Midyear Update to the Economic Outlook

“Waiting for Election”

Webb Brown
Montana University of the Montana Chamber Foundation
US Chamber of Commerce
Small Business Outlook Survey

Started in April, 2011
Conducted quarterly (July 2-9 latest)
1,225 small business owners and execs
Sampling error of +/- 2.5%
Are we on the Right Track with Economic Conditions?

- Right Track US
- Right Track Local
- Right Track Business

<table>
<thead>
<tr>
<th></th>
<th>Apr '11</th>
<th>Jul '11</th>
<th>Oct '11</th>
<th>Jan '12</th>
<th>Mar '12</th>
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<tbody>
<tr>
<td>Right Track US</td>
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<td>Right Track Business</td>
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<td>68</td>
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</tr>
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</table>
US Chamber of Commerce
Small Business Outlook Survey

Are You Likely to Add or Lose Employees or Stay the Same?

- **Add**
- **Same**
- **Lose**
US Chamber of Commerce
Small Business Outlook Survey

What’s the Climate for Small Business over the Next Two Years?

![Graph](image-url)
US Chamber of Commerce
Small Business Outlook Survey

Continued opposition to ACA

Concerns:
- “Fiscal Cliff”
- tax hikes
- energy costs concerns

http://www.uschamber.com/press/releases/2012/july/small-businesses-hesitant-hiresay-economy-track
Conducted District-wide November, 2010

Conducted Montana-only June 27-30, 2011

Repeated Montana-only July 10-31, 2012

136 small business owners and execs
Federal Reserve Bank of Minneapolis
Business Confidence Survey

U.S. Economy
Nov. 2010

- Well: 46%
- Poorly: 33%
- Uncertain: 21%

U.S. Economy
June 2011

- Well: 15%
- Poorly: 49%
- Uncertain: 36%

U.S. Economy
July 2012

- Well: 15%
- Poorly: 45%
- Uncertain: 40%
Federal Reserve Bank of Minneapolis
Business Confidence Survey

State Economy
Nov. 2010

State Economy
July 2012

State Economy
June 2011

Well
Poorly
Uncertain

44%
36%
20%

37%
30%

40%
51%
9%
Federal Reserve Bank of Minneapolis
Business Confidence Survey

Local Economy
Nov. 2010

- Well: 37%
- Poorly: 21%
- Uncertain: 42%

Local Economy
July 2012

- Well: 35%
- Poorly: 7%
- Uncertain: 58%

Local Economy
June 2011

- Well: 35%
- Poorly: 28%
- Uncertain: 37%
Federal Reserve Bank of Minneapolis
Business Confidence Survey

Your Business
Nov. 2010
- Well: 71%
- Poorly: 3%
- Uncertain: 26%

Your Business
July 2012
- Well: 77%
- Poorly: 4%
- Uncertain: 19%

Your Business
June 2011
- Well: 67%
- Poorly: 10%
- Uncertain: 23%
### Business Expectations - Nov. 2010

<table>
<thead>
<tr>
<th>Component</th>
<th>Up</th>
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<tr>
<td>Sales revenue</td>
<td>38</td>
<td>36</td>
<td>26</td>
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<tr>
<td>Productivity</td>
<td>37</td>
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<td>Employment</td>
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### Business Expectations - June, 2011

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### Business Expectations - July, 2012

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Federal Reserve Bank of Minneapolis
Business Confidence Survey

Confidence recovering – except US
Comments reflect election jitters
Congressional action unknown
Continuing, gradual recovery
Montana Chamber of Commerce
Outlook for Future

No Lack of Certainty

Regulatory Burden

Holding Pattern

Waiting for Elections
Montana Chamber of Commerce
Outlook for Future

www.MontanaChamber.com
www.ChamberChoices.com
www.MontanaSafetyChoices.com