Business Inflation Expectations (BIE) Survey

Monthly Report: November 2025

Federal Reserve Bank of Atlanta

Headline Results

1. Firms' year-ahead unit cost expectations decreased to 2.2 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 come down some after a peak in July.
2. Firms reported a median 3.0% (3.1% mean) price increase over the past 12 months and a median 3.0% (3.0% mean) expected price increase over the next 12 months. Realized price and expected prices both decreased from August (3.0% median realized price increase, 3.0% median expected price increase).
3. In November's special questions, we asked firms about the last time they dismissed employees and whether the dismissal was temporary.
4. Across all dismissals, productivity of the dismissed employee was a key reason for not communicating a temporary dismissal. Additionally, smaller firms were more likely to use temporary dismissals than larger firms.

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.

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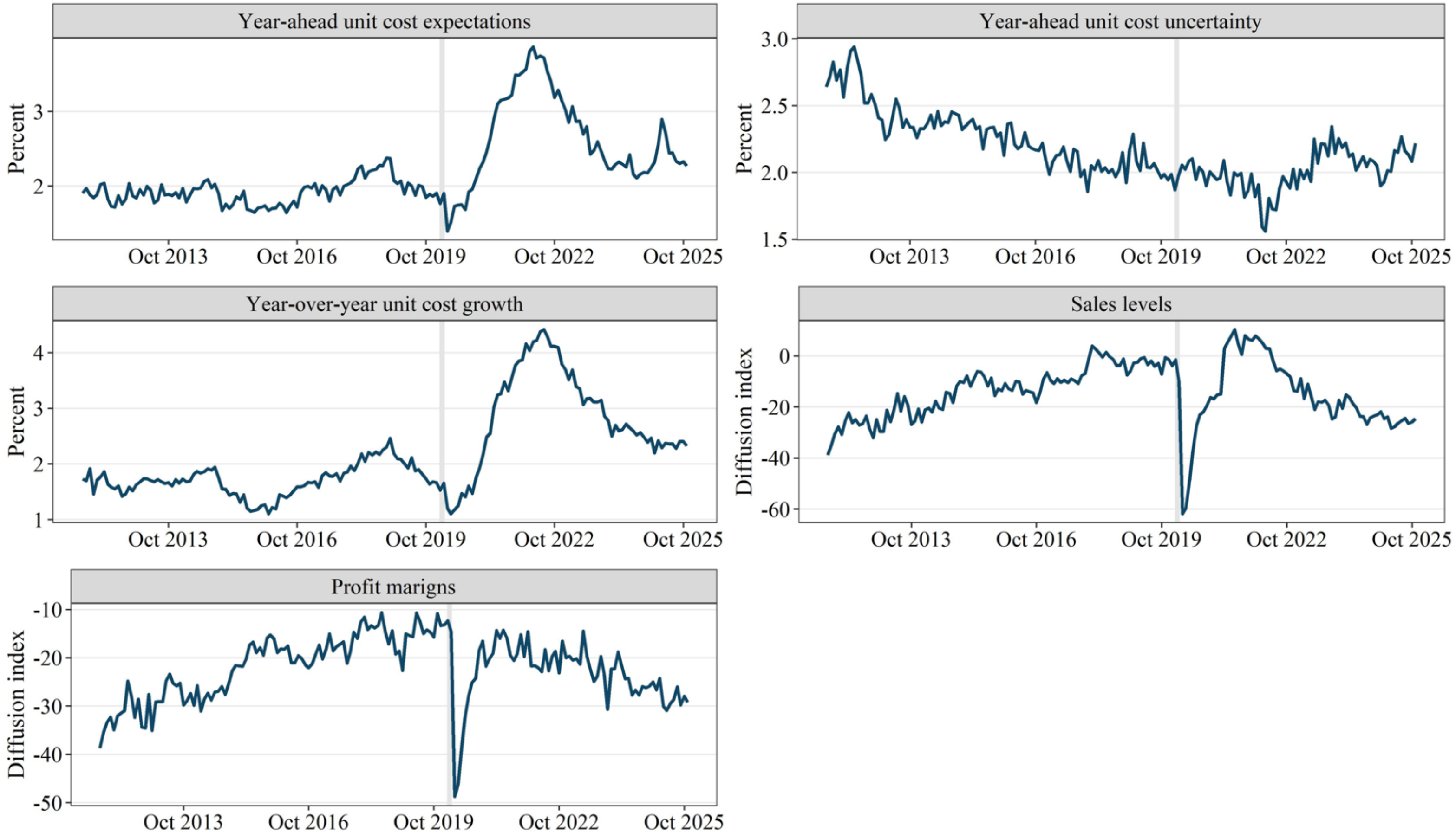
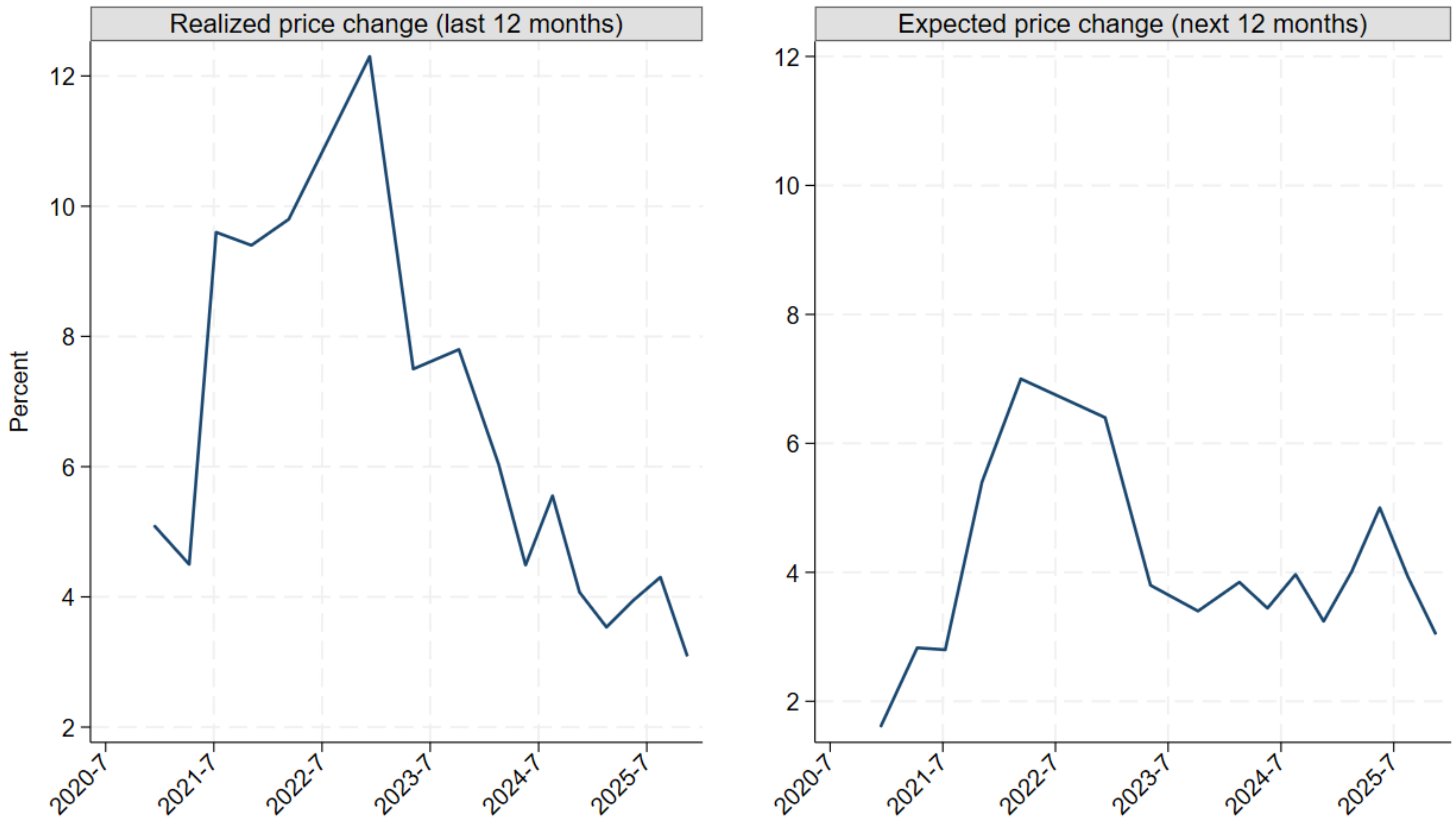
Core Monthly Questions



