Business Inflation Expectations (BIE) Survey

Monthly Report: September 2026

Federal Reserve Bank *of* Atlanta

Headline Results

1. Firms’ year-ahead unit cost expectations increased to 2.4 percent. Year-ahead unit cost expectations have fallen considerably since hitting a peak of 3.8 percent in April 2022 but remain somewhat elevated relative to their prepandemic average of 2.0 percent (from January 2017 through December 2019). Firms’ year-ahead unit cost uncertainty has increased since a low of 1.9 percent in February this year.
2. Firms’ long-run (five to 10 years ahead) unit-cost expectations remained constant from June 2026 at 2.8 percent.
3. In September's special questions, we asked firms to consider their outlook for employment and their realized and expected wage costs.
4. Overall, most firms indicated that they anticipate either little to no changing in staffing or plan to increase levels over the next year. When looking at the growth rates in employment across sectors, manufacturing and corporate services anticipate the strongest growth going forward. Wages have steadily increased over the past 12 month and are expected to continue to increase over the next 12 months. However, this growth rate when compared to the present inflation rate isn’t nearly as strong.

About the BIE

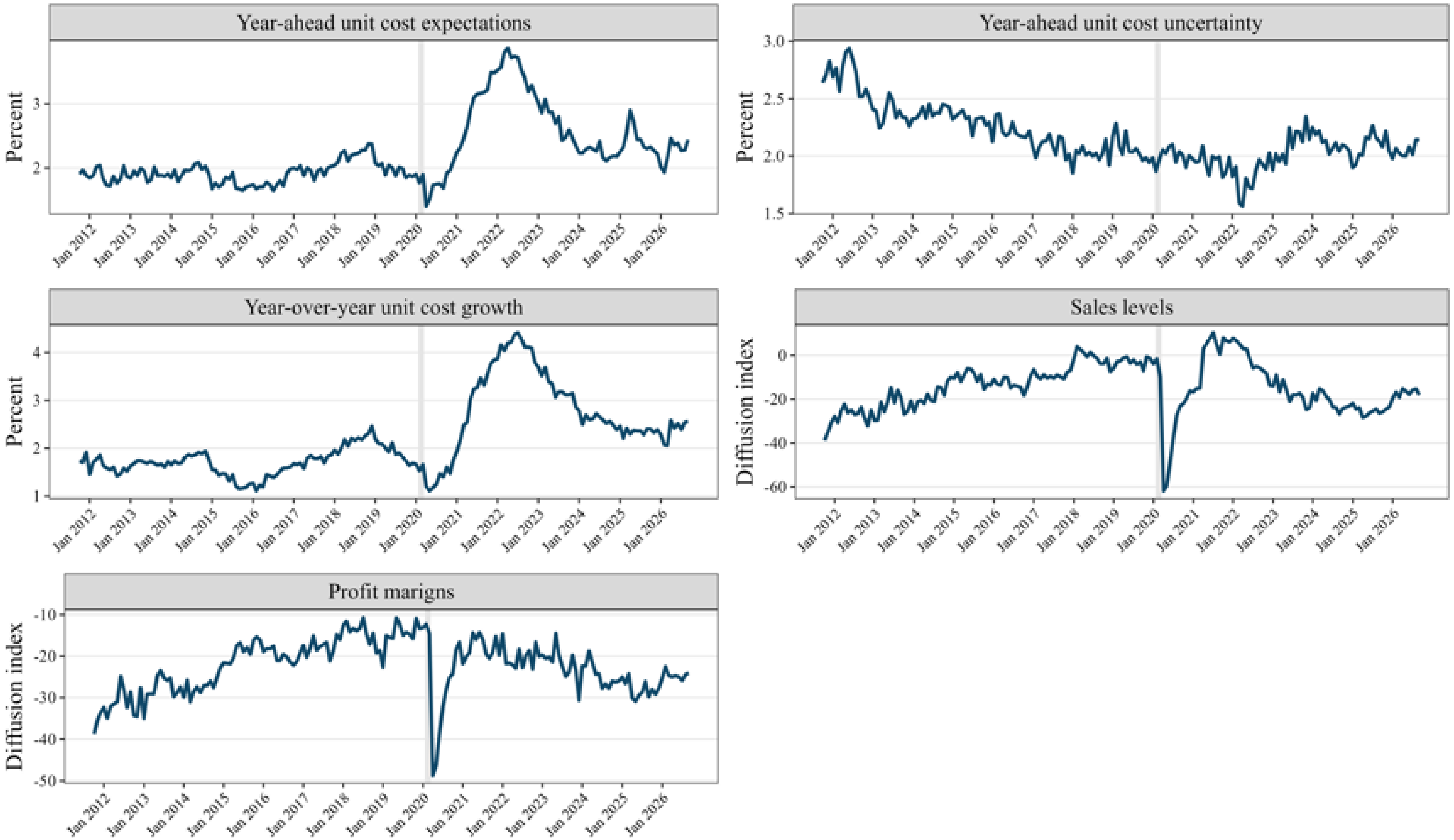
The Business Inflation Expectations (BIE) survey is fielded by the Federal Reserve Bank of Atlanta. It was designed, tested, and refined by the Atlanta Fed Economic Research Survey Center.

Our monthly Business Inflation Expectations survey goes to about 690 panel members (as of February 2024), who occupy executive and managerial positions at Sixth District firms. We contact panel members each month by email, and they respond via a web-based instrument.

Survey questions pertain to current, past, and future outcomes at respondents' firms. Our primary objective is to elicit the respondent's subjective forecast distributions over own-firm future unit-cost growth. We gather qualitative information on firms' sales levels and margins on a monthly basis. We include a set of rotating quarterly questions covering firms' longer-run probabilistic unit-cost expectations, quantitative sales gaps, and realized/expected price change. Our survey also includes special questions on timely, policy-relevant topics.

For more information on survey design and methodology, please refer to resources on the BIE page.

