

OCTOBER
2022

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	20%	-3	*
Plans to Make Capital Outlays	23%	-1	*
Plans to Increase Inventories	2%	2	*
Expect Economy to Improve	-46%	-2	*
Expect Real Sales Higher	-13%	-3	*
Current Inventory (too low)	0%	-1	*
Current Job Openings	46%	0	*
Expected Credit Conditions	-8%	-2	*
Now a Good Time to Expand	5%	-1	*
Earnings Trends	-30%	1	*
Total Change		-10	

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 Optimism Index declined 0.8 points in October to 91.3. This is the tenth consecutive month below the 49-year average of 98. The last time the Index was at or above the average was December 2021. Of the 10 index components, 2 increased, 7 decreased, and 1 was unchanged. Thirty-three percent of owners reported that inflation was their single most important problem in operating their business, 3 points above last month and 4 points lower than July's highest reading since 1979 Q4. Owners expecting better business conditions over the next six months decreased 2 points from September to a net negative 46 percent. Forty-six percent of owners reported job openings that were hard to fill, unchanged from September. The net percent of owners raising average selling prices decreased 1 point to a net 50 percent seasonally adjusted. The net percent of owners who expect real sales to be higher decreased 3 points from September to a net negative 13 percent.

LABOR MARKETS

Forty-six percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, unchanged from September. Forty percent have openings for skilled workers (down 2 points) and 22 percent have openings for unskilled labor (unchanged). The difficulty in filling open positions is particularly acute in the transportation, construction, and manufacturing sectors. Openings are lowest in the finance and agriculture sectors. Owners' plans to fill open positions remain elevated, with a seasonally adjusted net 20 percent planning to create new jobs in the next three months (down 3 points). Fifty-five percent (90 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 2 points). Thirty percent of owners reported few qualified applicants for their open positions (up 3 points) and 25 percent reported none (down 5 points from September's 49-year record high).

CAPITAL SPENDING

Fifty-four percent reported capital outlays in the last six months, down 2 points from September. Of those making expenditures, 37 percent reported spending on new equipment (down 3 points), 22 percent acquired vehicles (unchanged), and 17 percent improved or expanded facilities (up 1 point). Eleven percent spent money for new fixtures and furniture (up 2 points) and 6 percent acquired new buildings or land for expansion (unchanged). Twenty-three percent plan capital outlays in the next few months, down 1 point from September. Investment is needed to address labor supply chain problems in the current environment. In addition, Federal Reserve actions will continue to raise interest rates, increasing the cost of financing capital projects and reducing the expected gains from investments.

SALES AND INVENTORIES

A net negative 8 percent of all owners (seasonally adjusted) reported higher nominal sales in the past three months, down 3 points from September. The net percent of owners expecting higher real sales volumes declined by 3 points to a net negative 13 percent. The net percent of owners reporting inventory increases improved 1 point to a negative 1 percent. Not seasonally adjusted, 16 percent reported increases in stocks and 16 percent reported reductions. Thirty-one percent of owners recently reported that supply chain disruptions have had a significant impact on their business. Another 31 percent report a moderate impact and 27 percent report a mild impact. Only 10 percent report no impact from recent supply chain disruptions. A net zero percent of owners viewed current inventory stocks as “too low” in October, down 1 point from September. A net 2 percent of owners plan inventory investment in the coming months.

COMPENSATION AND EARNINGS

Seasonally adjusted, a net 44 percent reported raising compensation, down 1 point from September. A net 32 percent plan to raise compensation in the next three months, up 9 points from September and the highest since October 2021. Ten percent cited labor costs as their top business problem, unchanged from September, and 23 percent said that labor quality was their top business problem (up 1 point). The frequency of reports of positive profit trends was a net negative 30 percent, up 1 point from September. Among owners reporting lower profits, 34 percent blamed the rise in the cost of materials, 22 percent blamed weaker sales, 12 percent cited labor costs, 12 percent cited lower prices, 7 percent cited the usual seasonal change, and 2 percent cited higher taxes or regulatory costs. For owners reporting higher profits, 47 percent credited sales volumes, 20 percent cited usual seasonal change, and 16 percent cited higher prices (which produce higher sales volumes).

CREDIT MARKETS

Two percent of owners reported that all their borrowing needs were not satisfied (unchanged). Twenty-six percent reported all credit needs met (unchanged) and 62 percent said they were not interested in a loan (unchanged). A net 6 percent reported their last loan was harder to get than in previous attempts (up 1 point). One percent reported that financing was their top business problem (unchanged). A net 22 percent of owners reported paying a higher rate on their most recent loan, unchanged from September. The average rate paid on short maturity loans was 6.7 percent. Twenty-eight percent of all owners reported borrowing on a regular basis (up 2 points).

INFLATION

The net percent of owners raising average selling prices decreased 1 point from September to a net 50 percent seasonally adjusted. Unadjusted, 8 percent (down 1 point) reported lower average selling prices and 56 percent (down 3 points) reported higher average prices. Price hikes were most frequent in retail (69 percent higher, 6 percent lower), wholesale (64 percent higher, 12 percent lower), construction (61 percent higher, 5 percent lower), and services (54 percent higher, 5 percent lower). Seasonally adjusted, a net 34 percent plan price hikes (up 3 points).

COMMENTARY

Real GDP grew in the third quarter by 2.6%. Exports grew significantly, adding 2.8 points to growth (so everything else was slightly negative in total). For the year, with two negative quarters in the first half, the economy is about even, no real growth. Consumer spending has been stubbornly solid thanks to widely held savings deposits and credit. But these sources of spending support will soon lose strength. Then, only job and income growth will keep spending up. Housing has been hard hit by mortgage rates over 7%, starts have tumbled and existing home sales plunged. Rates can rise further as the Federal Reserve continues to raise its policy rate, 75 basis points this month and probably again in December. In the early 1980s, mortgage rates were double-digit, we're not there, yet.

