Survey of Business Uncertainty Monthly Report

June 2026

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SBU

Federal Reserve Bank *of* Atlanta

Based on survey responses from 8-19 June 2026

Headline Results

June 2026 Survey of Business Uncertainty

1. Sales revenue growth expectations have risen somewhat over the past few months. (Slide 4)
2. Firms remain more uncertain about future sales growth than before the pandemic. (Slide 4)
3. Business execs expect higher costs and prices over the next year. (Slides 14-15)
4. More than 15% of firms adjusted wages or working arrangements over the past 3 months to help employees cope with cost-of-living shocks. (Slides 7-8)
5. Business execs expect about the same wage growth over the next 12 months as they saw over the last 12 months. (Slides 9-10)

SBU Survey of Business Uncertainty

About the Survey

The Survey of Business Uncertainty (SBU) is fielded each month by the Federal Reserve Bank of Atlanta.

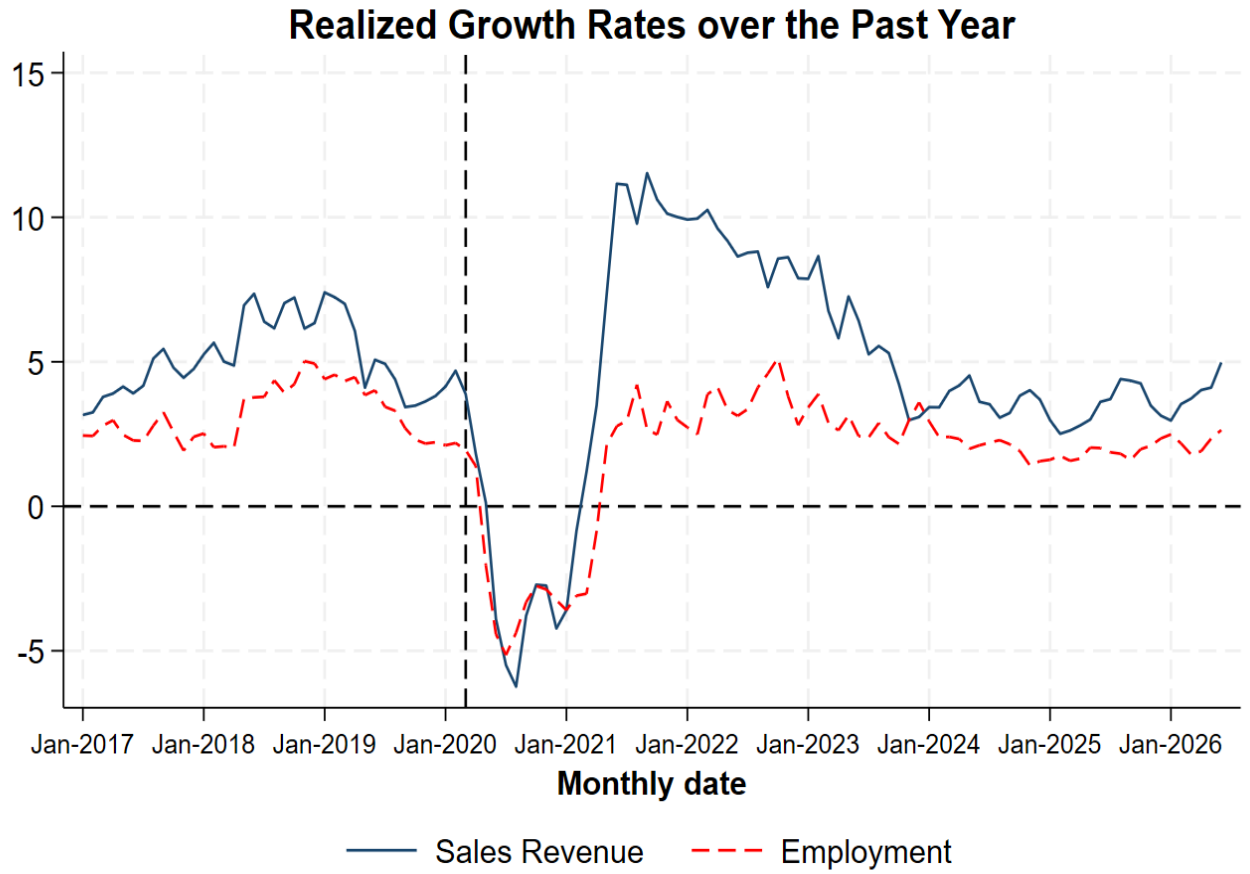
The SBU questionnaire goes to about 1500 panel members, who occupy senior finance and managerial positions at U.S. firms. We contact panel members each month by email, and they respond via a web-based instrument.

Survey questions pertain to current, past, and future outcomes at the respondent's firm. Our primary objective is to elicit the respondent's subjective forecast distributions over own-firm future sales growth rates and employment levels. We also ask special questions on timely topics.

For more information on survey design and methodology, please refer to the resources on the SBU page and "Surveying Business Uncertainty," published in the *Journal of Econometrics* and also available as NBER Working Paper 25956.

The recent uptick in nominal sales growth has stalled but remains in line with pre-pandemic growth. Recent employment growth is in line with pre-pandemic growth.

January 2017–June 2026



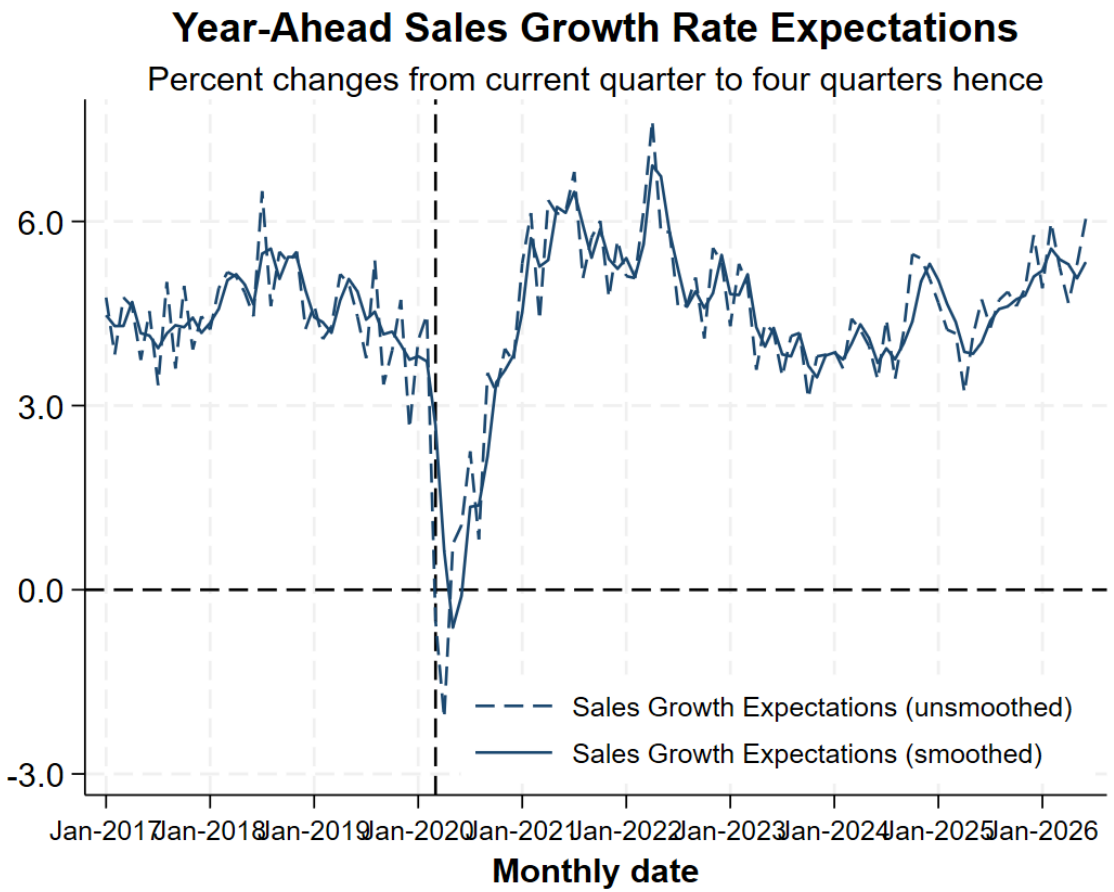
NOTE: Calculated using monthly data through June 2026. Realized growth rate series for sales revenue and employment are activity-weighted averages of firms' reported (look-back) growth rates over the past year (specifically, the previous four quarters for sales revenue and previous 12 months for employment).