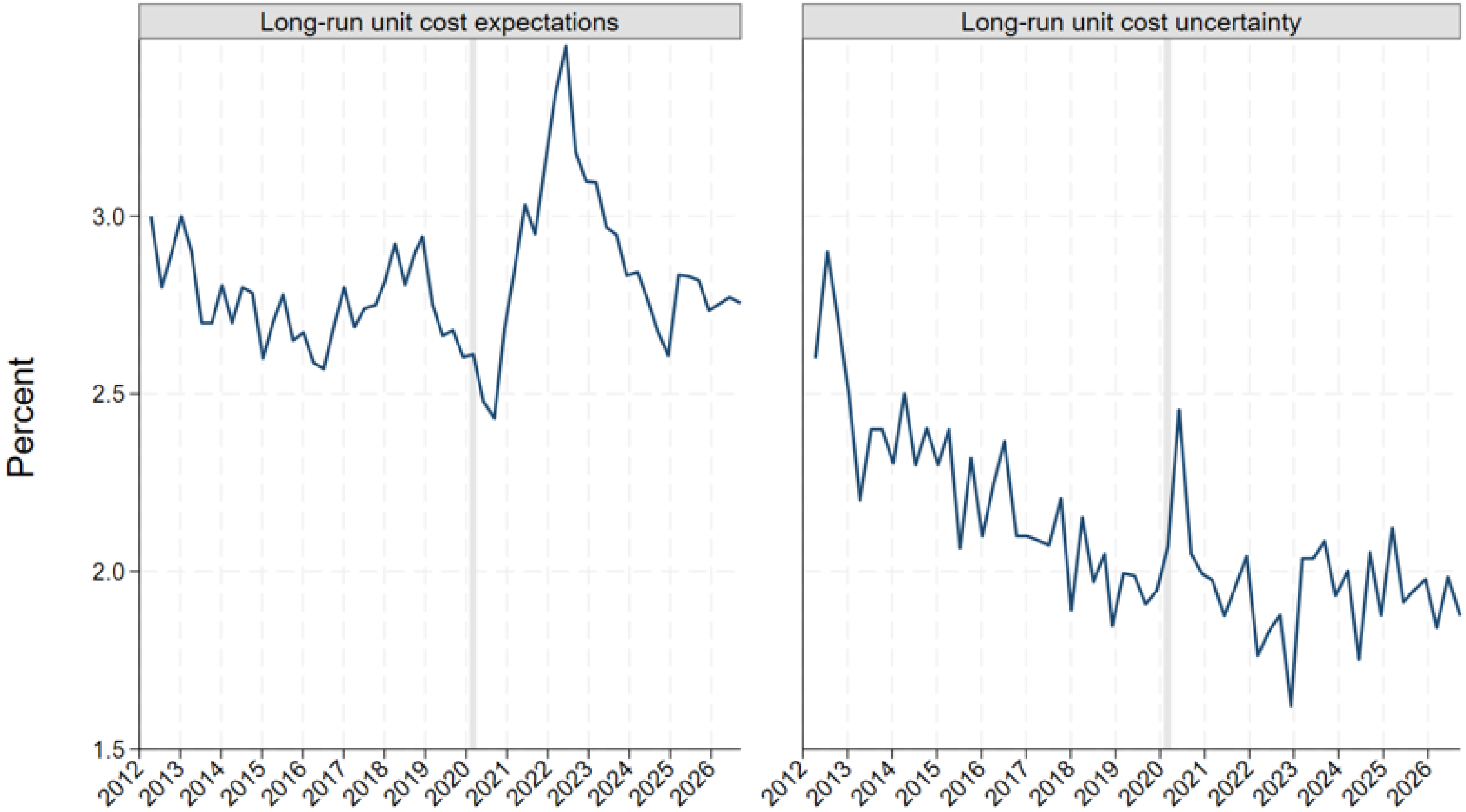
Core Monthly Questions



Note: The data are shown monthly.

Source: Atlanta Fed Business Inflation Expectations (BIE) survey

Rotating quarterly question: Projecting ahead, to the best of your ability, please assign a percent likelihood to the following changes to unit costs per year, over the next five to 10 years.



Source: Atlanta Fed Business Inflation Expectations (BIE) survey

BIE Special Questions: September 2026

Thinking forward 12 months from now, compared to current levels, how would you describe your firm's expectations for number of employees?

How is your firm planning on reducing the number of employees over the next 12 months? Check all that apply.

Looking forward 12 months, about half of firms anticipate increasing their staffing levels, with only 10 percent anticipating a reduction in staffing levels.

Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

When this is split out by sector, firms in Construction, Real Estate, Mining & Utilities, and Corporate Services report the highest share of firms expecting future employment growth. When split by firm size, small firms are the least optimistic in employment expectations, with only a third anticipating growth.

Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

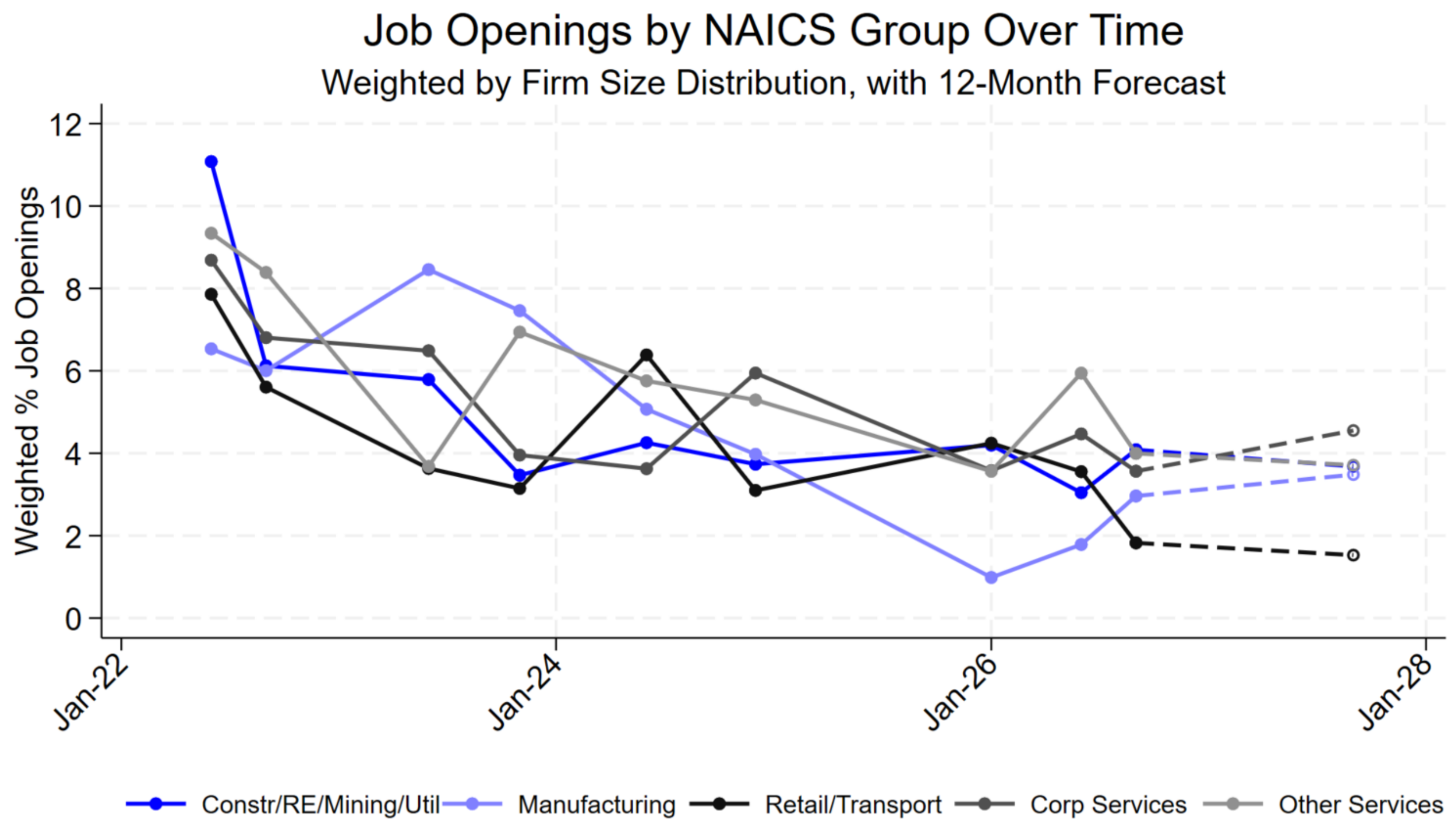
What was your firm's number of job openings as of last Friday, September 4?

Currently, what is your firm's number of employees (including part-time)?

Looking forward 12 months from now, by what percentage does your firm expect to increase the number of employees?

Looking forward 12 months from now, by what percentage does your firm expect to decrease the number of employees?

Firms across all sectors have stabilized in their employment growth rates. Since the last fielding of this question (May 2026), retail and transportation and other services saw meaningful declines in growth, while manufacturing and construction/real estate saw gains. Looking forward 12 months, corporate services anticipate the most growth in employment.

