### NFIB SMALL BUSINESS ECONOMIC TRENDS

**William C. Dunkelberg**  
Holly Wade  

**October 2019**

#### SMALL BUSINESS OPTIMISM INDEX COMPONENTS

<table>
<thead>
<tr>
<th>Index Component</th>
<th>Seasonally Adjusted Level</th>
<th>Change from Last Month</th>
<th>Contribution to Index Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plans to Increase Employment</td>
<td>18%</td>
<td>1</td>
<td>*%</td>
</tr>
<tr>
<td>Plans to Make Capital Outlays</td>
<td>23%</td>
<td>2</td>
<td>*%</td>
</tr>
<tr>
<td>Plans to Increase Inventories</td>
<td>5%</td>
<td>3</td>
<td>*%</td>
</tr>
<tr>
<td>Expect Economy to Improve</td>
<td>10%</td>
<td>1</td>
<td>*%</td>
</tr>
<tr>
<td>Expect Real Sales Higher</td>
<td>17%</td>
<td>1</td>
<td>*%</td>
</tr>
<tr>
<td>Current Inventory</td>
<td>-4%</td>
<td>2</td>
<td>*%</td>
</tr>
<tr>
<td>Current Job Openings</td>
<td>34%</td>
<td>-1</td>
<td>*%</td>
</tr>
<tr>
<td>Expected Credit Conditions</td>
<td>-3%</td>
<td>1</td>
<td>*%</td>
</tr>
<tr>
<td>Now a Good Time to Expand</td>
<td>23%</td>
<td>1</td>
<td>*%</td>
</tr>
<tr>
<td>Earnings Trends</td>
<td>-8%</td>
<td>-5</td>
<td>*%</td>
</tr>
<tr>
<td><strong>Total Change</strong></td>
<td></td>
<td><strong>6</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Based on a Survey of Small and Independent Business Owners*
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 Director, Research and Policy Analysis Holly Wade are responsible for the report.

IN THIS ISSUE

Summary .................................................. 1
Commentary ........................................... 3
Optimism ............................................... 4
Outlook .................................................. 4
Earnings ............................................... 6
Sales ..................................................... 7
Prices .................................................... 8
Employment .......................................... 9
Compensation ........................................ 10
Credit Conditions .................................... 12
Inventories ............................................ 14
Capital Outlays ....................................... 16
Most Important Problem ......................... 18
Survey Profile ........................................ 19
Economic Survey .................................... 20
OPTIMISM INDEX

The Optimism Index rose 0.6 points in October to 102.4, historically a very solid reading. In terms of real economic activity, September was a good month and October solidified that growth picture, with 8 of the 10 Index components advancing, led by GDP-producing plans for job creation, inventory investment, and capital spending. Actual job creation in October exceeded that in September, as small businesses continued to hire and create new jobs. Reports of actual capital spending increased and inventory investment improved from a modest negative level in September. The NFIB Uncertainty Index fell 4 points in October to 78.

Reports of rising labor compensation increased and remained strong historically, and the frequency of plans to raise compensation also rose in October. Reports of higher selling prices remained subdued, so rising labor costs are still not pushing up inflation on Main Street. Twenty-four percent expected credit conditions to remain unchanged or to tighten, only 1 percent expected easier credit conditions. Small business owners didn't expect another Federal Reserve rate cut or felt the cuts had no impact on credit conditions. Overall, the Main Street economic machine continued to push the economy forward.

LABOR MARKETS

Job creation held steady in October, with an average addition of 0.12 workers per firm. Net job creation has faded since February from 0.52 workers per firm to 0.12, no surprise as reports that “finding qualified workers” to fill job openings has been the number one business problem this year. Finding qualified workers remains a top issue with 25 percent reporting this as their number one problem, 2 points below August’s record high.

Sixty percent reported hiring or trying to hire (up 3 points), but 53 percent (88 percent of those hiring or trying to hire) reported few or no “qualified” applicants for the positions they were trying to fill. Main Street continues to create new jobs, pushing the economy forward. However, the high level of unfilled job openings and plans to create new jobs make it clear that the unavailability of qualified labor for all types of jobs is impeding economic growth.

CAPITAL SPENDING

Fifty-nine percent reported capital outlays, up 2 points from September’s reading. Of those making expenditures, 40 percent reported spending on new equipment (up 2 points), 24 percent acquired vehicles (up 1 point), and 18 percent improved or expanded facilities (up 4 points). Seven percent acquired new buildings or land for expansion (unchanged), and 14 percent spent money for new fixtures and furniture (unchanged). Trade policy is impacting many small firms adversely; about 30 percent recently reported negative impacts. Making commitments about production and distribution will be more difficult until import and export prices are stabilized with trade agreements.
SALES AND INVENTORIES
A net 4 percent of all owners (seasonally adjusted) reported higher nominal sales in the past three months, up 2 points. The net percent of owners expecting higher real sales volumes rose 1 point to a net 17 percent of owners. Actual sales volumes have been steady, but there is significant uncertainty about the future; especially with the Fed cutting interest rates, the news preoccupied with a recession, and the political chaos in Washington, D.C.

The net percent of owners reporting inventory increases was unchanged at a net 0 percent, suggesting that the reported increase in sales put pressure on inventory stocks, reducing them.

INFLATION
The net percent of owners raising average selling prices rose 2 points to a net 10 percent, seasonally adjusted. Unadjusted, 10 percent (down 3 points) reported lower average selling prices and 18 percent (down 2 points) reported higher average prices. Price hikes were most frequent in the retail trades (7 percent lower, 24 higher), and construction (6 percent lower, 23 higher). Seasonally adjusted, a net 21 percent plan price hikes (up 6 points). While only 3 percent plan to cut selling prices, 10 percent reported cuts in October, suggesting that most price cutting is an unanticipated, unplanned response to market conditions – a healthy process. On balance, inflationary pressures are weak on Main Street as confirmed by government inflation reports.

COMPENSATION AND EARNINGS
Reports of higher worker compensation rose 1 point to a net 30 percent of all firms. Plans to raise compensation rose 4 points to a net 22 percent. Firms are likely to continue to offer improved compensation to attract and retain qualified workers because it is the only solution in the short term to attract new workers. This creates job vacancies in other firms unless the labor force is growing as it did in October. If vacancies begin to evaporate, it will be an early sign that business is weakening.

The frequency of reports of positive profit trends fell 5 points to a net negative 8 percent reporting quarter on quarter profit improvements. Thirty-five percent of those reporting weaker profits blamed weak sales (up 6 points), 12 percent blamed labor costs (down 1 point), and 12 percent cited lower selling prices (up 4 points). For those reporting higher profits, 43 percent credited sales volumes (down 9 points). Ten percent credited higher selling prices (up 6 points).

