

NFIB

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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	26%	-6	*
Plans to Make Capital Outlays	28%	-2	*
Plans to Increase Inventories	9%	-2	*
Expect Economy to Improve	-33%	-5	*
Expect Real Sales Higher	2%	4	*
Current Inventory	10%	-1	*
Current Job Openings	51%	1	*
Expected Credit Conditions	-4%	0	*
Now a Good Time to Expand	11%	0	*
Earnings Trends	-14%	1	*
Total Change		-1	

Based on a Survey of Small and Independent Business Owners

**NFIB**  
**SMALL BUSINESS**  
**ECONOMIC TRENDS**

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*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

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## OPTIMISM INDEX

The Optimism Index decreased slightly in September by 1 point to 99.1. Three of the 10 Index components improved, five declined, and two were unchanged. The NFIB Uncertainty Index increased 5 points to 74. Owners expecting better business conditions over the next six months decreased 5 points to a net negative 33 percent. Owners have grown pessimistic about future economic conditions as this indicator has declined 21 points over the past three months to its lowest reading since December 2012. Fifty-one percent of owners reported job openings that could not be filled, an increase of 1 point from August and a 48-year record high for the third consecutive month.

## LABOR MARKETS

Small businesses continue to struggle to find workers to fill open positions. Fifty-one percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, up 1 point from August and a record high reading for the third consecutive month. The number of unfilled job openings remains far above the 48-year historical average of 22 percent. ADP data indicate that large firms are dominating the labor market, making hiring increasingly difficult for small firms. Forty-six percent have openings for skilled workers (up 2 points) and 28 percent have openings for unskilled labor (up 1 point). Sixty-seven percent of the job openings in construction are for skilled workers, up 1 point. Eighty percent of construction firms reported few or no qualified applicants (up 13 points). Overall, 67 percent reported hiring or trying to hire in September, up 1 point from August. Owners' plans to fill open positions remain at record high levels, with a seasonally adjusted net 32 percent planning to create new jobs in the next three months, down 6 points. It's becoming increasingly harder to hire, as shown by the continued increase in job openings, reports of higher wages, and few or no qualified applicants. Sixty-two percent (92 percent of those hiring or trying to hire) of owners reported few or no "qualified" applicants for the positions they were trying to fill (up 2 points). Where there are open positions, labor quality remains a significant problem. Thirty-four percent of owners reported few qualified applicants for their open positions (up 3 points) and 28 percent reported none (down 1 point).

## CAPITAL SPENDING

Fifty-three percent reported capital outlays in the last six months, down 2 points from August, historically weak. A recovery in investment will be needed to spark an improvement in productivity, but this is unlikely to occur while owners remain pessimistic about future business conditions. Of those making expenditures, 37 percent reported spending on new equipment (down 4 points), 21 percent acquired vehicles (down 1 point), and 12 percent improved or expanded facilities (down 4 points). Six percent acquired new buildings or land for expansion (unchanged) and 10 percent spent money for new fixtures and furniture (down 2 points). Twenty-eight percent plan capital outlays in the next few months, down 2 points from August and 1 point below the 48-year average.

## **SALES AND INVENTORIES**

Three percent of all owners (seasonally adjusted) reported higher nominal sales in the past three months, up 3 points from August. The net percent of owners expecting higher real sales volumes improved by 4 points to a net 2 percent, a solid reversal from the past two months. The net percent of owners reporting inventory increases rose 5 points to a net 3 percent, back into positive territory after the last two months of more owners reporting declines than gains. Over 35 percent of owners report supply chain disruptions have had a significant impact on their business. Another 32 percent report a moderate impact and 21 percent report a mild impact. Only 10 percent report no impact from recent supply chain disruptions. A net 10 percent of owners viewed current inventory stocks as “too low” in September, down 1 point from August. A net 9 percent of owners plan inventory investment in the coming months, down 2 points from August but historically a very elevated reading.

## **COMPENSATION AND EARNINGS**

Seasonally adjusted, a net 42 percent reported raising compensation, up 1 point from August and a 48-year record high reading. A net 30 percent plan to raise compensation in the next three months, up 4 points from August’s record high reading. Twelve percent cited labor costs as their top business problem (up 2 points) and 28 percent said that labor quality was their top business problem (unchanged), both record high readings. The frequency of reports of positive profit trends increased 1 point to a net negative 14 percent. Among owners reporting lower profits, 26 percent blamed the rise in the cost of materials, 23 percent blamed weaker sales, 19 percent cited labor costs, 10 percent cited the usual seasonal change, 6 percent cited lower prices, and 6 percent cited higher taxes or regulatory costs. For owners reporting higher profits, 57 percent credited sales volumes, 19 percent cited usual seasonal change, and 5 percent cited higher prices.