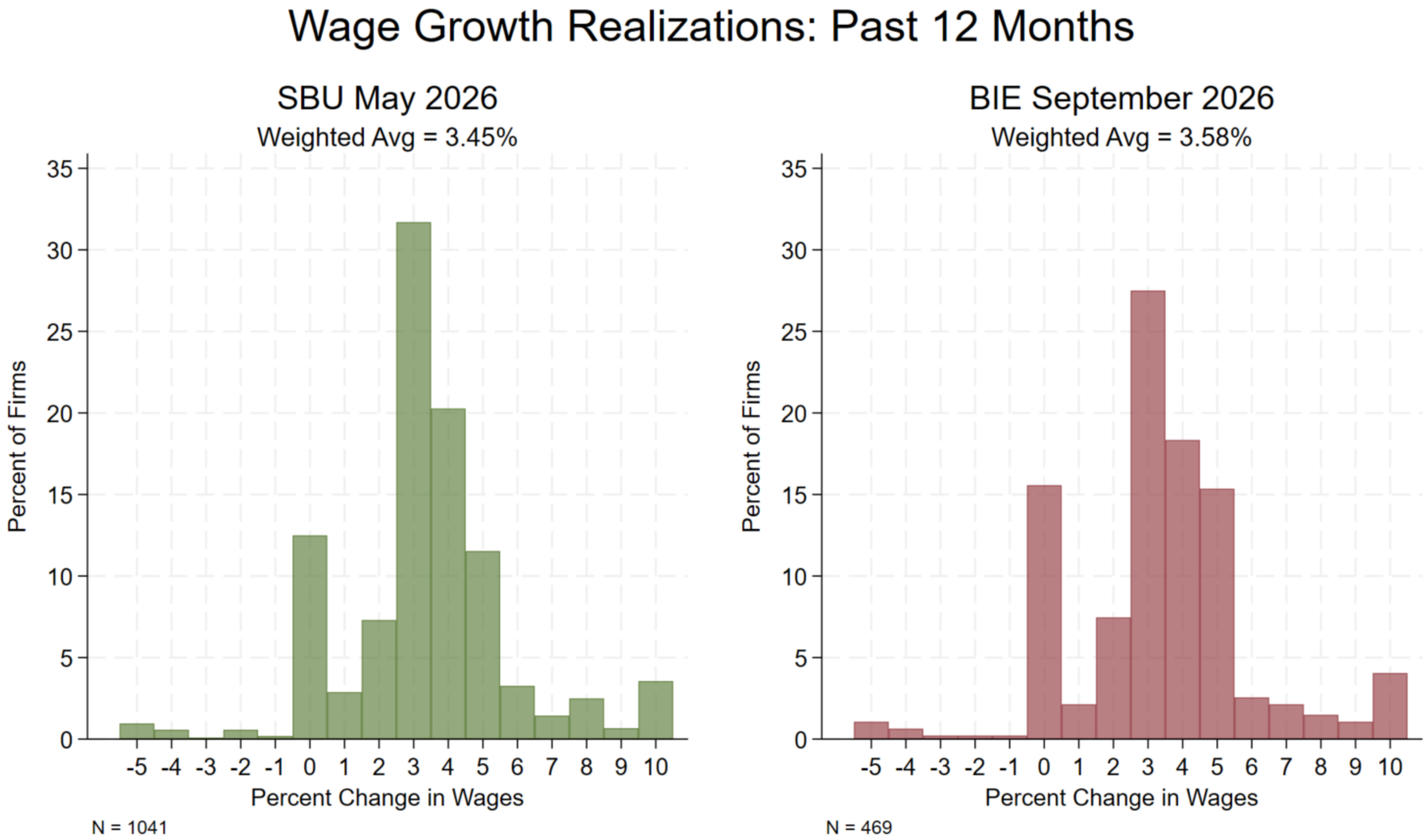


Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

What was the average growth rate of wages at your firm in the past 12 months? Please express your answer as a percent change.

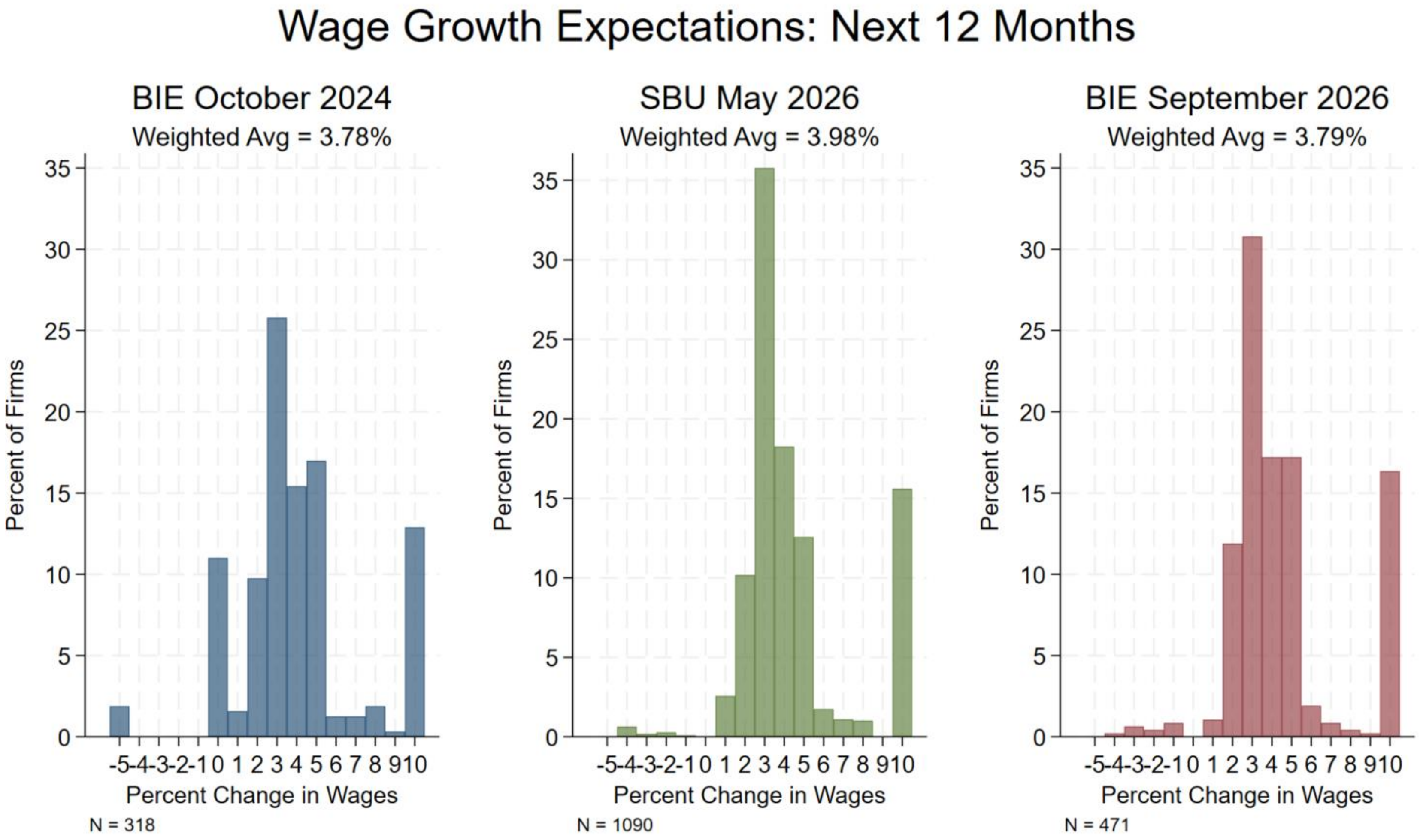
Over the next 12 months, what do you expect the average growth rate of wages to be at your firm? Please express your answer as a percent change.

Looking back over the past 12 months, wages have grown by about 3.5 percent, which is just below the rate of inflation (headline PCE).



Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

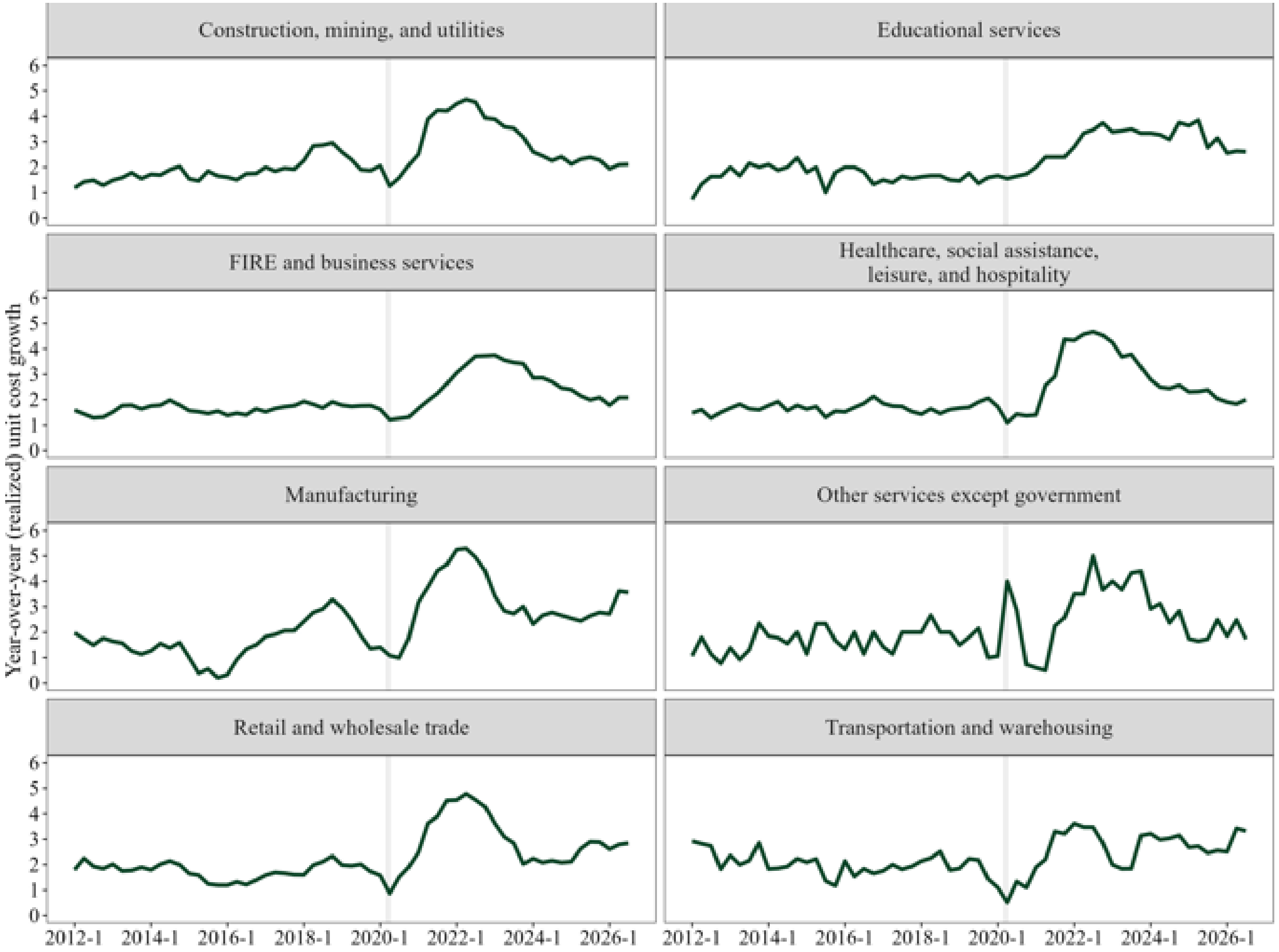
Looking forward 12 months, firms expect their wages to increase between 3.79 and 3.98 percent. Wage expectations are slightly elevated to when this question was fielded in October 2024.



Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

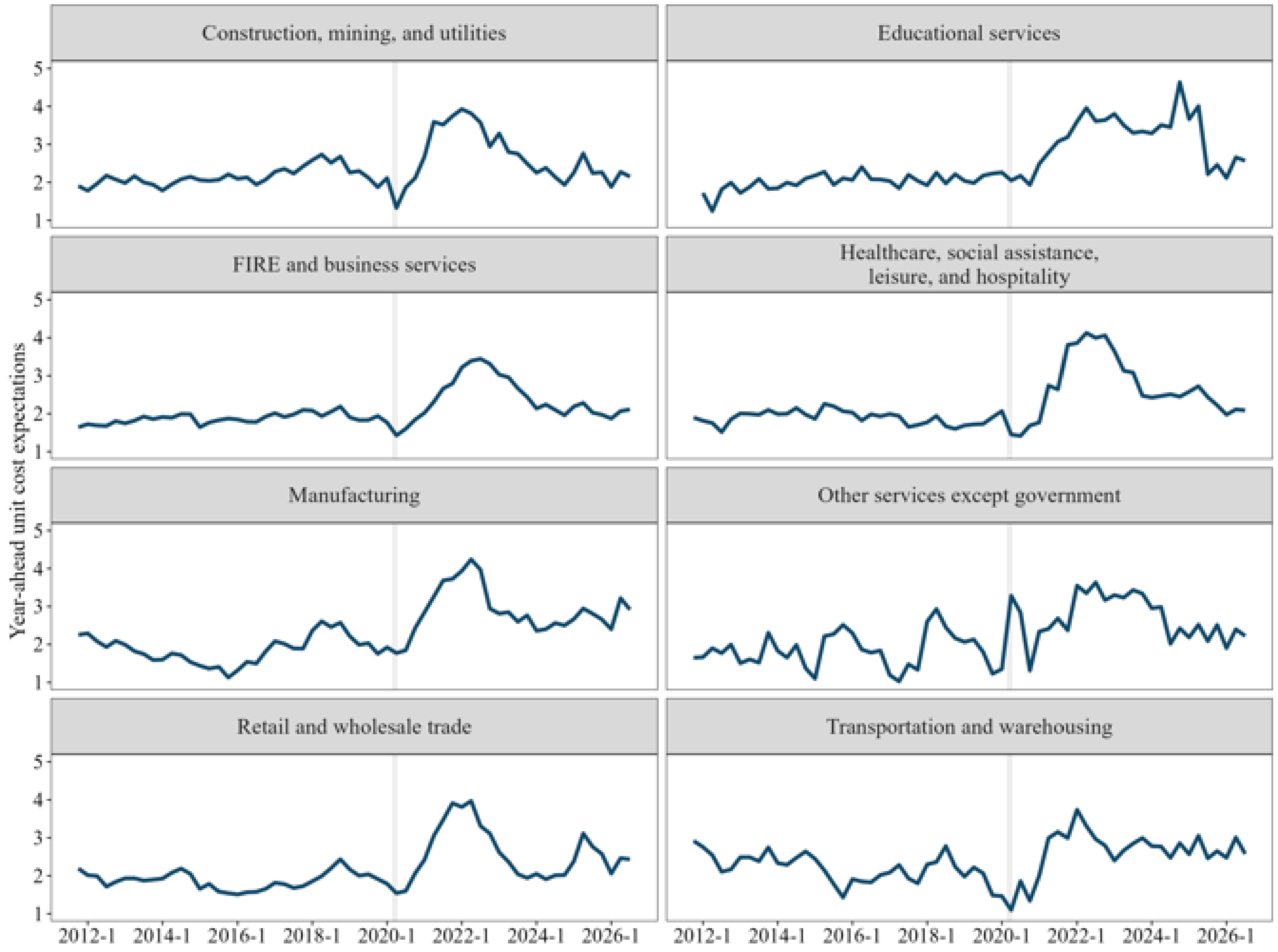
Realizations and expectations by industry