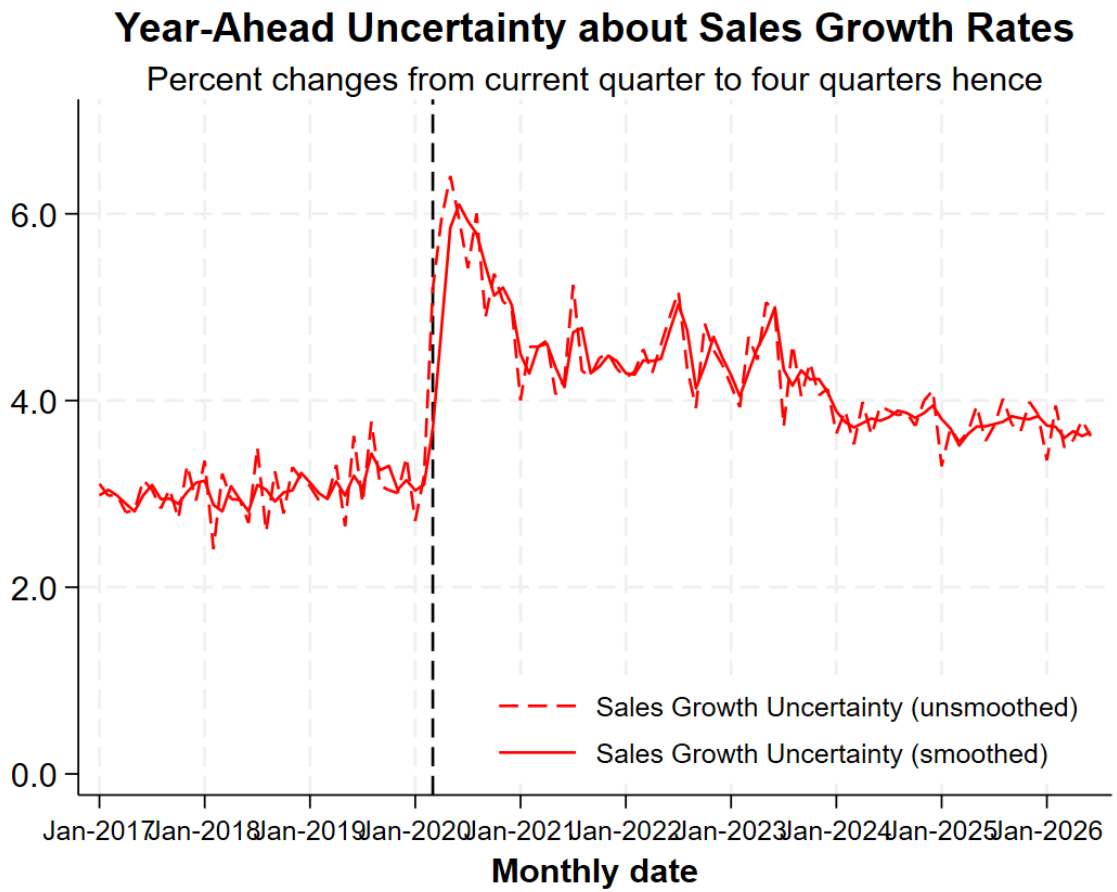
NOTE: The chart shows smoothed series.

Source: Survey of Business Uncertainty conducted by the Federal Reserve Bank of Atlanta. For more information, see "Surveying Business Uncertainty" by David Altig, Jose Maria Barrero, Nick Bloom, Steven J. Davis, Brent Meyer, and Nick Parker, NBER Working Paper No. 25956, February 2020. The vertical dashed line shown in the plot marks the start of the COVID-19 pandemic.

Sales revenue growth expectations have risen in recent months. Firms remain more uncertain about future revenue growth than they were before the pandemic.