CREDIT MARKETS
Three percent of owners reported that all their borrowing needs were not satisfied, up 1 point and near a record low. Twenty-nine percent reported all credit needs met (down 1 point) and 55 percent said they were not interested in a loan. Three percent reported their last loan was harder to get than in previous attempts, also near a record low. One percent reported that financing was their top business problem (down 1 point), a record low. The Fed’s most recent interest rate cut will lower borrowing costs but at these low levels, the rate cut will make many banks less willing to make longer term loans, fearing that interest rates will rise in the future and eliminate the profitability of those loans.
The economy continues to grow around a 2 percent pace. This appears to be a concern for some policy makers, even though the economy is still growing slightly faster than “potential” according to government statistics. Labor shortages are slowing growth significantly in critical sectors like construction, manufacturing, transportation, and wholesale trades. Fed policies to stimulate growth cannot overcome the fact that labor is not available to support more of it. And labor shortages also impact business investment adversely – a new truck, or tractor, or crane is of no value if operators cannot be hired to operate them. The economy is doing well given the labor constraints it faces. Unemployment is very low, incomes are rising, and inflation is low – that’s a good economy.

Fed interest rate cuts have produced the new record high valuations for stocks and bonds that Wall Street wanted. However, the “fundamentals” such as sales and profit growth are not keeping pace with those valuations, making the market vulnerable to substantial fluctuations. The stock market is not the real economy. The Fed hopes that the rate cuts will (1) raise the inflation rate, (2) stimulate investment spending, (3) produce faster growth, and (4) raise consumer spending because they are “wealthier.” But why do they want to raise our cost of living faster? Or, signal concern about a weaker economy and not a good time to invest? Or, grow faster with a shortage of workers which interest rate cuts do not help? Most consumers do not own enough stocks or bonds to have their spending impacted by a stronger stock market, and Fed cuts reduce interest income for tens of millions of consumers. Businesses and consumers only borrow if they have a good use for the money, a good place to invest the money, and the expected income stream to support debt payments. All the “recession” talk, and the Fed’s cautions are not conducive to creating a positive environment for investing in the future.

The economy will be steady at its current level of activity for the next 12 months. Congress will be focused on other matters, and there is usually inaction in Presidential election years. Any significant change in of trade issues will impact financial markets more than the real economy during this period. Adjustments to a new set of “prices” (tariffs, etc.) take time.

On Main Street, small business owners are mostly focused on business, which is good. Labor shortages handicap firms in every industry, but especially in manufacturing and construction. Rising labor costs are becoming a bit more of a problem, but have not yet triggered the surge in price hikes that the Fed has been hoping to see for years now. Authorized government spending has started to contribute more to growth and will continue to in 2020. Consumer sentiment has held up well in spite of the political chaos in Washington D.C. as has consumer spending (lots of jobs). Only a major unexpected disruptive event can dent the economy in the near term.
OPTIMISM INDEX
Based on Ten Survey Indicators
(Seasonally Adjusted 1986=100)

OUTLOOK
Good Time to Expand and Expected General Business Conditions
January Quarter 1974 to October Quarter 2019
(Seasonally Adjusted)
## Small Business Outlook (Continued)

### Outlook for Expansion

Percent Next Three Months “Good Time to Expand”  
*(Seasonally Adjusted)*

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>8</td>
<td>6</td>
<td>9</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>10</td>
<td>10</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td>13</td>
<td>11</td>
<td>11</td>
<td>14</td>
<td>10</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>13</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>2016</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>8</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td>9</td>
<td>7</td>
<td>9</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>2017</td>
<td>25</td>
<td>22</td>
<td>22</td>
<td>24</td>
<td>23</td>
<td>21</td>
<td>23</td>
<td>27</td>
<td>17</td>
<td>23</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>2018</td>
<td>32</td>
<td>32</td>
<td>28</td>
<td>27</td>
<td>34</td>
<td>29</td>
<td>32</td>
<td>34</td>
<td>33</td>
<td>30</td>
<td>29</td>
<td>24</td>
</tr>
<tr>
<td>2019</td>
<td>20</td>
<td>22</td>
<td>23</td>
<td>25</td>
<td>30</td>
<td>24</td>
<td>26</td>
<td>26</td>
<td>22</td>
<td>23</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Most Important Reason for Expansion Outlook

Reason Percent by Expansion Outlook  
*October 2019*

<table>
<thead>
<tr>
<th>Reason</th>
<th>Good Time</th>
<th>Not Good Time</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Conditions</td>
<td>14</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Sales Prospects</td>
<td>4</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Fin. &amp; Interest Rates</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Cost of Expansion</td>
<td>0</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Political Climate</td>
<td>1</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Other/Not Available</td>
<td>1</td>
<td>6</td>
<td>6</td>
</tr>
</tbody>
</table>

### Outlook for General Business Conditions

Net Percent (“Better” Minus “Worse”) Six Months From Now  
*(Seasonally Adjusted)*

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-11</td>
<td>-16</td>
<td>-13</td>
<td>-8</td>
<td>-1</td>
<td>-9</td>
<td>-5</td>
<td>-5</td>
<td>-4</td>
<td>-5</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>2015</td>
<td>0</td>
<td>2</td>
<td>-2</td>
<td>-5</td>
<td>-4</td>
<td>-8</td>
<td>-3</td>
<td>-8</td>
<td>-6</td>
<td>-6</td>
<td>-10</td>
<td>-15</td>
</tr>
<tr>
<td>2016</td>
<td>-21</td>
<td>-21</td>
<td>-17</td>
<td>-18</td>
<td>-13</td>
<td>-9</td>
<td>-5</td>
<td>-12</td>
<td>0</td>
<td>-7</td>
<td>12</td>
<td>50</td>
</tr>
<tr>
<td>2017</td>
<td>48</td>
<td>47</td>
<td>46</td>
<td>38</td>
<td>39</td>
<td>33</td>
<td>37</td>
<td>37</td>
<td>31</td>
<td>32</td>
<td>48</td>
<td>37</td>
</tr>
<tr>
<td>2018</td>
<td>41</td>
<td>43</td>
<td>32</td>
<td>30</td>
<td>37</td>
<td>33</td>
<td>35</td>
<td>34</td>
<td>33</td>
<td>33</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td>2019</td>
<td>6</td>
<td>11</td>
<td>11</td>
<td>13</td>
<td>16</td>
<td>13</td>
<td>20</td>
<td>12</td>
<td>9</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SMALL BUSINESS EARNINGS

EARNINGS
Actual Last Three Months
January Quarter 1974 to October Quarter 2019 (Seasonally Adjusted)

