

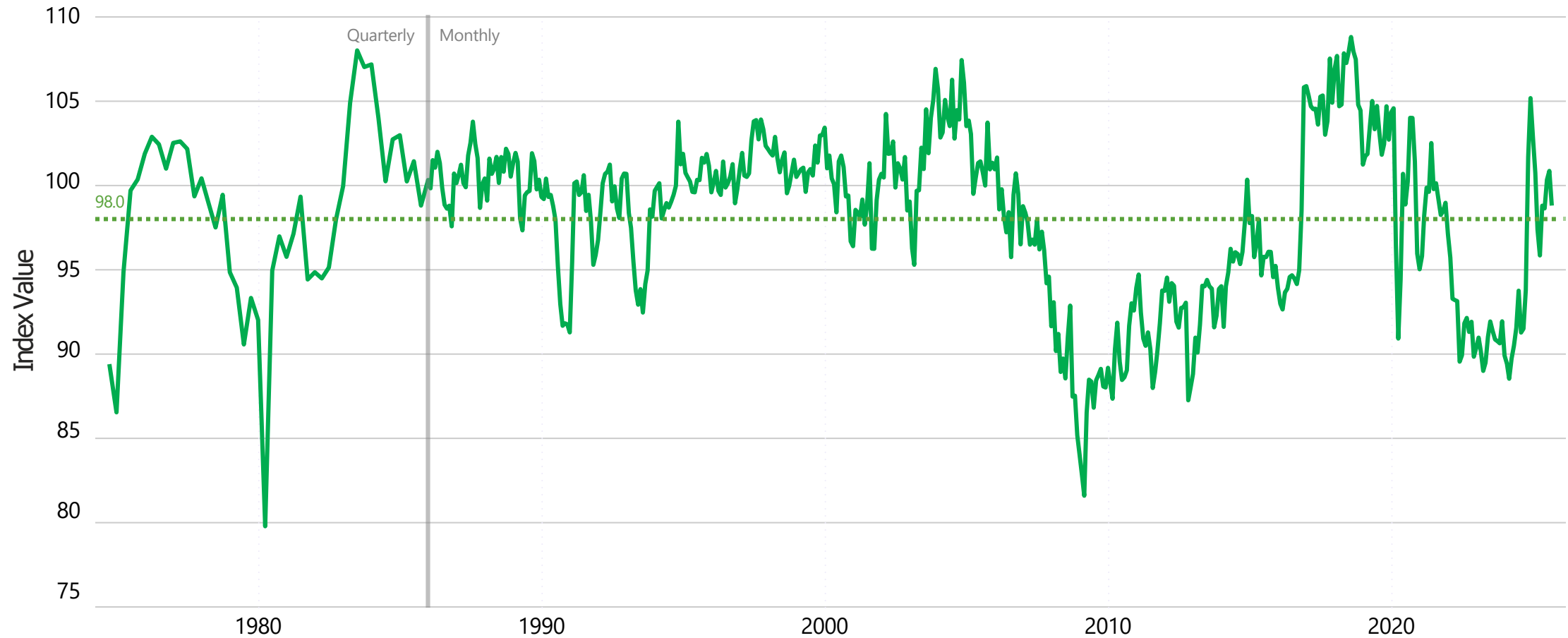


# Small Business Economy

10/14/2025

# Small Business Optimism Index

(Seasonally Adjusted 1986=100)



**Current Reading: 98.8**

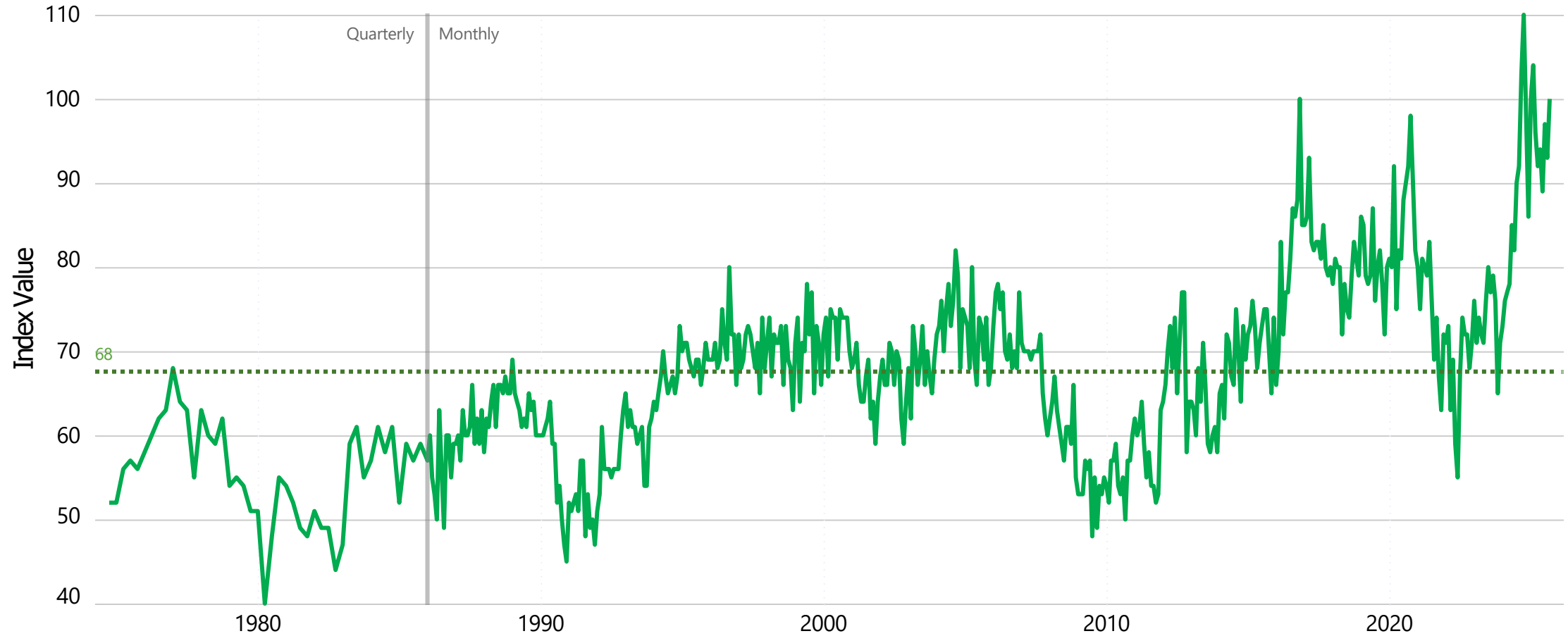
**Historical High 108.8 (Aug. 2018), Historical Low 79.7 (Apr. 1980)**

The Optimism Index is based on 10 survey indicators.

