

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	16%	1	*
Plans to Make Capital Outlays	21%	0	*
Plans to Increase Inventories	1%	0	*
Expect Economy to Improve	23%	-11	*
Expect Real Sales Higher	8%	-4	*
Current Inventory (too low)	-7%	-7	*
Current Job Openings	32%	0	*
Expected Credit Conditions	-7%	-3	*
Now a Good Time to Expand	11%	-3	*
Earnings Trends	-16%	3	*
Total Change		-24	

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 for September was 98.8. This was the first decline in three months as the index fell 2.0 points from August, though it remains above its 52-year average of 98. Of the 10 Optimism Index components, two increased, five decreased, and three stayed the same. A decline in those expecting better business conditions in the next six months and an increase in reports of excess inventory contributed most to the drop in the Optimism Index. As optimism declined in September, the level of uncertainty rose. The Uncertainty Index rose 7 points from August to 100, the fourth-highest reading in over 51 years. An increase in owners uncertain about expansion outlook contributed most to the rise in the Uncertainty Index.

LABOR MARKETS

In September, 32% (seasonally adjusted) of all owners reported job openings they could not fill in the current period, unchanged from August. The last time unfilled job openings fell below 32% was in July 2020. Twenty-eight percent had openings for skilled workers (unchanged), and 13% had openings for unskilled labor (unchanged). While openings are trending down, they remain above the historical average as owners struggle to fill openings. A seasonally adjusted net 16% of owners plan to create new jobs in the next three months, up 1 point from August and the fourth consecutive monthly increase. Hiring plans are at their highest level since January. Overall, 58% reported hiring or trying to hire in September, up 5 points from August. Fifty percent (88% of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (up 7 points). Twenty-nine percent of owners reported few qualified applicants for their open positions (up 3 points), and 21% reported none (up 4 points). In September, 18% of small business owners cited labor quality as their single most important problem, down 3 points from August and tying with taxes as the top single most important problem. Labor costs reported as the single most important problem for business owners rose by 3 points from August to 11%.

CAPITAL SPENDING

Fifty-six percent of small business owners reported capital outlays in the last six months, unchanged from August. Of those making expenditures, 42% reported spending on new equipment (up 5 points), 22% acquired vehicles (unchanged), and 14% improved or expanded facilities (down 3 points). Eleven percent spent money on new fixtures and furniture (down 2 points), and 5% acquired new buildings or land for expansion (unchanged). Twenty-one percent (seasonally adjusted) plan capital outlays in the next six months, unchanged from August and a historically weak reading. Hopefully, the new expensing rules and less restrictive monetary policy will stimulate spending.

SALES AND INVENTORIES

A net -7% of all owners (seasonally adjusted) reported higher nominal sales in the past three months, up 2 points from August, as more firms reported declining sales than reported gains. The net percent of owners expecting higher real sales volumes fell 4 points from August to a net 8% (seasonally adjusted). The net percent of owners reporting inventory gains rose 3 points to a net -3% (seasonally adjusted). Not seasonally adjusted, 10% reported increases in stocks (unchanged), and 12% reported reductions (down 2 points). A net -7% (seasonally adjusted) of owners viewed current inventory stocks as “too low” in September, down 7 points from August. This was the largest monthly decline in the survey’s history. The suddenly high percentage of respondents seeing their current stock as too high is a worrying sign that likely reflects increased concerns about slow sales. A net 1% (seasonally adjusted) of owners plan inventory investment in the coming months, unchanged from August. In September, 64% of small business owners reported that supply chain disruptions were affecting their business to some degree, up 10 points from August. Largely, this increase reflected milder impacts, as five percent reported a significant impact (up 2 points), 18% reported a moderate impact (up 3 points), 41% reported a mild impact (up 5 points), and 35% reported no impact (down 9 points).

COMPENSATION AND EARNINGS

Seasonally adjusted, a net 31% reported raising compensation, up 2 points from August. A seasonally adjusted net 19% plan to raise compensation in the next three months, down 1 point from August. The frequency of reports of positive profit trends improved 3 points from August to a net -16% (seasonally adjusted). September’s reading was the highest (least negative) since December 2021. Among owners reporting lower profits, 33% blamed weaker sales, 17% cited the rise in the cost of materials, 10% cited price change for their product(s) or service(s), and 9% cited labor costs. Among owners reporting higher profits, 58% cited sales volume, 21% cited usual seasonal change, and 6% cited higher selling prices.

CREDIT MARKETS

A net 7% reported their last loan was harder to get than in previous attempts, up 4 points from August and the highest reading of the year. In September, a net 7% of owners reported paying a higher interest rate on their most recent loan, up 1 point from August. The average rate paid on short maturity loans was 8.8% in September, up 0.7 points from August. Twenty-six percent of all owners reported borrowing on a regular basis, up 3 points from August.