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>-12</td>
<td>-13</td>
<td>-9</td>
<td>-9</td>
<td>-10</td>
<td>-10</td>
<td>-10</td>
<td>-11</td>
<td>-11</td>
<td>-14</td>
<td>-12</td>
<td>-15</td>
</tr>
<tr>
<td>2018</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-1</td>
<td>3</td>
<td>-1</td>
<td>1</td>
<td>-1</td>
<td>-3</td>
<td>-4</td>
<td>-7</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>-5</td>
<td>-9</td>
<td>-8</td>
<td>-3</td>
<td>-1</td>
<td>-7</td>
<td>3</td>
<td>-1</td>
<td>-3</td>
<td>-8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

MOST IMPORTANT REASON FOR LOWER EARNINGS
Percent Reason
October 2019

<table>
<thead>
<tr>
<th>Reason</th>
<th>Current Month</th>
<th>One Year Ago</th>
<th>Two Years Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Volume</td>
<td>9</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>Increased Costs*</td>
<td>7</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Cut Selling Prices</td>
<td>3</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Usual Seasonal Change</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

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

SALES
Actual (Prior Three Months) and Expected (Subsequent Three Months)
January 1974 to October 2019 (Seasonally Adjusted)

ACTUAL SALES CHANGES
Net Percent (“Higher” Minus “Lower”) Last Three Months
Compared to Prior Three Months
(Seasonally Adjusted)

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-9</td>
<td>-6</td>
<td>-6</td>
<td>-4</td>
<td>-3</td>
<td>-2</td>
<td>-3</td>
<td>-3</td>
<td>-4</td>
<td>-2</td>
<td>-3</td>
</tr>
<tr>
<td>2015</td>
<td>-2</td>
<td>-4</td>
<td>-3</td>
<td>-6</td>
<td>5</td>
<td>-6</td>
<td>-6</td>
<td>-4</td>
<td>-1</td>
<td>-7</td>
<td>-4</td>
</tr>
<tr>
<td>2016</td>
<td>-7</td>
<td>-6</td>
<td>-8</td>
<td>-6</td>
<td>-8</td>
<td>-4</td>
<td>-8</td>
<td>-9</td>
<td>-6</td>
<td>-7</td>
<td>-8</td>
</tr>
<tr>
<td>2017</td>
<td>-2</td>
<td>2</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>-4</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>-5</td>
</tr>
<tr>
<td>2018</td>
<td>5</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>15</td>
<td>10</td>
<td>8</td>
<td>10</td>
<td>8</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>2019</td>
<td>4</td>
<td>-1</td>
<td>5</td>
<td>9</td>
<td>9</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>13</td>
<td>2</td>
<td>13</td>
<td>9</td>
<td>15</td>
<td>12</td>
<td>11</td>
<td>7</td>
<td>6</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>2015</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>9</td>
<td>7</td>
<td>5</td>
<td>7</td>
<td>8</td>
<td>2</td>
<td>6</td>
<td>-1</td>
</tr>
<tr>
<td>2016</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>-1</td>
<td>4</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>2017</td>
<td>29</td>
<td>26</td>
<td>18</td>
<td>20</td>
<td>22</td>
<td>17</td>
<td>22</td>
<td>27</td>
<td>15</td>
<td>21</td>
<td>34</td>
</tr>
<tr>
<td>2018</td>
<td>25</td>
<td>28</td>
<td>20</td>
<td>21</td>
<td>31</td>
<td>26</td>
<td>29</td>
<td>26</td>
<td>29</td>
<td>28</td>
<td>24</td>
</tr>
<tr>
<td>2019</td>
<td>16</td>
<td>16</td>
<td>19</td>
<td>20</td>
<td>23</td>
<td>17</td>
<td>22</td>
<td>17</td>
<td>16</td>
<td>17</td>
<td></td>
</tr>
</tbody>
</table>
**SMALL BUSINESS PRICES**

**PRICES**
Actual Last Three Months and Planned Next Three Months
*January Quarter 1974 to October Quarter 2019*  
*(Seasonally Adjusted)*

---

**ACTUAL PRICE CHANGES**
Net Percent ("Higher" Minus "Lower")  
Compared to Three Months Ago  
*(Seasonally Adjusted)*

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>5</td>
<td>4</td>
<td>9</td>
<td>11</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>6</td>
<td>4</td>
<td>7</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>2015</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>-1</td>
</tr>
<tr>
<td>2016</td>
<td>-4</td>
<td>-4</td>
<td>-4</td>
<td>-1</td>
<td>1</td>
<td>2</td>
<td>-2</td>
<td>3</td>
<td>-1</td>
<td>2</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>2017</td>
<td>5</td>
<td>6</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td>1</td>
<td>8</td>
<td>9</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>2018</td>
<td>11</td>
<td>13</td>
<td>16</td>
<td>14</td>
<td>19</td>
<td>14</td>
<td>16</td>
<td>17</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>2019</td>
<td>15</td>
<td>13</td>
<td>12</td>
<td>13</td>
<td>10</td>
<td>17</td>
<td>16</td>
<td>11</td>
<td>8</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>19</td>
<td>22</td>
<td>19</td>
<td>21</td>
<td>21</td>
<td>21</td>
<td>22</td>
<td>19</td>
<td>17</td>
<td>21</td>
<td>20</td>
<td>22</td>
</tr>
<tr>
<td>2015</td>
<td>19</td>
<td>18</td>
<td>15</td>
<td>16</td>
<td>17</td>
<td>18</td>
<td>17</td>
<td>15</td>
<td>14</td>
<td>15</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>2016</td>
<td>16</td>
<td>14</td>
<td>17</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>14</td>
<td>15</td>
<td>18</td>
<td>15</td>
<td>19</td>
<td>24</td>
</tr>
<tr>
<td>2017</td>
<td>21</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>18</td>
<td>21</td>
<td>19</td>
<td>23</td>
<td>20</td>
<td>19</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>2018</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>22</td>
<td>26</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>28</td>
<td>29</td>
<td>25</td>
</tr>
<tr>
<td>2019</td>
<td>27</td>
<td>26</td>
<td>24</td>
<td>21</td>
<td>20</td>
<td>23</td>
<td>22</td>
<td>17</td>
<td>15</td>
<td>20</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**SMALL BUSINESS EMPLOYMENT**

**ACTUAL EMPLOYMENT CHANGES**
Net Percent ("Increase" Minus "Decrease") in the Last Three Months
(Seasonally Adjusted)

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>2015</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>2016</td>
<td>1</td>
<td>-3</td>
<td>0</td>
<td>-1</td>
<td>-1</td>
<td>-2</td>
<td>-2</td>
<td>-3</td>
<td>3</td>
<td>0</td>
<td>-2</td>
<td>4</td>
</tr>
<tr>
<td>2017</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>-1</td>
<td>2</td>
<td>2</td>
<td>-1</td>
<td>3</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>2018</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>3</td>
<td>6</td>
<td>5</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>2019</td>
<td>7</td>
<td>9</td>
<td>12</td>
<td>7</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**QUALIFIED APPLICANTS FOR JOB OPENINGS**
Percent Few or No Qualified Applicants