January 2017–June 2026



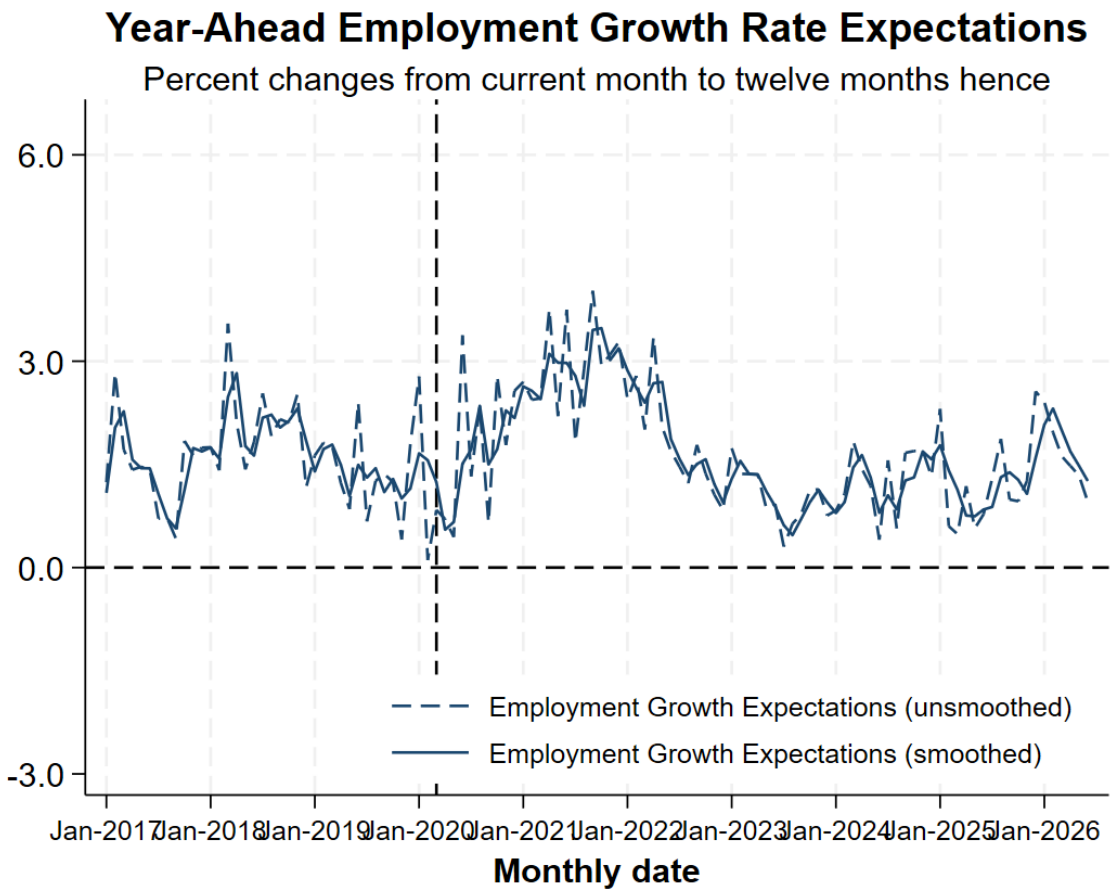


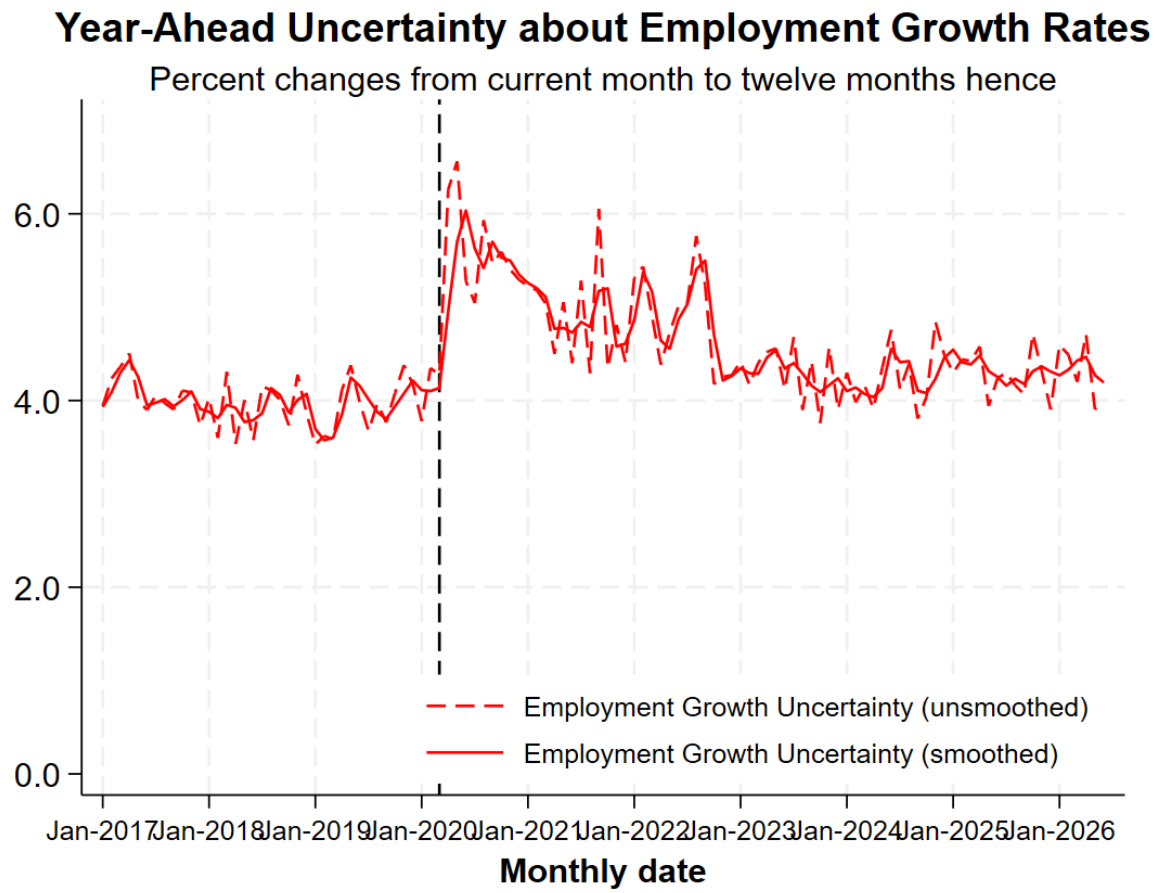
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Expected employment growth is at pre-pandemic levels. Uncertainty about employment growth is slightly elevated over pre-pandemic levels.

January 2017–June 2026



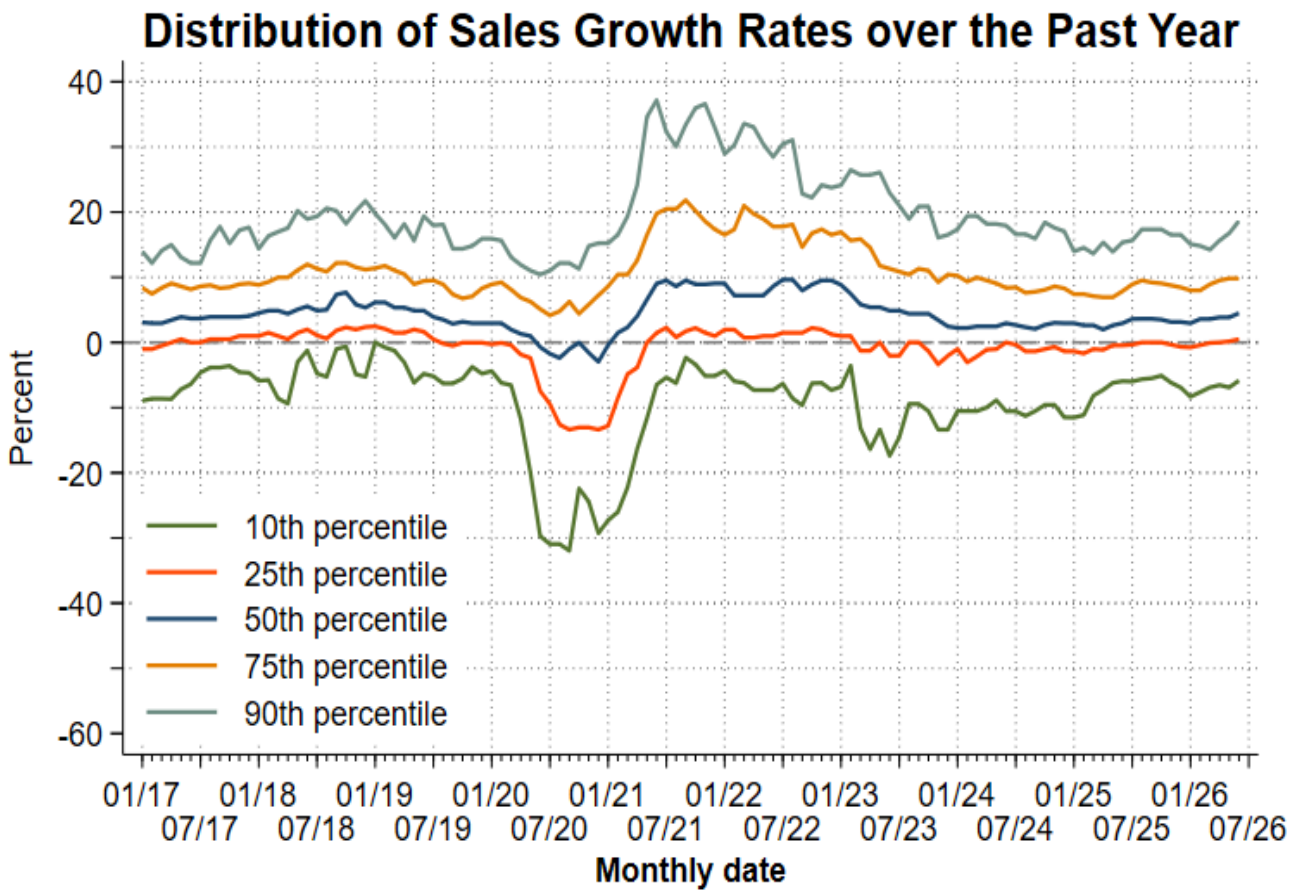


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The dispersion of sales growth rates across firms has returned to pre-pandemic levels.

January 2017–June 2026

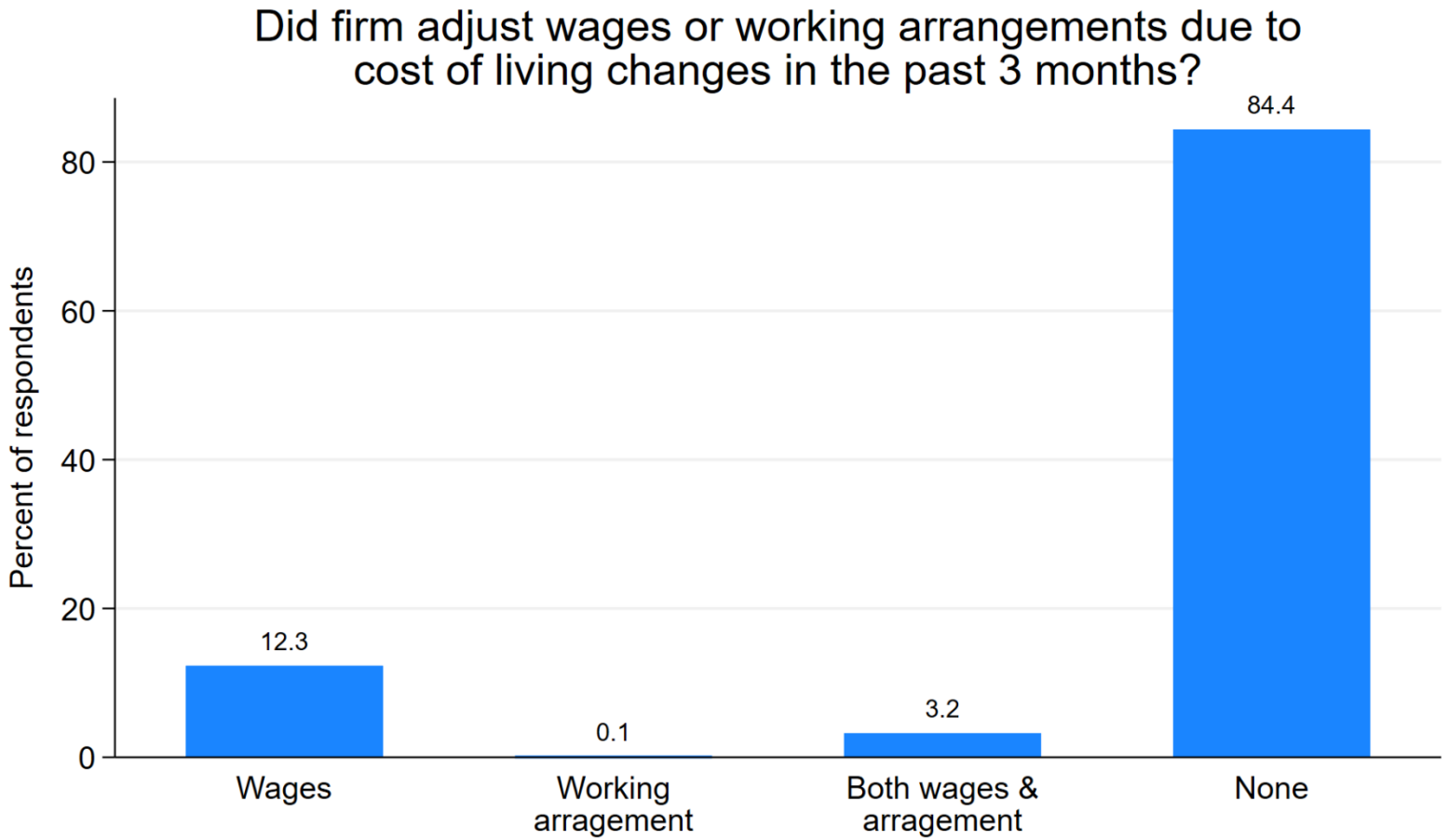


NOTES: Calculated using monthly data through June 2026. The chart shows smoothed series. Lines show percentiles of the activity-weighted distribution of firm-level sales growth rates over the past year.

