July 2026

NFIB

SMALL BUSINESS ECONOMIC TRENDS

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SMALL BUSINESS OPTIMISM INDEX COMPONENTS

Index Component	Seasonally Adjusted Level	Change from Last Month	Contribution to Index Change
Plans to Increase Employment (net)	20%	9	*
Plans to Make Capital Outlays	25%	5	*
Plans to Increase Inventories (net)	1%	4	*
Expect Economy to Improve (net)	15%	2	*
Expect Real Sales Higher (net)	7%	-2	*
Current Inventory-too low (net)	-2%	-2	*
Current Job Openings	36%	4	*
Expected Credit Conditions (net)	-4%	1	*
Good Time to Expand	12%	4	*
Earnings Trends (net)	-16%	4	*
Total Change		29	

Based on a Survey of Small and Independent Business Owners

NFIB SMALL BUSINESS ECONOMIC TRENDS

NFIB Research Center has collected Small Business Economic Trends Data with Quarterly surveys since 1973 and monthly surveys since 1986. The sample is drawn from the membership files of the National Federation of Independent Business (NFIB). Each was mailed a questionnaire and one reminder. Subscriptions for twelve monthly SBET issues are $250. Historical and unadjusted data are available, along with a copy of the questionnaire, from the NFIB Research Center. You may reproduce Small Business Economic Trends items if you cite the publication name and date and note it is a copyright of the NFIB Research Center. *ISBS #0940791-24-2.* *Chief Economist William C. Dunkelberg, Executive Director of the NFIB Research Center Holly Wade, and Director of Research & Policy Analysis Peter Hansen are responsible for the report.*

IN THIS ISSUE

SUMMARY

OPTIMISM INDEX

The Small Business Optimism Index for July was 99.8, up 2.4 points from June and rising above its 52-year average of 98.0. This marks the highest level since August 2025. Of the 10 Optimism Index components, eight increased, and two decreased. Hiring plans improved substantially and contributed most to the rise in the Index. Real sales expectations and reports of inventory levels as “too low” both fell by 2 points.

UNCERTAINTY INDEX

Uncertainty also rose in July. The Uncertainty Index rose 2 points from June to 91, remaining well above its historical average of 68. The rise was driven by an increase in owners reporting uncertainty about whether it is a good time to expand and capital expenditure plans.

LABOR MARKETS

The Employment Index rose 1.9 points in July, registering 102.1 in July compared to 100.2 in June. This is the first increase following four consecutive months of decline. The current reading is now above the 2025 average of 101.2 and the historical average of 100.0. In July, 36% (seasonally adjusted) of all owners reported job openings they could not fill in the current period, up 4 points from June and the highest reading since June 2025. Thirty-one percent have openings for skilled workers (up 4 points), and 14% have openings for unskilled labor (up 2 points). Looking ahead, a seasonally adjusted net 20% of owners plan to create new jobs over the next three months, up 9 points from June. Hiring plans are at their highest level since October 2022 and are 9 points above the historical average. In contrast to the forward-looking plans, the actual July hiring activity declined 1 point from June as 61% of owners reported hiring or trying to hire in July. Fifty-one percent of owners (85% of those hiring or trying to hire) reported few or no qualified applicants for the positions they were trying to fill (unchanged). Thirty-two percent of owners reported few qualified applicants for their open positions (up 5 points), and 19% reported none (down 5 points). In July, 27% of small business owners identified “labor quality or availability” as their single most important problem, up 8 points from June and 15 points above the historical average of 12%. While reports of labor quality or availability as the single most important problem jumped in July, reports of labor costs were unchanged. Eight percent of business owners reported labor costs as their single most important problem, unchanged from June.

COMPENSATION

In July, both labor compensation measures rose modestly. A seasonally adjusted net 31% reported raising compensation, up 3 points from June. A net 19% (seasonally adjusted) plan to raise compensation in the next three months, up 2 points from June. Both actual and planned compensation measures are above their historical averages.

This survey was conducted in July 2026. A sample of 10,000 small-business owners/members was drawn. Eight hundred eighty-seven (887) usable responses were received — a response rate of 8.9 percent.

CAPITAL SPENDING

Both actual and planned capital expenditures increased in July. Fifty-four percent of small business owners reported making capital outlays in the last six months, up 3 points from June. Of those making expenditures, 37% reported spending on new equipment (up 4 points), 25% acquired vehicles (unchanged), and 14% improved or expanded facilities (up 4 points). Twelve percent spent money on new fixtures and furniture (up 2 points), and 4% acquired new buildings or land for expansion (down 1 point). Twenty-five percent (seasonally adjusted) of small business owners plan to make capital outlays in the next six months, up 5 points from June and the highest reading since December 2024.

SALES AND INVENTORIES

The sales metrics were less positive than most others, with flat actual sales and declining sales expectations. A seasonally adjusted net -4% of all owners reported higher nominal sales in the past three months, unchanged from June. The net percent of owners expecting higher real sales volumes over the next quarter fell 2 points from June to a net 7% (seasonally adjusted). The net percent of owners reporting inventory gains improved 2 points to a net -4% (seasonally adjusted). Not seasonally adjusted, 14% reported increases in stocks (unchanged), and 15% reported reductions (down 1 point). A net -2% (seasonally adjusted) of owners viewed current inventory stocks as "too low" in July, down 2 points from June and falling to its historical average. A net 1% (seasonally adjusted) of small business owners plan inventory investment in the coming months, up 4 points from June. In July, reports on supply chain conditions improved. Sixty-three percent of small business owners reported that supply chain disruptions affected their business to some extent, down 5 points from June. Six percent reported a significant impact (down 1 point), 18% reported a moderate impact (down 3 points), 39% reported a mild impact (down 1 point), and 36% reported no impact (up 6 points).

EARNINGS

The frequency of reports of positive profit trends improved 4 points from June to a net -16% (seasonally adjusted). Among owners reporting lower profits, 30% blamed weaker sales, 16% cited rising material costs, and 11% cited price change for their product(s) or service(s). Nine percent cited the usual seasonal change, 8% cited insurance costs, and 7% cited other reasons. Among owners reporting higher profits, 44% cited sales volume, 29% cited the usual seasonal change, and 9% cited price change for their product(s) or service(s).

CREDIT MARKETS

In July, the net percent of owners expecting easier credit conditions rose 1 point to a net -4% (seasonally adjusted). A net 5% reported their last loan was harder to get than in previous attempts, up 2 points from June. In July, a net 4% of owners reported paying a higher interest rate on their most recent loan, down 1 point from June. The average interest rate paid on short-maturity loans was 7.9% in July, up 0.5 points from June's lowest level since October 2022. Twenty-seven percent of all owners reported borrowing regularly, up 5 points from June, but remaining below the historical average of 34%.

INFLATION

Though still high, the inflation metrics showed substantial improvement in July. The net percent of owners raising average selling prices fell 7 points from June to a net 31% (seasonally adjusted), after four consecutive months of increases. Actual price increases are well above the historical average of net 14%. Unadjusted, 40% reported higher average prices (down 7 points), and 8% reported lower average selling prices (up 1 point). As actual price increases decreased in July, so did the share of owners planning to raise prices in the near future. Looking forward to the next three months, a net 28% (seasonally adjusted) plan to increase prices, down 4 points from June. Reports of inflation as the single most important problem fell for the first time this year. Fourteen percent of business owners cited inflation as their single most important business problem, down 7 points from June's highest reading since October 2024. Inflation now ranks as the third top problem.

OUTLOOK

When asked to evaluate the overall health of their business, 14% rated it as excellent (up 4 points), 55% as good (down 2 points), 26% as fair (down 2 points), and 4% as poor (down 1 point). In July, expectations for better business conditions improved for the second consecutive month. A net 15% (seasonally adjusted) of owners expect better business conditions in the next six months, up 2 points from June. In July, 12% (seasonally adjusted) reported that it is a good time to expand their business, up 4 points from June.