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>38</td>
<td>40</td>
<td>41</td>
<td>41</td>
<td>46</td>
<td>43</td>
<td>42</td>
<td>46</td>
<td>42</td>
<td>45</td>
<td>45</td>
<td>43</td>
</tr>
<tr>
<td>2015</td>
<td>42</td>
<td>47</td>
<td>42</td>
<td>44</td>
<td>47</td>
<td>44</td>
<td>48</td>
<td>48</td>
<td>45</td>
<td>48</td>
<td>47</td>
<td>48</td>
</tr>
<tr>
<td>2016</td>
<td>45</td>
<td>42</td>
<td>41</td>
<td>46</td>
<td>48</td>
<td>48</td>
<td>46</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>51</td>
<td>44</td>
</tr>
<tr>
<td>2017</td>
<td>47</td>
<td>44</td>
<td>45</td>
<td>48</td>
<td>51</td>
<td>46</td>
<td>52</td>
<td>52</td>
<td>49</td>
<td>52</td>
<td>44</td>
<td>54</td>
</tr>
<tr>
<td>2018</td>
<td>49</td>
<td>47</td>
<td>47</td>
<td>50</td>
<td>48</td>
<td>55</td>
<td>52</td>
<td>55</td>
<td>53</td>
<td>53</td>
<td>53</td>
<td>54</td>
</tr>
<tr>
<td>2019</td>
<td>49</td>
<td>49</td>
<td>54</td>
<td>49</td>
<td>54</td>
<td>50</td>
<td>56</td>
<td>57</td>
<td>50</td>
<td>53</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**EMPLOYMENT**
Planned Next Three Months and Current Job Openings
January Quarter 1974 to October Quarter 2019
(Seasonally Adjusted)
**Small Business Employment (Continued)**

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

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>22</td>
<td>22</td>
<td>22</td>
<td>24</td>
<td>24</td>
<td>26</td>
<td>24</td>
<td>25</td>
<td>21</td>
<td>24</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>2015</td>
<td>26</td>
<td>29</td>
<td>24</td>
<td>27</td>
<td>29</td>
<td>24</td>
<td>25</td>
<td>28</td>
<td>27</td>
<td>27</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>2016</td>
<td>29</td>
<td>28</td>
<td>25</td>
<td>29</td>
<td>27</td>
<td>29</td>
<td>26</td>
<td>30</td>
<td>24</td>
<td>28</td>
<td>31</td>
<td>29</td>
</tr>
<tr>
<td>2017</td>
<td>31</td>
<td>32</td>
<td>30</td>
<td>33</td>
<td>34</td>
<td>30</td>
<td>35</td>
<td>31</td>
<td>30</td>
<td>35</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>2018</td>
<td>34</td>
<td>34</td>
<td>35</td>
<td>35</td>
<td>33</td>
<td>36</td>
<td>37</td>
<td>38</td>
<td>38</td>
<td>38</td>
<td>34</td>
<td>39</td>
</tr>
<tr>
<td>2019</td>
<td>35</td>
<td>37</td>
<td>39</td>
<td>38</td>
<td>38</td>
<td>36</td>
<td>39</td>
<td>35</td>
<td>35</td>
<td>34</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Hiring Plans**
Net Percent (“Increase” Minus “Decrease”) in the Next Three Months  
*(Seasonally Adjusted)*

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11</td>
<td>7</td>
<td>7</td>
<td>8</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td>12</td>
<td>12</td>
<td>11</td>
<td>13</td>
<td>9</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>2016</td>
<td>11</td>
<td>10</td>
<td>9</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>2017</td>
<td>18</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>18</td>
<td>15</td>
<td>19</td>
<td>18</td>
<td>19</td>
<td>18</td>
<td>24</td>
<td>20</td>
</tr>
<tr>
<td>2018</td>
<td>20</td>
<td>18</td>
<td>20</td>
<td>16</td>
<td>18</td>
<td>20</td>
<td>23</td>
<td>26</td>
<td>23</td>
<td>22</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>2019</td>
<td>18</td>
<td>16</td>
<td>18</td>
<td>20</td>
<td>21</td>
<td>19</td>
<td>21</td>
<td>20</td>
<td>17</td>
<td>18</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Small Business Compensation**

**Compensation**
Actual Last Three Months and Planned Next Three Months  
*January 1986 to October 2019 (Seasonally Adjusted)*
ACTUAL COMPENSATION CHANGES
Net Percent (“Increase” Minus “Decrease”) During Last Three Months
(Seasonally Adjusted)

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>19</td>
<td>19</td>
<td>23</td>
<td>20</td>
<td>20</td>
<td>21</td>
<td>21</td>
<td>22</td>
<td>18</td>
<td>20</td>
<td>22</td>
<td>24</td>
</tr>
<tr>
<td>2015</td>
<td>25</td>
<td>20</td>
<td>22</td>
<td>23</td>
<td>25</td>
<td>21</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>22</td>
<td>24</td>
<td>22</td>
</tr>
<tr>
<td>2016</td>
<td>27</td>
<td>22</td>
<td>22</td>
<td>24</td>
<td>26</td>
<td>22</td>
<td>24</td>
<td>24</td>
<td>22</td>
<td>25</td>
<td>21</td>
<td>26</td>
</tr>
<tr>
<td>2017</td>
<td>30</td>
<td>26</td>
<td>28</td>
<td>26</td>
<td>28</td>
<td>24</td>
<td>27</td>
<td>28</td>
<td>25</td>
<td>27</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>2018</td>
<td>31</td>
<td>31</td>
<td>33</td>
<td>33</td>
<td>35</td>
<td>31</td>
<td>32</td>
<td>32</td>
<td>37</td>
<td>34</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td>2019</td>
<td>36</td>
<td>31</td>
<td>33</td>
<td>34</td>
<td>34</td>
<td>28</td>
<td>32</td>
<td>29</td>
<td>29</td>
<td>30</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

COMPENSATION PLANS
Net Percent (“Increase” Minus “Decrease”) in the Next Three Months
(Seasonally Adjusted)