## **CREDIT MARKETS**

Two percent of owners reported that all their borrowing needs were not satisfied (unchanged). Twenty percent reported all credit needs met (down 2 points) and 62 percent said they were not interested in a loan (down 1 point). A net 4 percent reported their last loan was harder to get than in previous attempts (up 1 point). Zero percent reported that financing was their top business problem (down 1 point). A net 0 percent of owners reported paying a higher rate on their most recent loan, down 2 points from August. The average rate paid on short maturity loans was 5.6 percent, up 1 point from August. Loan rates continue to be consistently low. Twenty percent of all owners reported borrowing on a regular basis (unchanged).

## **INFLATION**

The net percent of owners raising average selling prices decreased 3 points to a net 46 percent seasonally adjusted. Unadjusted, 8 percent (up 4 points) reported lower average selling prices and 53 percent (up 1 point) reported higher average prices. Price hikes were most frequent in wholesale (75 percent higher, 0 percent lower), manufacturing (67 percent higher, 4 percent lower), and retail (71 percent higher, 2 percent lower). Seasonally adjusted, a net 46 percent plan price hikes (up 2 points).

# COMMENTARY

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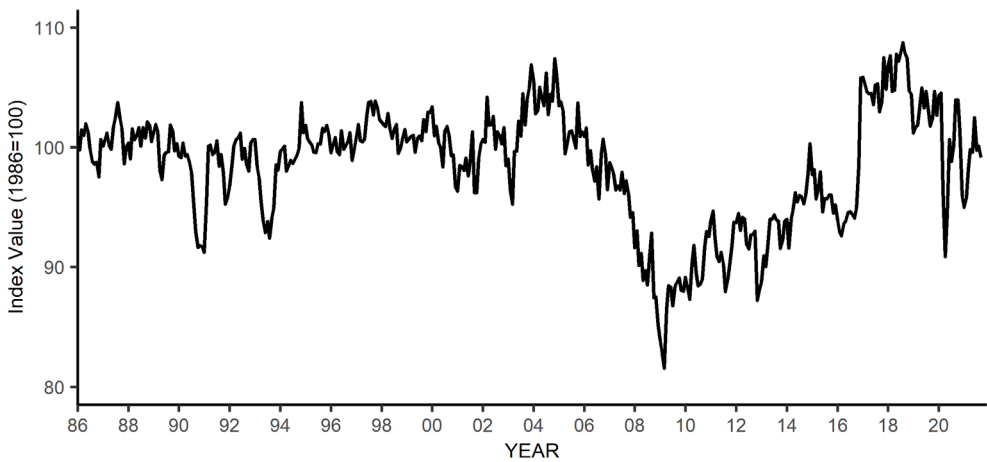
The fourth quarter is underway, but it's going to be a rocky one. Covid continues to "rule the roost," as the President announces proposed mandates which will make it more difficult for firms to operate. Many people are still reluctant to take a job due to Covid risks, especially those more public facing jobs such as restaurants. Supply chains are still in disarray, with ships and containers piling up on the coasts but only slowly being unloaded and distributed to businesses as truck drivers are in short supply. Inflation is running strong but the Federal Reserve is only running away. Congress still doesn't have a budget and the debt ceiling is about to be hit.

Owners are doing their best to meet the needs of customers, but are unable to hire workers or receive needed supplies and inventories. Plans to hire and increase inventories are strong, needed to meet current demand. However plans to make capital investments are depressed as the outlook for business conditions in the future are not very positive. Owners are clearly trying to hire, but are not being very successful in spite of paying higher wages. In the meantime, inflation is squeezing profits (the major source of operating capital for small firms) so firms are raising selling prices. Just what policies Washington will follow remains uncertain, and so does the future.

# OVERVIEW - SMALL BUSINESS OPTIMISM

## OPTIMISM INDEX

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



## OPTIMISM INDEX

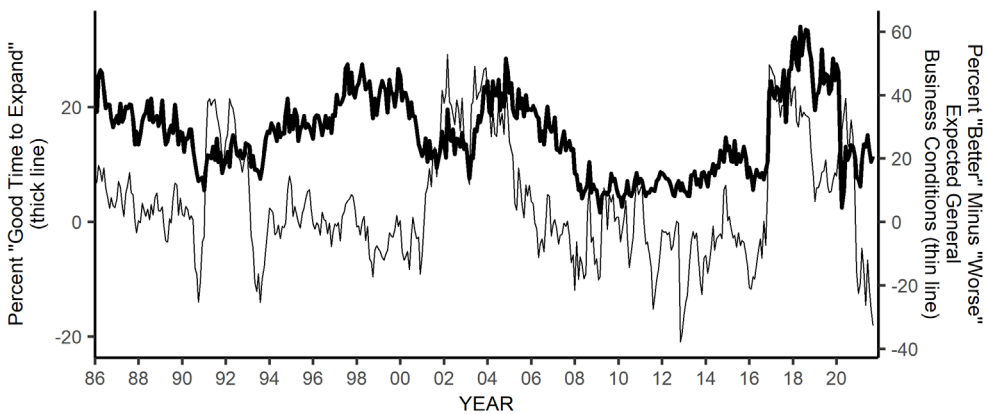
Based on Ten Survey Indicators  
(Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	93.9	92.9	92.6	93.6	93.8	94.5	94.6	94.4	94.1	94.9	98.4	105.8
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			