SINGLE MOST IMPORTANT PROBLEM

In July, the top reported issue was labor quality or availability. Twenty-seven percent of small business owners cited “labor quality or availability” as their single most important problem in July, up 8 points from June and 15 points above the historical average of 12%. Reports of labor costs as the single most important problem remained at 8%. Sixteen percent of small business owners reported taxes as their single most important problem, down 3 points from June and the second top issue. July's level is the lowest since November 2025. Reports of inflation as the single most important problem fell for the first time this year. Fourteen percent of business owners cited inflation as their single most important business problem, down 7 points from June's highest reading since October 2024. Inflation ranks as the third top problem. The percent of small business owners reporting poor sales as their top business problem rose 1 point from June to 8%. In July, 8% reported the cost or availability of insurance as their single most important problem, unchanged for the third consecutive month. The percent of small business owners reporting government regulations and red tape as their single most important problem fell 1 point from June to 7%. Seven percent reported competition from large businesses as their single most important problem, up 2 points from June. Two percent reported that financing and interest rates were their top business problem in July, down 1 point from June.

Commentary

OVERVIEW

Main Street has become a bit more optimistic about future economic developments. The NFIB Small Business Optimism Index improved significantly, managing to exceed the 52-year average. The gain was driven by a substantial improvement in hiring plans, accompanied by an improvement in plans to make capital expenditures. Capital investments have been driving economic growth, primarily AI investments in chips and structures to house them in. Although this is not primarily a small-firm activity, it looks like spillover business opportunities are reaching them.

The stock market has been rewarding shareholders very well, and this is supporting a lot of spending by the wealthier consumers who hold equity. Restaurants, car dealers, home improvement companies, etc., all benefit from the wealth being created in the stock markets. Enjoy it while it lasts. The unemployment rate is staying low, and the inflation rate is bothersome, driven primarily by oil prices. A favorable resolution of the war with Iran will significantly reduce oil prices when it finally happens. The world has plenty of oil.

There was a significant decline in the full suite of inflation metrics, led by the percentage of owners raising their average selling prices. This is an especially good sign since it occurred while consumer spending stayed solid and compensation was still rising. The Fed has turned its attention to managing the inflation rate, which is well above the 2% target. Interest rates respond to expected inflation using current experience as a guide. The Fed has indicated that it will pay close attention to developments. Uncertainty remains high, most likely due to the status of the war with Iran. A meaningful resolution will be a major plus for the economy and small business owners.

Member Quotes

Labor:

“We struggle to find skilled labor/trades.” – Construction, NY

“The ability to find/hire competent workers in the HVAC field is increasingly more difficult year to year. It is absolutely necessary to help promote and fund the mechanical trades, particularly the HVAC trade!” – Construction, CT

“Labor is a challenge. We currently rely on older or retired help. […]” – Retail, PA

“Very hard to find skilled machinists who still know manual machines.” – Manufacturing, OH

“This is the worst period for hiring skilled labor. I have positions open today that pay well with benefits, but there aren’t any qualified candidates. I have used Indeed, ZipRecruiter, social media, banners, website, etc.” – Retail, PA

“Finding or having qualified skilled labor applicants is nonexistent.” – Services, SC

“Forty-eight years in business for myself, and the toughest issue has been finding good people to hire and how to compensate them fairly. Health insurance is a disaster – costs more and pays less. Employees want more compensation for less work/production. To keep this trend going we must find easier ways to do tough jobs and charge higher prices with stiff compensation.” – Services, NC

“In the transportation industry it’s very hard right now to find help. I’ve had three trucks out of twelve sitting idle for six months now. I can find drivers, but they aren’t drivers I trust.” – Transportation, IL

“Unskilled labor shortage is our biggest problem. […]” – Agriculture, NC

“We are highly seasonal as a farm and do not have steady income. Every year is different depending on market conditions, crop (apple) size, and import/export options… We have a severe labor shortage, which many of us have turned to the federal H-2A program to meet our needs. Labor is now greater than 50% of our input costs due to the rise in benefits, overtime, paid sick days, and base wage rates.” – Agriculture, NY

“Our biggest problem is that we cannot find qualified, skilled employees.” – Agriculture, MN

“Finding and retaining good employees is our biggest challenge. It has never been easy but declined substantially during COVID, and even though it has improved since then, it is still something that our manager spends way too much time on and it affects all areas of our business.” – Manufacturing, VA

“Our biggest obstacle is finding technicians with experience. It is also difficult to find office employees. Most [people] we hire off the street do not last. [They] miss a lot of work.” – Construction, AZ

“Engineers generally do not go looking for better jobs as much as [those] in other fields. They tend to sit tight and not rock the boat. We are trying to hire an experienced engineer or two, but they just aren’t out there. So we are being forced to hire engineers out of school or inexperienced.” – Professional/business services, OH

“Biggest issue in our industry is the lack of skilled workers on our job sites, in our fabrication shops, and with our suppliers.” – Construction, IN

“Business is good. Hoping for everything to get better and for costs not to continue to rise as they have been. The labor workforce is getting slim, and [it] seems like quality people are getting harder to find in labor fields.” – Services, TX

“We have a weird situation where I can get more unskilled labor than I need. But I am unable to fill a skilled operator with higher pay, better hours, and better benefits. No one is even willing to accept a promotion.” – Agriculture, IL

Inflation:

“Farming is in a pinch right now with the high prices of our inputs (fertilizer, fuel, chemicals, and taxes).” – Agriculture, IN

“Labor, fuel, and insurance have all gone up. [We are] having a hard time raising rates to keep up with the cost of doing business.” – Transportation, CA

Member Quotes

"We have a trucking company and a grain farm. The cost of fuel alone is killing us. Fertilizer for the farm is out of this world. Something has to give soon or we're going to be the ones giving up everything." – Transportation, PA

"In farming we are experiencing very high input costs coupled with low commodity prices which have impacted our margins! Farm equipment prices have increased by over 300% in the past 15 years, making it almost impossible to purchase new equipment. The farmer suffers while we purchase our supplies/equipment from monopolies that are making record profits. Those companies that purchase our commodities have become monopolies as well!" – Agriculture, TX

"Worried about the economy due to inflation. Our guests do not have the disposable income they had a few years ago. […]" – Services, OH

"Most businesses can at least pass on increases for products. Agriculture saw huge increases in fuel and fertilizer costs. Our commodities are mainly priced by the Chicago Board of Trade, and I have no way of passing on these increased expenses, leaving myself and the larger agriculture community with the very real possibility of negative margins on our 2026 crops." – Agriculture, PA

"The costs of materials and employees are up." – Construction, UT

"Inflation is an issue – not sure how much inventory to order. Taxes force business to make out-of-ordinary decisions. Inflation is a detriment to employees – can't pay them enough nowadays and getting harder to pass expenses along. Economy appears strong on Wall Street but weak on Main Street." – Retail, IL

"The cost of interest, insurance, power (gas/electric), supplies, and vehicle gas is drowning my business. Small businesses need help!" – Services, MI

"The marine industry has doubled standard inflation. Over the past seven years, with many OEMs adding another 5-7% for the 2027 model year. We are pricing ourselves out of the market with the other economic pressures (high interest rates and debt, high grocery prices, high fuel prices, etc.)." – Retail, OR

"Unfortunately, the cost to operate has almost reached the point that we cannot make a profit because labor and parts markup cannot keep up with the expenses of all insurances, taxes, overhead, payroll, truck payment, and shop payment." – Services, AL

"The economy seems to be in a weird, uncertain place currently. People are spending, but wages are moving slow." – Construction, IL

"The inflation caused by tariffs has significantly affected our business. Our customer accounts are struggling to pay their invoices, which amounts to approximately 20-30% of our gross profit." – Retail, TN

Business Conditions:

"Our business has been slow the past two years due to inflation of gas, oil, and groceries. And people are choosing not to repair their swimming pools, which is not considered a priority, or having their iron gates and fences built." – Services, AR

"Overall business has been steady and very busy." – Manufacturing, OH

"The economy is killing us. Work is slow." – Transportation, OH

"There is a noticeable shift in customers' behavior – much more price sensitive and questioning all invoices. Many of our large customers have moved out of the area or gone out of business. This leaves fewer customers for us and our competitors to service (we are a regional B2B provider). There is not enough business for us all, so we are working hard to keep or gain as much as we can." – Wholesale, NY