\* Dashed line is the average

# Uncertainty Index

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

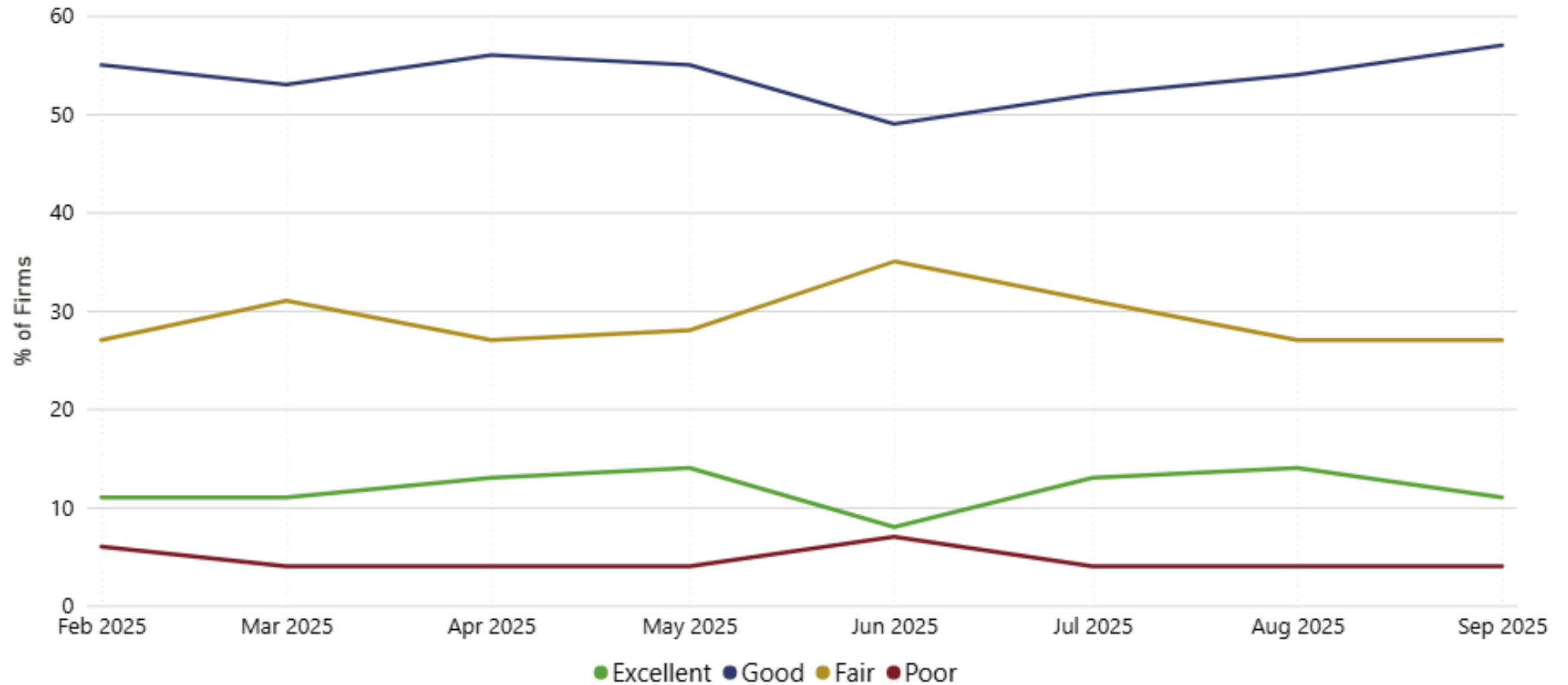


**Current Reading: 100**

**Historical High 110 (Oct. 2024), Historical Low 40 (Apr. 1980)**

\* Dashed line is the average

## Overall Health of Business



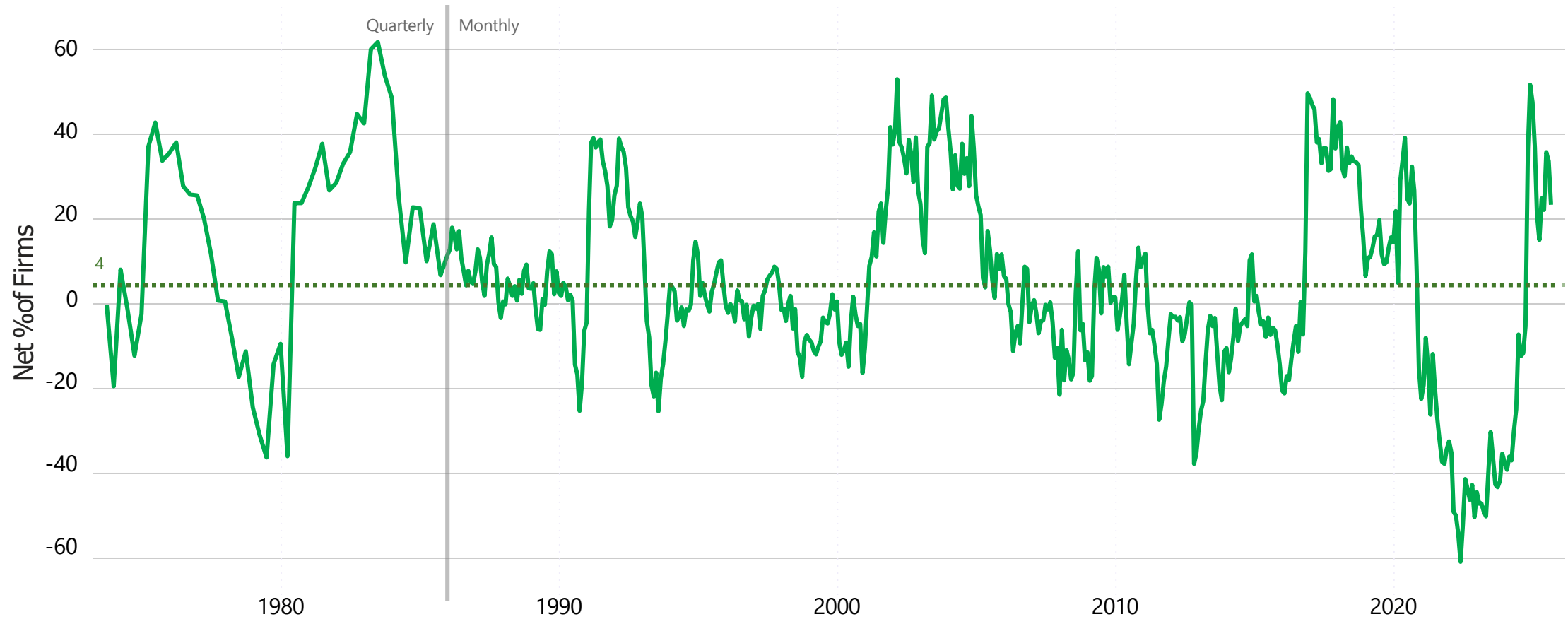
**Current Reading:** Excellent (11%), Good (57%), Fair (27%), Poor (4%)