Note: The data are shown monthly.

Source: Atlanta Fed Business Inflation Expectations (BIE) survey

Rotating quarterly question: Looking back over the last 12 months, by about what percent did your firm change prices? Looking ahead over the next 12 months, by about what percent does your firm expect to change prices?



Source: Atlanta Fed Business Inflation Expectations (BIE) survey
Note: This quarterly question officially started in February 2024. The results prior to that were results collected through our Special Questions Series.

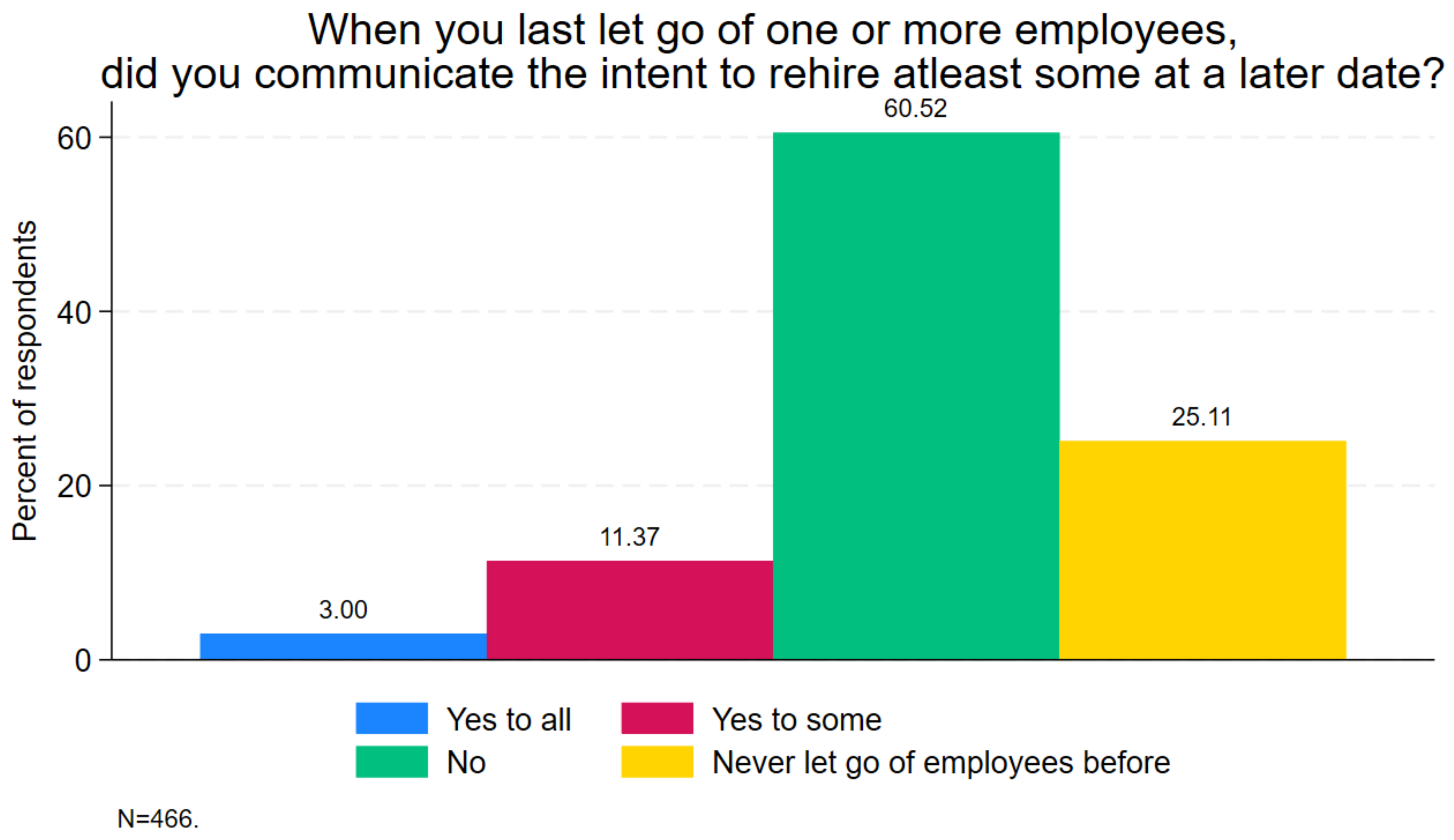
BIE Special Questions: November 2025

Consider the last time your firm had to let go of one or more employees.

Did your firm communicate to at least some of them the intent to rehire them at a later point?