"Insurance premiums, fuel and utilities, and a lack of skilled labor are having a negative impact on our business." – Services, OH

"The economy is affecting our bottom line. The trend in healthcare, with insurers paying for less and putting more burden on consumers, is the biggest problem facing all healthcare providers." – Professional/business services, VA

"Business is fairly robust in our area. The large majority of our clients (small businesses) are profitable." – Professional/business services, GA

Member Quotes

"The economy has definitely slowed business. If it's a question of filling up your car with gas to go to work, putting food on the table, or buying a new appliance just because you want a change in your kitchen, I think we all know which is coming in last. Appliances are replaced when they break down and then mostly from the least expensive place (big-box stores)." – Retail, IL

"Our business is down 15.5% year to date from last year and 28% down from our 5-year average. Rising costs of materials and freight have made us go up in our pricing. Competition is tough as everyone is willing to go down on their margins to get customers. Our walk-in traffic has diminished tremendously. Our expenses have skyrocketed, and insurance and health insurance are now unaffordable." – Retail, TX

"Things are slow but the same! Clients are passing away or thinking they can do our job themselves. But they always come back because they realize they can't or they get in trouble with the different agencies for doing the paperwork or reports wrong. It's a cycle!" – Professional/business services, AZ

"Business is good, but state regulations are making it harder. Also, the prices of goods are out of reach for most of our customers." – Construction, NY

Taxes:

"The Big Beautiful Bill really helped stabilize my cash flow and net income." – Services, MT

"I own a laundromat and will be purchasing four new washers soon. Financing was easy because the manufacturer has a finance division and I have a 29-year relationship with them. Cost of equipment is fairly reasonable (but still high), but the taxes are ridiculous! Taxes on the equipment, plus shipping, plus installation, plus other taxes." – Services, TN

"Our biggest concerns are taxes and the difficulty of getting supplies to us in a timely manner." – Retail, WV

Sales:

"I have found it harder to increase sales above what we have. Although we have grossed more year to date, we are basically operating at a zero-profit margin. Overall the cost of everything has increased, in response we raised our prices – but are just breaking even." – Services, CA

"The internet (do-it-yourself videos) has impacted my bottom line." – Services, OH

"Retail sales numbers continue to decline. Customer count is down as more people are purchasing online and not visiting brick-and-mortar stores. Landscape division numbers are down. Customers have less money to spend due to inflation; customer confidence is down." – Retail, IA

Insurance:

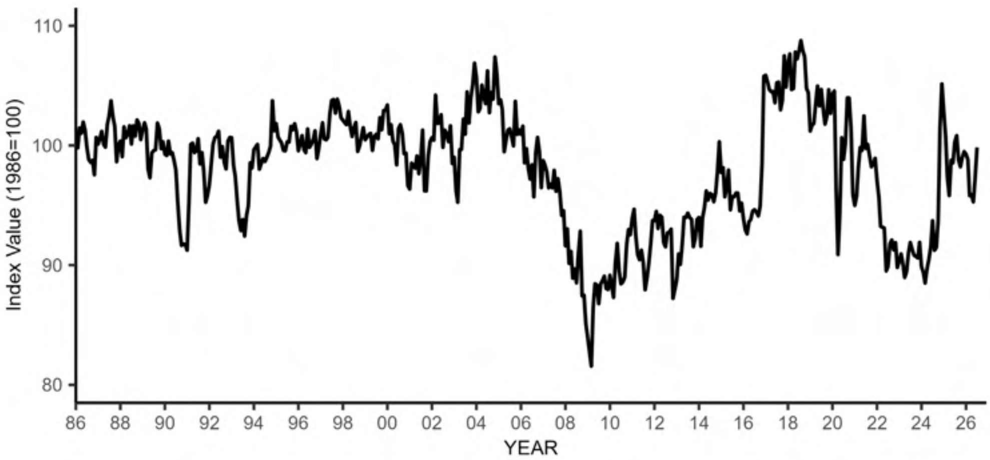
"Our insurance costs have been a burden for several years. Increasing at a rate we can barely keep up with – most notably auto. And windstorms are also a concern. I believe the whole Texas costs (including Houston) should all share this expense, as this whole area is impacted by hurricanes." – Manufacturing, TX

"Health insurance out of control." – Professional/business services, OH

OVERVIEW – SMALL BUSINESS OPTIMISM

OPTIMISM INDEX

Based on Ten Survey Indicators
January 1986 to July 2026
(Seasonally Adjusted 1986=100)



[1] Questions included in the Optimism Index (see pages 26-27)

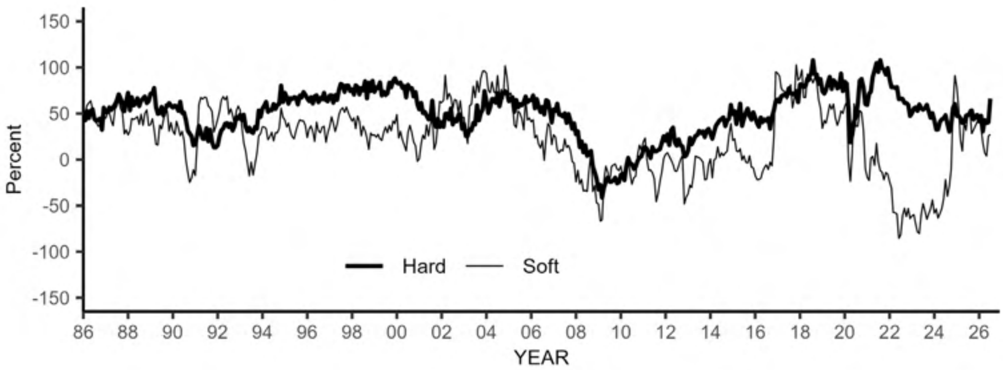
OPTIMISM INDEX

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	95.0	95.8	98.2	99.8	99.6	102.5	99.7	100.1	99.1	98.2	98.4	98.9
2022	97.1	95.7	93.2	93.2	93.1	89.5	89.9	91.8	92.1	91.3	91.9	89.8
2023	90.3	90.9	90.1	89.0	89.4	91.0	91.9	91.3	90.8	90.7	90.6	91.9
2024	89.9	89.4	88.5	89.7	90.5	91.5	93.7	91.2	91.5	93.7	101.7	105.1
2025	102.8	100.7	97.4	95.8	98.8	98.6	100.3	100.8	98.8	98.2	99.0	99.5
2026	99.3	98.8	95.8	95.9	95.3	97.4	99.8					

OPTIMISM INDEX COMPONENTS

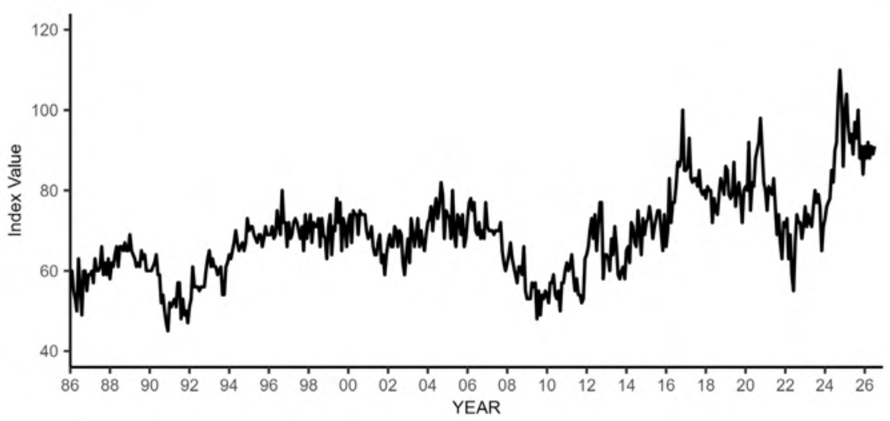
Hard: Job Creation Plans, Job Openings, Inventory Plans, Earnings, Capital Expenditure Plans
Soft: Expected Business Conditions, Outlook for Expansion, Expected Real Sales, Expected Credit Conditions, Inventory Satisfaction



SMALL BUSINESS UNCERTAINTY

UNCERTAINTY INDEX

Sum of "Don't Know" & "Uncertain" Answers on 6 Questions
January 1986 to July 2026