Source: Survey of Business Uncertainty conducted by the Federal Reserve Bank of Atlanta.

More than 15% of firms adjusted wages or working arrangements over the past three months to help employees cope with cost-of-living shocks.

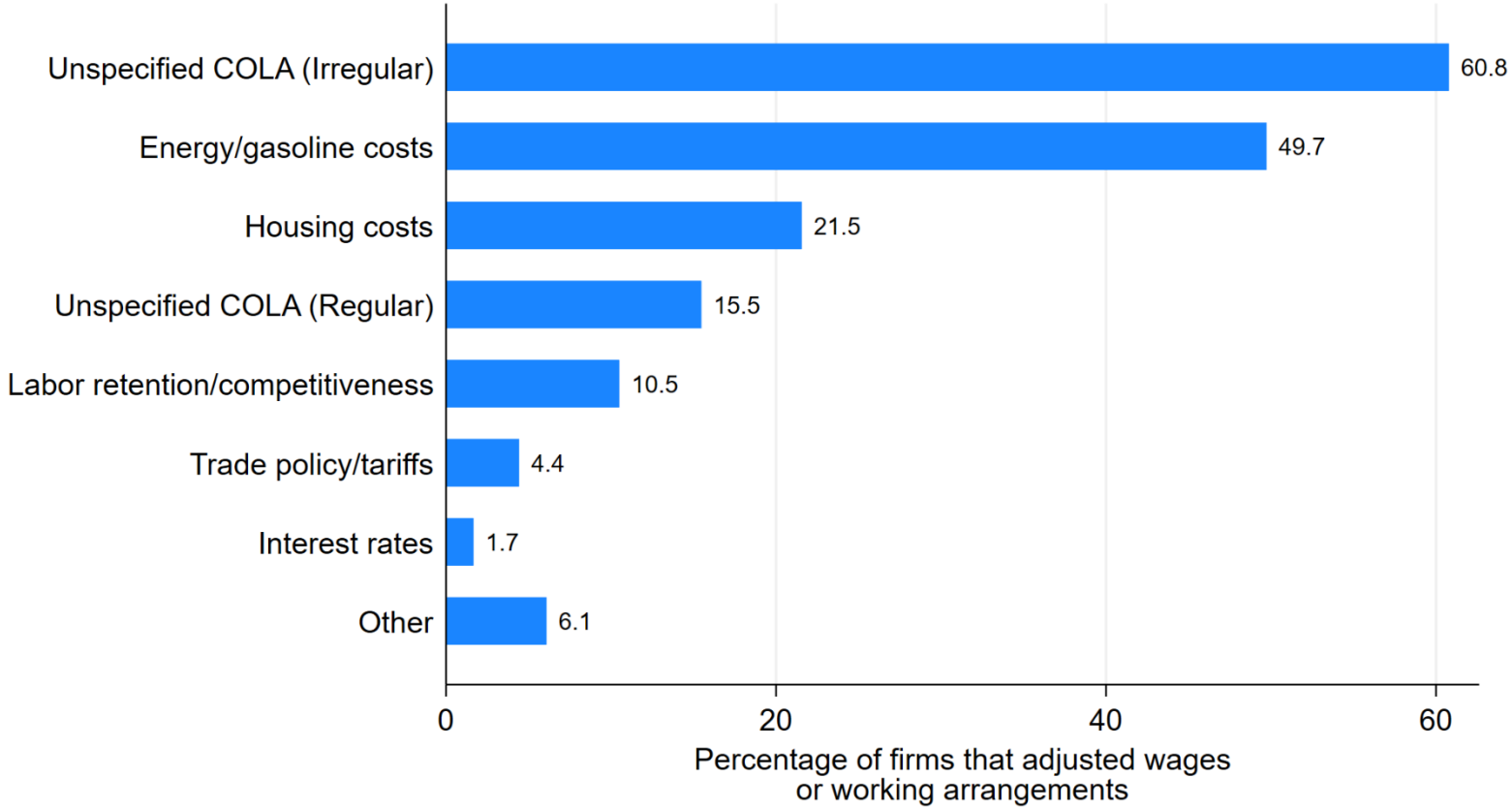
Question: *Over the last 3 months, has your firm adjusted its wages or working arrangements to help employees cope with shocks to the cost of living?*
Question: *Did your firm adjust wages, working arrangements, or both?*



Note: The SBU survey fielded these questions to panelists from 5/11/25 – 5/22/26. The sample covers all U.S. states and major industry sectors. N=1,026.

Business executives who adjusted wages or working arrangements cited unexpected increases to general cost of living as their primary reason for doing so.

Question: *Over the last 3 months, has your firm adjusted its wages or working arrangements to help employees cope with shocks to the cost of living?*
Question: *Did your firm adjust wages, working arrangements, or both?*
Question: *What cost-of-living shocks prompted your firm to adjust [wages/working arrangements]?*



Note: The SBU survey fielded these questions to panelists from 5/11/25 – 5/22/26. The sample covers all U.S. states and major industry sectors. Unspecified COLA (irregular) includes all COLA for any reason that is not listed as its own category or is ambiguous. Unspecified COLA (regular) refers to any COLA made in accordance with regular firm policy. N=181.

Business executives expect wages to grow at about the same pace over the next twelve months as wages grew over the last twelve months.

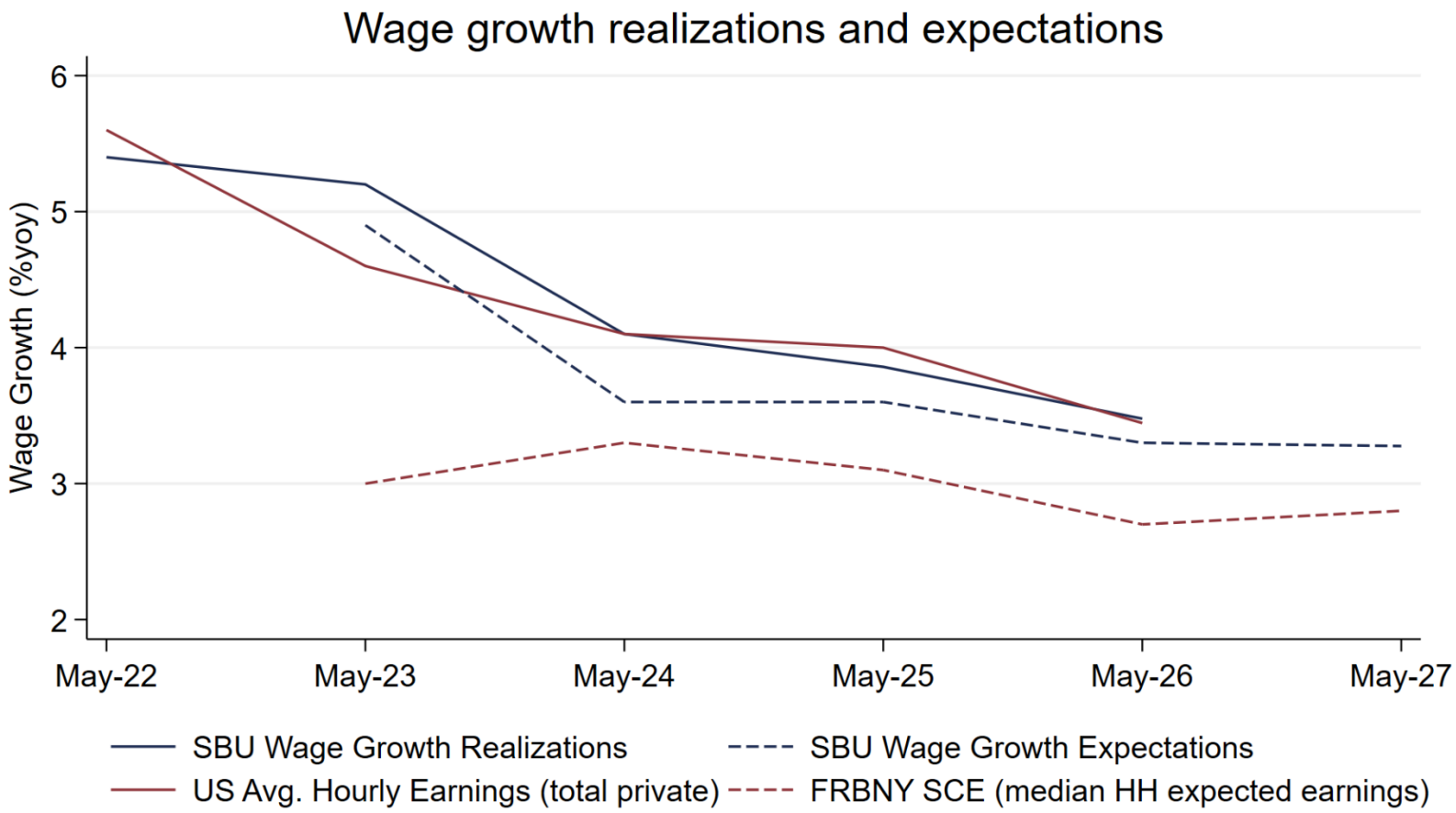
Question: *What was the average growth rate of wages at your firm in the past 12 months? Over the next 12 months, what do you expect the average growth rate of wages to be at your firm?*