**Survey Question:** How would you rate the overall health of your business today?

**Answer Selections:** Excellent, Good, Fair, Poor.

# Outlook for General Business Conditions

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



**Current Reading:** Net 23%

**Historical High** Net 62% (Jul. 1983), **Historical Low** Net -61% (Jun. 2022)

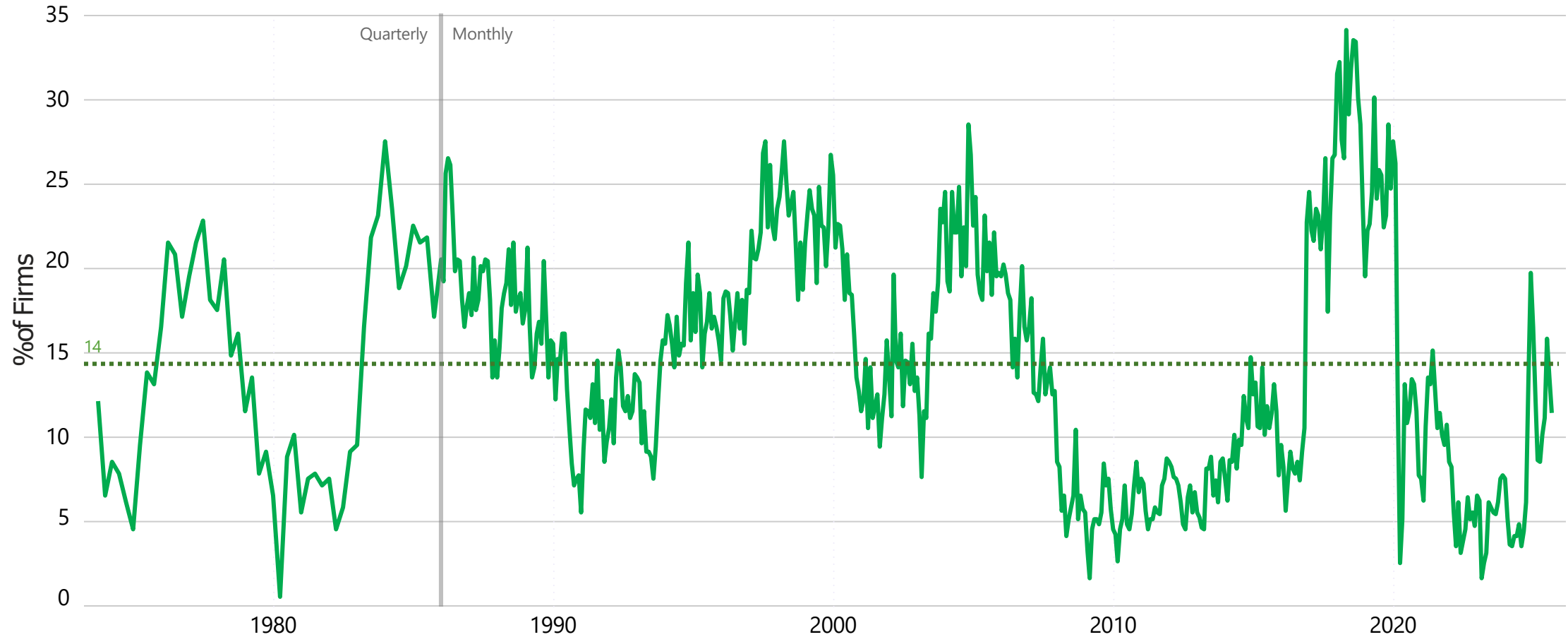
**Survey Question:** What about the economy in general, do you think that six months from now general business conditions will be better than they are now, about the same, or worse?

**Answer Selections:** Much better, Somewhat better, About the same, Somewhat worse, Much worse, Don't know

\* Dashed line is the average

# Good Time to Expand

Percent Next Three Months "Good to Expand" - Seasonally Adjusted



**Current Reading:** 11%

**Historical High** 34% (May 2018), **Historical Low** 1% (Apr. 1980)

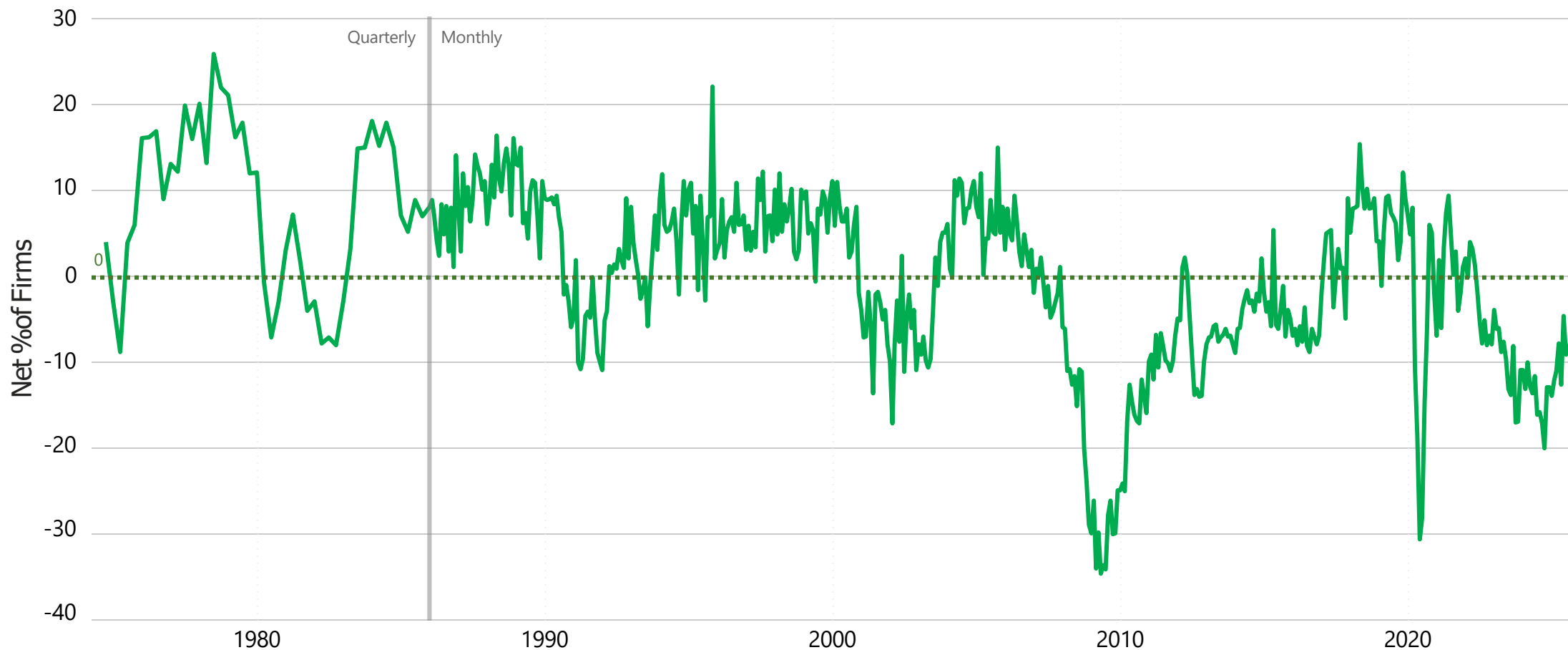
**Survey Question:** Do you think the next three months will be a good time for small businesses to expand substantially?

**Answer Selections:** Yes, No, Uncertain

\* Dashed line is the average

# Actual Sales Changes

Net Percent ("Higher" minus "Lower") the Last Three Months Compared to the Prior Three Months - Seasonally Adjusted



**Current Reading:** Net -7%

**Historical High** Net 26% (Jul. 1978), **Historical Low** Net -35% (May 2009)

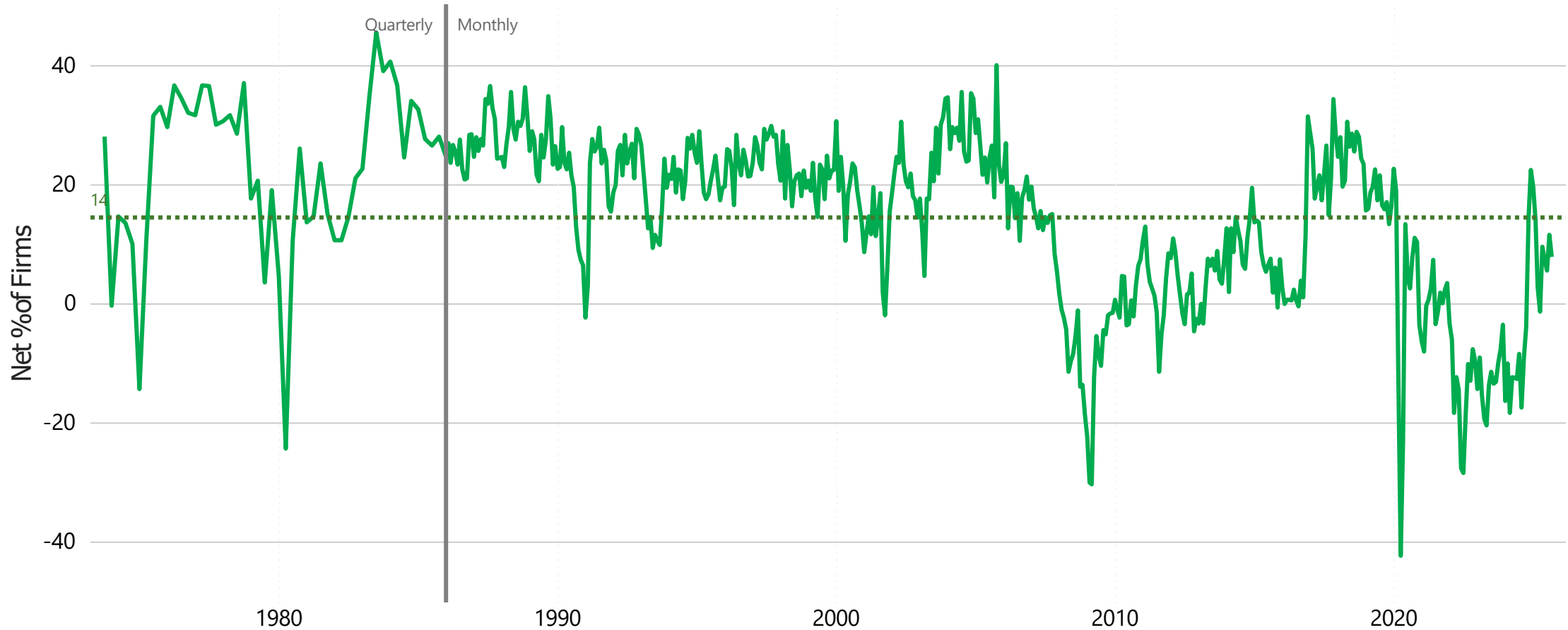
**Survey Question:** During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before?