[2] Questions included in the Uncertainty Index (see pages 26-27)

UNCERTAINTY INDEX

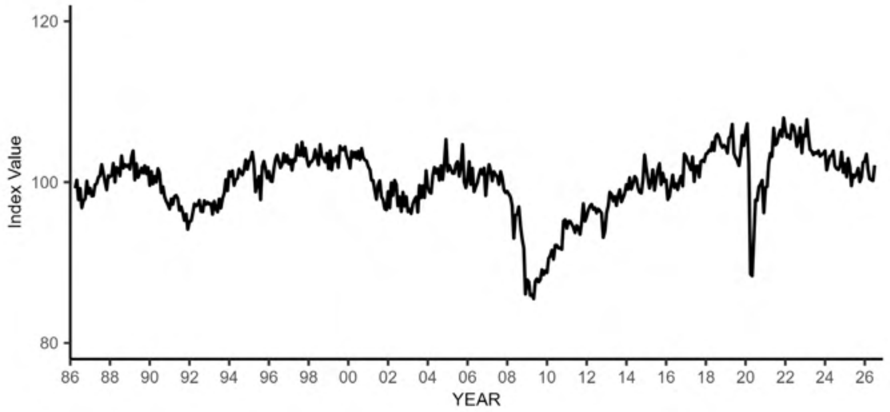
Sum of "Don't Know" & "Uncertain" Answers on 6 Questions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	80	75	81	80	79	83	76	69	74	67	63	72
2022	71	73	63	69	59	55	67	74	72	72	68	71
2023	76	71	74	72	71	76	80	77	79	76	65	71
2024	73	76	77	78	85	82	90	92	103	110	103	86
2025	100	104	96	92	94	89	97	93	100	88	91	84
2026	91	88	92	88	91	89	91					

SMALL BUSINESS EMPLOYMENT INDEX

EMPLOYMENT INDEX

Based on Six Components
April 1986 to July 2026
(Seasonally Adjusted 1987=100)



EMPLOYMENT INDEX

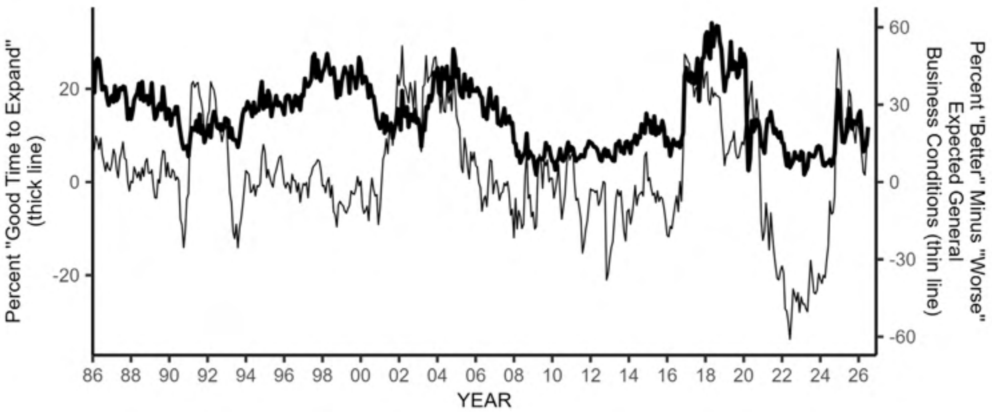
Based on Six Components
(Seasonally Adjusted 1987=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	99.3	99.5	102.3	103.6	103.2	106.7	104.6	104.9	105.9	106.5	105.6	108.0
2022	106.6	105.6	105.8	105.4	107.1	106.9	106.1	104.4	105.3	106.8	103.6	105.9
2023	105.7	107.8	105.8	104.0	103.9	103.4	103.7	103.6	103.9	103.2	103.4	103.6
2024	103.9	101.5	102.4	103.3	103.3	103.9	102.0	101.7	101.5	102.0	103.8	101.2
2025	102.3	100.7	102.9	101.9	99.6	100.9	100.6	101.0	101.7	100.1	100.6	102.5
2026	102.6	103.5	101.6	100.4	100.3	100.2	102.1					

SMALL BUSINESS OUTLOOK

OUTLOOK

Good Time to Expand and Expected General Business Conditions
January 1986 to July 2026
(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
2021	8	6	11	14	13	15	13	11	11	10	10	11
2022	9	8	6	4	6	3	4	5	6	5	6	5
2023	7	6	2	3	3	6	6	6	5	6	8	8
2024	8	5	4	4	4	4	5	4	4	6	14	20
2025	17	12	9	9	10	11	16	14	11	13	13	13
2026	15	15	11	7	7	8	12					

MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook
July 2026

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	5	22	16
Sales Prospects	3	2	2
Fin. & Interest Rates	0	2	3
Cost of Expansion	0	5	6
Political Climate	2	6	9
Other / Not Available	1	3	2

OUTLOOK FOR GENERAL BUSINESS CONDITIONS

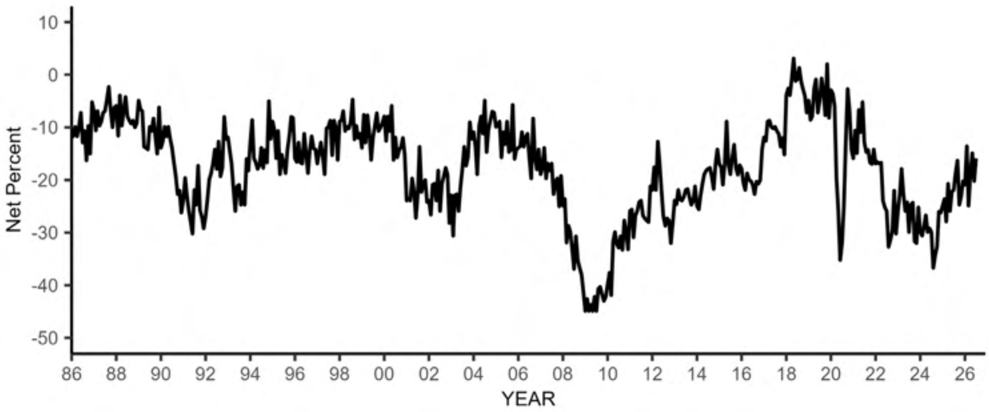
Net Percent ("Better" Minus "Worse") Six Months From Now
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	-23	-19	-8	-15	-26	-12	-20	-28	-33	-37	-38	-35
2022	-33	-35	-49	-50	-54	-61	-52	-42	-44	-46	-43	-51
2023	-45	-47	-47	-49	-50	-40	-30	-37	-43	-43	-42	-36
2024	-38	-39	-36	-37	-30	-25	-7	-13	-12	-5	36	52
2025	47	37	21	15	25	22	36	34	23	20	15	24
2026	21	18	11	4	3	13	15					

SMALL BUSINESS EARNINGS

EARNINGS

Actual Last Three Months
January 1986 to July 2026
(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
2021	-16	-11	-15	-7	-11	-5	-13	-15	-14	-17	-17	-14
2022	-17	-17	-17	-17	-24	-25	-26	-33	-31	-30	-22	-30
2023	-26	-23	-18	-23	-26	-24	-30	-25	-24	-32	-32	-25
2024	-30	-31	-29	-27	-30	-29	-30	-37	-34	-33	-26	-26
2025	-25	-24	-28	-21	-26	-22	-22	-19	-16	-25	-23	-20
2026	-21	-14	-25	-19	-15	-20	-16					

MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason
July 2026

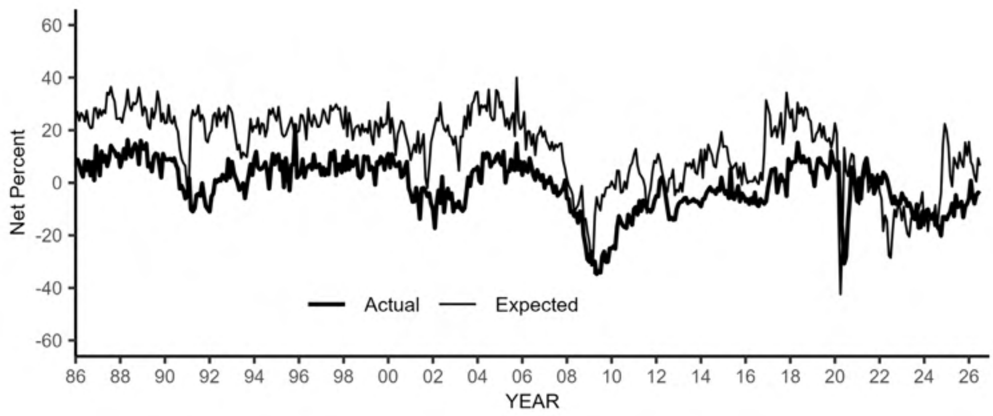
Reason	Current Month	One Year Ago	Two Years Ago
Sales Volume	10	12	13
Increased Costs*	8	12	14
Cut Selling Prices	3	3	4
Usual Seasonal Change	3	2	3
Other	2	2	1

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

SMALL BUSINESS SALES

SALES

Actual (Prior Three Months) and Expected (Next Three Months)
January 1986 to July 2026
(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
2021	-7	2	-6	3	7	9	5	0	3	-4	-2	1
2022	2	0	4	3	1	-2	-5	-8	-5	-8	-7	-8
2023	-4	-6	-6	-9	-8	-10	-13	-14	-8	-17	-17	-11
2024	-11	-13	-10	-13	-14	-12	-16	-16	-17	-20	-13	-13
2025	-14	-12	-11	-8	-13	-5	-9	-9	-7	-13	-9	-8
2026	-6	1	-5	-8	-5	-4	-4					

SALES EXPECTATIONS

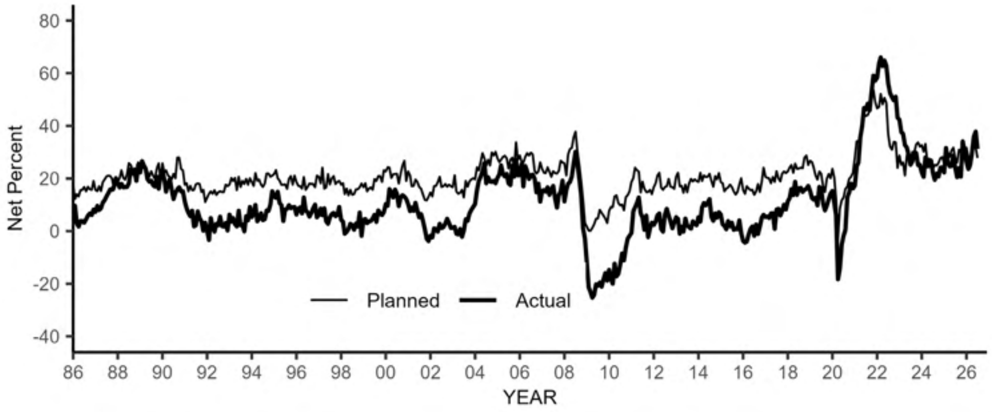
Net Percent ("Higher" Minus "Lower") During Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	-6	-8	0	1	3	7	-4	-2	2	0	2	3
2022	-3	-6	-18	-12	-15	-28	-29	-19	-10	-13	-8	-10
2023	-14	-9	-15	-19	-21	-14	-12	-14	-13	-10	-8	-4
2024	-16	-10	-18	-12	-13	-13	-9	-18	-9	-4	14	22
2025	20	14	3	-1	10	7	6	12	8	6	15	10
2026	16	8	7	3	1	9	7					

SMALL BUSINESS PRICES

PRICES

Actual Last Three Months and Planned Next Three Months
January 1986 to July 2026
(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
2021	17	25	26	36	40	47	46	49	46	53	59	57
2022	58	64	66	63	65	63	56	53	51	50	51	43
2023	42	38	37	33	32	29	25	27	29	30	25	25
2024	22	21	28	25	25	27	22	20	22	21	24	24
2025	22	32	26	25	25	29	24	21	24	21	34	30
2026	26	24	25	30	36	38	31					

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
2021	28	34	34	36	43	44	44	44	46	51	54	49
2022	47	47	52	48	51	49	37	32	31	34	34	24
2023	29	25	26	21	29	31	27	30	30	33	34	32
2024	33	30	33	26	28	26	24	25	25	26	28	28
2025	26	29	30	28	31	32	28	26	31	30	30	28
2026	32	28	24	27	34	32	28					

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
2021	0	-3	-2	1	-5	-2	-6	-8	-1	-2	-1	1
2022	-1	1	-2	-2	-4	-2	-4	-8	-4	-2	-3	1
2023	2	4	2	-2	-4	-2	-2	-4	-2	-3	-2	-2
2024	0	-1	-2	0	-2	-5	-3	-6	-4	-3	-1	-3
2025	1	-3	-1	1	-2	-8	-2	-5	-3	-4	-3	-1
2026	1	3	-1	-2	-2	-4	-5					

QUALIFIED APPLICANTS FOR JOB OPENINGS

Percent Few or No Qualified Applicants

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	46	51	51	54	57	56	57	60	62	58	56	57
2022	55	57	55	55	61	60	57	57	57	55	54	51
2023	52	54	53	55	55	54	56	54	57	55	50	49
2024	49	51	48	51	51	51	49	56	52	46	48	49
2025	47	48	47	47	48	50	48	43	50	49	50	48
2026	44	46	45	46	46	51	51					

EMPLOYMENT

Planned Next Three Months and Current Job Openings
January 1986 to July 2026
(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
2021	33	40	42	44	48	46	49	50	51	49	48	49
2022	47	48	47	47	51	50	49	49	46	46	44	41
2023	45	47	43	45	44	42	42	40	43	43	40	40
2024	39	37	37	40	42	37	38	40	34	35	36	35
2025	35	38	40	34	34	36	33	32	32	32	33	33
2026	31	33	32	34	29	32	36					

HIRING PLANS

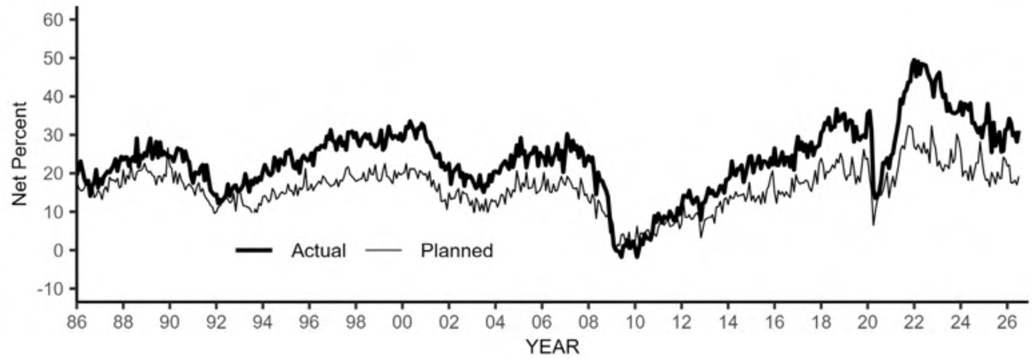
Net Percent (“Increase” Minus “Decrease”) in the Next Three Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	17	18	22	21	27	28	27	32	26	26	25	28
2022	26	19	20	20	26	19	20	21	23	20	18	17
2023	19	17	15	17	19	15	17	17	18	17	18	16
2024	14	12	11	12	15	15	15	13	15	15	18	19
2025	18	15	12	13	12	13	14	15	16	15	19	17
2026	16	12	12	13	9	11	20					

SMALL BUSINESS COMPENSATION

COMPENSATION

Actual Last Three Months and Planned Next Three Months
January 1986 to July 2026
(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
2021	25	25	28	31	34	39	38	41	42	44	44	48
2022	50	45	49	46	49	48	48	46	45	44	40	44
2023	46	46	42	40	41	36	38	36	36	36	36	36
2024	39	35	38	38	37	38	33	33	32	31	32	29
2025	33	33	38	33	26	33	27	29	31	26	26	31
2026	32	34	33	30	31	28	31					