	Nominal Wage Growth Realizations			Nominal Wage Growth Expectations		
	N	Mean	SE	N	Mean	SE
Overall	1024	3.5	0.06	1023	3.3	0.05
< 50 employees	400	3.3	0.13	399	3.3	0.11
50-99 employees	167	3.5	0.17	167	3.3	0.13
100-249 employees	199	3.6	0.14	199	3.4	0.10
> 250 employees	258	3.4	0.12	258	3.2	0.11
Construction, Real Estate, Mining & Utilities	194	3.6	0.15	194	3.5	0.10
Manufacturing	167	3.4	0.11	167	3.3	0.09
Retail & Wholesale Trade	178	3.3	0.15	178	3.3	0.14
Business Services	357	3.7	0.11	356	3.3	0.10
Other Services	127	3.3	0.17	127	2.9	0.13

Note: The SBU survey fielded these questions to panelists from 5/11/25 – 5/22/26. The sample covers all U.S. states and major industry sectors.

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Question: *What was the average growth rate of wages at your firm in the past 12 months? Over the next 12 months, what do you expect the average growth rate of wages to be at your firm?*



Note: The SBU survey fielded these questions to panelists from 5/11/25 – 5/22/26. The sample covers all U.S. states and major industry sectors.

Appendix: Technical Information

Computing Moments of the Firm-Level Subjective Forecast Distributions

We calculate first and second moments of the subjective growth rate distributions of employment and sales revenue over the next 12 months or four quarters, as appropriate. Following standard practice in the literature on business-level dynamics, we calculate the growth rate of *x* from *t–1* to *t* as $g_t = 2(x_t - x_{t-1})/(x_t + x_{t-1})$.*

Employment

$CEmp$ = firm's current employment level, as reported by the respondent

$FEmp_i$ = employment 12 months hence in scenario i, for $i = 1,2,3,4,5$

p_i = *the associated probabilities*, $i = 1,2,3,4,5$

Scenario-Specific Growth Rates

$$EGr_i = 2(FEmp_i - CEmp)/(FEmp_i + CEmp),\ i = 1,2,3,4,5$$

First and Second Moments of the Subjective Growth Rate Forecast Distribution

$$Mean(EGr) = \sum_{i=1}^{5} p_i\, EGr_i$$

$$Var(EGr) = \sum_{i=1}^{5} p_i (EmpGr_i - Mean(EGr))^2$$

$$SD(EGr) = \sqrt{Var(EGr)}$$

Sales Revenue

$CSale$ = firm's sales revenue in the current quarter, as reported by the respondent

$FSaleGr_i$ = respondent's scenario–specific sales growth rate from now to four quarters hence, $i = 1,2,3,4,5$

p_i = *the associated probabilities*, $i = 1,2,3,4,5$

Implied Future Sales Level

$$FSale_i = \left(1 + \frac{FSaleGr_i}{100}\right) CSale,\ i = 1,2,3,4,5$$

Scenario–Specific Growth Rates (re–expressing respondent growth rates to our growth rate measure)

$$SaleGr_i = 2(FSale_i - CSales)/(FSale_i + CSale) = 2FSaleGr_i/(FSaleGr_i + 2),\ i = 1,2,3,4,5$$

First and Second Moments of the Subjective Growth Rate Forecast Distribution

$$Mean(SaleGr) = \sum_{i=1}^{5} p_i\, SaleGr_i$$

$$Var(SaleGr) = \sum_{i=1}^{5} p_i (SaleGr_i - Mean(SaleGr)_i)^2$$

$$SD(SaleGr) = \sqrt{Var(SaleGr)}$$

Subjective Expectations and Uncertainty Indices

We construct a monthly activity-weighted expectations (first-moment) index for employment growth and sales growth looking one year ahead. We also construct a monthly activity-weighted uncertainty (second-moment) index for the employment growth and sales growth looking one year ahead.

- In month *t,* the index for employment (sales) takes a value equal to the activity-weighted average of subjective mean employment (sales) growth rates looking one year hence (*Mean*(Gr)), averaging across all firms responding that month. We compute these subjective mean growth rates as described on slide 3, and winsorize them at the first and 99th percentiles before using them to construct the index.
- The month-*t* index of year-ahead subjective uncertainty for employment (sales) growth is the activity-weighted mean of (*SD* (Gr)) values across firms responding in month *t*. We compute these subjective standard deviations over growth rates as described on slide 3, and winsorize them at the first and 99th percentiles before inputting them into the index construction formula.
- When constructing first- and second-moment employment growth indexes, we weight firm *i*'s subjective mean growth rate expectation and uncertainty by the average of its month-*t* employment ($CEmp_{it}$) and its expected employment level ($EEmp_{it}$). We top-code these weights at 500 to diminish the influence of outliers among very large firms.
- When constructing first- and second-moment sales revenue growth indexes, we weight firms *i*'s subjective mean growth rate expectation and uncertainty by the average of its month-*t* sales revenue ($CSale_{it}$) and its expected sales level ($ESale_{it}$). We winsorize these activity-weights at the 1st and 80th percentile.
- Finally, we smooth our topic-specific indices by taking a moving average. We set the window for the moving average to 2 or 3 months, to match the panel structure of our survey.

Topic-specific Expected Excess Reallocation Indices

We construct forward-looking indices of excess job and sales revenue reallocation. These series measure the volume of cross-firm reallocation in economic activity above the reallocation required to support aggregate growth. For ease of exposition, we often refer to these as simply "reallocation rates":

- First, in each month *t,* we compute the activity-weighted average of own-firm expected gross job creation and destruction rates, which boils down to the activity-weighted average of the absolute value of subjective mean growth rates |*Mean*(EGr) |.
- Then , in each month *t,* we compute the absolute value of the activity weighted average of own-firm expected employment growth *Mean*(EGr) . This is effectively the absolute value of the employment growth expectations index in month *t*.
- We then obtain the expected job reallocation rate index value for month *t* by subtracting the outcome of the second bullet from the first. Letting w_{it} be firm i's activity weight in month t,

$$Expected\ Job\ Reallocation\ Rate_t = \sum_i w_t \cdot |Mean(EGr)| - \left|\sum_i w_t \cdot Mean(EGr)\right|$$