The frequency of reported price increases was highest in the retail trades, 69%, followed by 64% in wholesale, and 61% in construction. The other industry groups averaged about 50% raising prices, with the exception of professional services at 20%. Clearly, consumers are being confronted with inflation in every aspect of their lives. So far, inflation has been resistant to the impact of higher interest rates. If the Fed were a "fiscal" arm of government, it could just raise taxes on everyone for a short period of time to slow spending. But it can't and must rely on the tenuous link between interest rates and spending. Major expenditures by consumers can be impacted (cars, houses, boats, etc.), a slow, erratic process. Firms are more directly impacted as the cost of loans (capital) rises, making more and more investment outlays unprofitable and thus impacting employment and income in affected sectors.

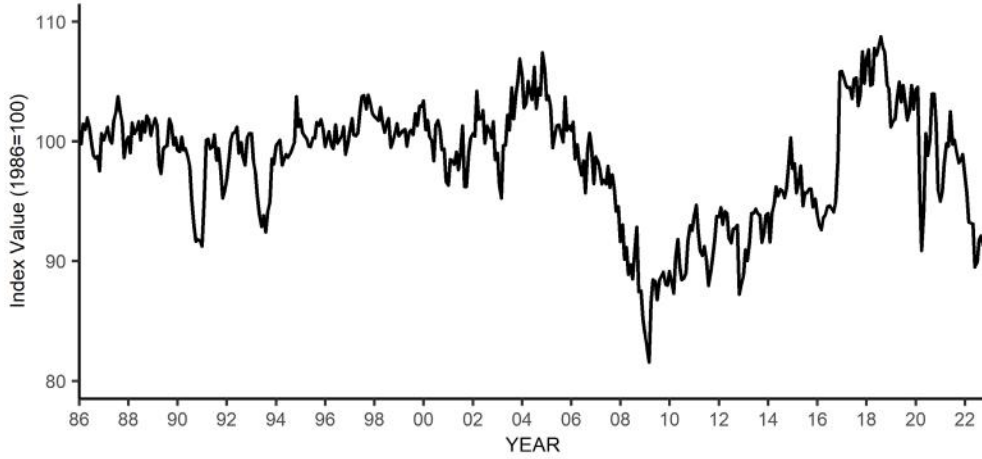
Firms can quickly cut their prices but have little or no control over things like labor compensation or gas prices. The Fed wants inflation to fall to 2%, but that is still inflation. Prices have risen significantly. Will they fall or just stop rising as fast? If they fall, the purchasing power of wage gains will increase for workers. If prices don't fall, workers have sustained a permanent reduction in their incomes and wealth (savings accounts, 401k values, etc.). It's the "inflation tax".

While the Administration keeps pushing for more spending (inflationary) the Fed will persist in doing its best to slow spending (hopefully avoiding a real recession). Success for the Fed is bad news for small businesses, sales will fall, costs will be sticky, so profits will take a hit. Rough times ahead.

OVERVIEW - SMALL BUSINESS OPTIMISM

OPTIMISM INDEX

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



OPTIMISM INDEX

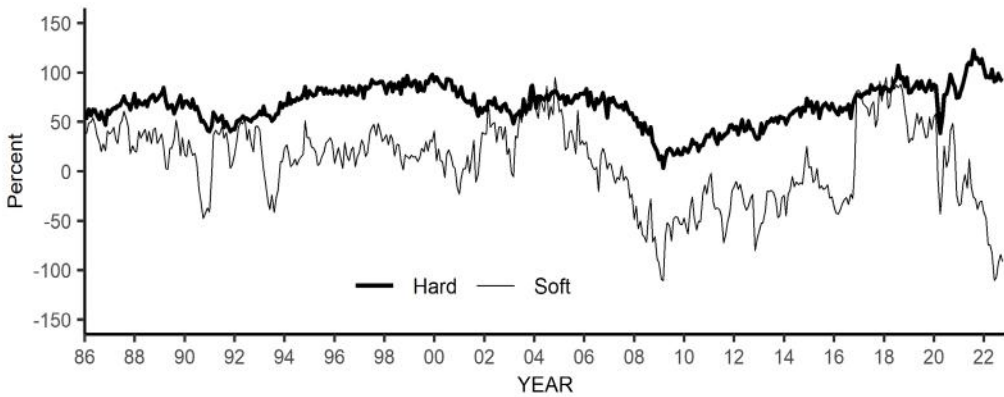
Based on Ten Survey Indicators
(Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	105.9	105.3	104.7	104.5	104.5	103.6	105.2	105.3	103.0	103.8	107.5	104.9
2018	106.9	107.6	104.7	104.8	107.8	107.2	107.9	108.8	107.9	107.4	104.8	104.4
2019	101.2	101.7	101.8	103.5	105.0	103.3	104.7	103.1	101.8	102.4	104.7	102.7
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		

OPTIMISM INDEX COMPONENTS

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

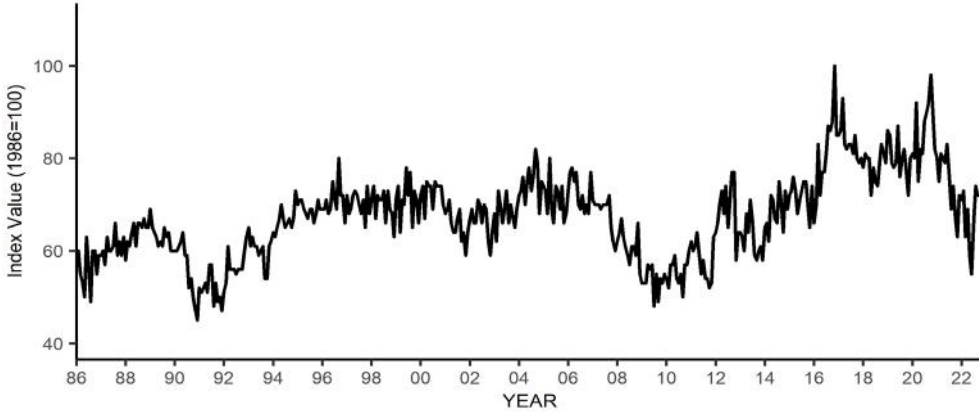
Soft: Expected Business Conditions, Outlook for Expansion, Expected Real Sales, Expected Credit Conditions, Inventory Satisfaction



