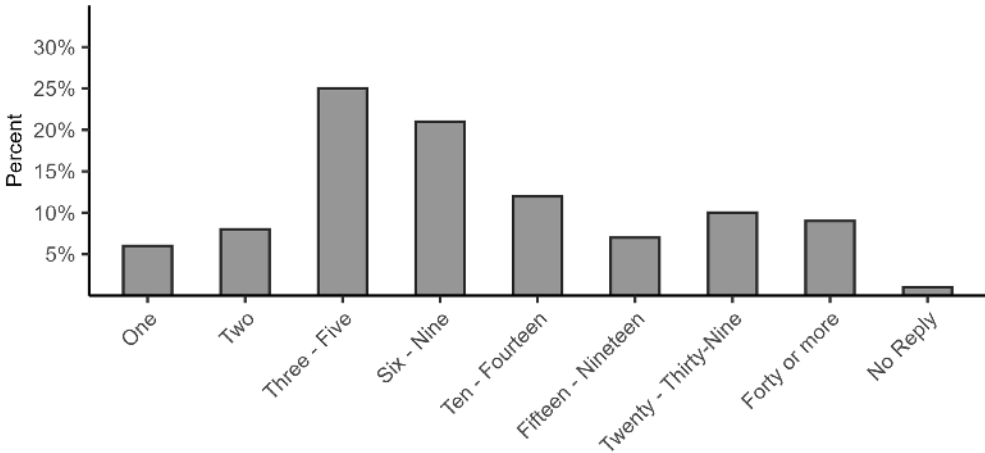
NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

Industry of Small Business



NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

Number of Full and Part-Time Employees



NFIB RESEARCH CENTER SMALL BUSINESS ECONOMIC SURVEY

SMALL BUSINESS SURVEY QUESTIONS

PAGE IN REPORT

Do you think the next three months will be a good time for small businesses to expand substantially? Why? ^{1, 2}.....7

What about the economy in general, do you think that six months from now general business conditions will be better than they are now, about the same, or worse? ^{1, 2}..... 7

Were your net earnings or “income” (after taxes) from your business during the last calendar quarter higher, lower, or about the same as they were for the quarter before? ¹ 8

If higher or lower, what is the most important reason? 8

During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before?9

Overall, what do you expect to happen to the volume of goods and/or services (number of customers, units, hours billed, etc.) that you will sell during the next three months? ^{1, 2} 9

How are your average selling prices now compared to three months ago? 10

In the next three months, do you plan to change the price of your goods and/or services?10

During the last three months, did the total number of employees in your firm increase, decrease, or stay about the same? 11

If you have filled or attempted to fill any job opening in the past three months, how many qualified applicants were there for the position(s)? 11

Do you have any job openings that you are not able to fill right now? ¹ 12

In the next three months, do you expect to increase or decrease the total number of people working for you? ^{1, 2}12

Over the past three months, did you change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.)? 13

Do you plan to change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.) during the next three months? 13

Are...loans easier or harder to get than they were three months ago? 14

Do you expect to find it easier or harder to obtain your required financing during the next three months? ^{1, 2} 15

If you borrow money regularly (at least once every three months) as part of your business activity, how does the rate of interest payable on your most recent loan compare with that paid three months ago? 15

If you borrowed within the last three months for business purposes, and the loan maturity (pay back period) was 1 year or less, what interest rate did you pay? 16

During the last three months, did you increase or decrease your inventories? 16

At the present time, do you feel your inventories are too large, about right, or too low? ¹ 17

Looking ahead to the next three months to six months, do you expect, on balance, to increase your inventories, keep them about the same, or decrease them? ¹ 17

During the last six months, has your firm made any of the following capital expenditures ?18

If [your firm made any capital expenditures], what was the total cost of these expenditures? 19

Looking ahead, do you expect to make any capital expenditures in the next three to six months? ^{1, 2}19

How would you rate the overall health of your business today? 19

What is the single most important problem facing your business today? 20

Please classify your major business activity, using one of the categories of examples below 21

How many employees do you have full and part-time, including yourself?21