

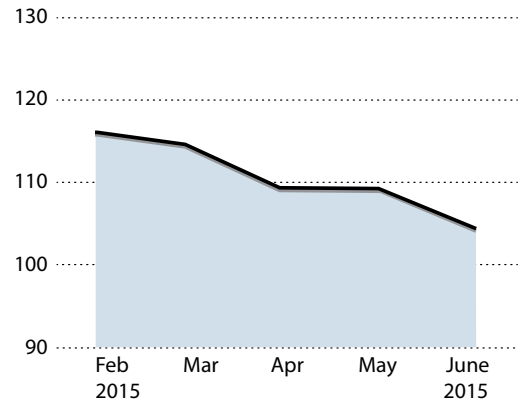
Optimism falls to lowest level in 12 months

A survey of 808 small business CEOs found that optimism among small firms continued to slowly decline for the fourth consecutive month, falling to its lowest level in more than a year. The Wall Street Journal/Vistage Small Business CEO Confidence Index was 106.9 in the June 2015 survey, just below May's 108.7 and significantly below January and February's 115.5. The survey took place from June 8-17, 2015 and was limited to CEOs and business owners of companies with annual revenues of \$1 million to \$20 million. Although the month-to-month declines have been minor, the total loss represents a significant decline since the start of 2015. The data indicate that small firms have abandoned their earlier expectations for a strong 2nd quarter rebound, causing them to temper their economic expectations for the 2nd half of 2015.

Importantly, the largest declines since the start of 2015 were in their assessments of the national economy, with much smaller losses recorded in expected growth rate of the firm's own revenues and profits and its own hiring and investment plans. While the overall level of business optimism is still quite positive, the latest survey indicates growing apprehensions about the vitality of the national economy. Nonetheless, it is more likely that firms slog through this soft-patch toward renewed growth in the year ahead.

Analysis 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.

Question	Answer	Respondents	
1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?	Improved	384	48%
	About the same	354	44%
	Worsened	68	8%
	Don't know/No opinion	2	0%
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	275	34%
	About the same	451	56%
	Worse	75	9%
	Don't know/No opinion	7	1%

Question	Answer	Respondents	
		#	%
3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	370	46%
	About the same	339	42%
	Decrease	92	11%
	Don't know/No opinion	7	1%
4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease for the next 12 months?	Increase	590	73%
	About the same	160	20%
	Decrease	55	7%
	Don't know/No opinion	3	0%
5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	458	57%
	About the same	260	32%
	Worsen	88	11%
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	457	57%
	About the same	304	38%
	Decrease	43	5%
	Don't know/No opinion	4	0%
7. Have your shipping costs over the last 12 months decreased?	Not at all	305	38%
	Yes, by less than 5%	96	12%
	Yes, by 5% to 10%	58	7%
	Yes, by more than 10% to 20%	10	1%
	Yes, by more than 20%	4	0%
	Not applicable	329	41%
	Skipped	6	1%

Question	Answer	Respondents	
		#	%
8. Has your company saved money by offering flexible work options?	Yes	165	20%
	No	631	78%
	Skipped	12	1%
9. What type of flexible work options do you offer?	Work from home	246	23%
	Flexible schedule	366	34%
	Work as contractors	107	10%
	Skipped	262	25%
	Other	88	8%
10. During your company's last fiscal year, what was its total employment?	1-9	63	8%
	10-19	155	19%
	20-49	327	40%
	50-99	170	21%
	100-499	92	11%
	500-999	1	0%
11. During your company's last fiscal year, what were its total revenues?	1-4 Million	277	34%
	5-9 Million	256	32%
	10-20 Million	275	34%

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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 to view an interactive tool with full results from previous months.