INFLATION

In September, both actual and planned price increases rose from the previous month. The net percent of owners raising average selling prices rose 3 points from August to a net 24% (seasonally adjusted). Price increases remain above the monthly average of a net 13%, suggesting continued inflationary pressure. Fourteen percent of owners reported that inflation was their single most important problem in operating their business (higher input costs), up 3 points from August. Unadjusted, 33% reported higher average prices (unchanged), and 10% reported lower average selling prices (down 3 points). Looking forward to the next three months, a net 31% (seasonally adjusted) plan to increase prices (up 5 points from August), perhaps in anticipation of rising tariff costs that will be passed on to consumers.

OUTLOOK

In September, overall business health was generally unchanged. When asked to rate the overall health of their business, 11% reported it as excellent (down 3 points), and 57% reported it as good (up 3 points). Twenty-seven percent reported the health of their business as fair (unchanged), and 4% reported it as poor (unchanged). The net percent of owners expecting better business conditions fell 11 points from August to a net 23% (seasonally adjusted). In September, 11% (seasonally adjusted) reported that it is a good time to expand their business, down 3 points from August. Compared to readings during economic expansions, this is a relatively weak reading.

SINGLE MOST IMPORTANT PROBLEM

In September, the percent of small business owners reporting labor quality as the single most important problem for their business fell 3 points to 18%, tying with taxes as the top problem. Labor costs reported as the single most important problem for business owners rose 3 points from August to 11%. Eighteen percent of small business owners reported taxes as their single most important problem, up 1 point from August and ranking as the top problem alongside labor quality. The percent of small business owners reporting government regulations and red tape as their single most important problem fell 3 points to 6%. Fourteen percent of owners reported that inflation was their single most important problem in operating their business, up 3 points from August. The percent of small business owners reporting poor sales as their top business problem remained at 10%. In September, 8% reported the cost or availability of insurance as their single most important problem, down 1 point from August. Four percent reported that financing and interest rates was their top business problem in September, unchanged from August. Five percent reported competition from large businesses as their single most important problem, unchanged from August.

COMMENTARY

OVERVIEW

Whatever impact the government shutdown has on small businesses, it will show up in the October survey. Questionnaires were mailed out on October 1. Reports of GDP growth are solid and the unemployment rate remains relatively low. However, actual job growth is weak and consumers continue to report declining confidence. Solid consumption spending appears to be from the top third of the income distribution and the stock market keeps setting new record highs, producing capital gains income for shareholders. It is an open question how long this runup can last, as share prices are already historically very high relative to company earnings, the primary basis for valuations.

At the beginning of the year, optimism was at a historically high level (102.8). Now the Index is at 98.8, just above the 52-year average. Growth in the economy is solid though driven perhaps more by AI-related investments than by spending that impacts Main Street firms, and housing is still depressed. Uncertainty is very high, the Administration has a lot of policy changes still in the air, lots of moving parts. How it all comes together is yet to be revealed.

Quotes from NFIB Members

"High beef prices create uncertainty on affordability, which also creates uncertainty on the processing service we offer. Overall, customers in our surrounding area have seemed fairly uncertain." - Retail (meats), MN

"We are seeing more potential clients choosing to delay or forego repairs or improvements due to lack of confidence in the overall economy, especially in regards to concerns over job stability - they don't know if their jobs will still be around in six months. Other businesses have such trouble finding and keeping employees that they feel forced to begin automating significant processes rather than close down. Area businesses that provide in-store customer assistance cannot seem to be able to find or train people with a minimum of skills... Our business is making a slow transition away from larger projects and long-distance job sites so that we can keep what remains of our already reduced workforce." - Art & Consulting, IN

"The continued increases in the minimum wage have placed significant strain on our business, making it increasingly difficult to operate sustainably. At this time, we are experiencing challenges in finding and retaining reliable employees... In addition, the rising cost of products forces us to raise our own prices. This not only reduces our margins but also creates frustration among customers, making it more difficult to maintain strong client relationships. Taken together, these factors are creating a very challenging environment for our company and our ability to serve our customers effectively." - Vending, FL