**Answer Selections:** Much higher, Higher, About the same, Lower, Much lower

\* Dashed line is the average

# Real Sales Expectations

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



**Current Reading:** Net 8%

**Historical High** Net 46% (Jul. 1983), **Historical Low** Net -42% (Apr. 2020)

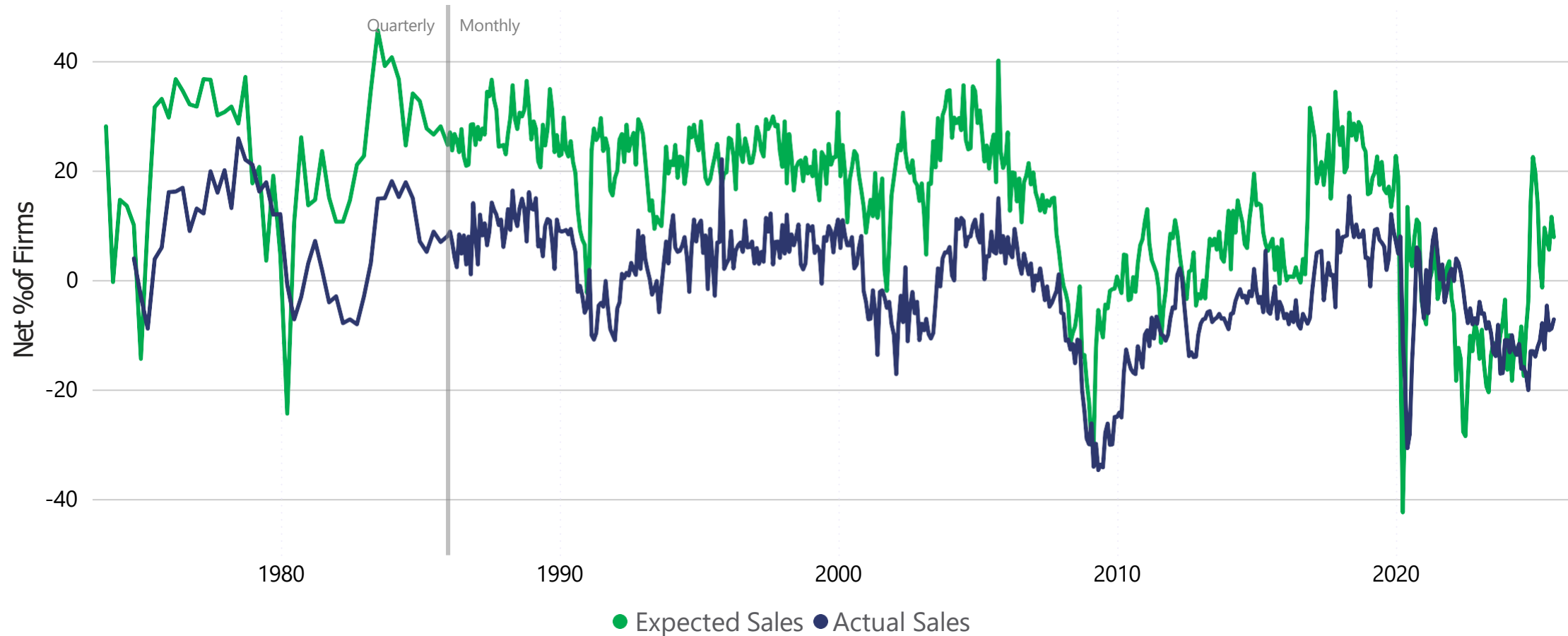
**Survey Question:** Overall, what do you expect to happen to the volume of goods and/or services (number of customers, units, hours billed, etc.) that you will sell during the next three months?

**Answer Selections:** Go up a lot, Go up a little, Stay the same, Go down a little, Go down a lot, Don't know

\* Dashed line is the average

# Actual and Expected Sales

Net Percent Actual (Prior Three Months) and Expected (Next Three Months) - Seasonally Adjusted



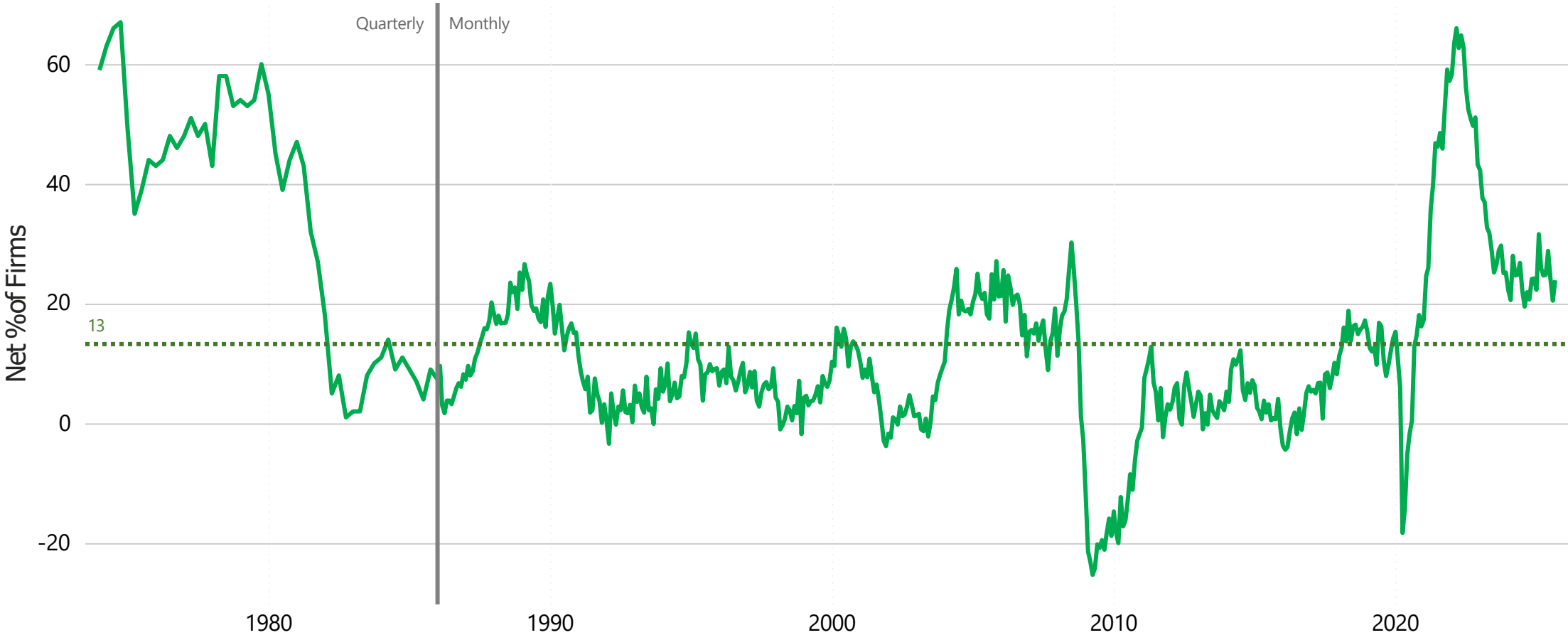
**Current Reading:** Expected Sales (net 8%), Actual Sales (net -7%)

**Historical High** Expected Sales (net 46%, Jul. 1983), Actual Sales (net 26%, Jul. 1978), **Historical Low** Expected Sales (net -42%, Apr. 2020), Actual Sales (net -35%, May 2009)

**Survey Questions:** Overall, what do you expect to happen to the volume of good and/or services (number of customers, units, hours billed, etc.) that you will sell during the next three months? During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before?