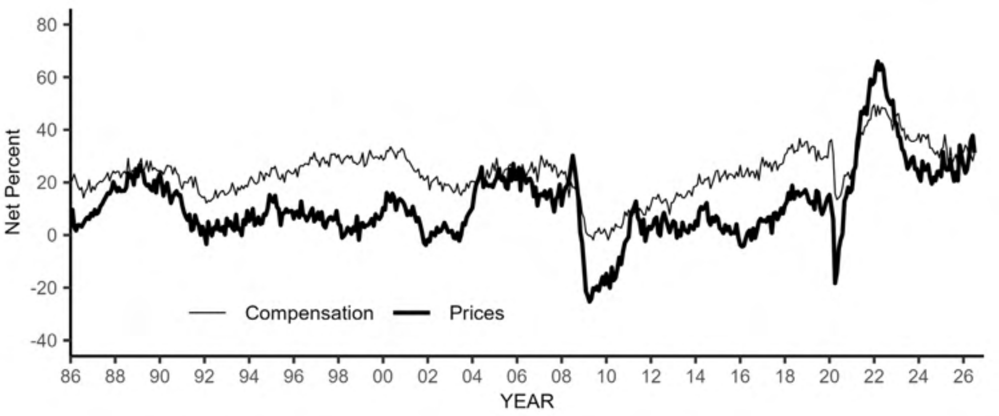
COMPENSATION PLANS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	17	19	17	20	22	26	27	26	30	32	32	32
2022	27	26	28	27	25	28	25	26	23	32	28	27
2023	22	23	22	21	22	22	21	26	23	24	30	29
2024	26	19	21	21	18	22	18	20	23	23	28	24
2025	20	18	19	17	20	19	17	20	19	19	24	24
2026	22	22	18	18	18	17	19					

PRICES AND LABOR COMPENSATION

Net Percent Price Increase and Net Percent Compensation
January 1986 to July 2026
(Seasonally Adjusted)

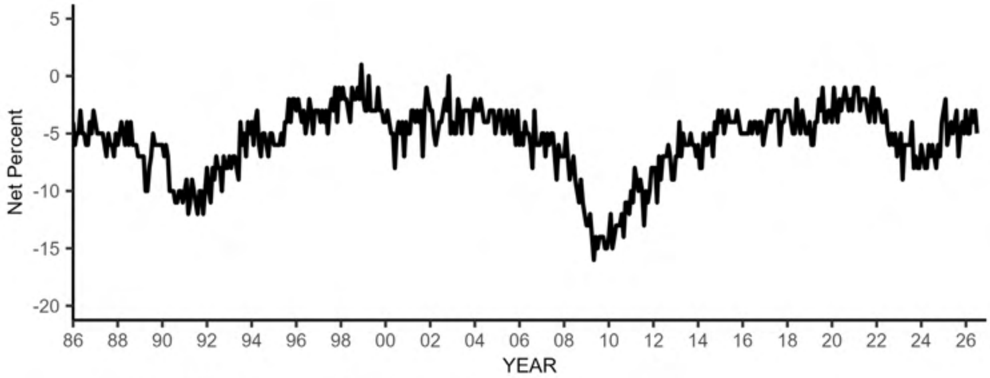


SMALL BUSINESS CREDIT CONDITIONS

CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago*

January 1986 to July 2026



** 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
2021	23	26	23	24	23	21	21	20	20	23	21	23
2022	23	23	25	26	23	25	26	27	26	28	27	28
2023	29	30	30	31	29	28	27	28	31	27	31	29
2024	29	25	28	31	31	28	27	27	26	25	28	25
2025	27	24	28	26	25	26	25	23	26	23	23	25
2026	25	25	24	22	27	22	27					

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
2021	-1	-1	-1	-3	-2	-2	-2	-3	-4	-2	-1	-4
2022	-2	-2	-3	-4	-4	-3	-5	-6	-5	-6	-5	-7
2023	-6	-5	-9	-6	-6	-6	-6	-4	-8	-7	-8	-8
2024	-6	-7	-8	-8	-6	-7	-6	-7	-8	-6	-7	-4
2025	-3	-2	-6	-5	-4	-5	-4	-3	-7	-5	-4	-5
2026	-3	-5	-5	-3	-4	-3	-5					

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

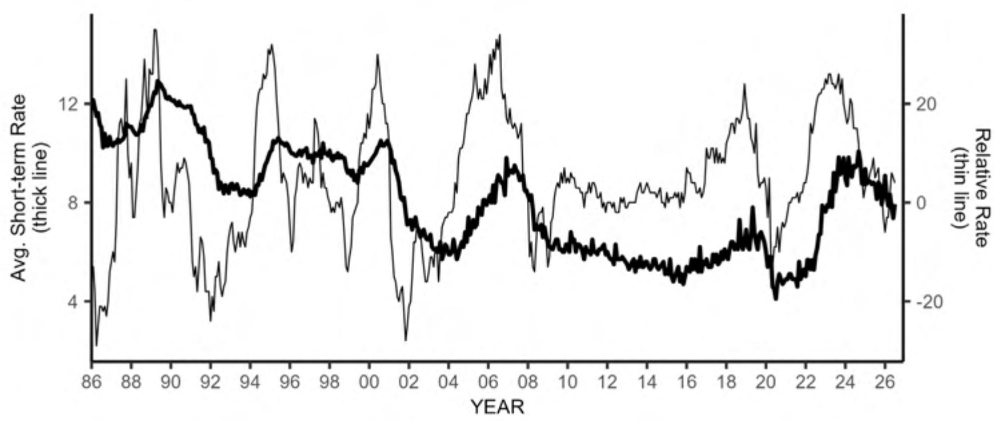
EXPECT EASIER CREDIT CONDITIONS

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	-3	-6	-3	-3	-3	-4	-4	-4	-4	-4	-3	-4
2022	-4	-4	-4	-5	-4	-5	-7	-8	-6	-8	-6	-9
2023	-8	-6	-9	-8	-10	-8	-8	-6	-10	-9	-11	-8
2024	-8	-6	-8	-9	-7	-7	-7	-8	-8	-6	-5	-2
2025	-4	-3	-4	-7	-4	-4	-4	-4	-7	-3	-5	-5
2026	-3	-5	-5	-4	-3	-5	-4					

INTEREST RATES

Relative Rates and Actual Rates Last Three Months
January 1986 to July 2026



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
2021	-4	-2	0	0	1	1	1	2	0	2	2	4
2022	4	6	9	16	14	16	19	21	22	22	23	23
2023	25	24	26	26	24	24	23	24	26	22	25	20
2024	18	16	17	21	20	15	15	15	12	5	5	1
2025	3	4	4	6	7	9	5	6	7	1	2	-3
2026	-6	-3	-3	2	6	5	4					

Borrowing at Least Once Every Three Months.

SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

ACTUAL INTEREST RATE PAID ON
SHORT-TERM LOANS BY BORROWERS

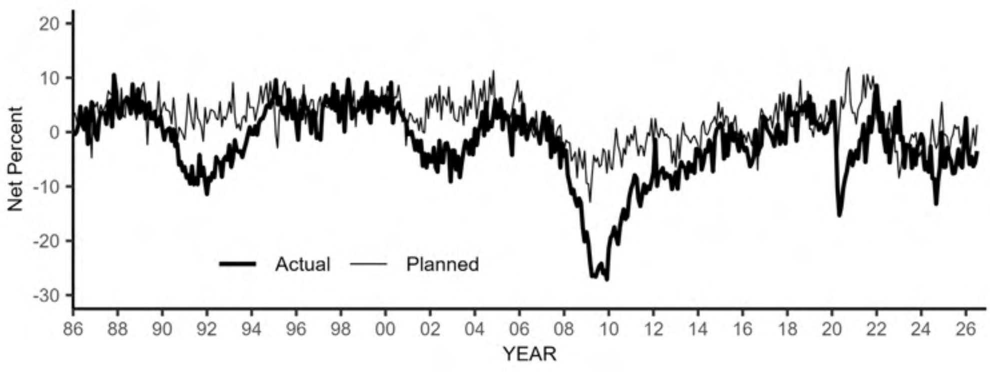
Average Interest Rate Paid

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	4.9	4.9	5.1	5.1	4.9	4.9	4.9	4.6	5.6	4.9	5.1	5.3
2022	5.0	5.7	5.7	5.3	5.7	5.3	5.9	6.2	6.7	6.7	7.9	7.7
2023	7.6	7.9	7.8	8.5	7.8	9.2	8.5	9.0	9.8	9.1	9.3	9.8
2024	9.0	8.7	9.8	9.3	9.0	9.5	9.4	9.5	10.1	9.7	8.8	8.7
2025	9.4	8.8	8.9	8.9	8.7	8.8	8.7	8.1	8.8	8.7	7.9	8.4
2026	9.1	8.2	7.9	8.3	7.8	7.4	7.9					