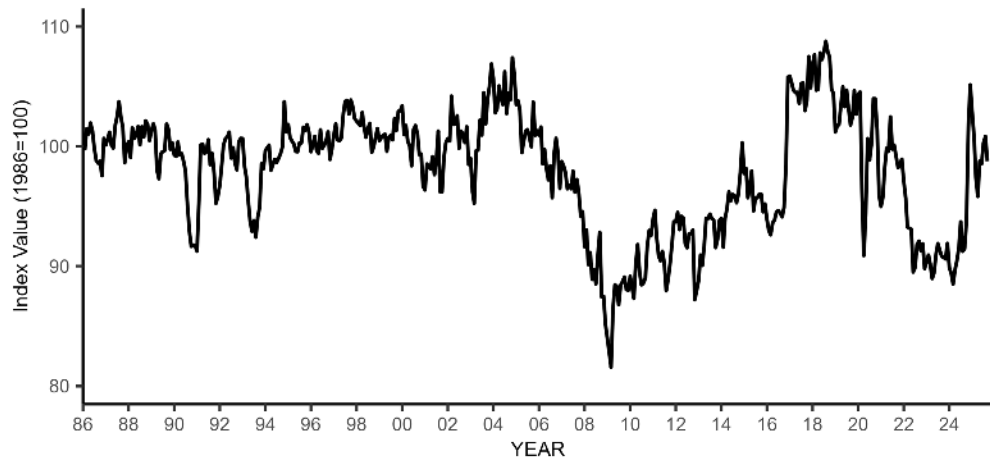
"With the government being all over the place, and businesses closing as fast as some open, nothing is certain, [and] construction has almost come to a halt." - Construction (painting), FL

"Health insurance and taxes, especially property taxes are killing us." - Services (auto body shop), IL

OVERVIEW - SMALL BUSINESS OPTIMISM

OPTIMISM INDEX

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



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

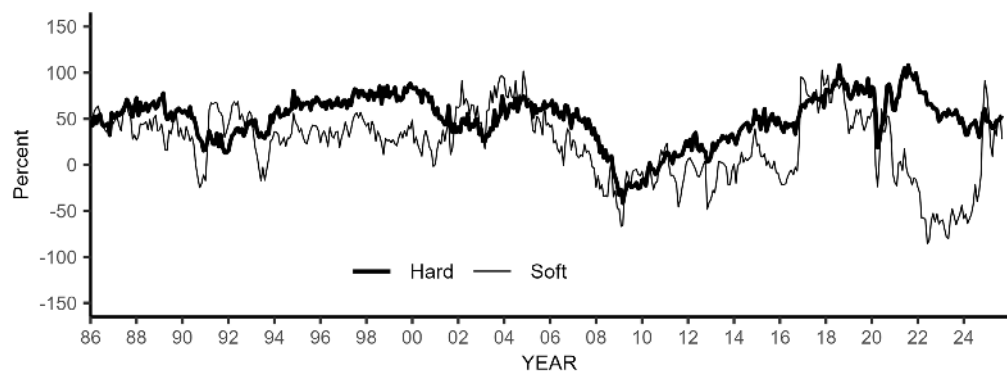
OPTIMISM INDEX

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	95.8	98.8	98.6	100.3	100.8	98.8			

OPTIMISM INDEX COMPONENTS

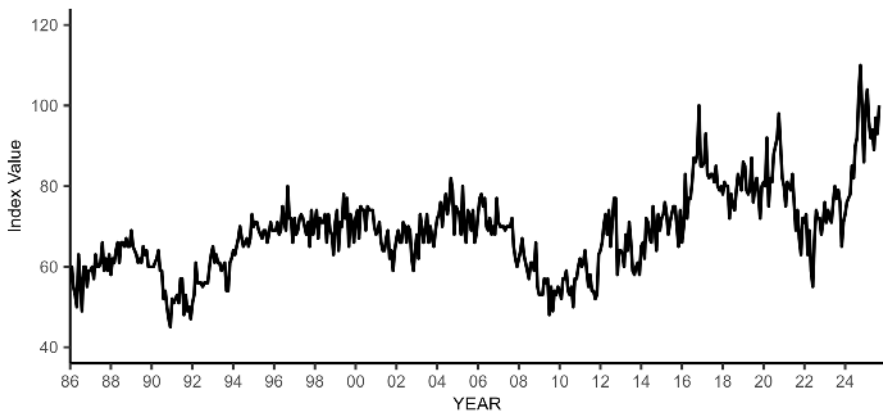
Hard: Job Creation Plans, Job Openings, Inventory Plans, Earnings, Capital Expenditure Plans
Soft: Expected Business Conditions, Outlook for Expansion, Expected Real Sales, Expected Credit Conditions, Inventory Satisfaction



