

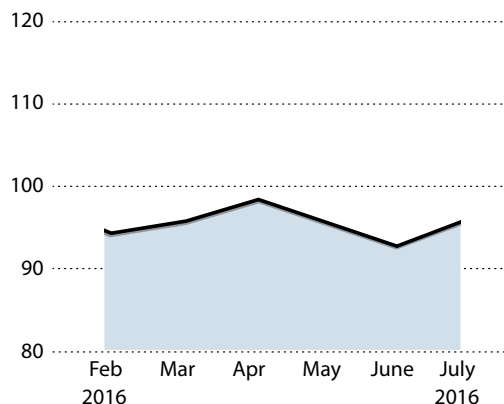
# Small revival in CEO Confidence

CEO confidence inched upward in the July WSJ/Vistage Small Business CEO Survey, reversing the declines recorded in the prior two months, but remaining in the same narrow range it has traveled since the start of the year. The WSJ/Vistage Small Business CEO Confidence Index was 96.3 in July, up slightly from 93.6 in the June survey, but below the 107.8 of July 2015. The July gain was due to slightly more favorable expectations for revenue and profit growth. However, CEOs did not hold more expansive investment or hiring plans. This mix reflects a rebound from the dismal 1st quarter pace of GDP growth, but the bounce back was insufficient to change the rather lackluster year-ahead outlook for the national economy.

Year-over-year declines in the July WSJ/Vistage Small Business CEO Confidence Index, and in all of its components, clearly indicate that CEOs anticipate a slower rate of growth in 2016. Given the consensus that the economy has posted substantial 2nd quarter gains, the negative outlook suggests either the rebound is expected to be temporary or that political uncertainty is weighing on CEOs. Prime candidates for higher uncertainty about the economic outlook and potential policy responses are Brexit and the outcome of the presidential election.

*Analysis by Dr. Richard Curtin, University of Michigan*

**WSJ/Vistage Small Business CEO Confidence Index**



Visit [vistageindex.com](http://vistageindex.com) to see the interactive tool and view results from previous months.

Question	Answer	Respondents	
<b>1. Compared with a year ago, have overall economic conditions in the United States improved, remained the same, or worsened?</b>	Improved	134	26%
	Remained about the same	278	54%
	Worsened	98	19%
	Don't know/No opinion	2	0%
<b>2. During the next 12 months, do you expect the overall economic conditions in the U.S. will be better, about the same, or worse than now?</b>	Better	124	24%
	About the same	253	49%
	Worse	117	23%
	Don't know/No opinion	18	4%

Question	Answer	Respondents	
		#	%
<b>3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?</b>	Increase	199	39%
	Remain the same	239	47%
	Decrease	68	13%
	Don't know/No opinion	6	1%
<b>4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?</b>	Increase	354	69%
	Remain the same	116	23%
	Decrease	39	8%
	Don't know/No opinion	3	1%
<b>5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?</b>	Improve	270	53%
	Remain the same	167	33%
	Worsen	72	14%
	Don't know/No opinion	3	1%
<b>6. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?</b>	Increase	271	53%
	Remain the same	192	38%
	Decrease	48	9%
	Don't know/No opinion	1	0%

Question	Answer	Respondents	
		#	%
<b>7. Do you expect Brexit to impact your business?</b>	Yes	60	12%
	No	344	67%
	Not sure	100	20%
	Other	7	1%
	Skipped	1	0%
<b>8. Do you currently conduct business outside the U.S.?</b>	Yes	200	39%
	No	304	59%
	Other	6	1%
	Skipped	2	0%
<b>9. During your company's last fiscal year, what was its total employment?</b>	1-9 employees	35	7%
	10-19 employees	95	19%
	20-49 employees	187	37%
	50-99 employees	121	24%
	100-499 employees	71	14%
	500-999 employees	1	0%
	10000+ employees	2	0%

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## Small Business CEO Survey

A monthly survey measuring the sentiment of U.S. small business CEOs and owners about the economy.

Visit [vistageindex.com](http://vistageindex.com) to view an interactive tool with full results from previous months.