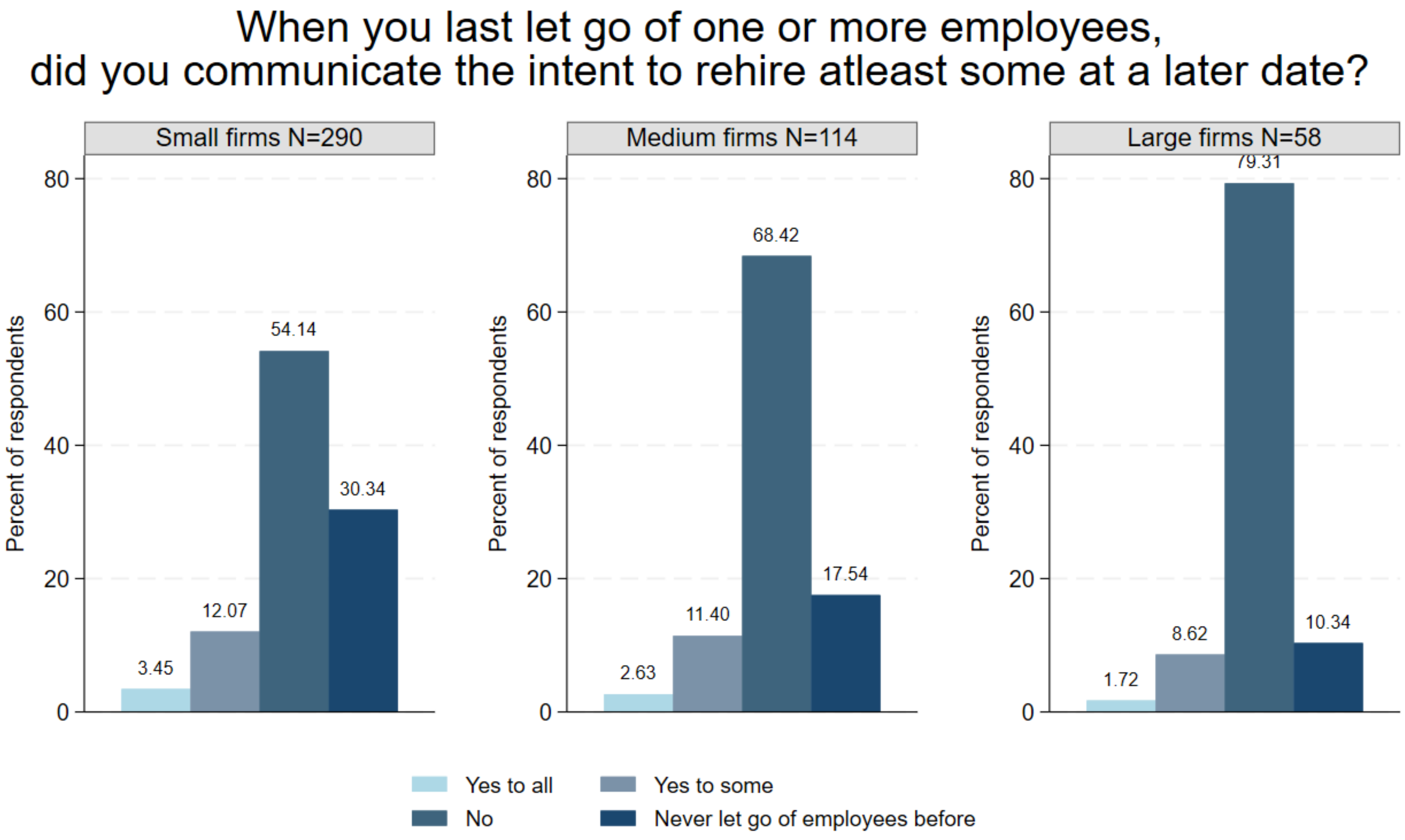
In other words, were the dismissals intended to be temporary?

Firms in their most recent round of terminations mostly opted not to offer future rehiring of roles. Of those firms that did extend the offer, it was more selective with, only some employees being considered.



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

Broadly across firm size, temporary terminations were used at somewhat consistent rates, with most of the variation being driven by firms that reported never releasing employees.