# Actual Price Increases

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



**Current Reading:** Net 24%

**Historical High** Net 67% (Oct. 1974), **Historical Low** Net -25% (Apr. 2009)

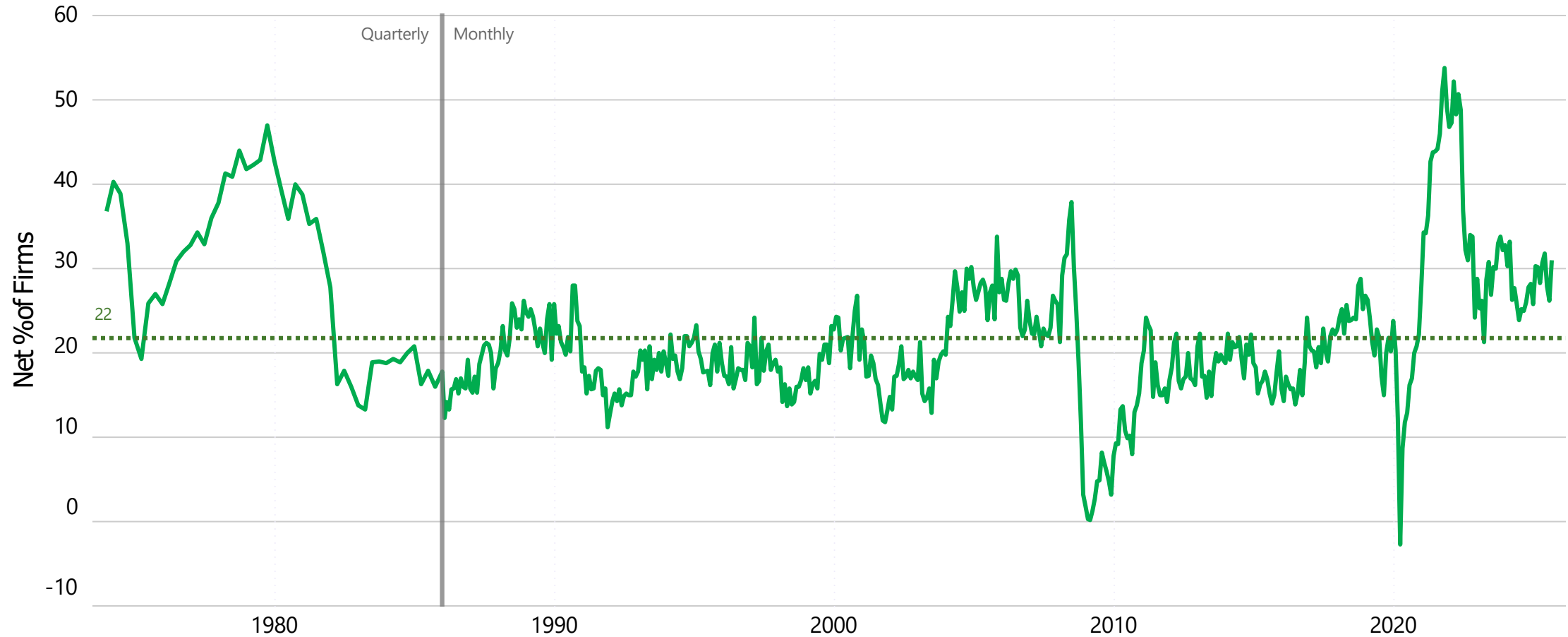
**Survey Question:** How are your average selling prices now compared to three months ago?

**Answer Selections:** Lower now, No difference, Higher now

\* Dashed line is the average

# Price Plans

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



**Current Reading:** Net 31%

**Historical High** Net 54% (Nov. 2021), **Historical Low** Net -3% (Apr. 2020)

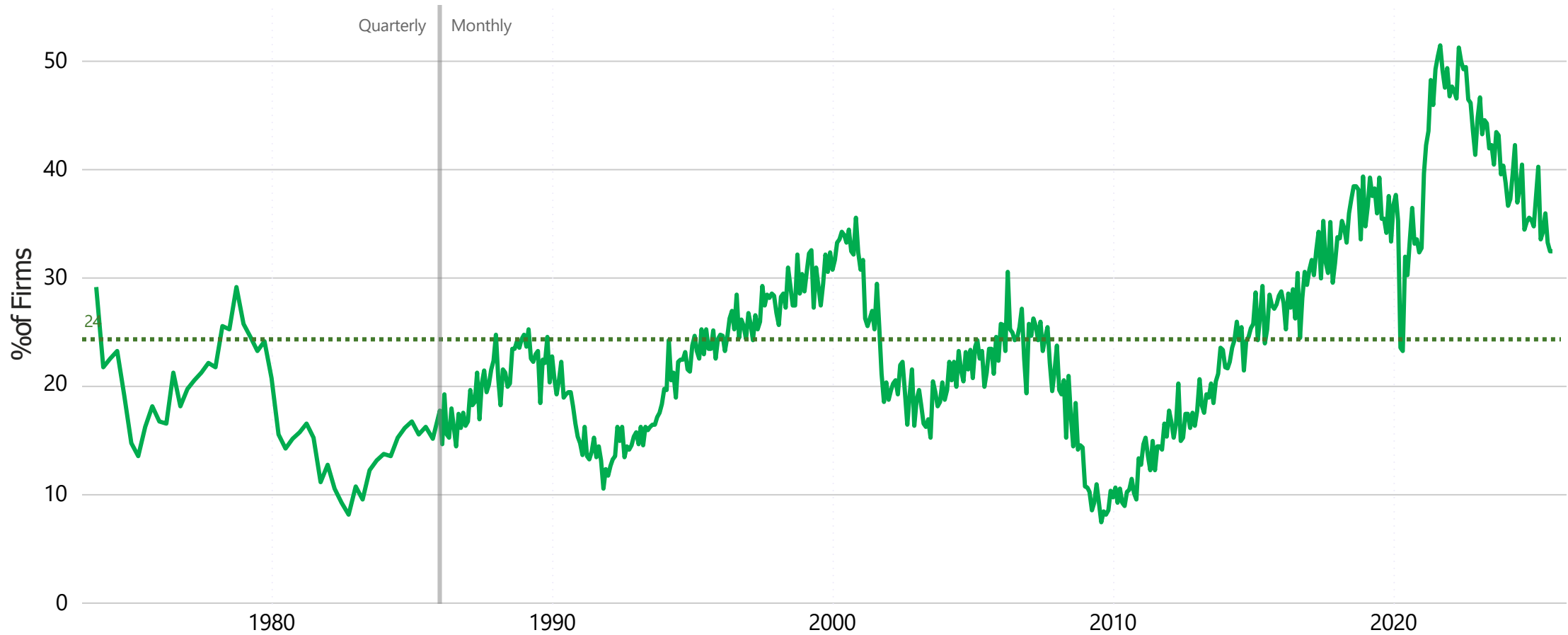
**Survey Question:** In the next three months, do you plan to change the price of your goods and/or services?

