

U.S. small business confidence edges up in January

WASHINGTON, Feb. 12 (Xinhua) -- U.S. small business confidence edged up in January, but remained one of the lowest readings in the survey's 40-year history, a leading industry association said Tuesday.

The National Federation of Independent Business (NFIB) said that its Small-Business Optimism Index rose just 0.9 points to 88.9 in January from December 2012, failing to regain the losses caused by last month's "fiscal cliff" scare. It remained one of the lowest readings in the NFIB survey history that began in 1973.

"The Optimism Index barely budged in January. The only good news is that it 'budded' up, not down," NFIB chief economist Bill Dunkelberg said in a statement, adding that small business owners were still pessimistic "in light of higher taxes, rising health insurance costs, increasing regulations and just plain uncertainty." The index fluctuated between 86.5 and 94.5 since the recession ended in June 2009.

Meanwhile, seven of ten index components rallied last month, but remained historically low. The net percent of owners expecting better business conditions in six months increased 5 points to a net minus 30 percent, still the fourth lowest reading in survey history.

The sales trends were also negative for small employers, with more owners still reporting declining sales than experiencing positive sales trends, the NFIB noted.

The small business industry, accounting for 99 percent of the overall companies, is the major drive of the U.S. economy and holds half of the country's labor force.