Firms' realized unit-cost growth across most broad industry classifications continues to ebb from peak levels.



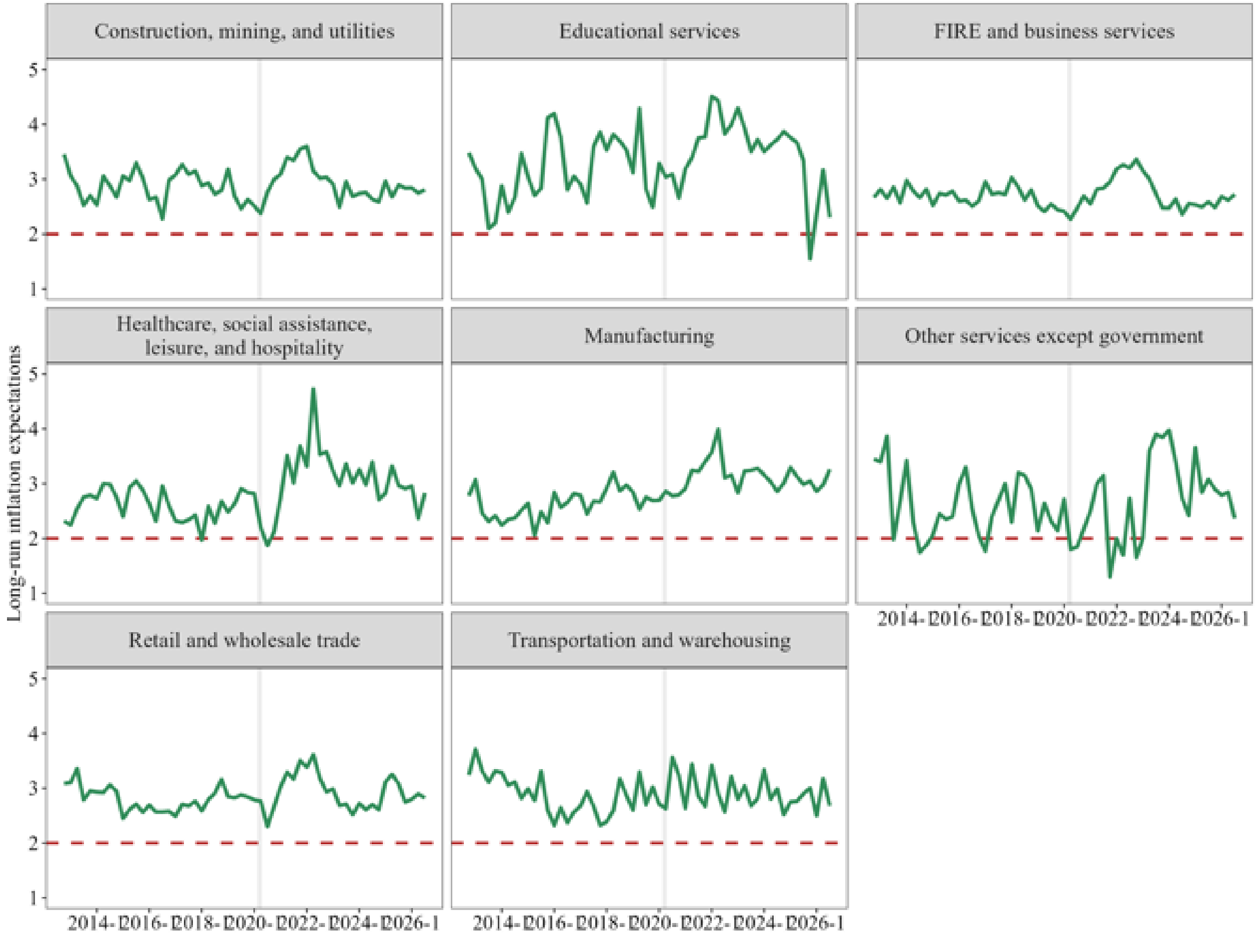
Note: The data are shown monthly.
Source: Atlanta Fed Business Inflation Expectations (BIE) survey

Year-ahead unit-cost expectations vary meaningfully by sector.



Note: The data are shown monthly.
Source: Atlanta Fed Business Inflation Expectations (BIE) survey