**Answer Selections:** Yes raise the prices, Yes lower the prices, No change, Don't know

\* Dashed line is the average

# Unfilled Job Openings

Percent with at Least One Unfilled Opening - Seasonally Adjusted



**Current Reading:** 32%

**Historical High** 51% (Sep. 2021, May 2022), **Historical Low** 7% (Aug. 2009)

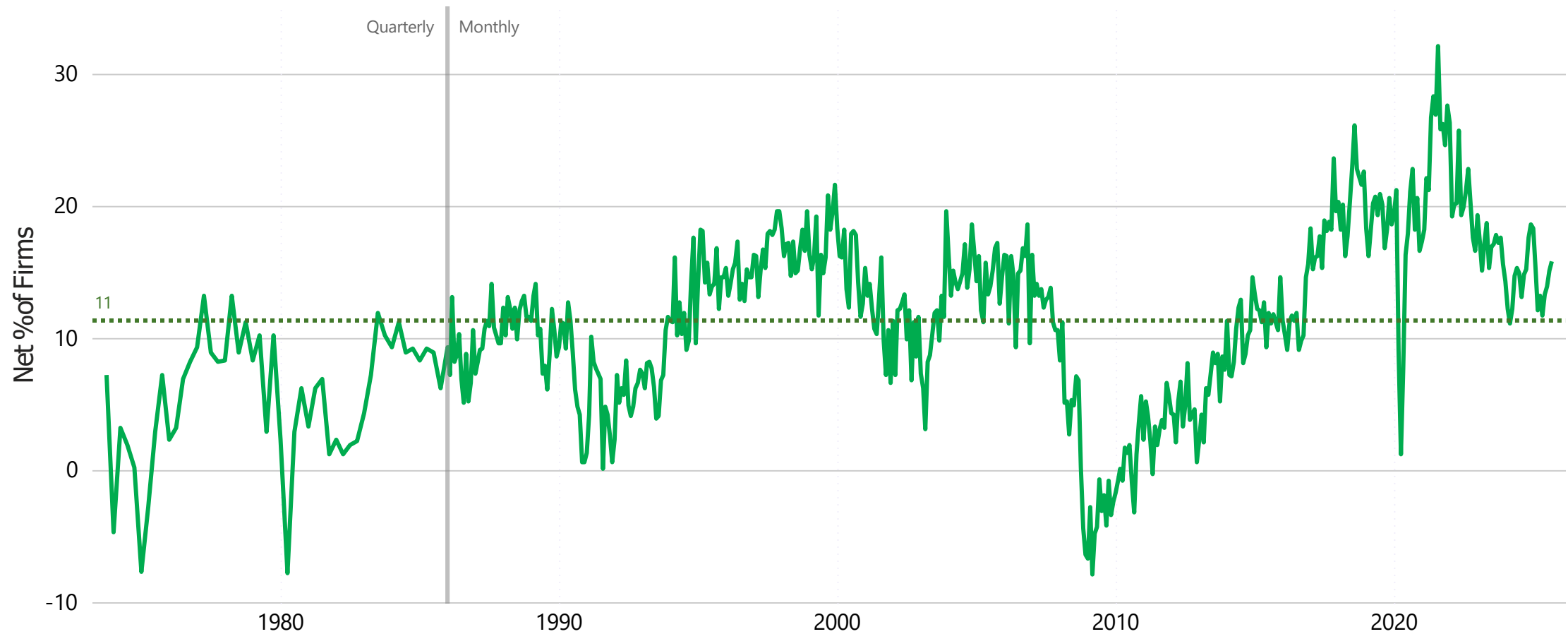
**Survey Question:** Do you have any job openings that you are not able to fill right now?

**Answer Selections:** Yes for skilled labor, Yes for unskilled labor, Yes for both skilled and unskilled labor, No

\* Dashed line is the average

# Hiring Plans

Net Percent ("Increase" minus "Decrease") in Next Three Months - Seasonally Adjusted



**Current Reading:** Net 16%

**Historical High** Net 32% (Aug. 2021), **Historical Low** Net -8% (Jan. 1975, Apr. 1980, Mar. 2009)

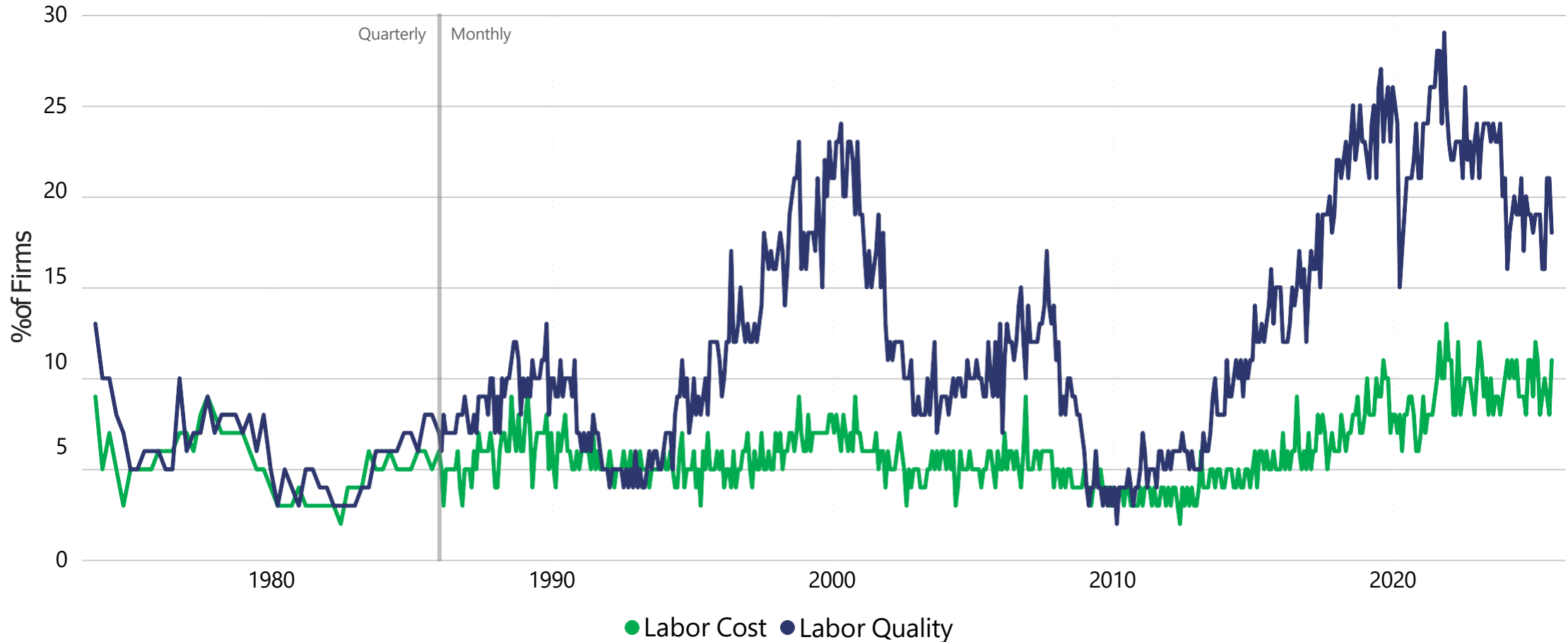
**Survey Question:** In the next three months, do you expect to increase or decrease the total number of people working for you?