SMALL BUSINESS UNCERTAINTY

UNCERTAINTY INDEX

Sum of "Don't Know" & "Uncertain" Answers on 6 Questions



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

UNCERTAINTY INDEX

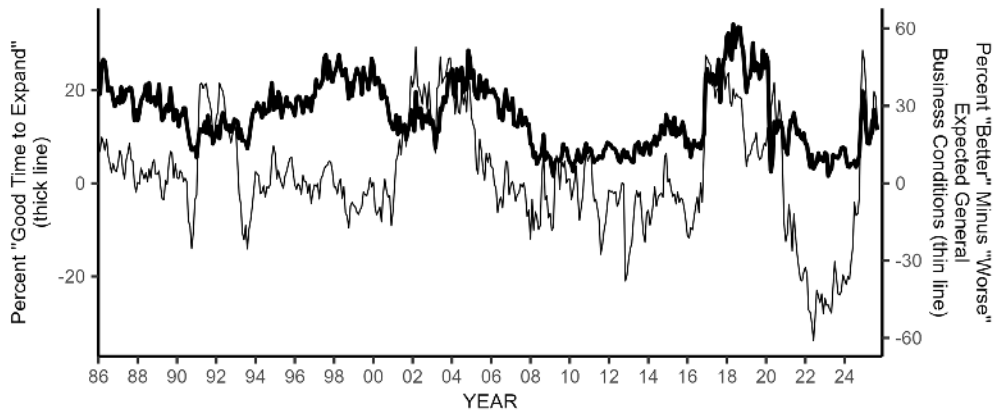
Sum of "Don't Know" & "Uncertain" Answers on 6 Questions

	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	92	94	89	97	93	100			

SMALL BUSINESS OUTLOOK

OUTLOOK

Good Time to Expand and Expected General Business Conditions
January 1986 to September 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	9	10	11	16	14	11			

MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook
September 2025

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	3	21	19
Sales Prospects	3	4	2
Fin. & Interest Rates	0	3	8
Cost of Expansion	0	5	7
Political Climate	2	6	6
Other / Not Available	0	2	1

OUTLOOK FOR GENERAL BUSINESS CONDITIONS

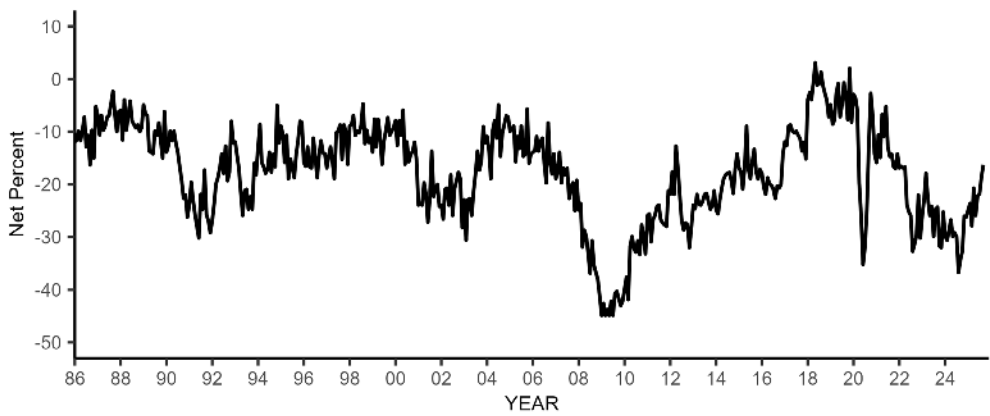
Net Percent ("Better" Minus "Worse") Six Months From Now
(Seasonally Adjusted)

	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	15	25	22	36	34	23			

SMALL BUSINESS EARNINGS

EARNINGS

Actual Last Three Months
January 1986 to September 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	-21	-26	-22	-22	-19	-16			

MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason
September 2025

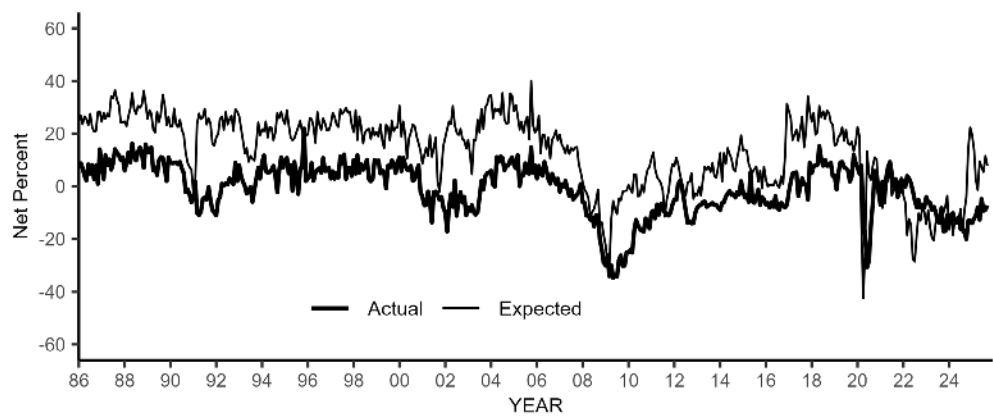
Reason	Current Month	One Year Ago	Two Years Ago
Sales Volume	10	15	10
Increased Costs*	8	14	14
Cut Selling Prices	3	4	3
Usual Seasonal Change	3	3	2
Other	3	1	1

* 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 September 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	-8	-13	-5	-9	-9	-7			