# SMALL BUSINESS OUTLOOK

## OUTLOOK

Good Time to Expand and Expected General Business Conditions  
January 1986 to September 2021  
(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
2016	10	8	6	8	9	8	8	9	7	9	11	23
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			

## MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook  
September 2021

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	4	23	14
Sales Prospects	5	1	1
Fin. & Interest Rates	1	0	0
Cost of Expansion	0	5	4
Political Climate	0	21	12
Other / Not Available	0	3	1

## OUTLOOK FOR GENERAL BUSINESS CONDITIONS

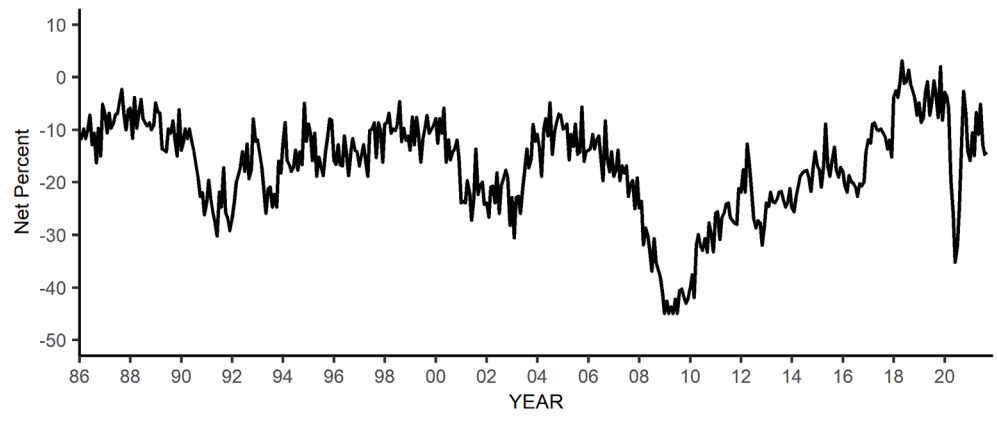
Net Percent ("Better" Minus "Worse") Six Months From Now  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	-21	-21	-17	-18	-13	-9	-5	-12	0	-7	12	50
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			

# SMALL BUSINESS EARNINGS

## EARNINGS

Actual Last Three Months  
January 1986 to September 2021  
(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
2016	-18	-21	-22	-19	-20	-20	-21	-23	-20	-21	-20	-14
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			

## MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason  
September 2021

Reason	Current Month	One Year Ago	Two Years Ago
Sales Volume	7	23	7
Increased Costs*	15	4	7
Cut Selling Prices	2	3	2
Usual Seasonal Change	3	2	3
Other	2	6	2

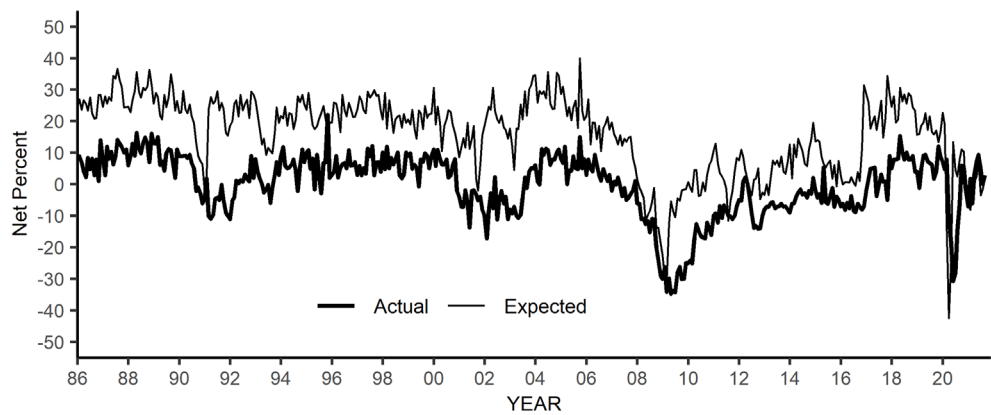
\* Increased costs include labor, materials, finance, taxes, and regulatory costs.