**Answer Selections:** Increase, Keep the same, Decrease.

\* Dashed line is the average

# Single Most Important Problem

## Labor Cost and Labor Quality



**Current Reading:** Labor Cost (11%), Labor Quality (18%)

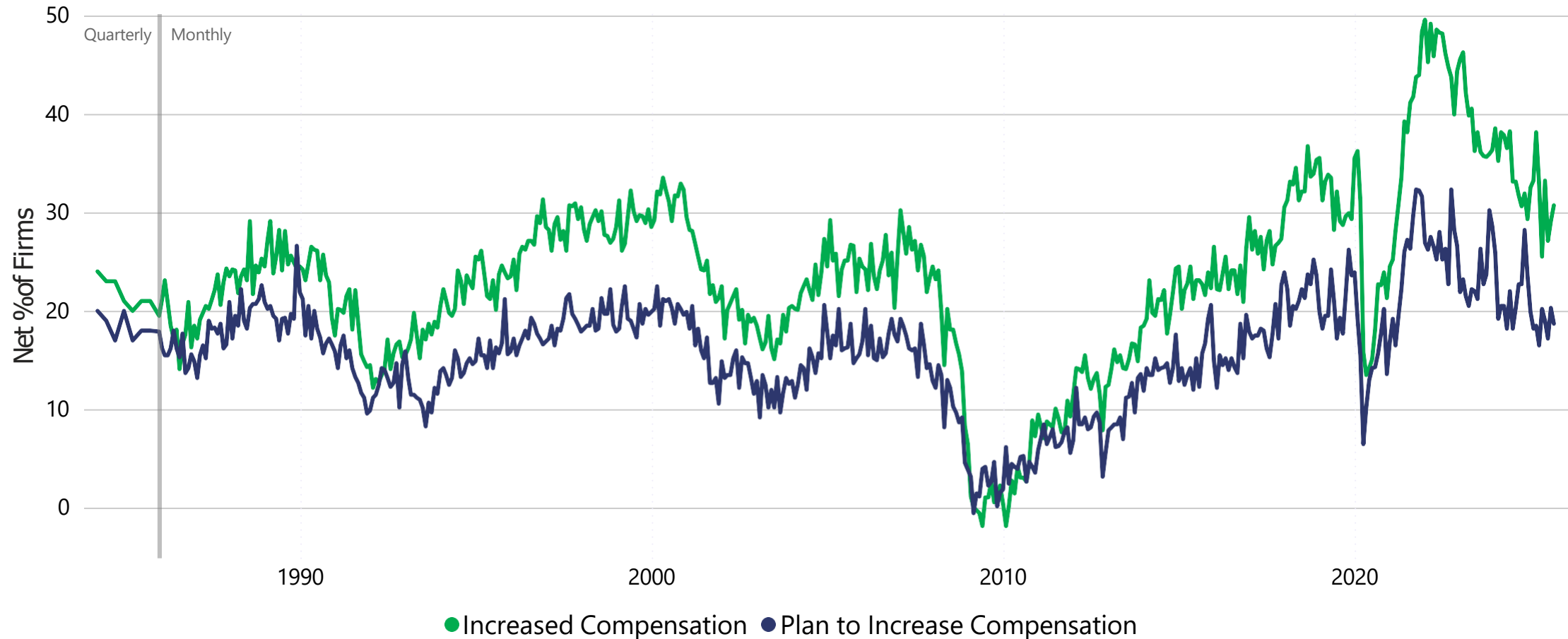
**Historical High** Labor Cost (13%, Dec. 2021), Labor Quality (29%, Nov. 2021), **Historical Low** Labor Cost (2%, Jul. 1982, Jun. 2012), Labor Quality (2%, Mar. 2010)

**Survey Question:** What is the single most important problem facing your business today?

**Answer Selections:** Taxes, Inflation, Poor sales, Financing & Interest rates, Cost of labor, Government regulation(s) & red tape, Competition from large business, Quality of labor, Cost or availability of insurance, other

# Planned and Actual Labor Compensation Changes

Net Percent Actual Last Three Months and Planned Next Three Months - Seasonally Adjusted



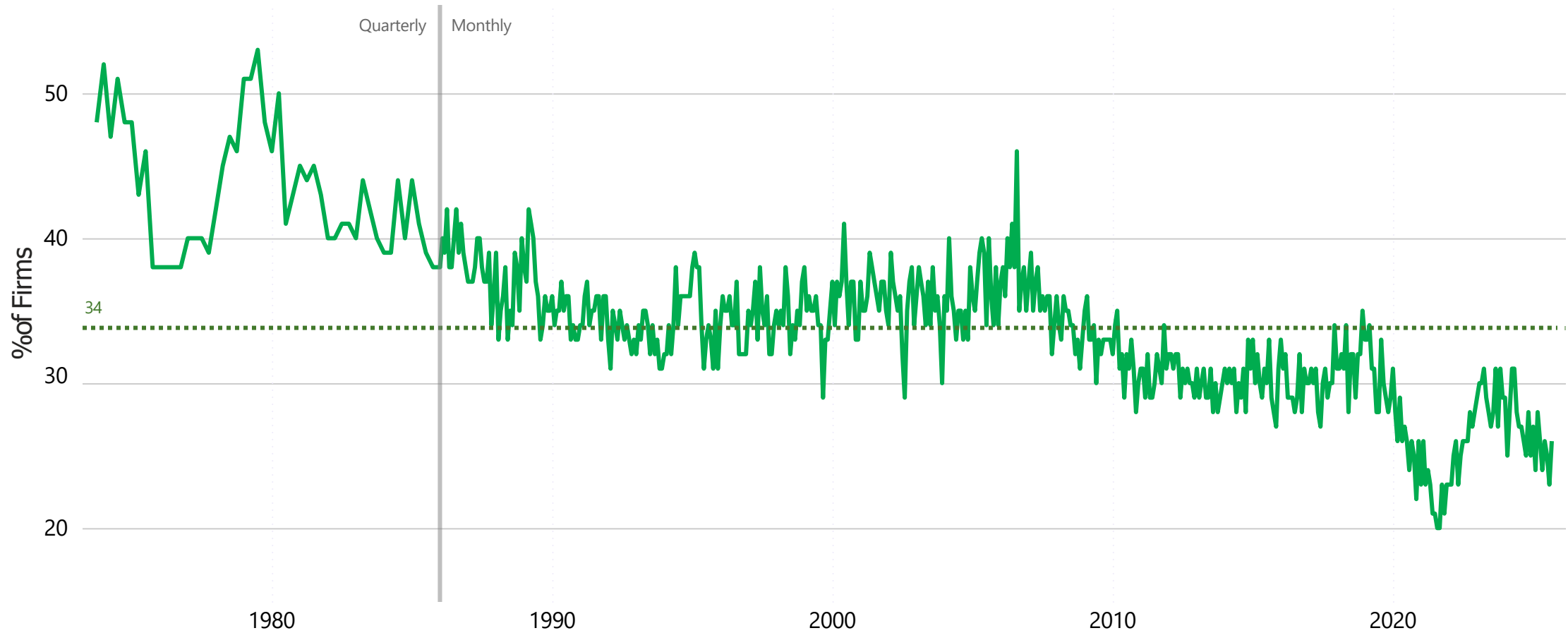
**Current Reading:** Increased Compensation (net 31%), Plan to Increase Compensation (net 19%)

**Historical High** Increased (net 50%, Jan. 2022), Plan to Increase (net 32%, Oct., Nov., Dec., 2021, Oct. 2022), **Historical Low** Increased (net -2%, Jun. 2009, Feb. 2010), Plans to Increase (net -1%, Mar. 2009)

**Survey Questions:** Over the past three months, did you change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.)?  
Do you plan to change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.) during the next three months?