SALES EXPECTATIONS

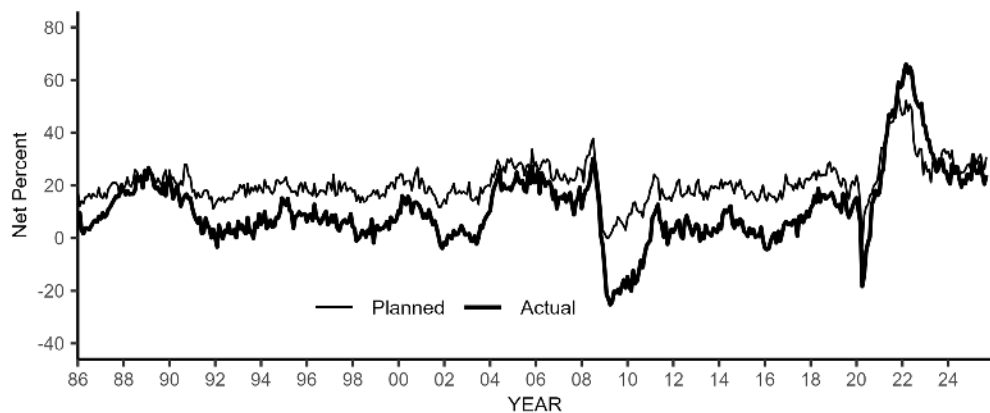
Net Percent (“Higher” Minus “Lower”) During Next Three Months
(Seasonally Adjusted)

	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	-1	10	7	6	12	8			

SMALL BUSINESS PRICES

PRICES

Actual Last Three Months and Planned Next Three Months
January 1986 to September 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	25	25	29	24	21	24			

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	28	31	32	28	26	31			

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	1	-2	-8	-2	-5	-3			

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	47	48	50	48	43	50			

EMPLOYMENT

Planned Next Three Months and Current Job Openings
January 1986 to September 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	34	34	36	33	32	32			

HIRING PLANS

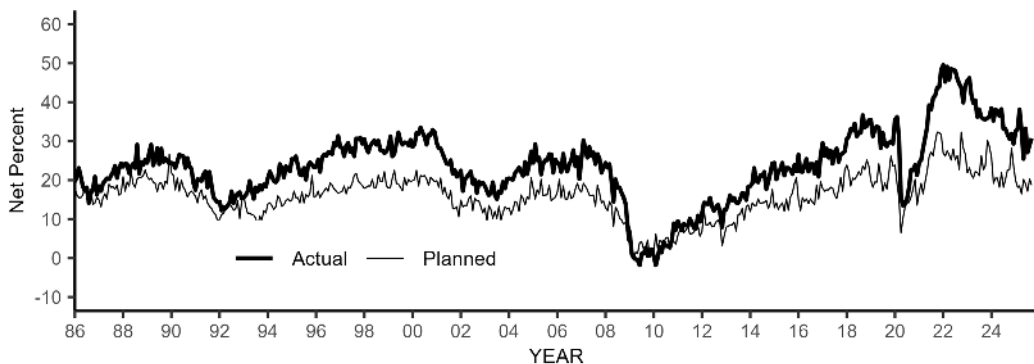
Net Percent ("Increase" Minus "Decrease") in the Next Three Months
(Seasonally Adjusted)

	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	13	12	13	14	15	16			

SMALL BUSINESS COMPENSATION

COMPENSATION

Actual Last Three Months and Planned Next Three Months
January 1986 to September 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	33	26	33	27	29	31			

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	17	20	19	17	20	19			

PRICES AND LABOR COMPENSATION

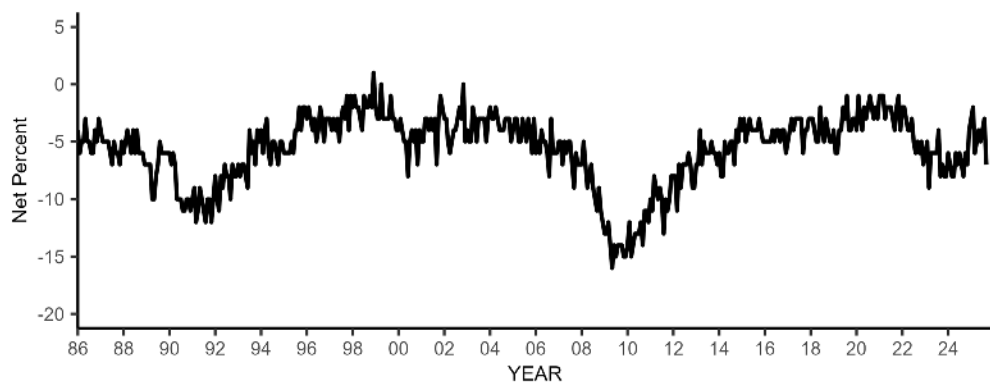
Net Percent Price Increase and Net Percent Compensation
(Seasonally Adjusted)