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>12</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>13</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td>14</td>
<td>13</td>
<td>14</td>
<td>14</td>
<td>12</td>
<td>15</td>
<td>12</td>
<td>16</td>
<td>17</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>2016</td>
<td>15</td>
<td>12</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>14</td>
<td>15</td>
<td>14</td>
<td>14</td>
<td>19</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>2017</td>
<td>18</td>
<td>17</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>16</td>
<td>15</td>
<td>18</td>
<td>21</td>
<td>17</td>
<td>23</td>
</tr>
<tr>
<td>2018</td>
<td>24</td>
<td>22</td>
<td>19</td>
<td>21</td>
<td>20</td>
<td>21</td>
<td>22</td>
<td>21</td>
<td>24</td>
<td>23</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>2019</td>
<td>20</td>
<td>18</td>
<td>20</td>
<td>20</td>
<td>24</td>
<td>21</td>
<td>17</td>
<td>19</td>
<td>18</td>
<td>22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PRICES AND LABOR COMPENSATION
Net Percent Price Increase and Net Percent Compensation Increase
(Seasonally Adjusted)
CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago*

January Quarter 1974 to October Quarter 2019

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

REGULAR BORROWERS

Percent Borrowing at Least Once Every Three Months

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>31</td>
<td>30</td>
<td>31</td>
<td>30</td>
<td>31</td>
<td>28</td>
<td>30</td>
<td>29</td>
<td>31</td>
<td>28</td>
<td>33</td>
</tr>
<tr>
<td>2015</td>
<td>33</td>
<td>30</td>
<td>32</td>
<td>30</td>
<td>29</td>
<td>31</td>
<td>30</td>
<td>33</td>
<td>29</td>
<td>28</td>
<td>27</td>
</tr>
<tr>
<td>2016</td>
<td>33</td>
<td>31</td>
<td>32</td>
<td>29</td>
<td>29</td>
<td>29</td>
<td>28</td>
<td>29</td>
<td>32</td>
<td>28</td>
<td>31</td>
</tr>
<tr>
<td>2017</td>
<td>30</td>
<td>31</td>
<td>30</td>
<td>31</td>
<td>28</td>
<td>27</td>
<td>30</td>
<td>31</td>
<td>29</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>2018</td>
<td>31</td>
<td>31</td>
<td>32</td>
<td>31</td>
<td>34</td>
<td>28</td>
<td>32</td>
<td>32</td>
<td>29</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>2019</td>
<td>33</td>
<td>33</td>
<td>34</td>
<td>31</td>
<td>31</td>
<td>28</td>
<td>28</td>
<td>33</td>
<td>30</td>
<td>29</td>
<td></td>
</tr>
</tbody>
</table>

AVAILABILITY OF LOANS

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

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-6</td>
<td>-8</td>
<td>-8</td>
<td>-5</td>
<td>-6</td>
<td>-6</td>
<td>-5</td>
<td>-5</td>
<td>-7</td>
<td>-4</td>
<td>-5</td>
</tr>
<tr>
<td>2015</td>
<td>-4</td>
<td>-3</td>
<td>-5</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-4</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-5</td>
</tr>
<tr>
<td>2016</td>
<td>-5</td>
<td>-5</td>
<td>-5</td>
<td>-4</td>
<td>-5</td>
<td>-4</td>
<td>-4</td>
<td>-5</td>
<td>-4</td>
<td>-6</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>-5</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-3</td>
<td>-3</td>
<td>-3</td>
<td>-3</td>
<td>-6</td>
<td>-4</td>
<td>-4</td>
</tr>
<tr>
<td>2018</td>
<td>-3</td>
<td>-3</td>
<td>-4</td>
<td>-5</td>
<td>-5</td>
<td>-2</td>
<td>-4</td>
<td>-5</td>
<td>-3</td>
<td>-4</td>
<td>-5</td>
</tr>
<tr>
<td>2019</td>
<td>-4</td>
<td>-6</td>
<td>-6</td>
<td>-4</td>
<td>-4</td>
<td>-2</td>
<td>-3</td>
<td>-1</td>
<td>-4</td>
<td>-4</td>
<td></td>
</tr>
</tbody>
</table>
BORROWING NEEDS SATISFITED
Percent of All Businesses Last Three Months Satisfied/Percent of All Businesses Last Three Months Not Satisfied
(All Borrowers)

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>31/5</td>
<td>29/5</td>
<td>30/5</td>
<td>30/5</td>
<td>30/5</td>
<td>27/6</td>
<td>30/6</td>
<td>28/4</td>
<td>28/6</td>
<td>29/4</td>
<td>29/4</td>
<td>32/4</td>
</tr>
<tr>
<td>2015</td>
<td>32/4</td>
<td>33/3</td>
<td>35/5</td>
<td>31/4</td>
<td>30/4</td>
<td>32/5</td>
<td>32/4</td>
<td>33/3</td>
<td>30/2</td>
<td>30/3</td>
<td>32/3</td>
<td>32/4</td>
</tr>
<tr>
<td>2016</td>
<td>35/3</td>
<td>31/4</td>
<td>31/4</td>
<td>31/4</td>
<td>32/5</td>
<td>30/3</td>
<td>29/4</td>
<td>32/6</td>
<td>29/4</td>
<td>30/4</td>
<td>29/4</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>31/4</td>
<td>30/3</td>
<td>32/4</td>
<td>32/3</td>
<td>31/3</td>
<td>27/4</td>
<td>31/3</td>
<td>34/3</td>
<td>33/2</td>
<td>29/4</td>
<td>32/4</td>
<td>32/3</td>
</tr>
<tr>
<td>2018</td>
<td>31/3</td>
<td>32/2</td>
<td>31/4</td>
<td>32/4</td>
<td>37/4</td>
<td>30/3</td>
<td>32/3</td>
<td>33/3</td>
<td>27/3</td>
<td>30/3</td>
<td>32/3</td>
<td>32/4</td>
</tr>
<tr>
<td>2019</td>
<td>33/3</td>
<td>34/3</td>
<td>33/3</td>
<td>32/4</td>
<td>34/3</td>
<td>29/3</td>
<td>28/3</td>
<td>31/4</td>
<td>30/2</td>
<td>29/3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-7</td>
<td>-7</td>
<td>-7</td>
<td>-6</td>
<td>-7</td>
<td>-7</td>
<td>-5</td>
<td>-5</td>
<td>-7</td>
<td>-5</td>
<td>-6</td>
<td>-5</td>
</tr>
<tr>
<td>2015</td>
<td>-5</td>
<td>-4</td>
<td>-6</td>
<td>-4</td>
<td>-4</td>
<td>-4</td>
<td>-5</td>
<td>-7</td>
<td>-6</td>
<td>-5</td>
<td>-4</td>
<td>-6</td>
</tr>
<tr>
<td>2016</td>
<td>-7</td>
<td>-7</td>
<td>-6</td>
<td>-6</td>
<td>-6</td>
<td>-6</td>
<td>-5</td>
<td>-5</td>
<td>-7</td>
<td>-6</td>
<td>-5</td>
<td>-6</td>
</tr>
<tr>
<td>2017</td>
<td>-3</td>
<td>-3</td>
<td>-3</td>
<td>-4</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-3</td>
<td>-4</td>
<td>-5</td>
<td>-4</td>
<td>-4</td>
</tr>
<tr>
<td>2018</td>
<td>-4</td>
<td>-3</td>
<td>-6</td>
<td>-6</td>
<td>-5</td>
<td>-4</td>
<td>-4</td>
<td>-6</td>
<td>-5</td>
<td>-5</td>
<td>-5</td>
<td>-6</td>
</tr>
<tr>
<td>2019</td>
<td>-5</td>
<td>-5</td>
<td>-7</td>
<td>-4</td>
<td>-5</td>
<td>-3</td>
<td>-4</td>
<td>-2</td>
<td>-4</td>
<td>-3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