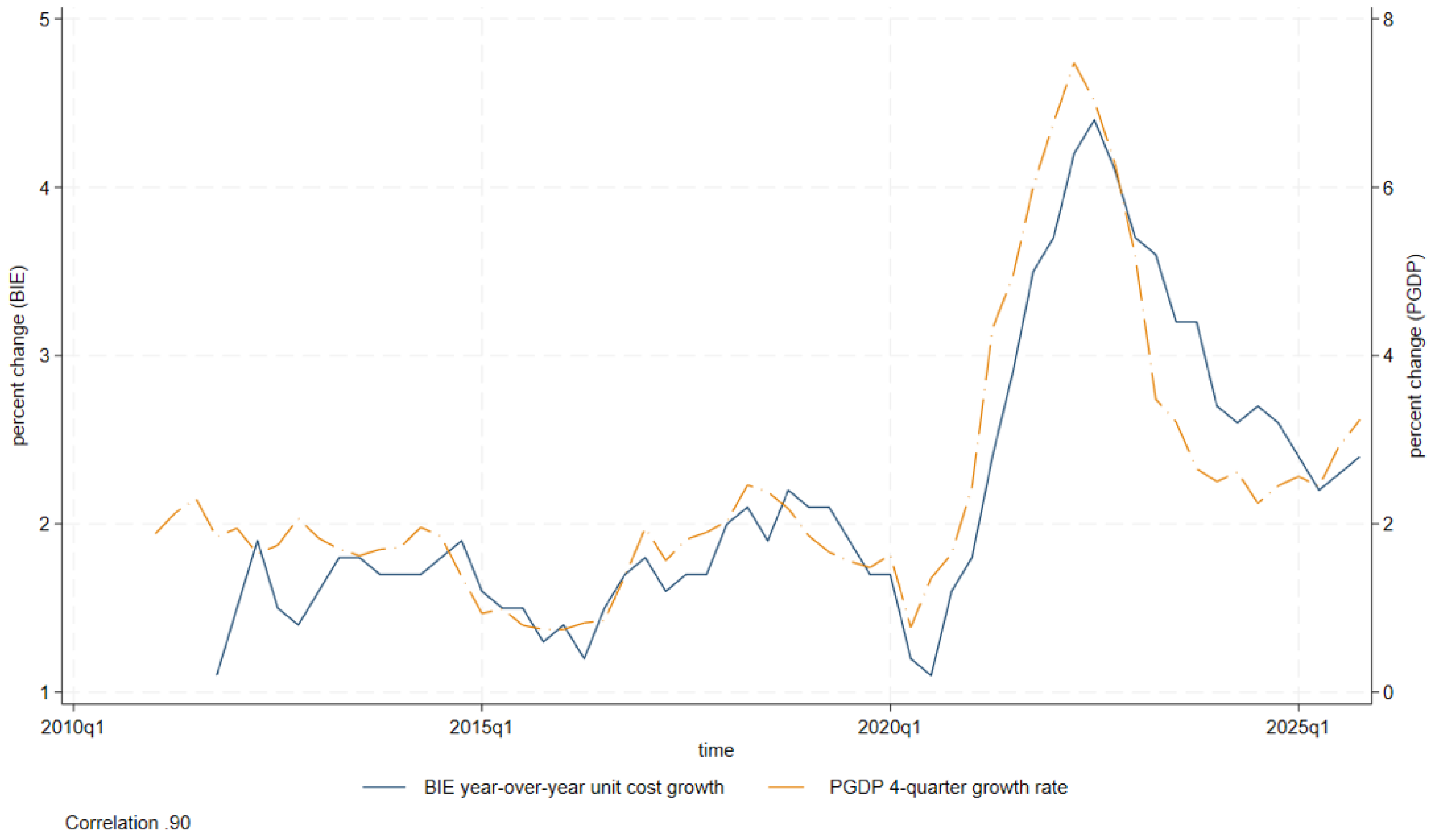
Longer-run unit-cost expectations across most broad industry classifications remain elevated relative to prepandemic averages.



Note: The data are shown monthly.
Source: Atlanta Fed Business Inflation Expectations (BIE) survey

Comparing BIE realizations and expectations to actual data and other surveys

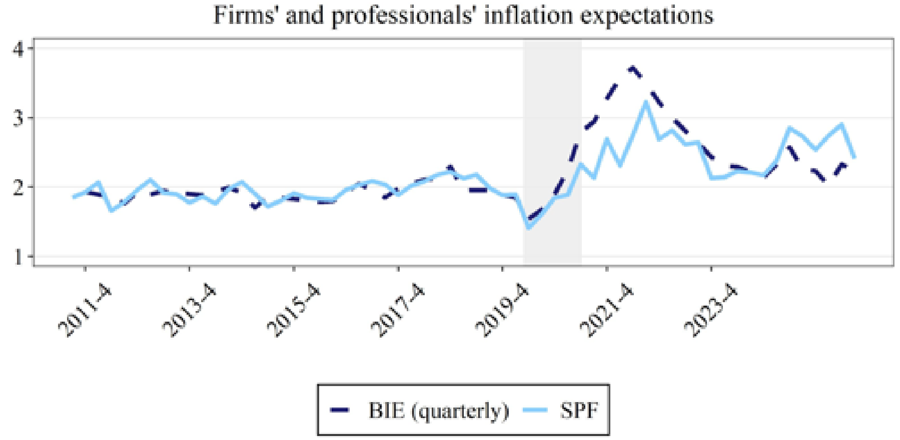
BIE Unit Cost Growth versus GDP Chain-type Price Index