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

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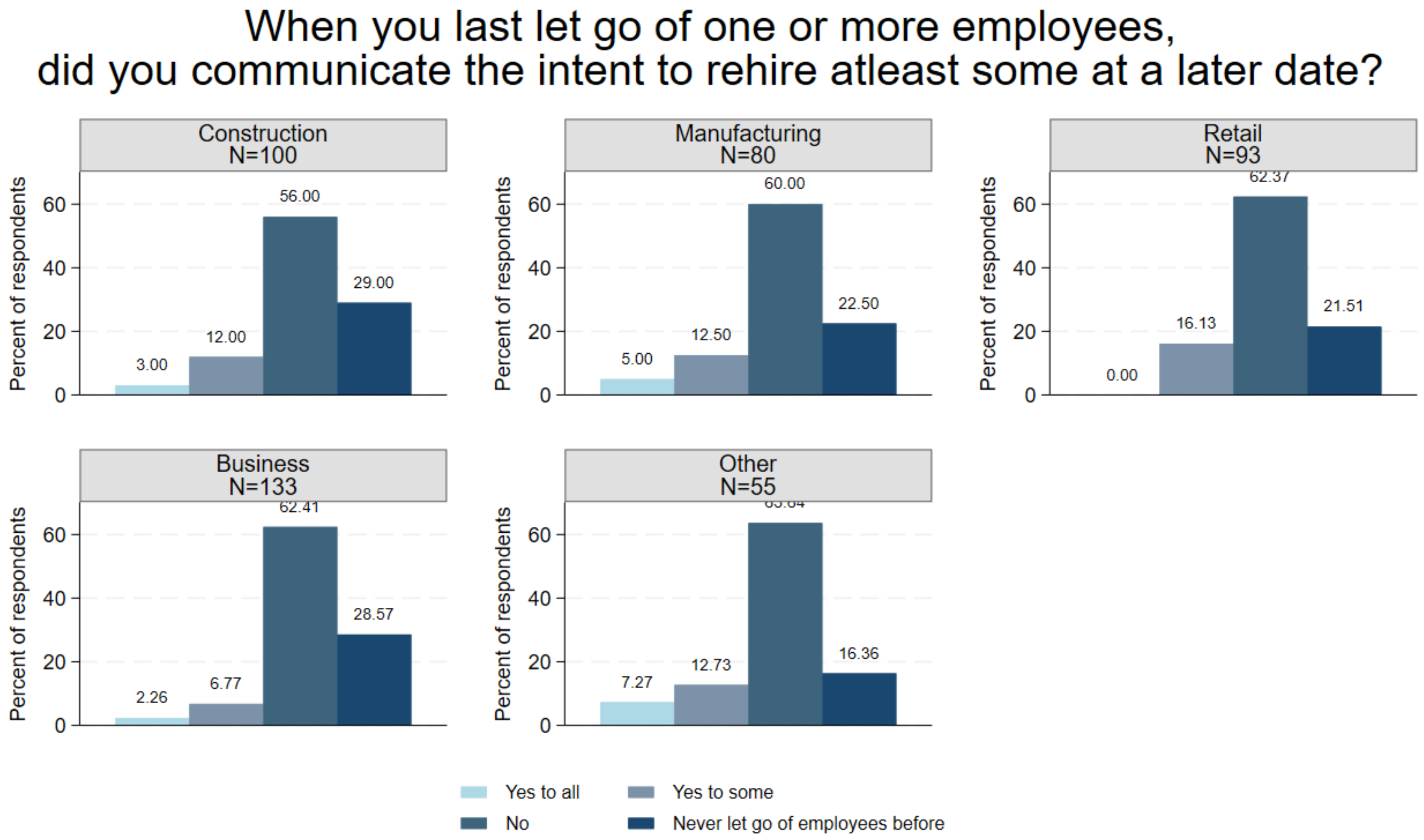
Retail was the most selective in applying temporary terminations, with no firm replying “yes” to all. Additionally, firms in the business category (finance and insurance) were least likely to opt for temporary terminations.



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

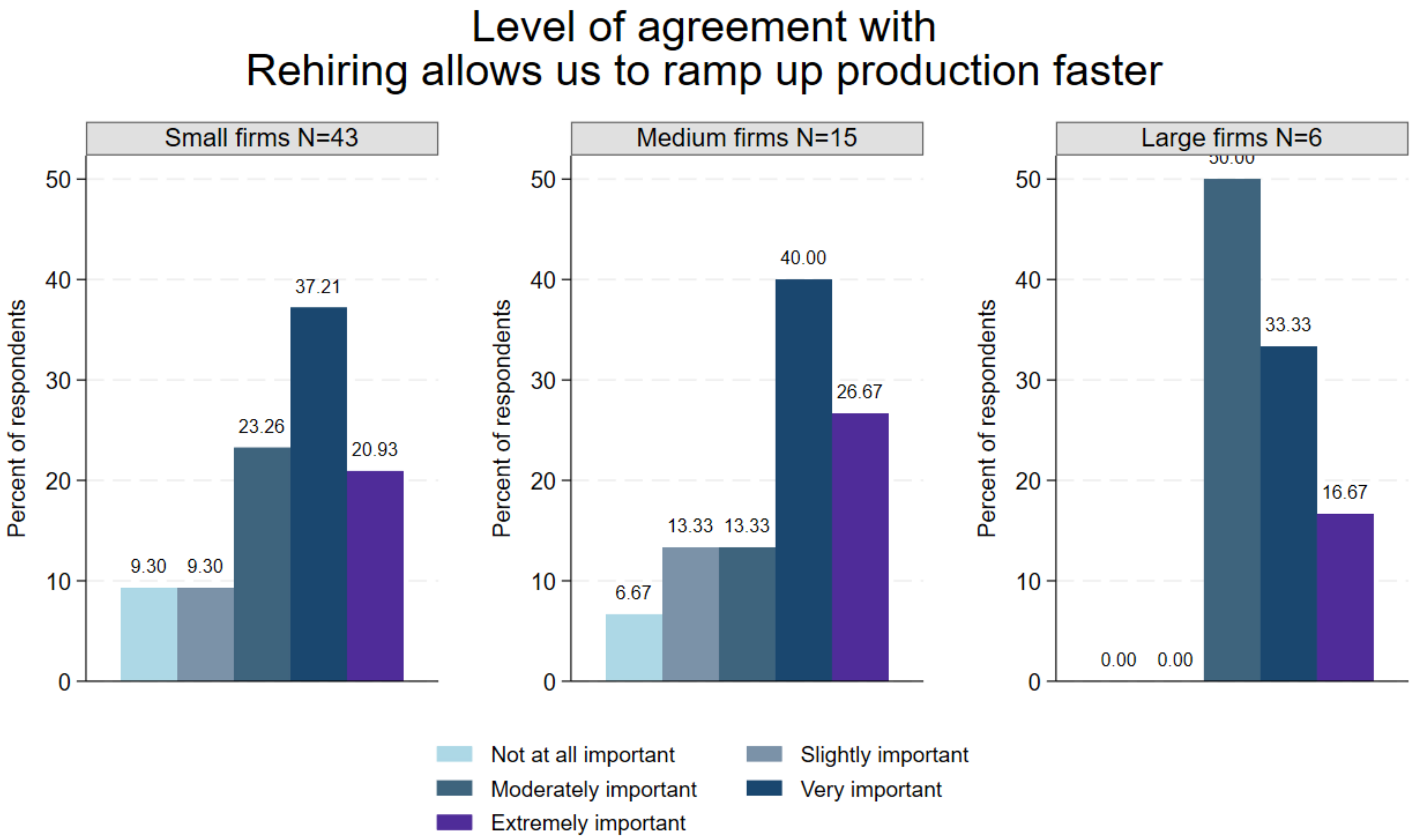
Please tell us how important are each of the following reasons to your firm when using temporary dismissals.

