

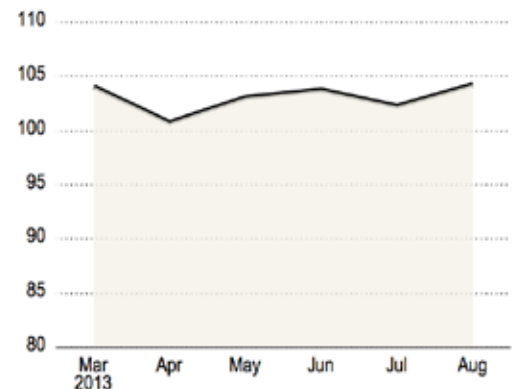
Optimism Returns to Best in Year

Small business firms expressed the highest level of economic confidence since last June in the August WSJ/Vistage Small Business CEO Confidence Index Survey. While small firms anticipated a slower pace of overall economic growth compared with last March, they expected somewhat higher revenues and profitability during the year ahead. The WSJ/Vistage Small Business CEO Confidence Index was 104.2 in the August 2013 survey, up from 102.2 in July, and barely above the prior peak of 104.0 set in the March 2013 survey.

Importantly, despite the expectation of a more modest pace of economic growth, small firms voiced expansionary plans in terms of their planned investments and additions to their workforce. Small firms voiced a significantly higher level of confidence than last August's 93.7. Last year's debates about the federal budget aroused much more uncertainty about its potential impact on the economy. This year, small firms have not expressed the same degree of uncertainty about the economic implications of the upcoming resolution to the budget debates or the implementation of Obamacare. Indeed, the data suggest that small firms expect Congress to delay any budget and debt resolution by kicking the can down the road without having much impact on the economy.

Analysis provided by Dr. Richard Curtin, University of Michigan

WSJ/Vistage Small Business CEO Confidence Index



Visit vistageindex.com to see the interactive tool and view results from previous months.

WSJ/Vistage Small Business CEO Survey (678 Respondents)

Question	Answer	Respondents	
		#	%
1. Compared with a year ago, have overall economic conditions in the United States improved, remained the same, or worsened?	Improved	340	50%
	Remained about the same	270	40%
	Worsened	67	10%
	Don't know/No opinion	1	0%

Continued on reverse...

Question	Answer	Respondents	
		#	%
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?	Better	193	28%
	About the same	383	56%
	Worse	96	14%
	Don't know/No opinion	6	1%
3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	282	42%
	Remain the same	322	47%
	Decrease	65	10%
	Don't know/No opinion	9	1%
4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?	Increase	494	73%
	Remain the same	151	22%
	Decrease	32	5%
	Don't know/No opinion	1	0%
5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	366	54%
	Remain the same	237	35%
	Worsen	73	11%
	Don't know/No opinion	2	0%
6. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	345	51%
	Remain the same	289	43%
	Decrease	40	6%
	Don't know/No opinion	4	1%
7. If you have more than 50 employees, and currently offer health insurance to your staff, are you considering renewing your current health insurance plan early (i.e. ahead of the plan's renewal deadline) in order to delay by one year having to provide coverage?	Yes	111	16%
	No	144	21%
	Not applicable	416	61%
	Skipped	7	1%

Question	Answer	Respondents	
		#	%
8. Which of the following if any is true of your borrowing plans or desires? (check all that apply)	In the past six months, I (or my business) have (has) searched for a loan on the internet.	24	3%
	In the past six months, I (or my business) have (has) worked with a loan broker.	50	7%
	In the past six months, I (or my business) have (has) borrowed from a non-bank lender.	49	6%
	In the past six months I (or my business) have (has) talked to a traditional bank about getting a loan.	289	38%
	None of the above	339	45%
	Skipped	4	1%
	9. Does your firm currently employ foreign workers on temporary H1-B visas?	Yes, at least one worker	46
Yes, more than one worker		15	2%
No		616	91%
Skipped		1	0%
10. Do you sell products or services online?	Yes	170	25%
	No	503	74%
	Skipped	5	1%
11. If you answered yes on the previous question, do you collect and remit sales tax to each state you do online business in?	Yes	45	7%
	No	159	23%
	Only for some states	45	7%
	Skipped	429	63%

Continued on reverse...

Question	Answer	Respondents	
		#	%
12. During your company's last fiscal year, what was its total employment?	1-9 employees	63	9%
	10-19 employees	134	20%
	20-49 employees	242	36%
	50-99 employees	142	21%
	100-499 employees	87	13%
	500-999 employees	5	1%
	1000-4999 employees	3	0%
	10000+ employees	1	0%
	None	1	0%