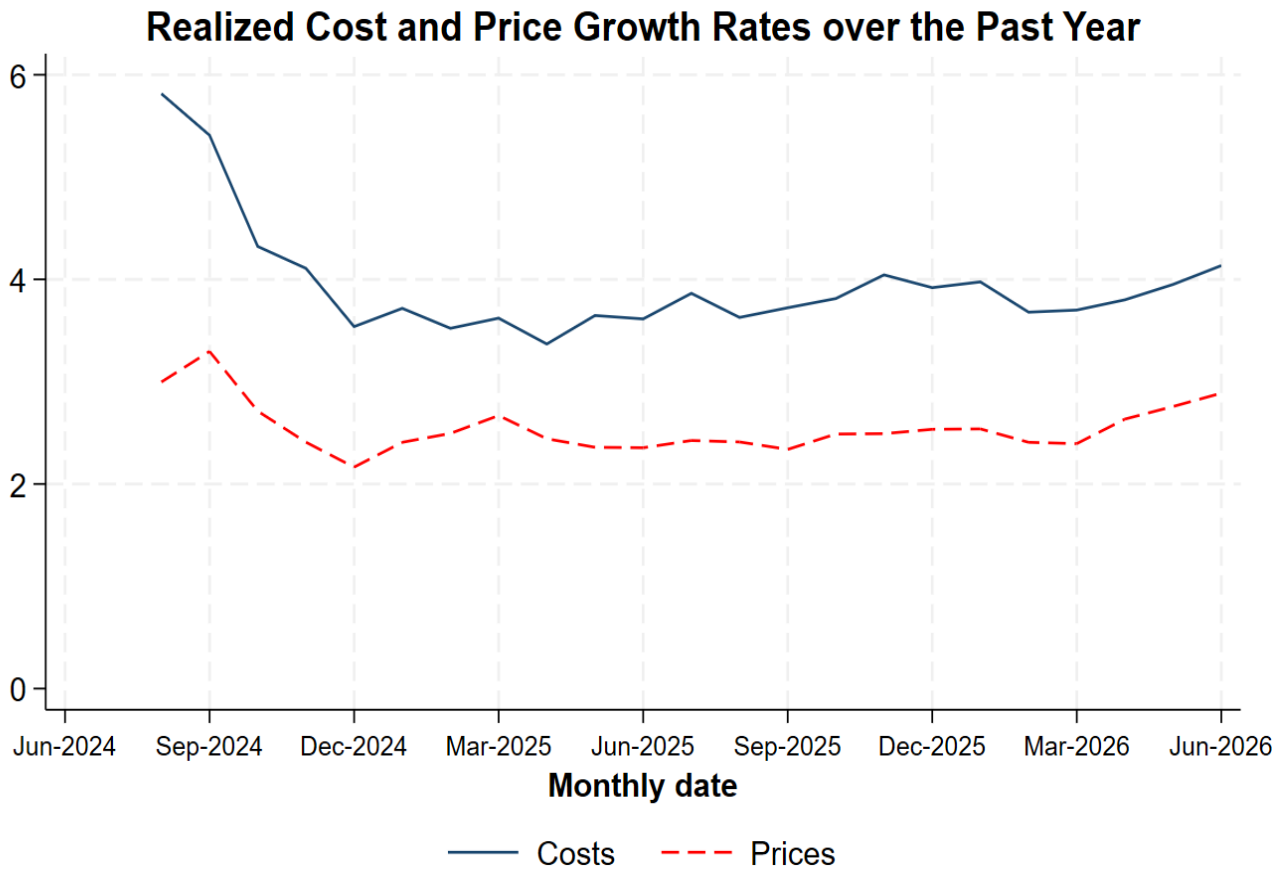
- Analogously, the expected sales revenue reallocation rate index in month *t* is the difference between the activity-weighted average of absolute expected sales growth rates, minus the absolute value of the average activity-weighted growth rate:

$$Expected\ Reallocation\ Rate\ For\ Sales\ Revenue_t = \sum_i w_t \cdot |Mean(SaleGr)| - \left|\sum_i w_t \cdot Mean(SaleGr)\right|$$

- We compute the subjective mean growth rates *Mean*(EGr) and *Mean*$(SaleGr)$ as described on slides 18-21, and winsorize them at the 1st and 99th percentiles before using them to construct the index.
- Firm *i*'s activity weight w_{it} is the average of its month–*t* employment or sales level ($Cemp_{it}$ *or* $CSale_{it}$) and its expected employment or sales level twelve months hence ($FEmp_{it}$ *or* $FSale_{it}$). We top–code these weights at 500 for employment and at the 80th percentile for sales to diminish the influence of outliers among very large firms.

Nominal cost and price growth have risen slightly in the past few months.

July 2024–June 2026



NOTE: Calculated using monthly data through June 2026. Realized growth rate series for costs and prices are activity-weighted averages of firms' reported (look-back) growth rates over the past year (specifically, the previous four quarters for sales revenue and previous 12 months for employment).

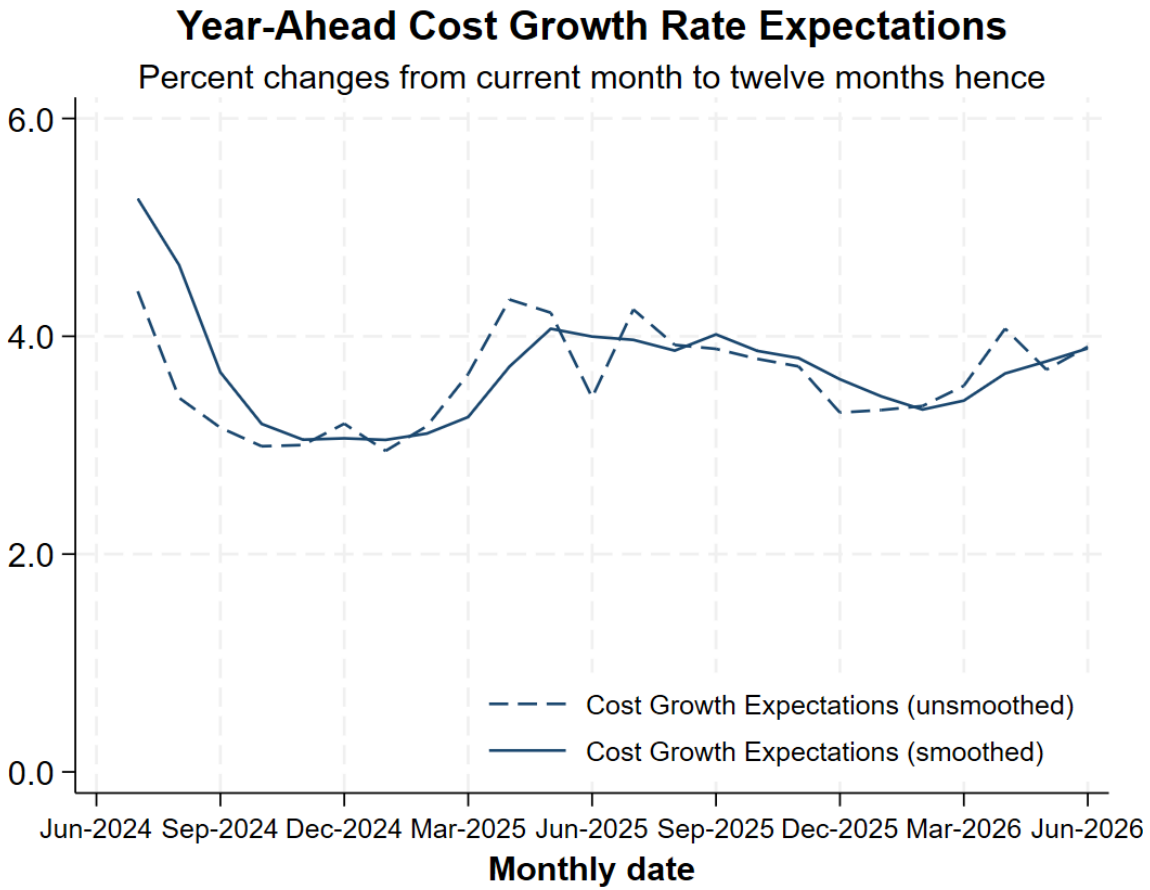
We measure the percentage change in the average price that a firm charges on all products and services and the percentage change in the average unit costs that a firm faces.