You said your firm didn't use temporary dismissals the last time you let go of employees.

Consider a firm that did use temporary dismissals when they let go of employees.

Please tell us how important each of the following reasons might be to a firm that used temporary dismissals.

More than half of the firms that used temporary dismissals viewed rehiring as very or extremely important for allowing faster production increases. This sentiment was particularly strong among medium-sized firms, with more than two-thirds considering it very or extremely important.



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

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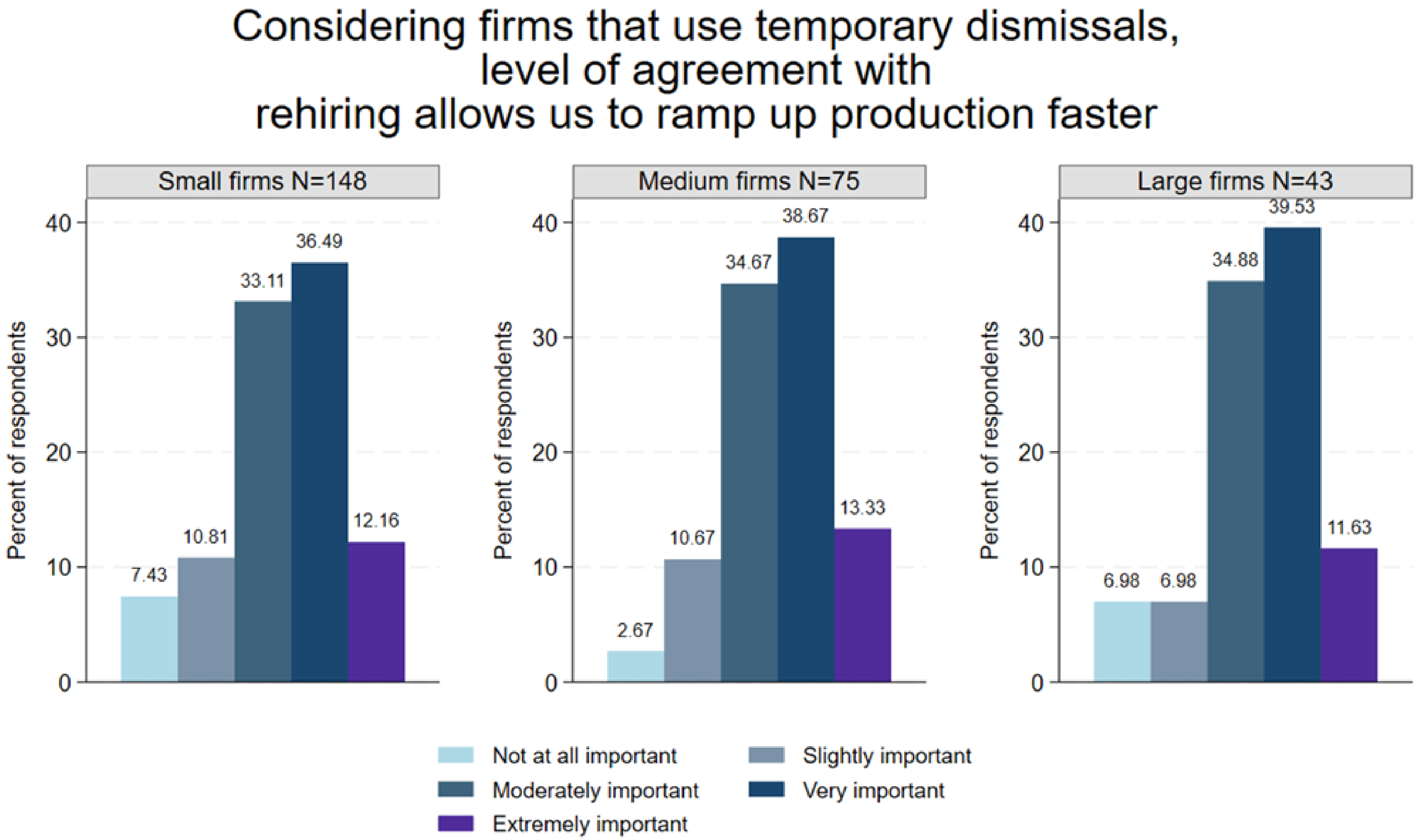
Firms that did not use temporary dismissals had lower rates of considering ramping up production as extremely important compared to firms that did use temporary dismissals.