SMALL BUSINESS INVENTORIES

INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)
January 1986 to July 2026
(Seasonally Adjusted)



ACTUAL INVENTORY CHANGES

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	-4	-3	-5	-2	-1	1	-6	-2	3	0	3	7
2022	9	5	0	4	-1	-4	1	-6	-2	-1	5	0
2023	6	-1	-1	-7	-2	-3	-3	-7	-3	-6	-3	-2
2024	0	-1	-7	-6	-7	-3	-9	-9	-13	-9	-7	0
2025	-6	-6	-3	-5	-5	-8	-8	-6	-3	-6	-7	-1
2026	3	-3	-6	-5	-6	-6	-4					

SMALL BUSINESS INVENTORIES (CONTINUED)

CURRENT INVENTORY (TOO LOW)

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	5	5	3	7	8	11	12	11	10	9	15	9
2022	7	7	9	6	8	5	2	3	1	0	-2	1
2023	-1	-4	1	-5	-3	-4	-4	-5	-4	-3	0	-5
2024	-4	-4	-5	-4	-8	-2	-4	-5	-4	-2	-2	-1
2025	-1	-5	-7	-6	1	-5	-3	0	-7	-4	-1	-1
2026	-3	-2	-5	-2	-4	0	-2					

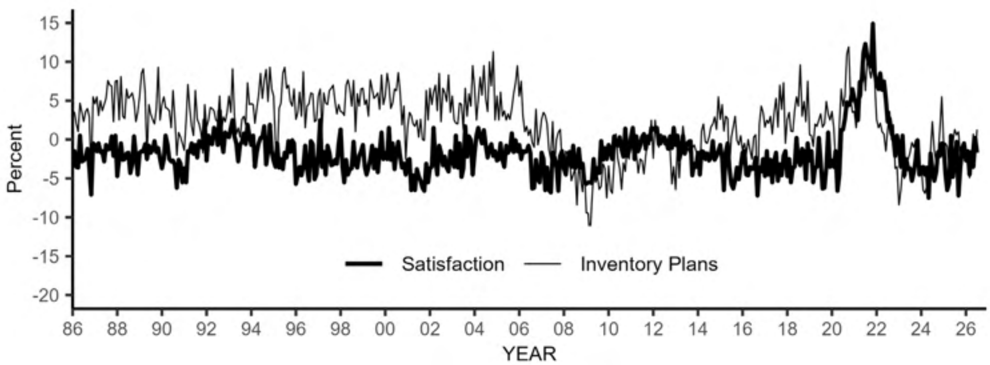
INVENTORY PLANS

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
2021	4	2	4	5	6	11	6	11	9	8	10	8
2022	3	2	2	1	1	-2	1	4	0	2	-4	-4
2023	-8	-7	-4	-5	-2	-3	-2	0	-1	0	-3	-5
2024	-3	-7	-7	-6	-6	-2	2	-1	-3	-2	1	6
2025	0	-1	-1	-4	-1	-1	1	1	1	-2	-1	-1
2026	-2	-2	-5	-2	1	-3	1					

INVENTORY SATISFACTION AND INVENTORY PLANS

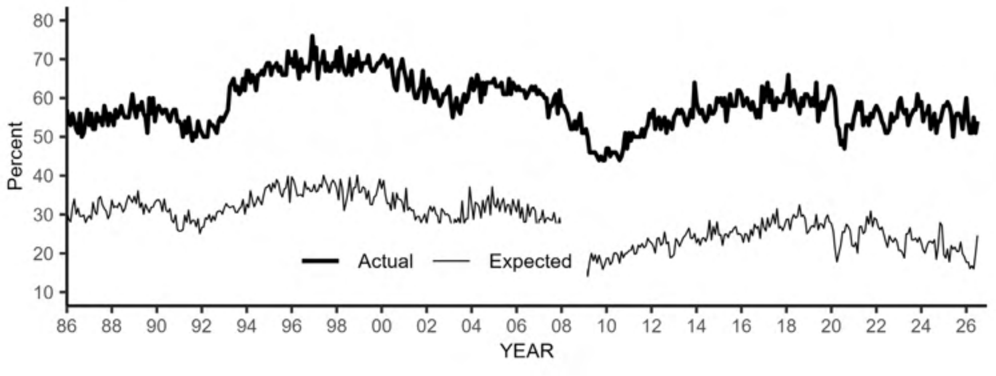
Net Percent (“Too Low” Minus “Too Large”) at Present Time
Net Percent Planning to Add Inventories in the Next Three to Six Months
January 1986 to July 2026
(Seasonally Adjusted)



SMALL BUSINESS CAPITAL OUTLAYS

CAPITAL EXPENDITURES

Actual Last Six Months and Planned Next Three Months
January 1986 to July 2026
(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
2021	55	57	59	57	59	53	55	55	53	56	55	57
2022	58	57	56	54	53	51	51	52	56	54	55	55
2023	59	60	57	56	57	53	55	56	57	57	61	58
2024	59	54	56	56	58	52	54	56	51	54	54	56
2025	58	58	59	58	56	50	55	56	56	55	52	56
2026	60	54	51	51	55	51	54					

TYPE OF CAPITAL EXPENDITURES MADE

Percent Purchasing or Leasing During Last Six Months
July 2026

Type	Current Month	One Year Ago	Two Years Ago
Vehicles	25	23	22
Equipment	37	38	36
Furniture or Fixtures	12	12	10
Add. Bldgs. or Land	4	5	7
Improved Bldgs. or Land	14	15	15

SMALL BUSINESS CAPITAL OUTLAYS (CONTINUED)

AMOUNT OF CAPITAL EXPENDITURES MADE

Percent Distribution of Per Firm Expenditures During the Last Six Months
July 2026

Amount	Current Month	One Year Ago	Two Years Ago
$1 to $999	2	3	2
$1,000 to $4,999	5	7	6
$5,000 to $9,999	5	5	4
$10,000 to $49,999	12	16	15
$50,000 to $99,999	12	9	11
$100,000 +	17	14	15
No Answer	2	1	1

CAPITAL EXPENDITURE PLANS

Percent Planning a Capital Expenditure During Next Three to Six Months
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	22	23	20	27	27	25	26	30	28	31	27	29
2022	29	27	26	27	25	23	22	25	24	23	24	23
2023	21	21	20	19	25	25	27	24	24	24	23	24
2024	23	21	20	22	23	23	23	24	19	22	28	27
2025	20	19	21	18	22	21	22	21	21	23	20	19
2026	18	18	16	17	16	20	25					

SMALL BUSINESS HEALTH

OVERALL HEALTH OF BUSINESS

July 2026

Rating	Current Month	One Month Ago	Two Months Ago
Excellent	14	10	11
Good	55	57	55
Fair	26	28	28
Poor	4	5	5