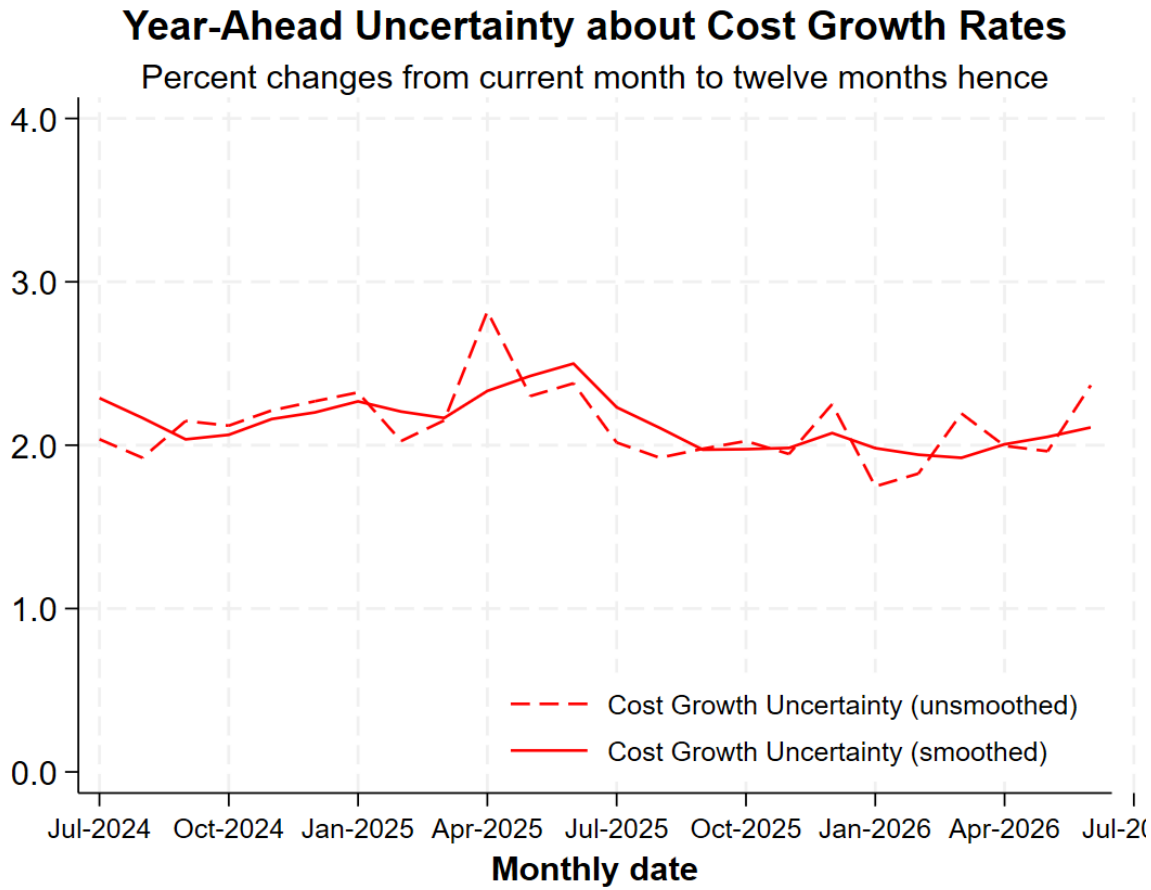
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Cost growth expectations have increased over the past few months.

July 2024–June 2026



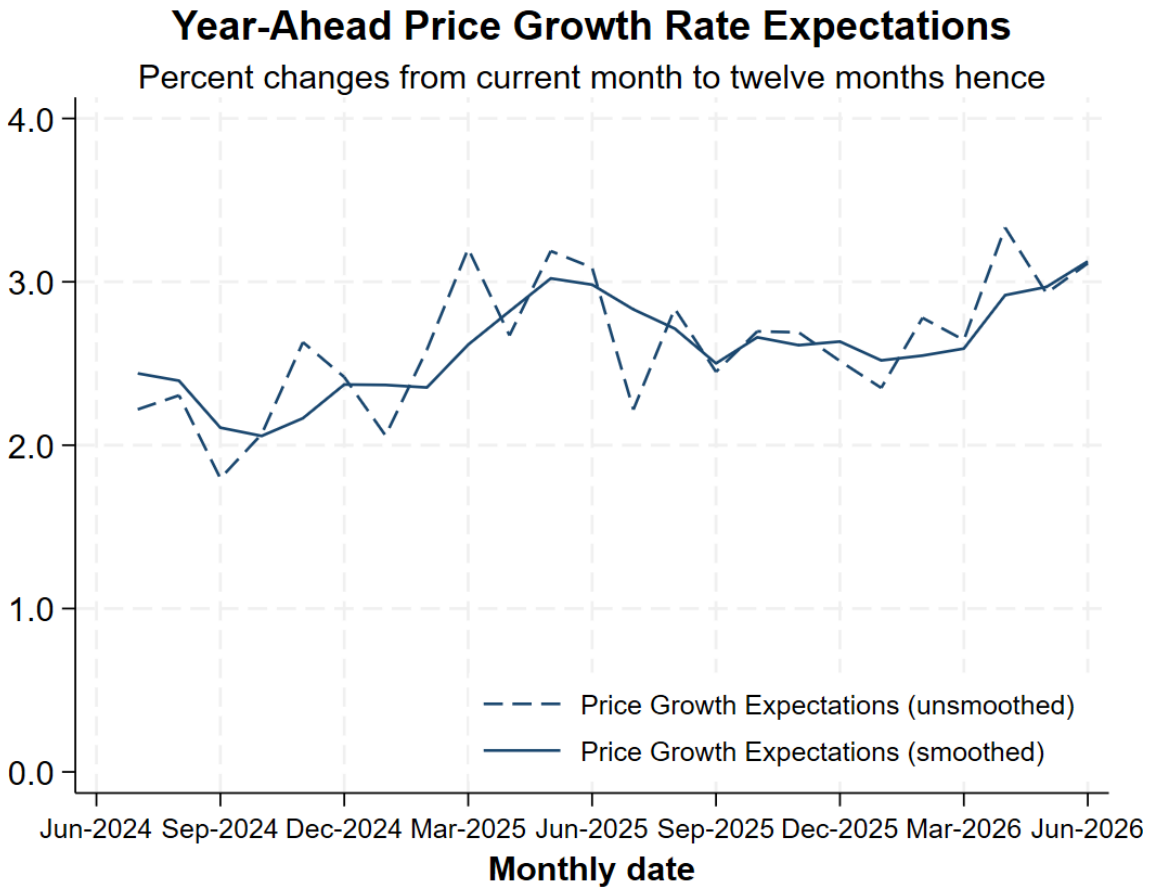


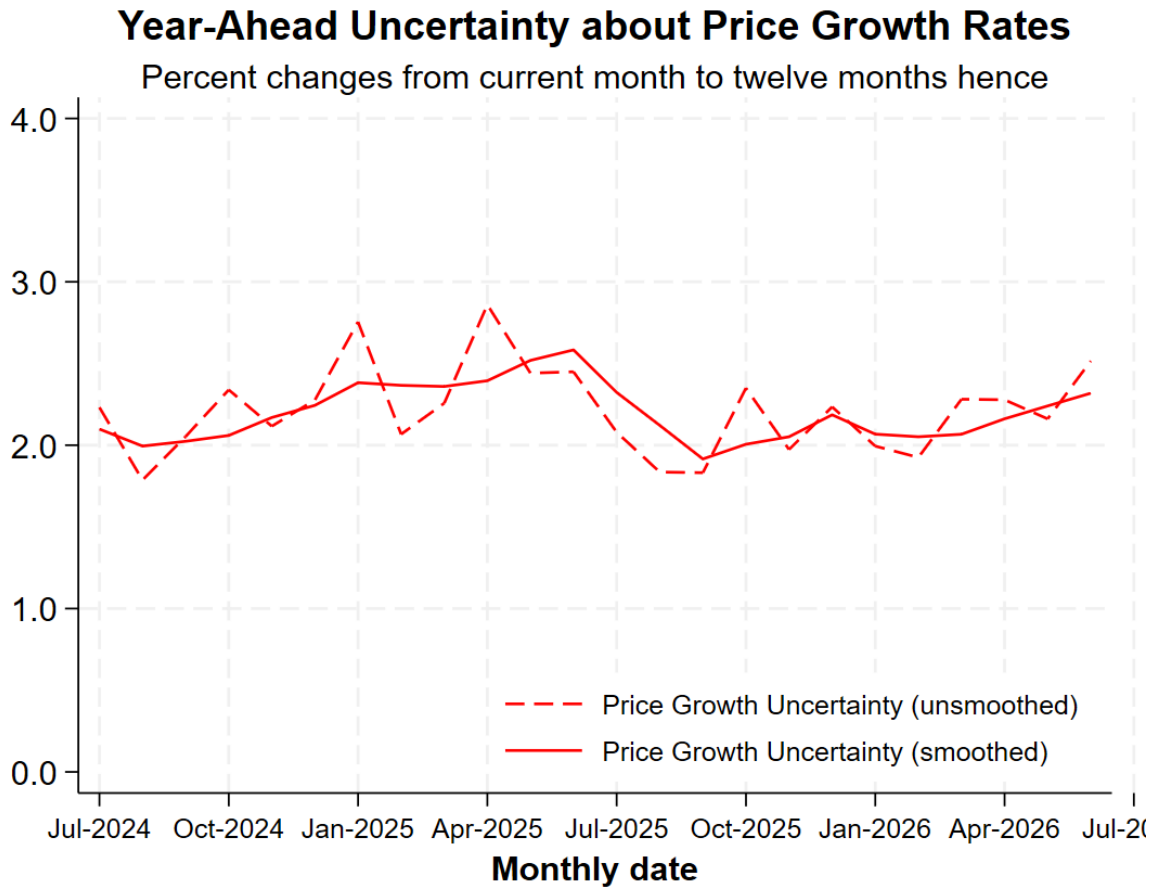
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Price growth expectations and uncertainty have increased over the past few months.