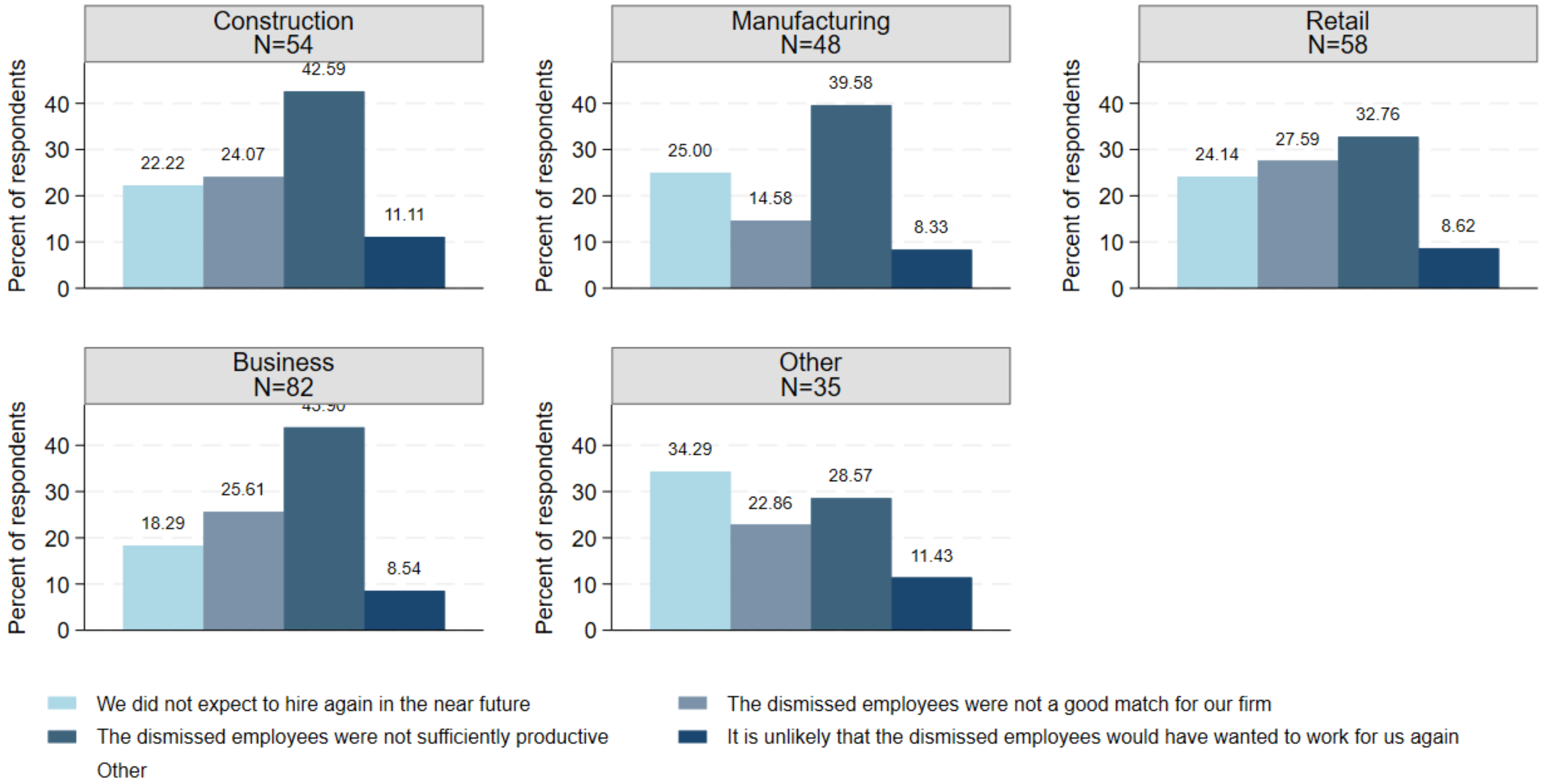
Source: Atlanta Fed's Business Inflation Expectations (BIE) survey

Why did your firm not communicate to the dismissed employees the intent to rehire them at a later point?