SMALL BUSINESS UNCERTAINTY

UNCERTAINTY INDEX

Sum of "Don't Know" & "Uncertain" Answers on 6 Questions
(Seasonally Adjusted 1986=100)



UNCERTAINTY INDEX

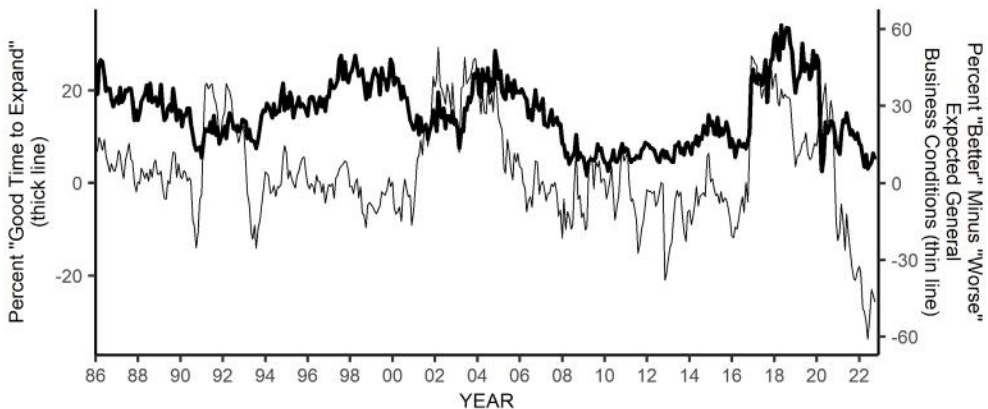
Based on Ten Survey Indicators
(Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	85	86	93	83	82	83	83	81	85	80	79	80
2018	78	81	80	80	72	78	75	74	79	83	81	79
2019	86	85	79	78	79	87	76	80	82	78	72	80
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		

SMALL BUSINESS OUTLOOK

OUTLOOK

Good Time to Expand and Expected General Business Conditions
January 1986 to October 2022
(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
2017	25	22	22	24	23	21	23	27	17	23	27	27
2018	32	32	28	27	34	29	32	34	33	30	29	24
2019	20	22	23	25	30	24	26	26	22	23	29	25
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		

MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook
October 2022

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	1	44	17
Sales Prospects	2	1	0
Fin. & Interest Rates	0	4	1
Cost of Expansion	0	5	3
Political Climate	0	11	5
Other / Not Available	0	2	1

OUTLOOK FOR GENERAL BUSINESS CONDITIONS

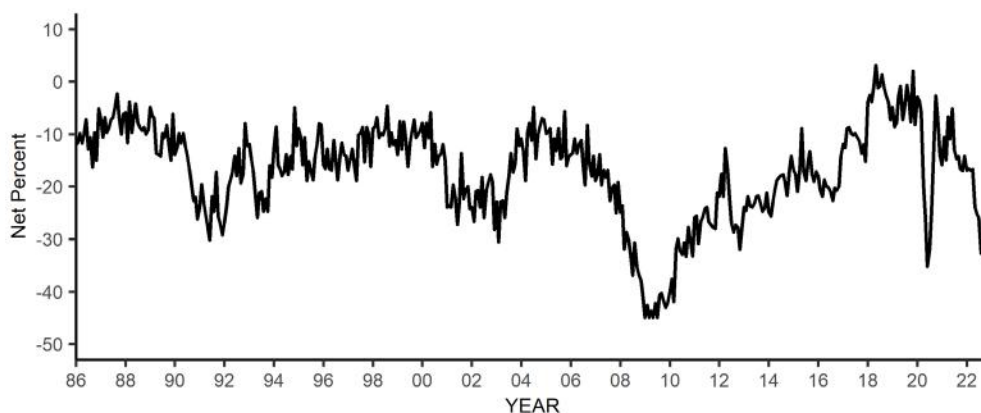
Net Percent ("Better" Minus "Worse") Six Months From Now
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	48	47	46	38	39	33	37	37	31	32	48	37
2018	41	43	32	30	37	33	35	34	33	33	22	16
2019	6	11	11	13	16	16	20	12	9	10	13	16
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		

SMALL BUSINESS EARNINGS

EARNINGS

Actual Last Three Months
January 1986 to October 2022
(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
2017	-12	-13	-9	-9	-10	-10	-10	-11	-11	-14	-12	-15
2018	-4	-3	-4	-1	3	-1	-1	1	-1	-3	-4	-7
2019	-5	-9	-8	-3	-1	-7	-5	-1	-3	-8	2	-8
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		

MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason
October 2022

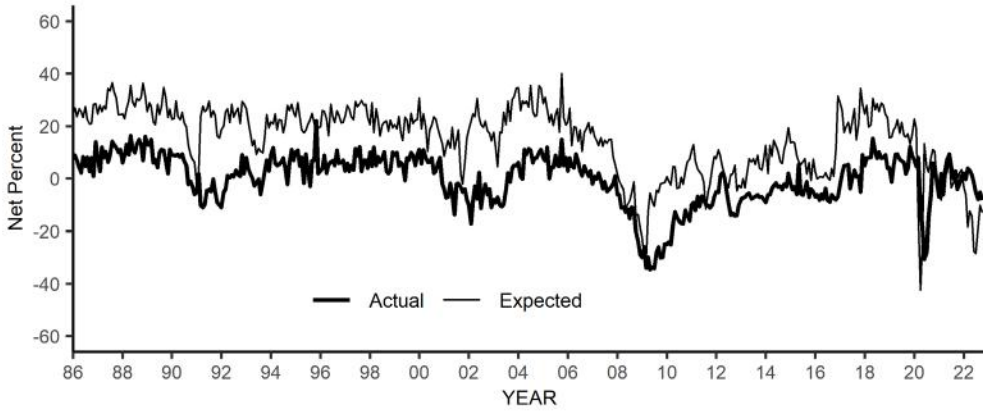
Reason	Current Month	One Year Ago	Two Years Ago
Sales Volume	9	8	15
Increased Costs*	20	14	5
Cut Selling Prices	5	2	2
Usual Seasonal Change	3	3	2
Other	1	2	3

* 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 October 2022
 (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
2017	-2	2	5	5	5	-4	0	3	1	1	-5	9
2018	5	8	8	8	15	10	8	10	8	8	9	4
2019	4	-1	5	9	9	7	7	6	2	4	12	9
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		

SALES EXPECTATIONS

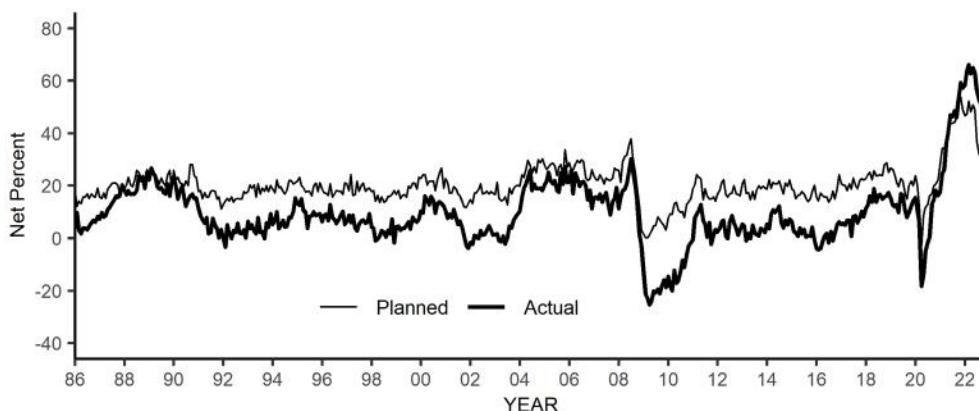
Net Percent ("Higher" Minus "Lower") During Next Three Months
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	29	26	18	20	22	17	22	27	15	21	34	28
2018	25	28	20	21	31	26	29	26	29	28	24	23
2019	16	16	19	20	23	17	22	17	16	17	13	16
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		

SMALL BUSINESS PRICES

PRICES

Actual Last Three Months and Planned Next Three Months
 January 1986 to October 2022
 (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
2017	5	6	5	7	7	1	8	9	6	8	10	8
2018	11	13	16	14	19	14	16	17	15	16	16	17
2019	15	13	12	13	10	17	16	11	8	10	12	14
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		

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
2017	21	20	20	18	21	19	23	20	19	22	23	22
2018	23	24	25	22	26	24	24	24	24	28	29	25
2019	27	26	24	21	20	23	22	17	15	20	22	20
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		

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
2017	3	4	2	4	5	-1	2	2	-1	3	2	3
2018	4	4	4	7	7	3	6	5	1	5	5	5
2019	7	9	12	7	9	5	3	5	4	4	10	6
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		

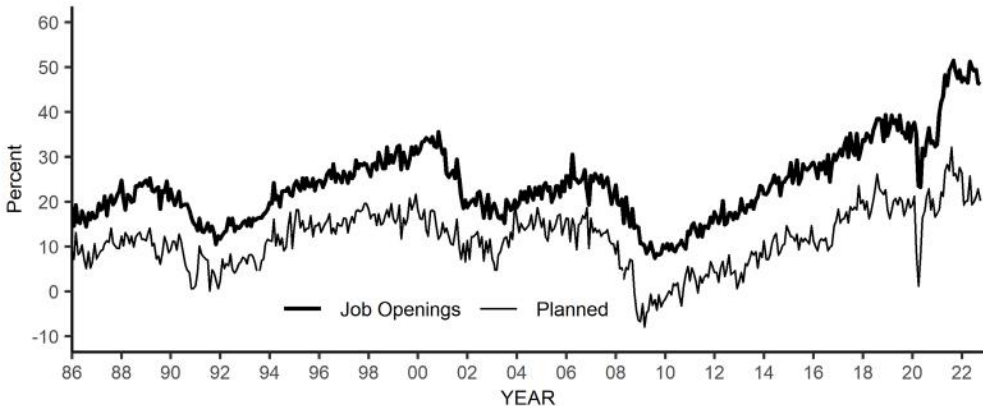
QUALIFIED APPLICANTS FOR JOB OPENINGS

Percent Few or No Qualified Applicants

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	47	44	45	48	51	46	52	52	49	52	44	54
2018	49	47	47	50	48	55	52	55	53	53	53	54
2019	49	49	54	49	54	50	56	57	50	53	53	50
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		

EMPLOYMENT

Planned Next Three Months and Current Job Openings
January 1986 to October 2022
(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
2017	31	32	30	33	34	30	35	31	30	35	30	31
2018	34	34	35	35	33	36	37	38	38	38	34	39
2019	35	37	39	38	38	36	39	35	35	34	38	33
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		