SMALL BUSINESS CREDIT CONDITIONS

CREDIT CONDITIONS

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



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	26	25	26	25	23	26			

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	-5	-4	-5	-4	-3	-7			

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

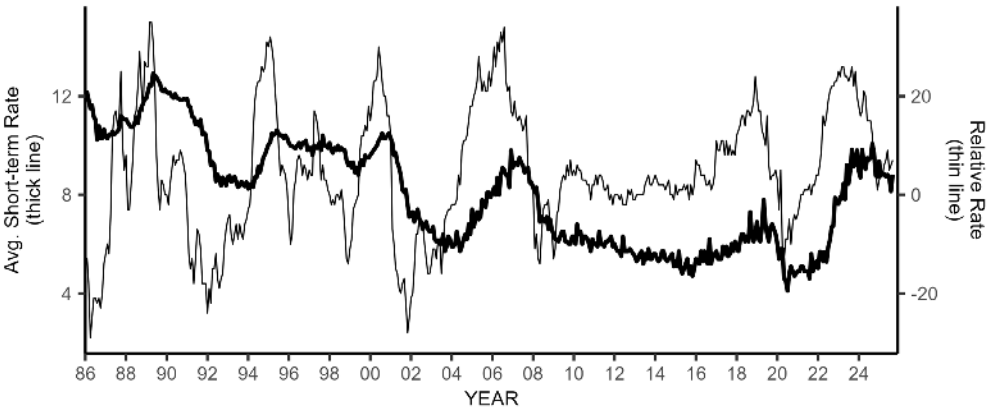
EXPECT EASIER CREDIT CONDITIONS

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	-7	-4	-4	-4	-4	-7			

INTEREST RATES

Relative Rates and Actual Rates Last Three Months
January 1986 to September 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	6	7	9	5	6	7			

Borrowing at Least Once Every Three Months.

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

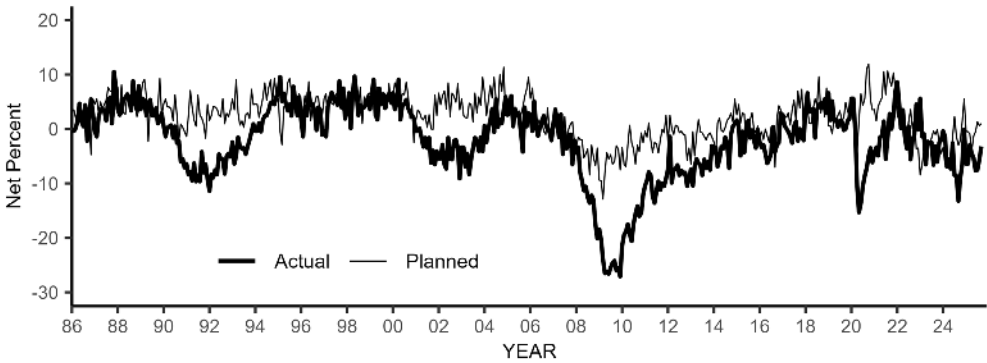
Average Interest Rate Paid

	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	8.9	8.7	8.8	8.7	8.1	8.8			

SMALL BUSINESS INVENTORIES

INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)
January 1986 to September 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	-5	-5	-8	-8	-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	-6	1	-5	-3	0	-7			