# SMALL BUSINESS SALES

## SALES

Actual (Prior Three Months) and Expected (Next Three Months)  
January 1986 to September 2021  
(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
2016	-7	-6	-8	-6	-8	-4	-8	-9	-6	-7	-8	-7
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			

## SALES EXPECTATIONS

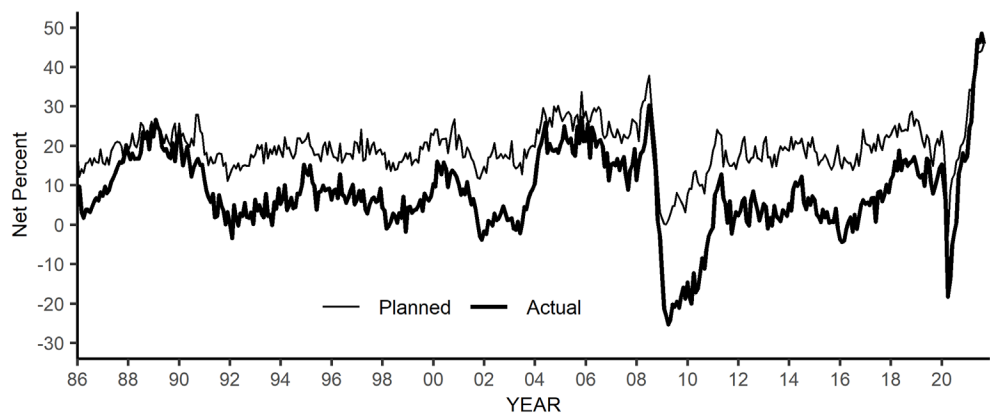
Net Percent ("Higher" Minus "Lower") During Next Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	3	0	1	1	1	2	1	-1	4	1	11	31
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			

# SMALL BUSINESS PRICES

## PRICES

Actual Last Three Months and Planned Next Three Months  
*January 1986 to September 2021*  
*(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
2016	-4	-4	-4	-1	1	2	-2	3	-1	2	5	6
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			

## 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
2016	16	14	17	16	16	16	14	15	18	15	19	24
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			

# 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
2016	1	-3	0	-1	-1	-2	-2	-3	3	0	-2	4
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			

## QUALIFIED APPLICANTS FOR JOB OPENINGS

Percent Few or No Qualified Applicants

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	45	42	41	46	48	48	46	48	48	48	52	44
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			

## EMPLOYMENT

Planned Next Three Months and Current Job Openings  
January 1986 to September 2021  
(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
2016	29	28	25	29	27	29	26	30	24	28	31	29
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			

### HIRING PLANS

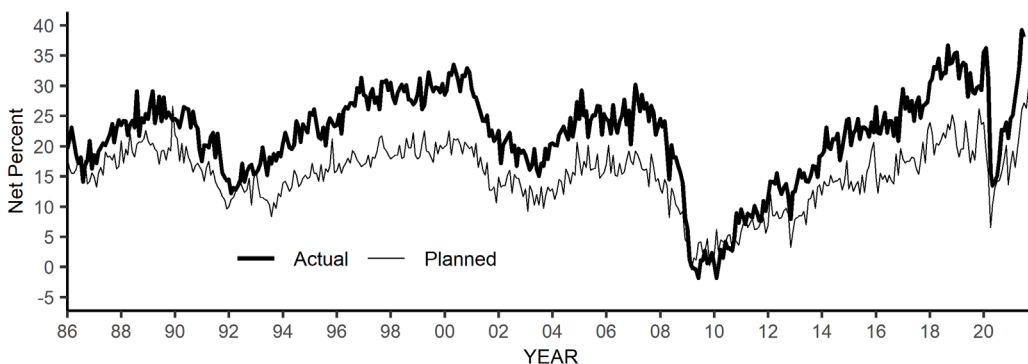
Net Percent ("Increase" Minus "Decrease") in the Next Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	11	10	9	11	12	11	12	9	10	10	15	16
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			

## SMALL BUSINESS COMPENSATION

### COMPENSATION

Actual Last Three Months and Planned Next Three Months  
January 1986 to September 2021  
(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
2016	27	22	22	24	26	22	24	24	22	25	21	26
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			