HIRING PLANS

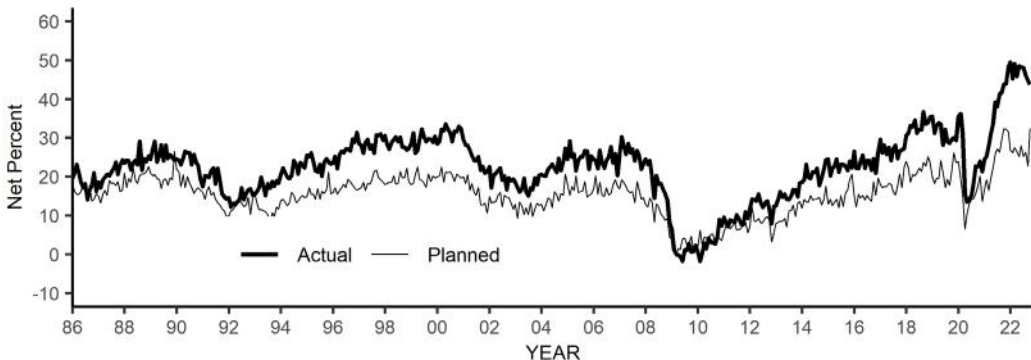
Net Percent ("Increase" Minus "Decrease") in the Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	18	15	16	16	18	15	19	18	19	18	24	20
2018	20	18	20	16	18	20	23	26	23	22	22	23
2019	18	16	18	20	21	19	21	20	17	18	21	19
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		

SMALL BUSINESS COMPENSATION

COMPENSATION

Actual Last Three Months and Planned Next Three Months
January 1986 to October 2022
(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
2017	30	26	28	26	28	24	27	28	25	27	27	27
2018	31	31	33	33	35	31	32	32	37	34	34	35
2019	36	31	33	34	34	28	32	29	29	30	30	29
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		

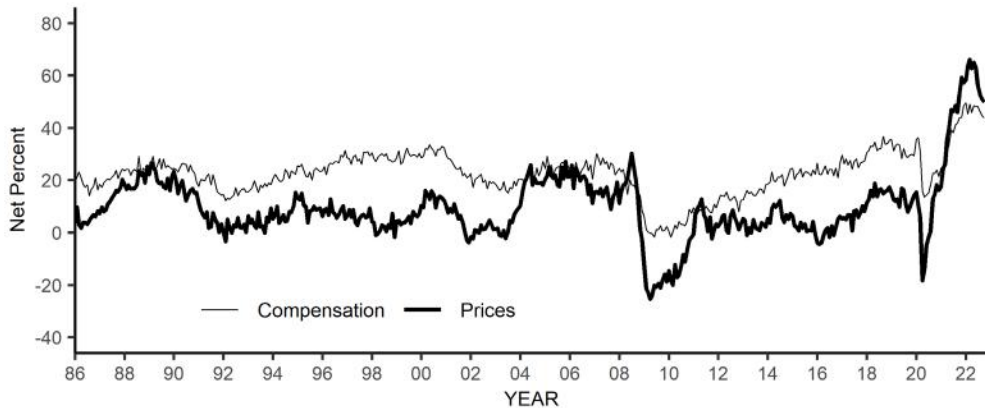
COMPENSATION PLANS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	18	17	18	18	18	18	16	15	18	21	17	23
2018	24	22	19	21	20	21	22	21	24	23	25	24
2019	20	18	20	20	24	21	17	19	18	22	26	24
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		

PRICES AND LABOR COMPENSATION

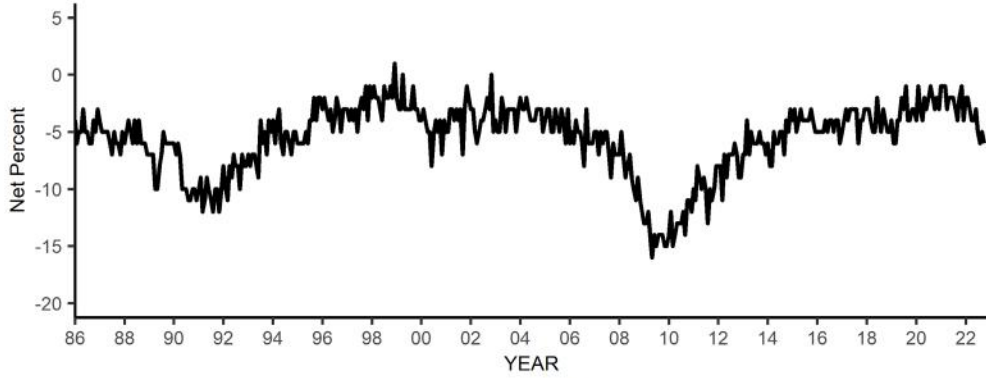
Net Percent Price Increase and Net Percent Compensation
(Seasonally Adjusted)



SMALL BUSINESS CREDIT CONDITIONS

CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago*
January 1986 to October 2022



* 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
2017	30	31	30	31	28	27	30	31	29	30	30	34
2018	31	31	32	31	34	28	32	32	29	32	32	35
2019	33	33	34	31	31	28	28	33	30	29	28	29
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		

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
2017	-5	-4	-3	-4	-3	-3	-3	-3	-6	-4	-4	-3
2018	-3	-3	-4	-5	-5	-2	-4	-5	-3	-4	-5	-5
2019	-4	-6	-6	-4	-4	-2	-3	-1	-4	-4	-3	-3
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		

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

BORROWING NEEDS SATISFIED

Percent of All Businesses Last Three Months Satisfied/
Percent of All Businesses Last Three Months Not Satisfied
(All Borrowers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	31/4	30/3	32/4	32/3	31/3	27/4	31/3	34/3	33/2	29/4	32/4	32/3
2018	31/3	32/2	31/4	32/4	37/4	30/3	32/3	33/3	27/3	30/3	32/3	32/4
2019	33/3	34/3	33/3	32/4	34/3	29/3	28/3	31/4	30/2	29/3	28/3	29/3
2020	30/3	32/2	29/3	29/5	33/3	34/3	35/3	31/3	33/2	29/3	25/2	26/3
2021	24/2	28/2	27/2	26/2	23/3	25/3	23/2	22/2	20/2	23/2	23/2	26/2
2022	25/3	25/2	26/4	26/2	22/2	27/1	25/3	23/4	26/2	26/2		

