

## **U.S. small business optimism continues to decline in July**

WASHINGTON, Aug. 14 (Xinhua) -- U.S. small business confidence in July dipped for a second consecutive month after ending several months of slow growth, signaling the sector felt less upbeat about the economic outlook, a leading industry association reported Tuesday. The National Federation of Independent Business (NFIB) said that its Small-Business Optimism Index decreased to 91.2 in July from June's 91.4. The decline was due to a flurry of activity surrounding the upcoming fiscal cliff, said the association. Specifically, the index gauging earning trends decreased five points to a net minus 27 percent, and the share of owners projecting higher sales dipped one point to a net minus 4 percent. It also implied that most of small business owners had no plan to hire new hands and enhance inventory. The Index fluctuated between 86.5 and 94.5 since the recession ended in June 2009. During the recent economic recovery, the index has averaged 90, making it the worst recovery period from a recession in the NFIB survey history that began in 1973. "The lack of meaningful actions to address tax reform in Washington adds to the certainty of sluggish growth for the remainder of 2012, and the uncertainty of what will come in 2013," said NFIB chief economist William Dunkelberg. 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.