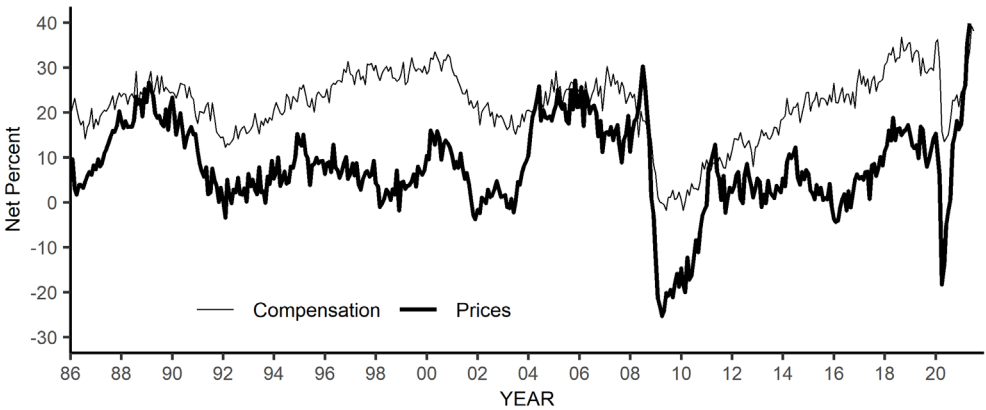
## COMPENSATION PLANS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	15	12	16	15	15	14	15	14	14	19	15	20
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			

## PRICES AND LABOR COMPENSATION

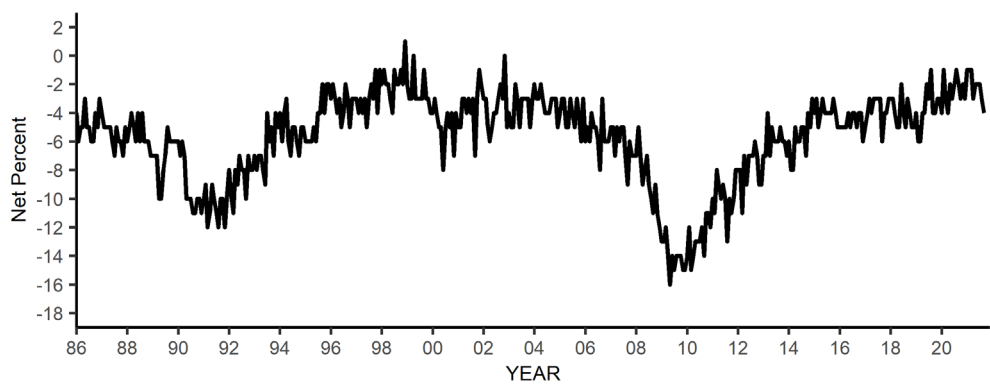
Net Percent Price Increase and Net Percent Compensation  
(Seasonally Adjusted)



# SMALL BUSINESS CREDIT CONDITIONS

## CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago\*  
January 1986 to September 2021



\* 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
2016	33	31	32	29	29	29	28	29	32	28	31	30
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			

## 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
2016	-5	-5	-5	-5	-4	-5	-4	-4	-5	-4	-4	-6
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			

# 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
2016	35/3	31/4	31/5	31/4	31/4	32/5	30/3	29/4	32/6	29/4	30/4	29/4
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			

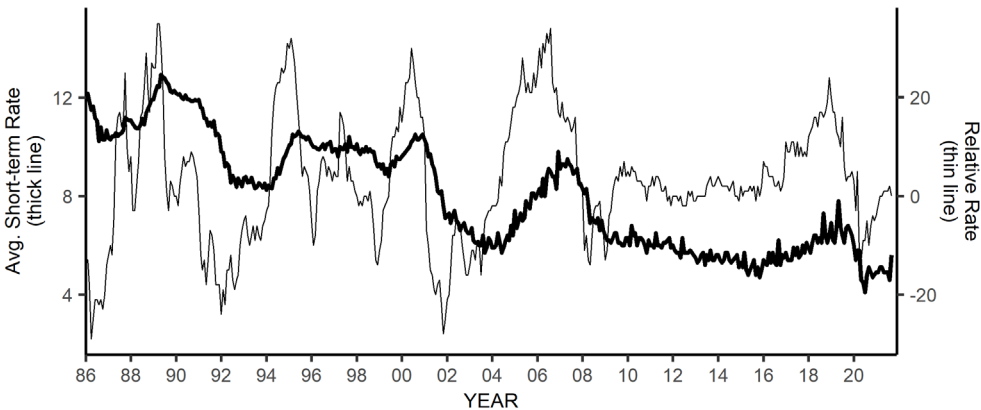
## EXPECTED CREDIT CONDITIONS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	-7	-7	-6	-6	-6	-6	-5	-5	-7	-6	-5	-6
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			

## INTEREST RATES

Relative Rates and Actual Rates Last Three Months  
*January 1986 to September 2021*



