

Verus Market Note

U.S. small business optimism showed historic monthly gain in November, following election results

Throughout 2022, small business optimism declined as companies grappled with high materials prices and labor shortages. Optimism remained very poor in recent years, until November showed the largest single-month increase in sentiment since 1980. As explained by NFIB Chief Economist Bill Dunkelberg, *“Main Street also became more certain about future business conditions following the election, breaking a nearly three-year streak of record high uncertainty. Owners are particularly hopeful for tax and regulation policies that favor strong economic growth as well as relief from inflationary pressures.”*

This week’s Market Note illustrates the historic gain in small business optimism, which brought the index to above the 50-year average reading of 98.

NFIB SMALL BUSINESS OPTIMISM INDEX



Source: NFIB, as of 11/30/24