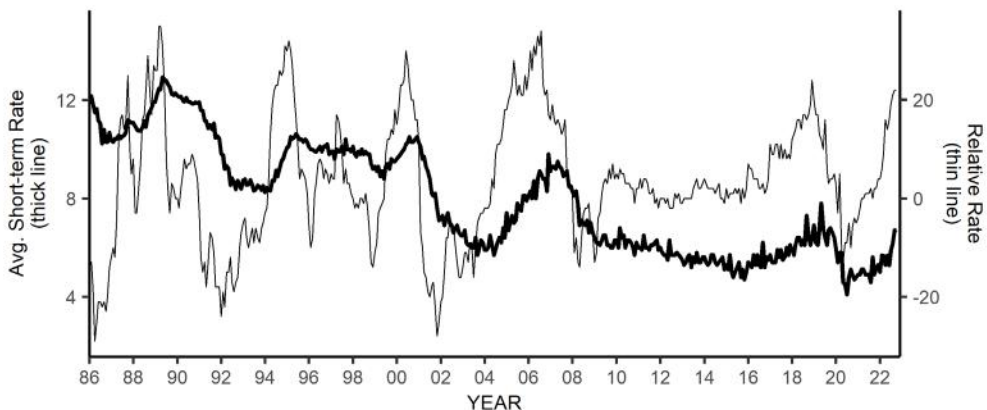
EXPECT EASIER CREDIT CONDITIONS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	-3	-3	-3	-4	-4	-3	-4	-3	-4	-5	-4	-4
2018	-4	-3	-6	-6	-5	-4	-4	-6	-5	-5	-5	-6
2019	-5	-5	-7	-4	-5	-3	-4	-2	-4	-3	-3	-3
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		

INTEREST RATES

Relative Rates and Actual Rates Last Three Months
January 1986 to October 2022



SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

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
2017	11	9	9	11	11	8	11	8	10	8	9	8
2018	12	13	14	16	16	14	17	17	16	17	19	24
2019	20	17	17	13	12	10	16	6	3	4	4	5
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		

Borrowing at Least Once Every Three Months.

ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

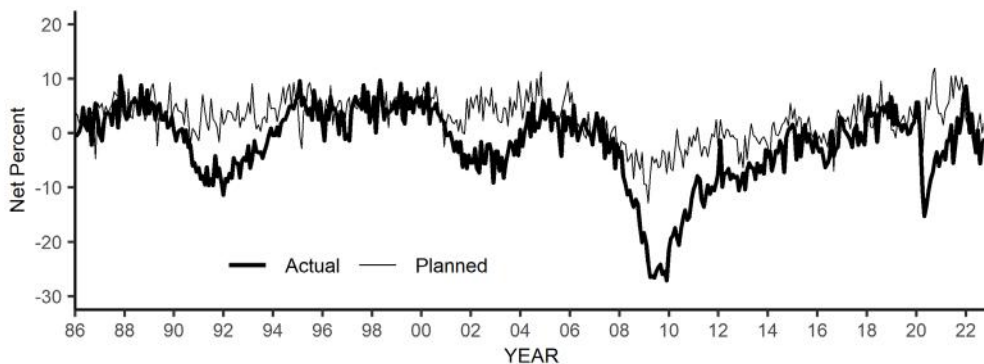
Average Interest Rate Paid

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	5.7	5.4	5.4	5.4	5.9	5.6	5.9	5.5	5.6	6.0	5.7	6.1
2018	5.9	5.7	6.1	6.4	6.4	6.1	6.3	6.1	7.3	6.4	6.1	6.4
2019	6.9	6.2	6.1	6.7	7.8	6.8	6.4	6.1	6.7	6.8	6.6	6.4
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		

SMALL BUSINESS INVENTORIES

INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)
January 1986 to October 2022
(Seasonally Adjusted)



SMALL BUSINESS INVENTORIES (CONTINUED)

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
2017	3	1	0	-1	-1	-3	1	1	-2	0	-2	-2
2018	4	7	3	4	4	-2	4	4	5	4	6	3
2019	7	2	5	2	2	0	2	1	0	0	2	2
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		

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
2017	-5	-2	-5	-3	-6	-3	-2	-5	-3	-5	-2	-2
2018	-5	-3	-6	-4	-4	0	-3	-3	-1	-2	-5	-1
2019	-3	-2	-6	-4	-4	0	-3	-6	-6	-4	1	-4
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		

INVENTORY PLANS

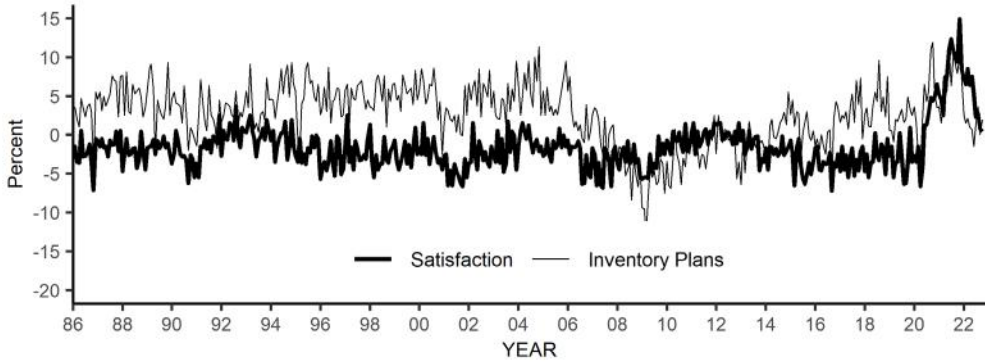
Net Percent ("Increase" Minus "Decrease") in the Next Three to Six Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	2	3	2	3	1	4	5	2	7	4	7	-1
2018	3	4	1	1	4	6	4	10	3	5	2	8
2019	1	1	-1	2	2	3	3	2	2	5	3	3
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		