# 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
2016	7	6	6	4	4	4	2	2	3	1	2	4
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			

*Borrowing at Least Once Every Three Months.*

## ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

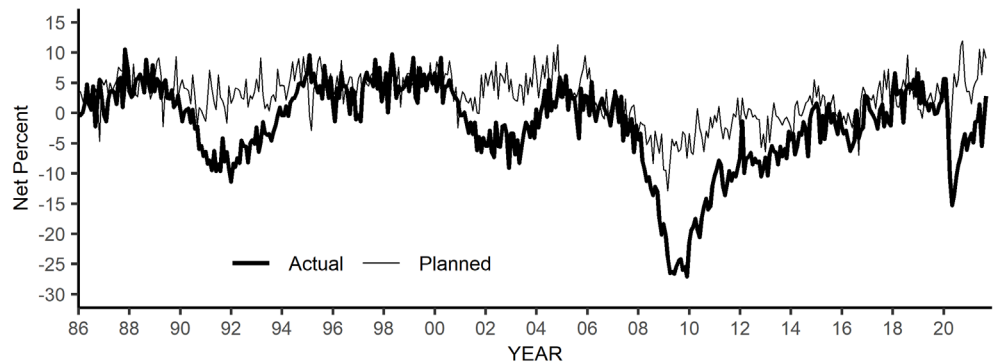
Average Interest Rate Paid

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	5.4	5.3	5.2	5.7	5.3	5.7	5.3	5.2	6.2	5.2	5.6	5.5
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			

# SMALL BUSINESS INVENTORIES

## INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)  
*January 1986 to September 2021*  
*(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
2016	-2	-3	-3	-5	-6	-6	-5	0	-4	-3	-3	3
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			

### INVENTORY SATISFACTION

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	-2	-2	-5	-5	-4	-4	-4	-2	-7	-4	-4	-3
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			

### INVENTORY PLANS

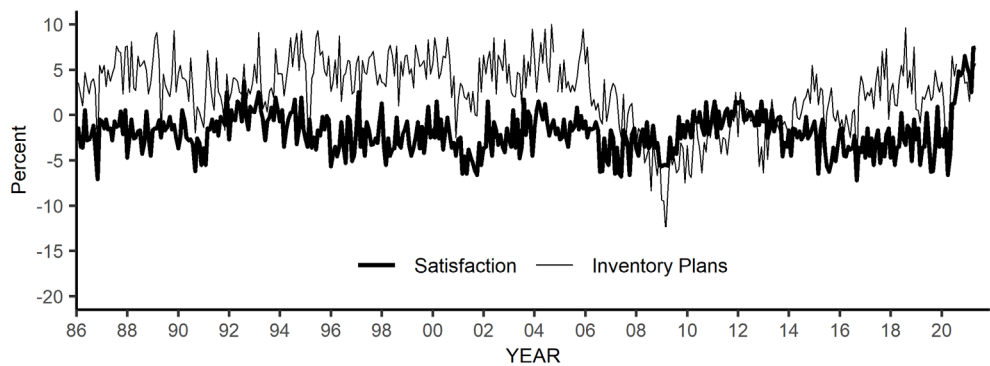
Net Percent ("Increase" Minus "Decrease") in the Next Three to Six Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	-1	-1	-2	0	-1	-3	0	1	-7	2	4	4
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			

# SMALL BUSINESS CAPITAL OUTLAYS

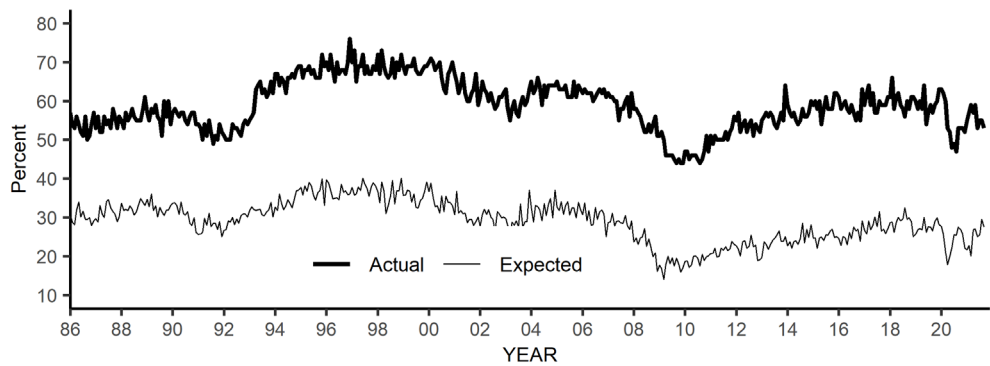
## INVENTORY SATISFACTION AND INVENTORY PLANS