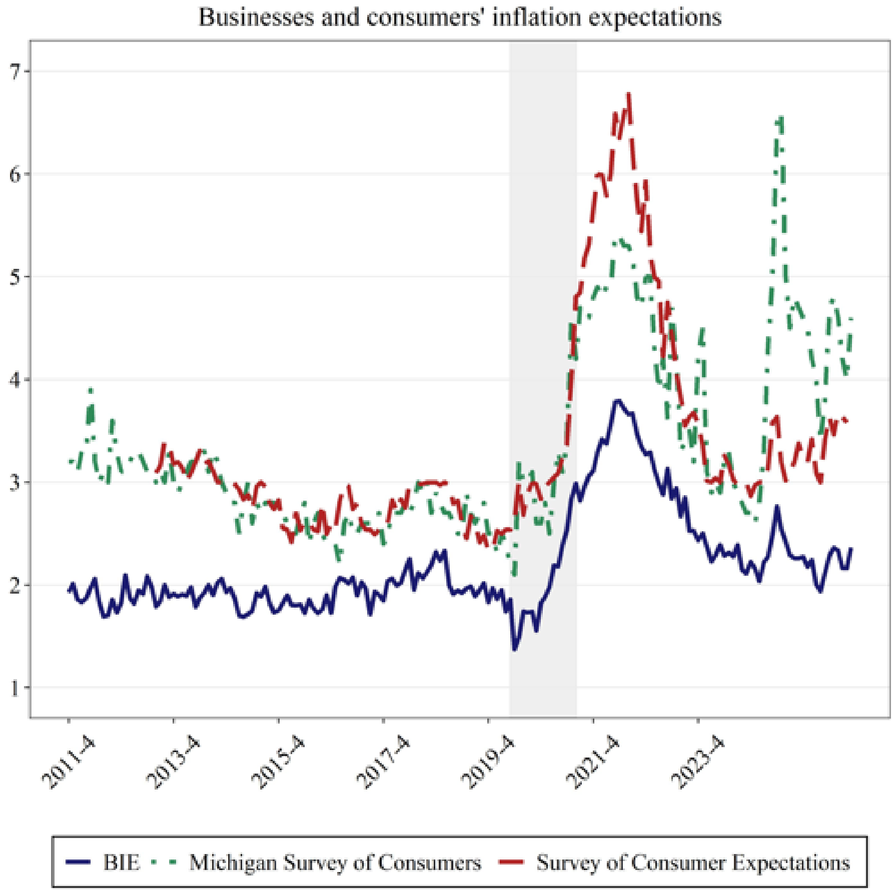


Note: The data are shown quarterly for both measures.

Source: Atlanta Fed's Business Inflation Expectations survey, Haver Analytics, and the Federal Reserve Economic Data (FRED) GDP Price Index https://fred.stlouisfed.org/series/GDPCTPI

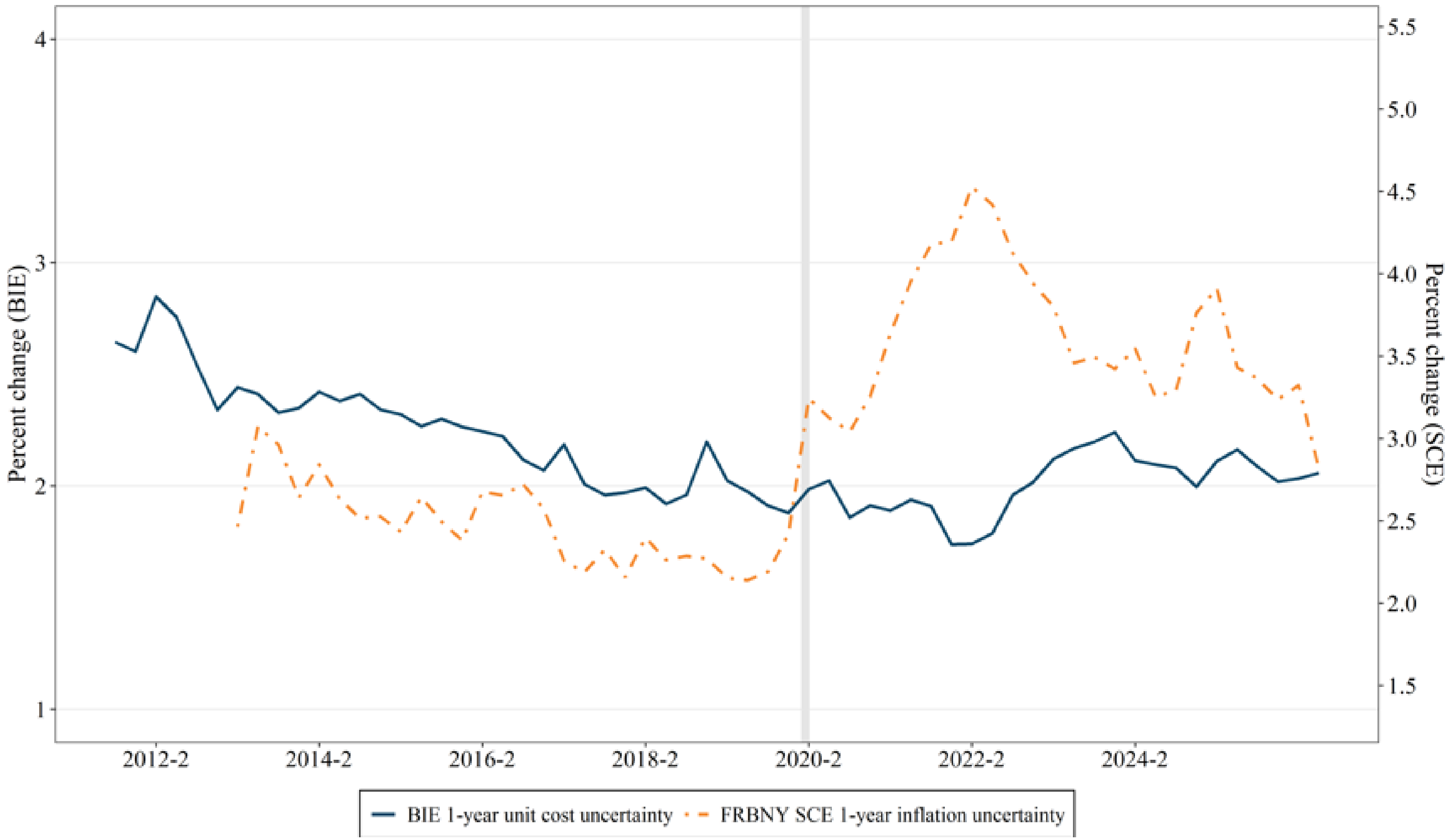
BIE Survey versus SPF and Survey of Consumers





Note: Except the chart at lower left with quarterly data, all remaining chart data are shown monthly.
Source: Atlanta Fed Business Inflation Expectations (BIE) survey, Philadelphia Fed Survey of Professional Forecasters (SPF), and University of Michigan Survey of Consumers

Uncertainty: BIE versus SCE



Note: The data are shown quarterly for both measures.
Source: Atlanta Fed's Business Inflation Expectations (BIE) survey and the New York Fed Survey of Consumer Expectations (SCE)

Questions can be directed to:
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