SMALL BUSINESS CAPITAL OUTLAYS

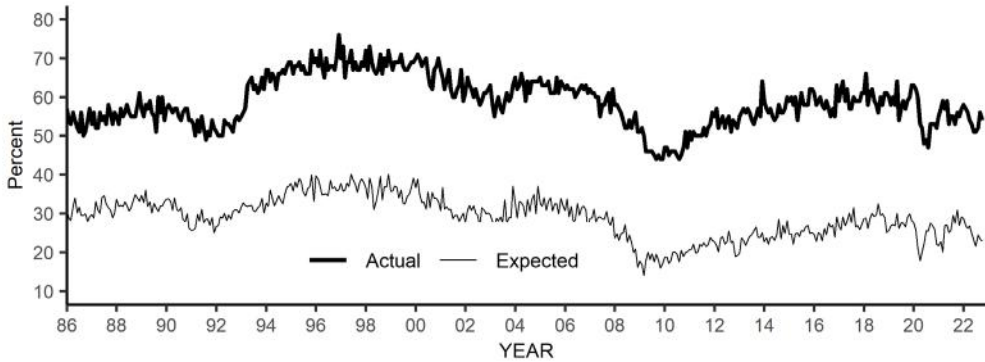
INVENTORY SATISFACTION AND INVENTORY PLANS

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)



CAPITAL EXPENDITURES

Actual Last Six Months and Planned Next Three Months
 January 1986 to October 2022
(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
2017	59	62	64	59	62	57	57	60	59	59	59	61
2018	61	66	58	61	62	59	58	56	60	58	61	61
2019	60	58	60	58	64	54	57	59	57	59	60	63
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		

SMALL BUSINESS CAPITAL OUTLAYS (CONTINUED)

TYPE OF CAPITAL EXPENDITURES MADE Percent Purchasing or Leasing During Last Six Months

Type	Current Month	One Year Ago	Two Years Ago
Vehicles	22	24	20
Equipment	37	40	36
Furniture or Fixtures	11	12	12
Add. Bldgs. or Land	6	7	5
Improved Bldgs. or Land	17	14	16

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	2	3
\$1,000 to \$4,999	6	6	6
\$5,000 to \$9,999	5	4	5
\$10,000 to \$49,999	15	19	17
\$50,000 to \$99,999	11	10	10
\$100,000 +	13	11	11
No Answer	0	2	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
2017	27	26	29	27	28	30	28	32	27	27	26	27
2018	29	29	26	29	30	29	30	33	30	30	29	25
2019	26	27	27	27	30	26	28	28	27	29	30	28
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		

SINGLE MOST IMPORTANT PROBLEM

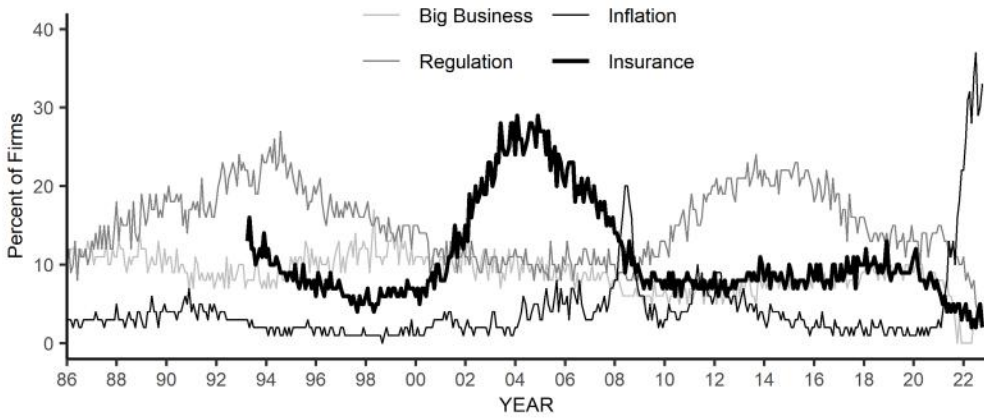
SINGLE MOST IMPORTANT PROBLEM

October 2022

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	12	17	32	8
Inflation	33	16	41	0
Poor Sales	3	5	34	2
Fin. & Interest Rates	1	1	37	0
Cost of Labor	10	10	13	2
Government Regulation	5	11	27	4
Comp. from Large Bus.	3	0	14	0
Quality of Labor	23	24	29	3
Cost/Avail. of Insurance	2	5	29	0
Other	8	11	31	1