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 September 2021  
(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
2016	61	58	59	60	58	57	59	57	55	57	55	63
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			

# 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	21	21	24
Equipment	37	34	42
Furniture or Fixtures	10	9	15
Add. Bldgs. or Land	6	6	4
Improved Bldgs. or Land	12	12	18

## 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	5	5	8
\$5,000 to \$9,999	5	5	7
\$10,000 to \$49,999	14	16	18
\$50,000 to \$99,999	10	7	10
\$100,000 +	14	10	13
No Answer	3	2	0

## 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
2016	25	23	25	25	23	26	25	28	27	27	24	29
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			

# SINGLE MOST IMPORTANT PROBLEM

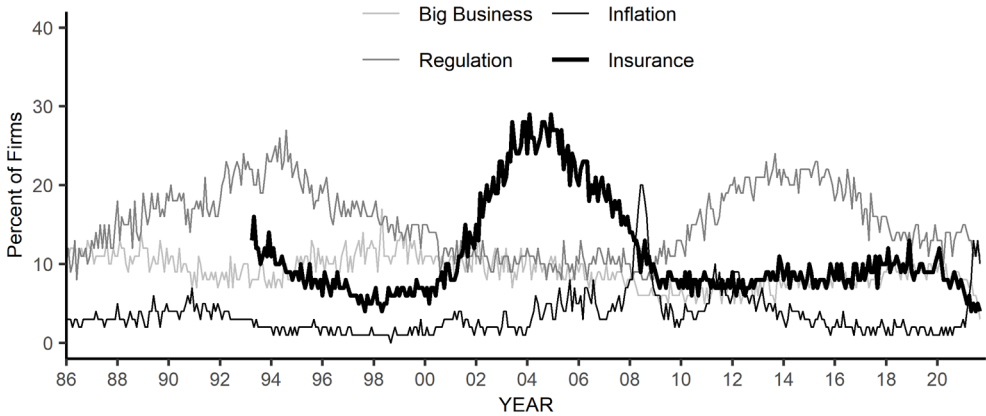
## SINGLE MOST IMPORTANT PROBLEM

September 2021

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	17	17	32	8
Inflation	10	1	41	0
Poor Sales	4	15	34	2
Fin. & Interest Rates	0	2	37	1
Cost of Labor	12	8	11	2
Government Regulation	11	11	27	4
Comp. from Large Bus.	3	9	14	4
Quality of Labor	28	21	28	3
Cost/Avail. of Insurance	4	9	29	4
Other	11	7	31	1

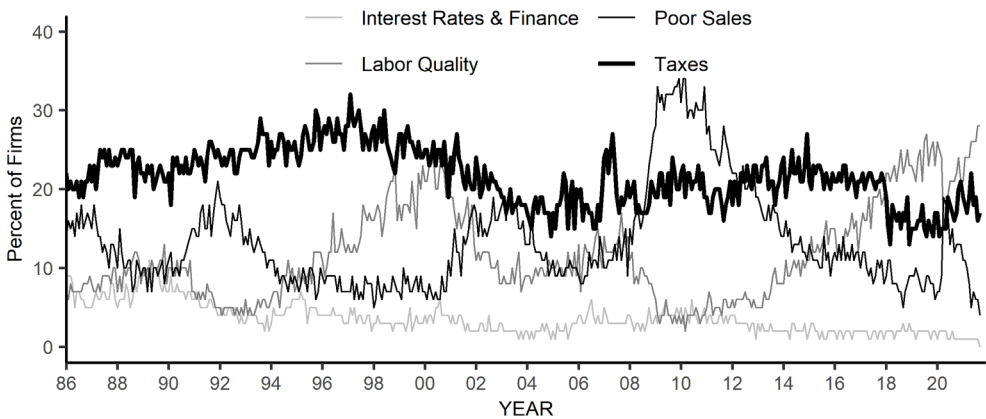
## SELECTED SINGLE MOST IMPORTANT PROBLEM

Inflation, Big Business, Insurance and Regulation  
*January 1986 to September 2021*



## SELECTED SINGLE MOST IMPORTANT PROBLEM

Taxes, Interest Rates, Sales and Labor Quality  
*January 1986 to September 2021*