SINGLE MOST IMPORTANT PROBLEM

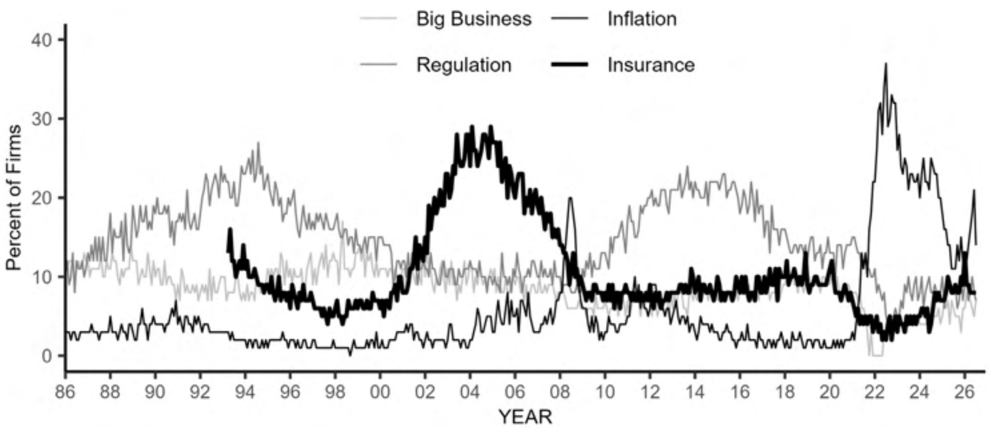
SINGLE MOST IMPORTANT PROBLEM

July 2026

Problem	Current	One Year Ago	Survey High	Survey Low
Taxes	16	17	32	8
Inflation	14	11	41	0
Poor Sales	8	11	34	2
Fin. & Interest Rates	2	4	37	0
Cost of Labor	8	9	14	2
Government Regulation	7	8	27	4
Comp. from Large Bus.	7	6	17	0
Quality/Avail. of Labor	27	21	29	2
Cost/Avail. of Insurance	8	8	29	2
Other	2	3	31	0

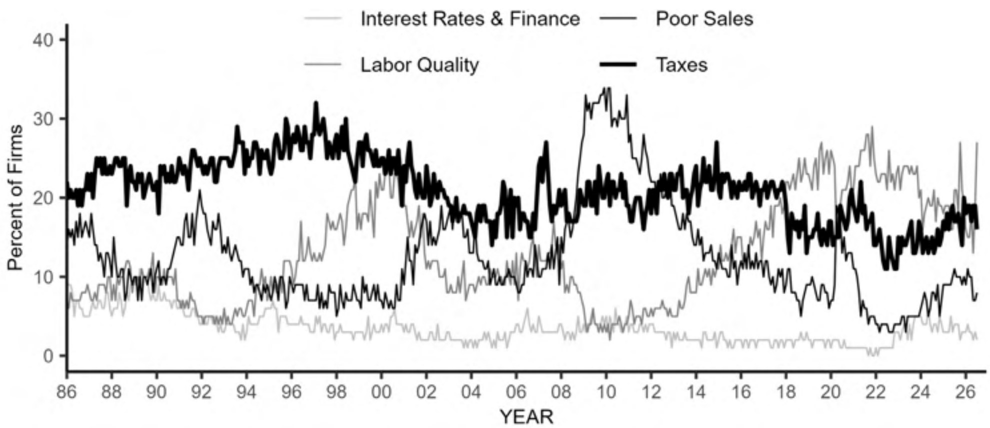
SELECTED SINGLE MOST IMPORTANT PROBLEM

Inflation, Big Business, Insurance, and Regulation
January 1986 to July 2026



SELECTED SINGLE MOST IMPORTANT PROBLEM

Taxes, Interest Rates & Finance, Poor Sales, and Labor Quality
January 1986 to July 2026



SURVEY PROFILE

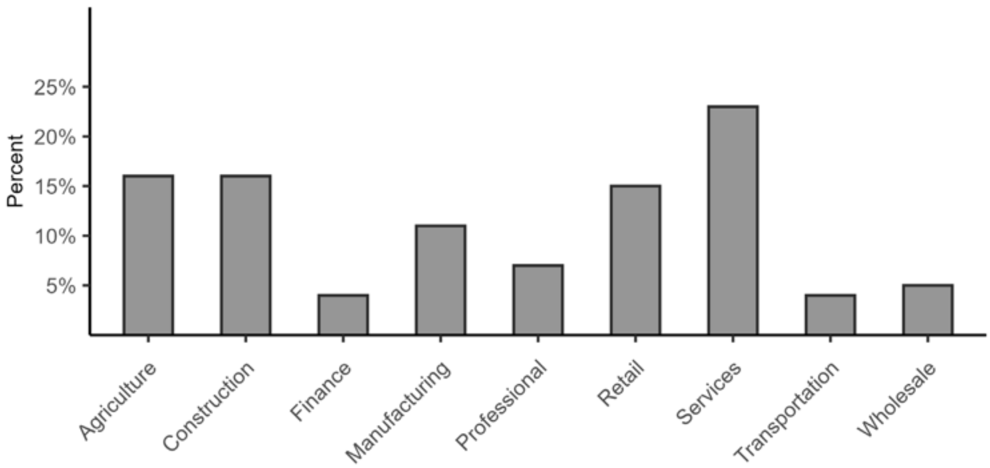
OWNER/MEMBERS PARTICIPATING IN
ECONOMIC SURVEY NFIB

Actual Number of Firms

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	1109	678	514	1516	659	592	1440	595	537	1431	613	639
2022	1504	665	560	1457	581	505	1351	622	557	1342	572	514
2023	1466	626	573	1365	632	496	1313	611	582	1382	573	518
2024	1287	604	506	1215	578	514	1309	590	559	1197	532	513
2025	1205	509	508	1078	485	382	953	472	403	984	505	429
2026	959	428	432	953	504	405	887					

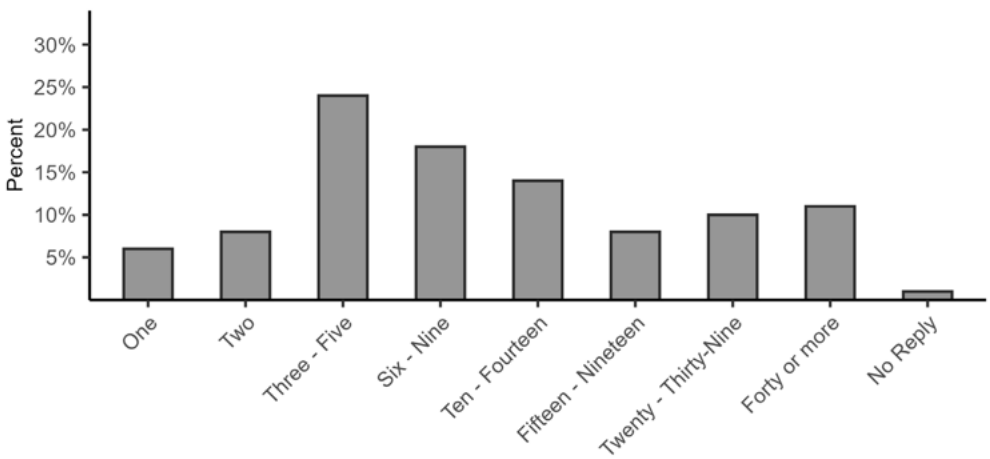
NFIB OWNER/MEMBERS PARTICIPATING
IN ECONOMIC SURVEY

Industry of Small Business
July 2026



NFIB OWNER/MEMBERS PARTICIPATING
IN ECONOMIC SURVEY

Number of Full and Part-Time Employees
July 2026



NFIB RESEARCH CENTER SMALL BUSINESS ECONOMIC TRENDS SURVEY

NFIB Research Center Small Business Economic trends Survey

SMALL BUSINESS SURVEY QUESTIONS	PAGE IN REPORT
Are…loans easier or harder to get than they were three months ago?	18
Do you expect to find it easier or harder to obtain your required financing during the next three months? [1, 2]	19
If you borrow money regularly (at least once every three months) as a part of your business activity, how does the rate of interest payable on your most recent loan compare with that paid three months ago?	19
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?	20
During the last three months, did you increase or decrease your inventories?	20
At the present time, do you feel your inventories are too large, about right, or too low? [1]	21
Looking ahead to the next three months to six months, do you expect, on balance, to increase your inventories, keep them about the same, or decrease them? [1]	21
During the last six months, has your firm made any of the following capital expenditures? (Check all that apply)	22
If yes [your firm made any capital expenditures], what was the total cost of these expenditures?	23
Looking ahead, do you expect to make any capital expenditures in the next three to six months? [1, 2]	23
How would you rate the overall health of your business today?	23
What is the single most important problem facing your business today?	24
Please classify your major business activity, using one of the categories of examples below.	25
How many employees do you have full and part-time, including yourself?	25