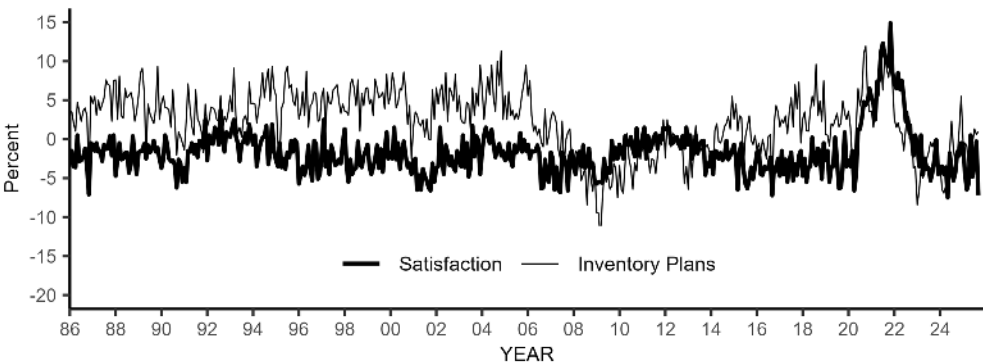
INVENTORY PLANS

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	-4	-1	-1	1	1	1			

INVENTORY SATISFACTION AND INVENTORY PLANS

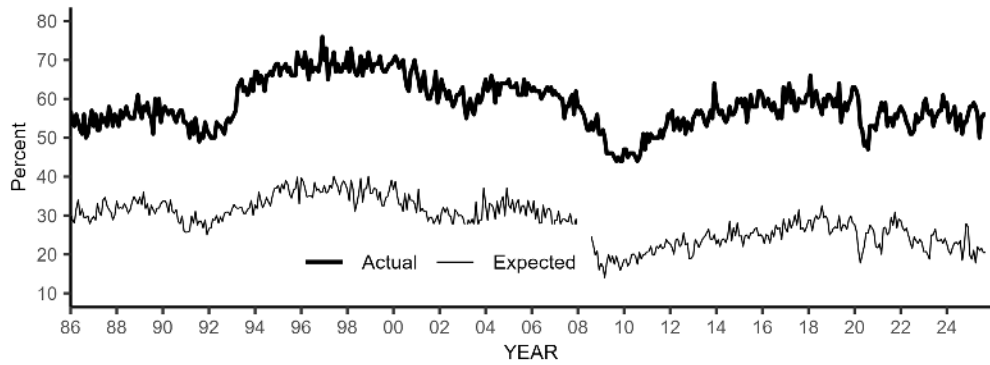
Net Percent ("Too Low" Minus "Too Large") at Present Time
Net Percent Planning to Add Inventories in the Next Three to Six Months
(Seasonally Adjusted)



SMALL BUSINESS CAPITAL OUTLAYS

CAPITAL EXPENDITURES

Actual Last Six Months and Planned Next Three Months
January 1986 to September 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	58	56	50	55	56	56			

TYPE OF CAPITAL EXPENDITURES MADE

Percent Purchasing or Leasing During Last Six Months

Type	Current Month	One Year Ago	Two Years Ago
Vehicles	22	23	22
Equipment	42	35	41
Furniture or Fixtures	11	10	12
Add. Bldgs. or Land	5	4	7
Improved Bldgs. or Land	14	15	17

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	2	1	2
\$1,000 to \$4,999	7	5	7
\$5,000 to \$9,999	7	3	6
\$10,000 to \$49,999	13	14	15
\$50,000 to \$99,999	11	12	11
\$100,000 +	14	14	15
No Answer	2	1	1

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	18	22	21	22	21	21			

SMALL BUSINESS HEALTH

OVERALL HEALTH OF BUSINESS
September 2025

Rating	Current Month	One Month Ago	Two Months Ago
Excellent	11	14	13
Good	57	54	52
Fair	27	27	31
Poor	4	4	4

SINGLE MOST IMPORTANT PROBLEM

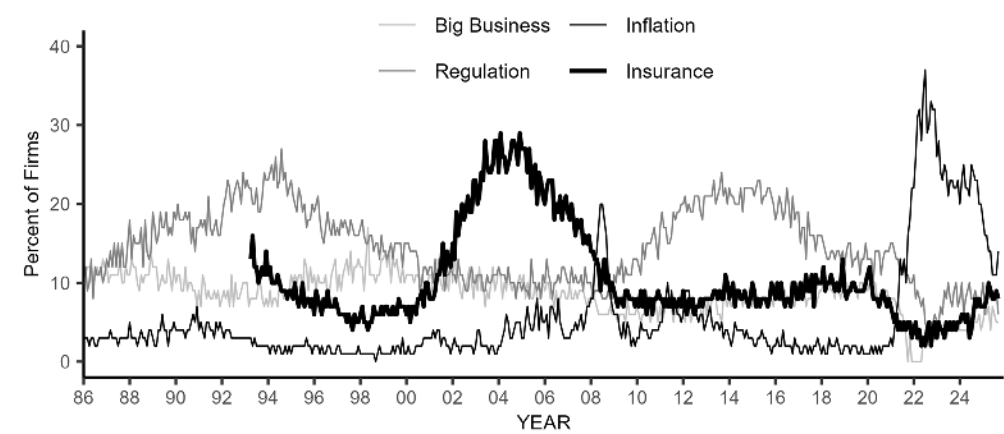
SINGLE MOST IMPORTANT PROBLEM

September 2025

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	18	14	32	8
Inflation	14	23	41	0
Poor Sales	10	7	34	2
Fin. & Interest Rates	4	4	37	0
Cost of Labor	11	9	13	2
Government Regulation	6	9	27	4
Comp. from Large Bus.	5	5	14	0
Quality of Labor	18	17	29	3
Cost/Avail. of Insurance	8	8	29	0
Other	4	2	31	0