July 2024–June 2026



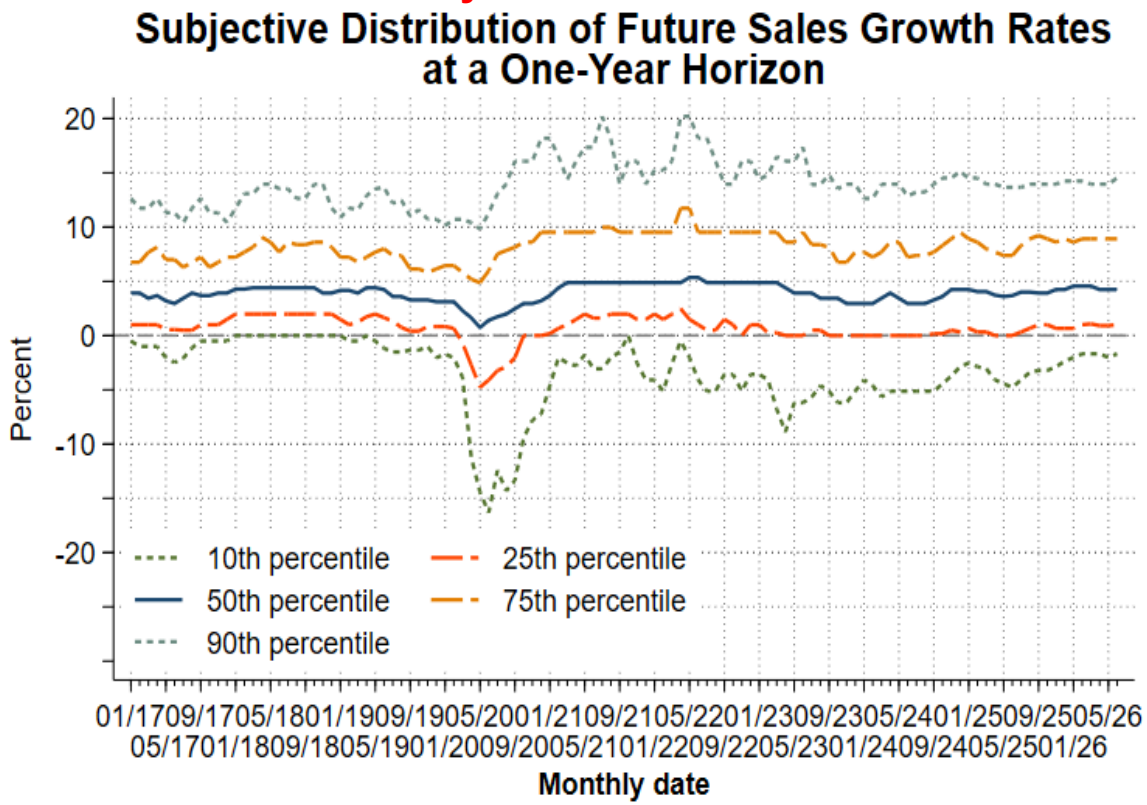


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Appendix: Subjective Forecast Distribution of Future Sales Growth Rates at a One-Year Horizon

January 2017–June 2026

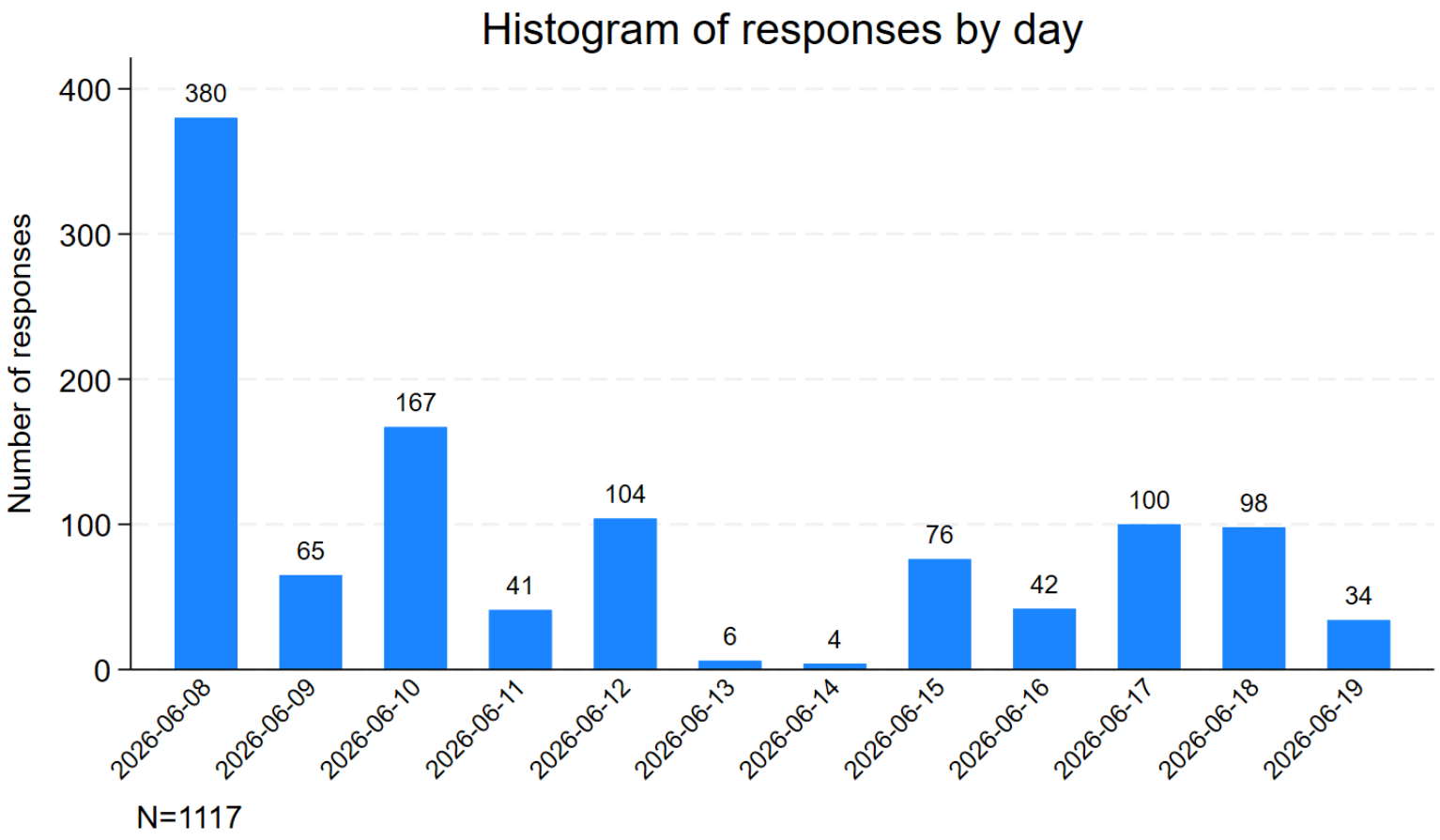


NOTES: Calculated using monthly data through June 2026. The charts show smoothed series. This is a plot of the subjective distribution for the representative firm's future sales growth rates over a 4-quarter look-ahead horizon. To calculate this distribution, we pool over all firm-level subjective forecast distributions in the indicated month and weight each firm by its activity level. Then we use the probabilities assigned to each possible future sales growth rate to obtain activity-weighted quantiles of the future sales growth rate distribution.

Source: Survey of Business Uncertainty conducted by the Federal Reserve Bank of Atlanta.

Appendix: Histogram of survey response frequency for the June 2026 survey wave

June 2026



Source: Survey of Business Uncertainty conducted by the Federal Reserve Bank of Atlanta.