INTEREST RATES
Relative Rates and Actual Rates Last Three Months
January Quarter 1974 to October Quarter 2019
SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

RELATIVE INTEREST RATE PAID BY REGULAR BORROWERS*

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

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>-1</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>-1</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>2017</td>
<td>11</td>
<td>9</td>
<td>9</td>
<td>11</td>
<td>11</td>
<td>8</td>
<td>11</td>
<td>8</td>
<td>10</td>
<td>8</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>2018</td>
<td>12</td>
<td>13</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>14</td>
<td>17</td>
<td>16</td>
<td>17</td>
<td>17</td>
<td>19</td>
<td>24</td>
</tr>
<tr>
<td>2019</td>
<td>20</td>
<td>17</td>
<td>17</td>
<td>13</td>
<td>12</td>
<td>10</td>
<td>16</td>
<td>6</td>
<td>3</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Borrowing at Least Once Every Three Months.

ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

Average Interest Rate Paid

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>5.6</td>
<td>5.4</td>
<td>5.3</td>
<td>5.4</td>
<td>5.7</td>
<td>5.7</td>
<td>5.4</td>
<td>5.3</td>
<td>5.4</td>
<td>5.5</td>
<td>5.6</td>
<td>5.1</td>
</tr>
<tr>
<td>2015</td>
<td>5.3</td>
<td>5.1</td>
<td>5.7</td>
<td>5.0</td>
<td>4.8</td>
<td>5.0</td>
<td>5.2</td>
<td>5.4</td>
<td>4.8</td>
<td>5.1</td>
<td>4.7</td>
<td>5.0</td>
</tr>
<tr>
<td>2016</td>
<td>5.4</td>
<td>5.3</td>
<td>5.2</td>
<td>5.7</td>
<td>5.3</td>
<td>5.7</td>
<td>5.3</td>
<td>5.2</td>
<td>6.2</td>
<td>5.2</td>
<td>5.6</td>
<td>5.5</td>
</tr>
<tr>
<td>2017</td>
<td>5.7</td>
<td>5.4</td>
<td>5.4</td>
<td>5.4</td>
<td>5.9</td>
<td>5.6</td>
<td>5.9</td>
<td>5.5</td>
<td>5.6</td>
<td>6.0</td>
<td>5.7</td>
<td>6.1</td>
</tr>
<tr>
<td>2018</td>
<td>5.9</td>
<td>5.7</td>
<td>6.1</td>
<td>6.4</td>
<td>6.4</td>
<td>6.1</td>
<td>6.3</td>
<td>6.1</td>
<td>7.3</td>
<td>6.4</td>
<td>6.1</td>
<td>6.4</td>
</tr>
<tr>
<td>2019</td>
<td>6.9</td>
<td>6.2</td>
<td>6.1</td>
<td>6.7</td>
<td>7.8</td>
<td>6.8</td>
<td>6.4</td>
<td>6.1</td>
<td>6.7</td>
<td>6.8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SMALL BUSINESS INVENTORIES

INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)
January Quarter 1974 to October Quarter 2019
(Seasonally Adjusted)
## SMALL BUSINESS INVENTORIES (CONTINUED)

### ACTUAL INVENTORY CHANGES

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-4</td>
<td>-3</td>
<td>-7</td>
<td>-6</td>
<td>-3</td>
<td>-4</td>
<td>-2</td>
<td>-3</td>
<td>-7</td>
<td>-1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2015</td>
<td>2</td>
<td>1</td>
<td>-5</td>
<td>-1</td>
<td>-4</td>
<td>0</td>
<td>2</td>
<td>-2</td>
<td>0</td>
<td>-2</td>
<td>-4</td>
<td>0</td>
</tr>
<tr>
<td>2016</td>
<td>-2</td>
<td>-3</td>
<td>-3</td>
<td>-5</td>
<td>-6</td>
<td>-6</td>
<td>-5</td>
<td>0</td>
<td>-4</td>
<td>-3</td>
<td>-3</td>
<td>3</td>
</tr>
<tr>
<td>2017</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>-1</td>
<td>-1</td>
<td>-3</td>
<td>1</td>
<td>1</td>
<td>-2</td>
<td>0</td>
<td>-2</td>
<td>-2</td>
</tr>
<tr>
<td>2018</td>
<td>4</td>
<td>7</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>-2</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>2019</td>
<td>7</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### INVENTORY SATISFACTION

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-2</td>
<td>-5</td>
<td>-2</td>
<td>-2</td>
<td>-3</td>
<td>-2</td>
<td>-3</td>
<td>-2</td>
<td>0</td>
<td>-3</td>
<td>-2</td>
<td>-2</td>
</tr>
<tr>
<td>2015</td>
<td>-1</td>
<td>-3</td>
<td>-7</td>
<td>-2</td>
<td>-1</td>
<td>-4</td>
<td>-6</td>
<td>-6</td>
<td>-5</td>
<td>-4</td>
<td>-5</td>
<td>-4</td>
</tr>
<tr>
<td>2016</td>
<td>-2</td>
<td>-2</td>
<td>-5</td>
<td>-5</td>
<td>-4</td>
<td>-4</td>
<td>-4</td>
<td>-2</td>
<td>-7</td>
<td>-4</td>
<td>-4</td>
<td>-3</td>
</tr>
<tr>
<td>2017</td>
<td>-5</td>
<td>-2</td>
<td>-5</td>
<td>-3</td>
<td>-6</td>
<td>-3</td>
<td>-2</td>
<td>-5</td>
<td>-3</td>
<td>-5</td>
<td>-2</td>
<td>-2</td>
</tr>
<tr>
<td>2018</td>
<td>-5</td>
<td>-3</td>
<td>-6</td>
<td>-4</td>
<td>-4</td>
<td>0</td>
<td>-3</td>
<td>-3</td>
<td>-1</td>
<td>-2</td>
<td>-5</td>
<td>-1</td>
</tr>
<tr>
<td>2019</td>
<td>-3</td>
<td>-2</td>
<td>-6</td>
<td>-4</td>
<td>-4</td>
<td>0</td>
<td>-3</td>
<td>-6</td>
<td>-6</td>
<td>-4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### INVENTORY PLANS