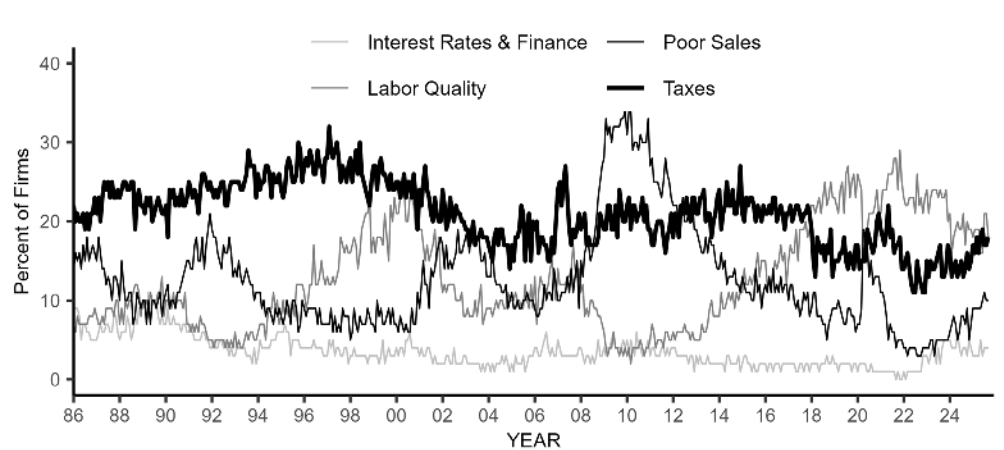
SELECTED SINGLE MOST IMPORTANT PROBLEM

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



SELECTED SINGLE MOST IMPORTANT PROBLEM

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



SURVEY PROFILE

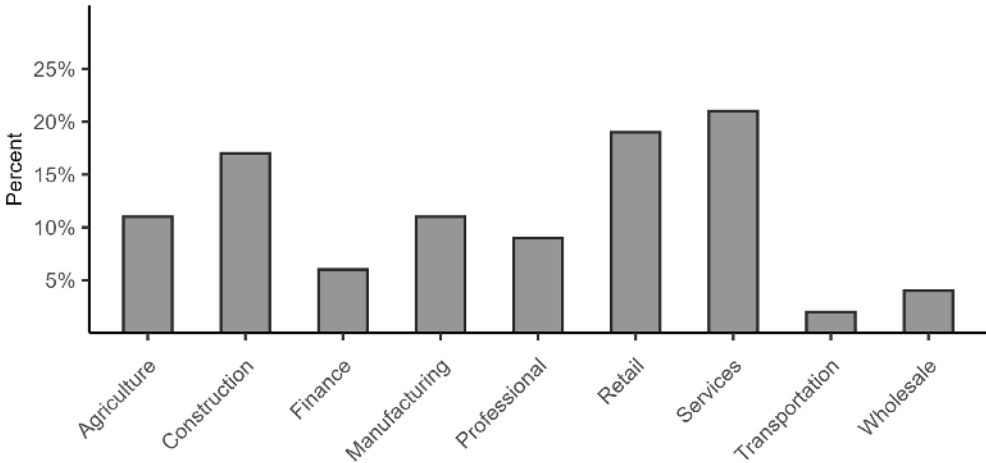
OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

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	1078	485	382	953	472	403			

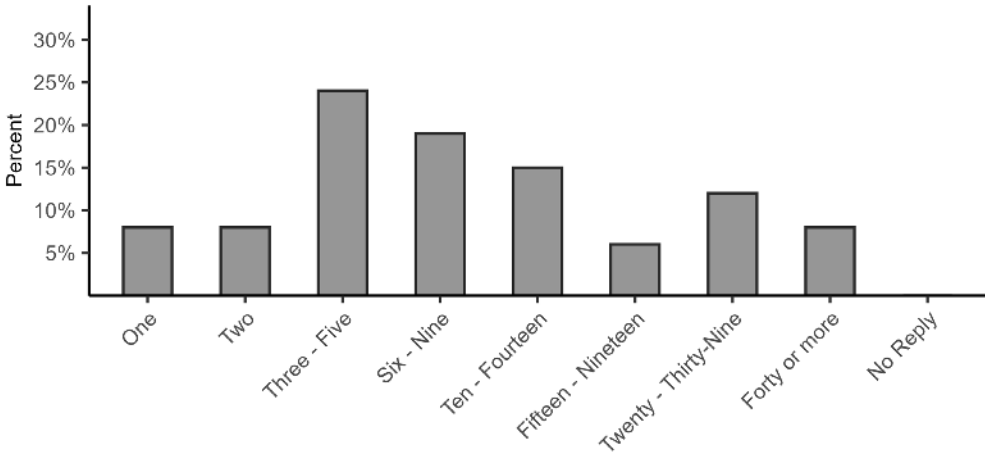
NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

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

NFIB RESEARCH CENTER SMALL BUSINESS ECONOMIC SURVEY

SMALL BUSINESS SURVEY QUESTIONS	PAGE IN REPORT
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