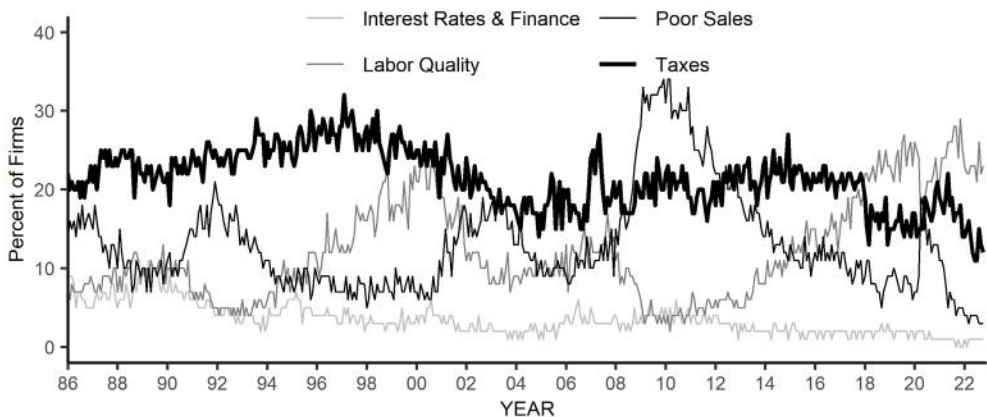
SELECTED SINGLE MOST IMPORTANT PROBLEM

Inflation, Big Business, Insurance and Regulation
January 1986 to October 2022



SELECTED SINGLE MOST IMPORTANT PROBLEM

Taxes, Interest Rates, Sales and Labor Quality
January 1986 to October 2022



SURVEY PROFILE

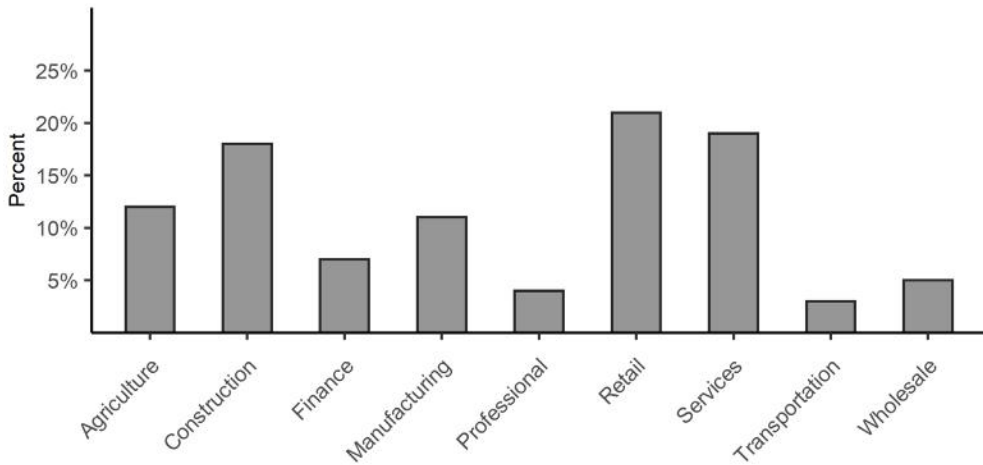
OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

Actual Number of Firms

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	1873	764	704	1618	699	624	1533	713	629	1513	544	495
2018	1658	642	570	1554	562	665	1718	680	642	1743	700	621
2019	1740	526	643	1735	650	606	1502	680	603	1618	500	488
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		

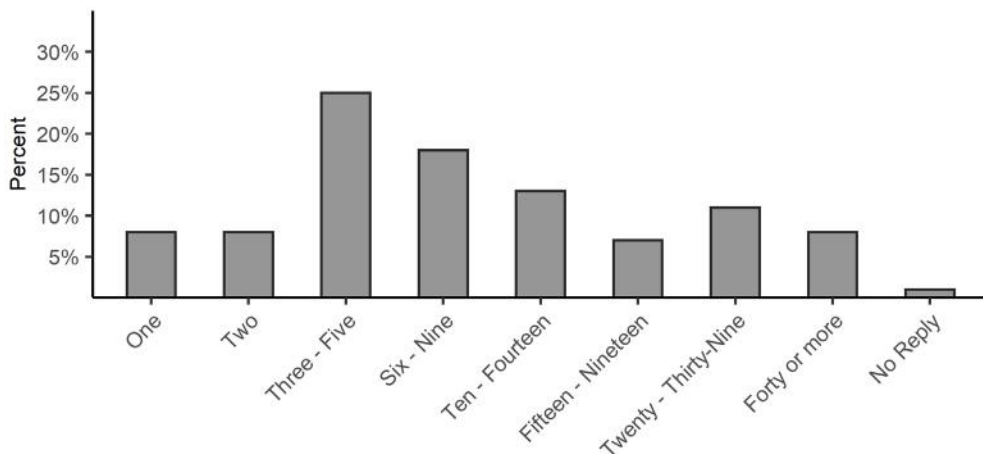
NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

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 business to expand substantially? Why?	5
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?	6
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?	7
If higher or lower, what is the most important reason?	7
During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before?	8
Overall, what do you expect to happen to real volume (number of units) of goods and/or services that you will sell during the next three months?	8
How are your average selling prices compared to three months ago?	9
In the next three months, do you plan to change the average selling prices of your goods and/or services?	9
During the last three months, did the total number of employees in your firm increase, decrease, or stay about the same?	10
If you have filled or attempted to fill any job openings in the past three months, how many qualified applicants were there for the position(s)?	10
Do you have any job openings that you are not able to fill right now?	11
In the next three months, do you expect to increase or decrease the total number of people working for you?	11
Over the past three months, did you change the average employee compensation?	12
Do you plan to change average employee compensation during the next three months?	12

SMALL BUSINESS SURVEY QUESTIONS

PAGE IN REPORT

Are...loans easier or harder to get than they were three months ago?	13
During the last three months, was your firm able to satisfy its borrowing needs?	14
Do you expect to find it easier or harder to obtain your required financing during the next three months?	14
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?	15
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 inadequate?	16
Looking ahead to the next three months to six months, do you expect, on balance, to add to your inventories, keep them about the same, or decrease them?	16
During the last six months, has your firm made any capital expenditures to improve or purchase equipment, buildings, or land?	17
If [your firm made any capital expenditures], what was the total cost of all these projects?	18
Looking ahead to the next three to six months, do you expect to make any capital expenditures for plant and/or physical equipment?	18
What is the single most important problem facing your business today?	19
Please classify your major business activity, using one of the categories of example below	20
How many employees do you have full and part-time, including yourself?	20