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-2</td>
<td>-5</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>-1</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>2015</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>-4</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>2016</td>
<td>-1</td>
<td>-1</td>
<td>-2</td>
<td>0</td>
<td>-1</td>
<td>-3</td>
<td>0</td>
<td>1</td>
<td>-7</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>2017</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>7</td>
<td>4</td>
<td>7</td>
<td>-1</td>
</tr>
<tr>
<td>2018</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>6</td>
<td>4</td>
<td>10</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>2019</td>
<td>1</td>
<td>1</td>
<td>-1</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 Quarter 1974 to October Quarter 2019
(Seasonally Adjusted)

ACTUAL CAPITAL EXPENDITURES
Percent Making a Capital Expenditure During the Last Six Months

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>59</td>
<td>57</td>
<td>56</td>
<td>57</td>
<td>55</td>
<td>54</td>
<td>55</td>
<td>58</td>
<td>56</td>
<td>56</td>
<td>57</td>
<td>60</td>
</tr>
<tr>
<td>2015</td>
<td>59</td>
<td>60</td>
<td>58</td>
<td>60</td>
<td>54</td>
<td>58</td>
<td>61</td>
<td>58</td>
<td>58</td>
<td>58</td>
<td>62</td>
<td>62</td>
</tr>
<tr>
<td>2016</td>
<td>61</td>
<td>58</td>
<td>59</td>
<td>60</td>
<td>58</td>
<td>57</td>
<td>59</td>
<td>57</td>
<td>55</td>
<td>57</td>
<td>55</td>
<td>63</td>
</tr>
<tr>
<td>2017</td>
<td>59</td>
<td>62</td>
<td>64</td>
<td>59</td>
<td>62</td>
<td>57</td>
<td>57</td>
<td>60</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>61</td>
</tr>
<tr>
<td>2018</td>
<td>61</td>
<td>66</td>
<td>58</td>
<td>61</td>
<td>62</td>
<td>59</td>
<td>58</td>
<td>56</td>
<td>60</td>
<td>59</td>
<td>61</td>
<td>61</td>
</tr>
<tr>
<td>2019</td>
<td>60</td>
<td>58</td>
<td>60</td>
<td>58</td>
<td>64</td>
<td>54</td>
<td>57</td>
<td>59</td>
<td>57</td>
<td>59</td>
<td>59</td>
<td></td>
</tr>
</tbody>
</table>
## Type of Capital Expenditures Made

### Percent Purchasing or Leasing During Last Six Months

<table>
<thead>
<tr>
<th>Type</th>
<th>Current</th>
<th>One Year Ago</th>
<th>Two Years Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>24</td>
<td>26</td>
<td>24</td>
</tr>
<tr>
<td>Equipment</td>
<td>40</td>
<td>43</td>
<td>41</td>
</tr>
<tr>
<td>Furniture or Fixtures</td>
<td>14</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>Add. Bldgs. or Land</td>
<td>7</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Improved Bldgs. or Land</td>
<td>18</td>
<td>18</td>
<td>16</td>
</tr>
</tbody>
</table>

## Amount of Capital Expenditures Made

### Percent Distribution of Per Firm Expenditures During the Last Six Months

<table>
<thead>
<tr>
<th>Amount</th>
<th>Current</th>
<th>One Year Ago</th>
<th>Two Years Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1 to $999</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>$1,000 to $4,999</td>
<td>7</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>$5,000 to $9,999</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>$10,000 to $49,999</td>
<td>18</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>11</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>$100,000 +</td>
<td>14</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>No Answer</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

## Capital Expenditure Plans

### Percent Planning a Capital Expenditure During Next Three to Six Months

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>27</td>
<td>26</td>
<td>29</td>
<td>27</td>
<td>28</td>
<td>30</td>
<td>28</td>
<td>32</td>
<td>27</td>
<td>27</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>2018</td>
<td>29</td>
<td>29</td>
<td>26</td>
<td>29</td>
<td>30</td>
<td>29</td>
<td>30</td>
<td>33</td>
<td>30</td>
<td>30</td>
<td>29</td>
<td>25</td>
</tr>
<tr>
<td>2019</td>
<td>26</td>
<td>27</td>
<td>27</td>
<td>27</td>
<td>30</td>
<td>26</td>
<td>28</td>
<td>28</td>
<td>27</td>
<td>29</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SINGLE MOST IMPORTANT PROBLEM

October 2019

<table>
<thead>
<tr>
<th>Problem</th>
<th>Current</th>
<th>One Year Ago</th>
<th>Survey High</th>
<th>Survey Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>15</td>
<td>16</td>
<td>32</td>
<td>8</td>
</tr>
<tr>
<td>Inflation</td>
<td>2</td>
<td>2</td>
<td>41</td>
<td>0</td>
</tr>
<tr>
<td>Poor Sales</td>
<td>8</td>
<td>7</td>
<td>34</td>
<td>2</td>
</tr>
<tr>
<td>Fin. &amp; Interest Rates</td>
<td>1</td>
<td>2</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>Cost of Labor</td>
<td>10</td>
<td>9</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Govt. Reqs. &amp; Red Tape</td>
<td>13</td>
<td>14</td>
<td>27</td>
<td>4</td>
</tr>
<tr>
<td>Comp. From Large Bus.</td>
<td>10</td>
<td>9</td>
<td>14</td>
<td>4</td>
</tr>
<tr>
<td>Quality of Labor</td>
<td>25</td>
<td>23</td>
<td>27</td>
<td>3</td>
</tr>
<tr>
<td>Cost/Avail. of Insurance</td>
<td>9</td>
<td>9</td>
<td>29</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>9</td>
<td>31</td>
<td>1</td>
</tr>
</tbody>
</table>

SELECTED SINGLE MOST IMPORTANT PROBLEM
Insurance, Big Business Competition, Inflation, and Regulation
January Quarter 1974 to October Quarter 2019

SELECTED SINGLE MOST IMPORTANT PROBLEM
Sales, Fin. & Interest Rates, Labor Cost, Labor Quality, and Taxes
January Quarter 1974 to October Quarter 2019
SURVEY PROFILE

OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

Actual Number of Firms

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1864</td>
<td>792</td>
<td>685</td>
<td>1699</td>
<td>678</td>
<td>672</td>
<td>1645</td>
<td>598</td>
<td>608</td>
<td>1502</td>
<td>615</td>
<td>568</td>
</tr>
<tr>
<td>2015</td>
<td>1663</td>
<td>716</td>
<td>575</td>
<td>1500</td>
<td>616</td>
<td>620</td>
<td>1495</td>
<td>656</td>
<td>556</td>
<td>1411</td>
<td>601</td>
<td>509</td>
</tr>
<tr>
<td>2016</td>
<td>1438</td>
<td>756</td>
<td>727</td>
<td>1644</td>
<td>700</td>
<td>735</td>
<td>1703</td>
<td>730</td>
<td>723</td>
<td>1702</td>
<td>724</td>
<td>619</td>
</tr>
<tr>
<td>2017</td>
<td>1873</td>
<td>764</td>
<td>704</td>
<td>1618</td>
<td>699</td>
<td>624</td>
<td>1533</td>
<td>713</td>
<td>629</td>
<td>1513</td>
<td>544</td>
<td>495</td>
</tr>
<tr>
<td>2018</td>
<td>1658</td>
<td>642</td>
<td>570</td>
<td>1554</td>
<td>562</td>
<td>665</td>
<td>1718</td>
<td>680</td>
<td>642</td>
<td>1743</td>
<td>700</td>
<td>621</td>
</tr>
<tr>
<td>2019</td>
<td>1740</td>
<td>526</td>
<td>643</td>
<td>1735</td>
<td>650</td>
<td>606</td>
<td>1502</td>
<td>680</td>
<td>603</td>
<td>1618</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

Industry of Small Business

Number of Full and Part-Time Employees

Percent

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>10.4</td>
<td>10.2</td>
<td>10.5</td>
<td>10.1</td>
<td>10.3</td>
<td>10.4</td>
</tr>
<tr>
<td>Retail</td>
<td>25.0</td>
<td>24.8</td>
<td>24.5</td>
<td>24.2</td>
<td>24.1</td>
<td>23.9</td>
</tr>
<tr>
<td>Wholesale</td>
<td>6.9</td>
<td>6.6</td>
<td>6.6</td>
<td>6.8</td>
<td>6.5</td>
<td>6.4</td>
</tr>
<tr>
<td>Transportation</td>
<td>4.7</td>
<td>4.6</td>
<td>4.5</td>
<td>4.6</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6.0</td>
<td>5.9</td>
<td>5.8</td>
<td>5.7</td>
<td>5.6</td>
<td>5.5</td>
</tr>
<tr>
<td>Construction</td>
<td>4.2</td>
<td>4.1</td>
<td>4.2</td>
<td>4.2</td>
<td>4.1</td>
<td>4.1</td>
</tr>
<tr>
<td>Professional</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Services</td>
<td>7.1</td>
<td>6.9</td>
<td>6.9</td>
<td>7.0</td>
<td>6.9</td>
<td>7.0</td>
</tr>
<tr>
<td>Financial</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
</tbody>
</table>

Percent

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>5.4</td>
<td>5.5</td>
<td>5.6</td>
<td>5.7</td>
<td>5.8</td>
<td>5.9</td>
</tr>
<tr>
<td>Two</td>
<td>15.0</td>
<td>14.8</td>
<td>14.5</td>
<td>14.2</td>
<td>14.1</td>
<td>14.0</td>
</tr>
<tr>
<td>Three - Five</td>
<td>25.0</td>
<td>24.8</td>
<td>24.5</td>
<td>24.2</td>
<td>24.1</td>
<td>23.9</td>
</tr>
<tr>
<td>Six - Nine</td>
<td>20.0</td>
<td>19.8</td>
<td>19.5</td>
<td>19.2</td>
<td>19.1</td>
<td>19.0</td>
</tr>
<tr>
<td>Ten - Fourteen</td>
<td>5.0</td>
<td>4.8</td>
<td>4.5</td>
<td>4.2</td>
<td>4.1</td>
<td>4.0</td>
</tr>
<tr>
<td>Fifteen - Nineteen</td>
<td>3.0</td>
<td>2.9</td>
<td>2.8</td>
<td>2.7</td>
<td>2.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Twenty - Thirty Nine</td>
<td>1.5</td>
<td>1.4</td>
<td>1.3</td>
<td>1.2</td>
<td>1.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Forty Or More</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>No Reply</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
</tbody>
</table>
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
<table>
<thead>
<tr>
<th>Question</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are...loans easier or harder to get than they were three months ago?</td>
<td>12</td>
</tr>
<tr>
<td>During the last three months, was your firm able to satisfy its</td>
<td>13</td>
</tr>
<tr>
<td>borrowing needs?</td>
<td></td>
</tr>
<tr>
<td>Do you expect to find it easier or harder to obtain your required</td>
<td>13</td>
</tr>
<tr>
<td>financing during the next three months?</td>
<td></td>
</tr>
<tr>
<td>If you borrow money regularly (at least once every three months) as</td>
<td>14</td>
</tr>
<tr>
<td>part of your business activity, how does the rate of interest payable</td>
<td></td>
</tr>
<tr>
<td>on your most recent loan compare with that paid three months ago?</td>
<td></td>
</tr>
<tr>
<td>If you borrowed within the last three months for business purposes,</td>
<td>14</td>
</tr>
<tr>
<td>and the loan maturity (pay back period) was 1 year or less, what</td>
<td></td>
</tr>
<tr>
<td>interest rate did you pay?</td>
<td></td>
</tr>
<tr>
<td>During the last three months, did you increase or decrease your inventories?</td>
<td>15</td>
</tr>
<tr>
<td>At the present time, do you feel your inventories are too large,</td>
<td>15</td>
</tr>
<tr>
<td>about right, or inadequate?</td>
<td></td>
</tr>
<tr>
<td>Looking ahead to the next three months to six months, do you expect,</td>
<td>15</td>
</tr>
<tr>
<td>on balance, to add to your inventories, keep them about the same, or</td>
<td></td>
</tr>
<tr>
<td>decrease them?</td>
<td></td>
</tr>
<tr>
<td>During the last six months, has your firm made any capital expenditures</td>
<td>16</td>
</tr>
<tr>
<td>to improve or purchase equipment, buildings, or land?</td>
<td></td>
</tr>
<tr>
<td>If [your firm made any capital expenditures], what was the total cost</td>
<td>17</td>
</tr>
<tr>
<td>of all these projects?</td>
<td></td>
</tr>
<tr>
<td>Looking ahead to the next three to six months, do you expect to make</td>
<td>17</td>
</tr>
<tr>
<td>any capital expenditures for plant and/or physical equipment?</td>
<td></td>
</tr>
<tr>
<td>What is the single most important problem facing your business today?</td>
<td>18</td>
</tr>
<tr>
<td>Please classify your major business activity, using one of the categories of example below</td>
<td>19</td>
</tr>
<tr>
<td>How many employees do you have full and part-time, including yourself?</td>
<td>19</td>
</tr>
</tbody>
</table>