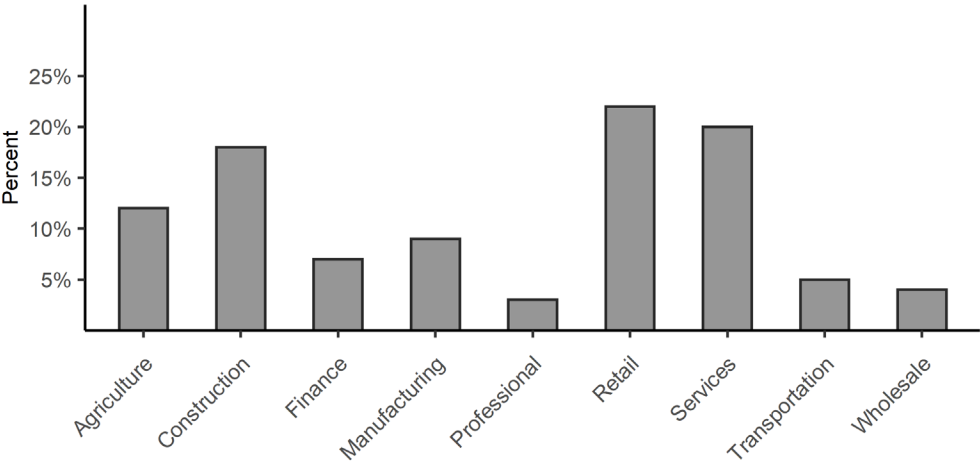
# SURVEY PROFILE

## OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

Actual Number of Firms

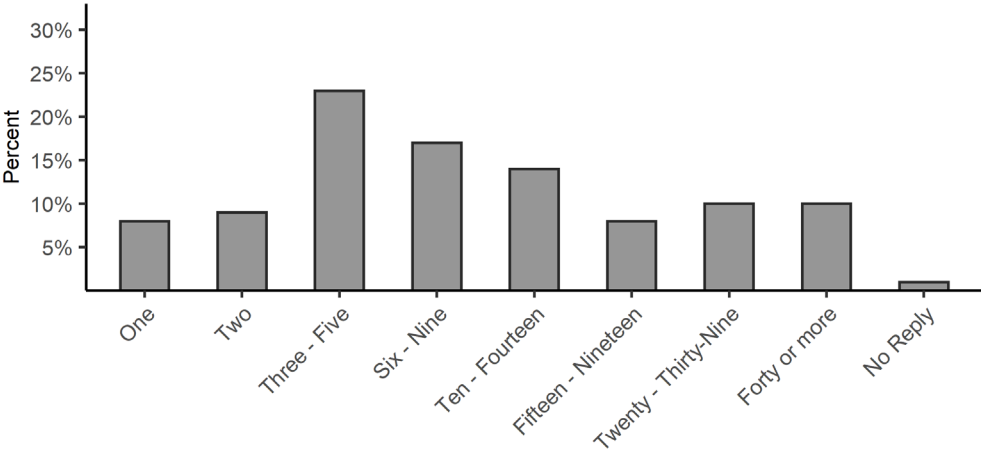
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	1438	756	727	1644	700	735	1703	730	723	1702	724	619
2017	1873	764	704	1618	699	624	1533	713	629	1513	544	495
2018	1658	642	570	1554	562	665	1718	680	642	1743	700	621
2019	1740	526	643	1735	650	606	1502	680	603	1618	500	488
2020	1692	641	627	1832	814	670	1652	751	604	1719	561	542
2021	1109	678	514	1516	659	592	1440	595	537			

## NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY



## 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? .....	4
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? .....	5
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? .....	6
If higher or lower, what is the most important reason? .....	6
During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before? .....	7
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? .....	7
How are your average selling prices compared to three months ago? .....	8
In the next three months, do you plan to change the average selling prices of your goods and/or services? .....	8
During the last three months, did the total number of employees in your firm increase, decrease, or stay about the same? .....	9
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)? .....	9
Do you have any job openings that you are not able to fill right now? .....	10
In the next three months, do you expect to increase or decrease the total number of people working for you? .....	10
Over the past three months, did you change the average employee compensation? .....	11
Do you plan to change average employee compensation during the next three months? .....	11

SMALL BUSINESS SURVEY QUESTIONS	PAGE IN REPORT
Are...loans easier or harder to get than they were three months ago? .....	12
During the last three months, was your firm able to satisfy its borrowing needs? .....	13
Do you expect to find it easier or harder to obtain your required financing during the next three months? .....	13
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? .....	14
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? .....	14
During the last three months, did you increase or decrease your inventories? .....	15
At the present time, do you feel your inventories are too large, about right, or inadequate? .....	15
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? .....	15
During the last six months, has your firm made any capital expenditures to improve or purchase equipment, buildings, or land? .....	16
If [your firm made any capital expenditures], what was the total cost of all these projects? .....	17
Looking ahead to the next three to six months, do you expect to make any capital expenditures for plant and/or physical equipment? .....	17
What is the single most important problem facing your business today? .....	18
Please classify your major business activity, using one of the categories of example below .....	19
How many employees do you have full and part-time, including yourself? .....	19