# Regular Borrowers

Percent Borrowing at Least Once Every Three Months

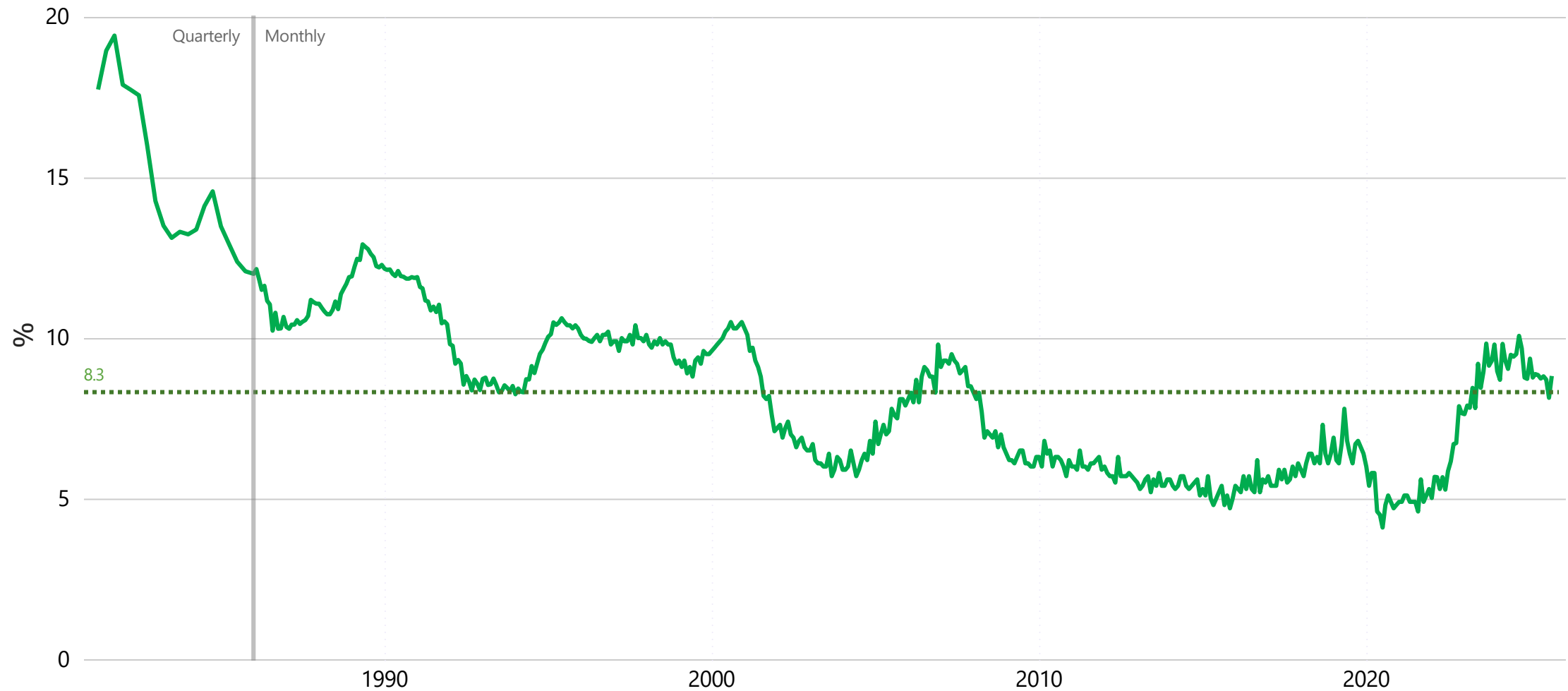


**Current Reading: 26%**

**Historical High 53% (Jul. 1979), Historical Low 20% (Aug., Sep. 2021)**

\* Dashed line is the average

# Average Rate Paid on Short-Term Loans



**Current Reading:** 8.8%

**Historical High** 19.4% (Oct. 1981), **Historical Low** 4.1% (Jul. 2020)

**Survey Question:** 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?

\* Dashed line is the average

# Supply Chain Disruptions - Significant and Moderate



**Current Reading:** Significant (5%), Moderate (18%), Mild (41%), No (35%)

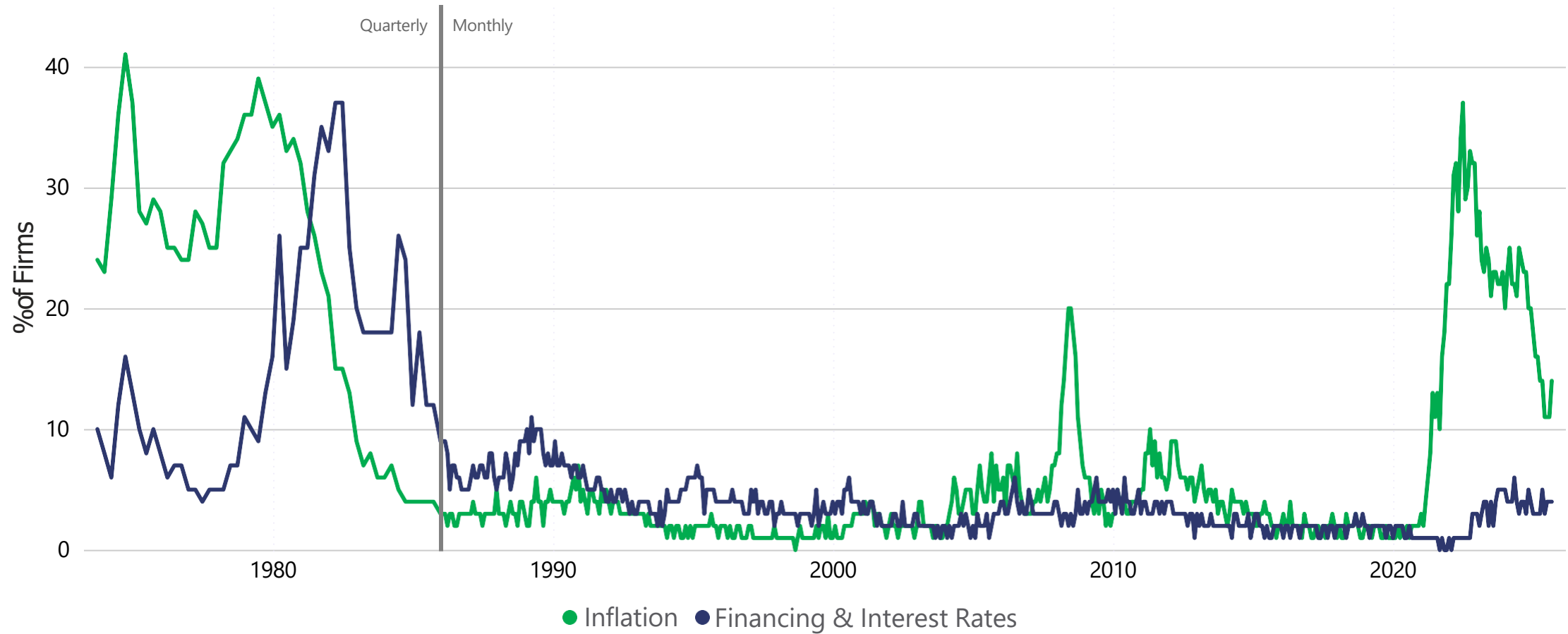
**Survey Question:** Are supply chain disruptions impacting your business?

**Answer Selections:** Significant impact, Moderate impact, Mild impact, No impact

\*Dashed line is average

# Single Most Important Problem

Inflation and Financing



**Current Reading:** Inflation (14%), Financing & Interest rates (4%)

**Historical High** Inflation (41%, Oct. 1974), Financing & Interest rates (37%, Apr., Jul. 1982), **Historical Low** Inflation (0%, Sep. 1998), Financing & Interest rates (0%, Sep., Nov., Dec. 2021, Feb. 2022)

**Survey Question:** What is your single most important problem facing your business today?

**Answer Selections:** Taxes, Inflation, Poor sales, Financing & Interest Rates, Cost of labor, Government regulation(s) & red tape, Competition from large businesses, Quality of labor, Cost or availability of insurance, Other.



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