Select all that apply.

Firms in construction, manufacturing, and business sectors disproportionately chose not to communicate an intent to rehire due to dismissed employees' insufficient productivity. In other sectors, the reasons were more varied, with some firms not rehiring and others finding the dismissed employees not to be a good match.

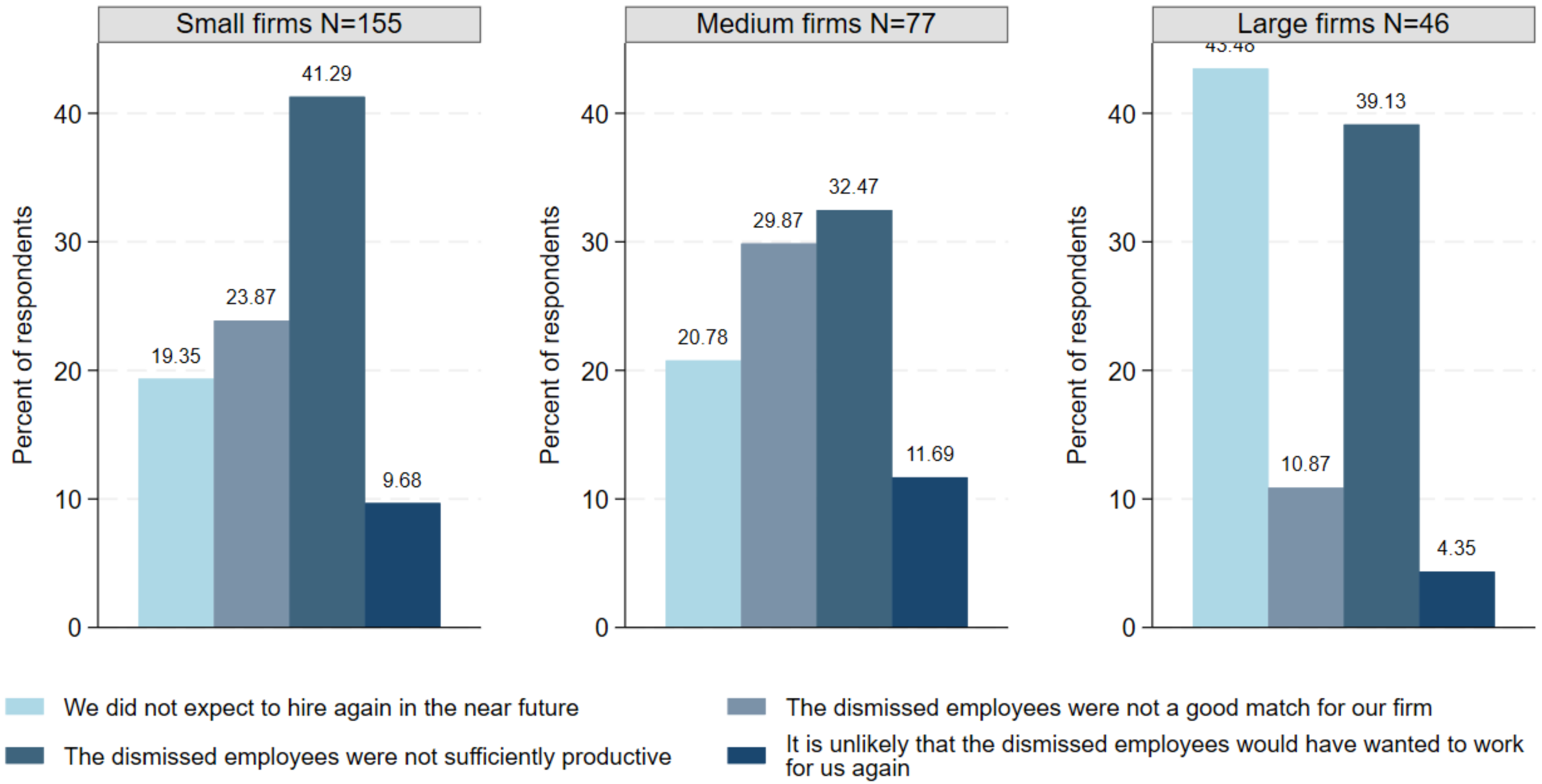
Why did your firm not communicate to dismissed employees an intent to rehire at a later date?



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

Large firms cited not expecting to rehire as a primary reason for not communicating with dismissed employees. Across all firm sizes, insufficient productivity was also a key reason for not communicating with dismissed employees.

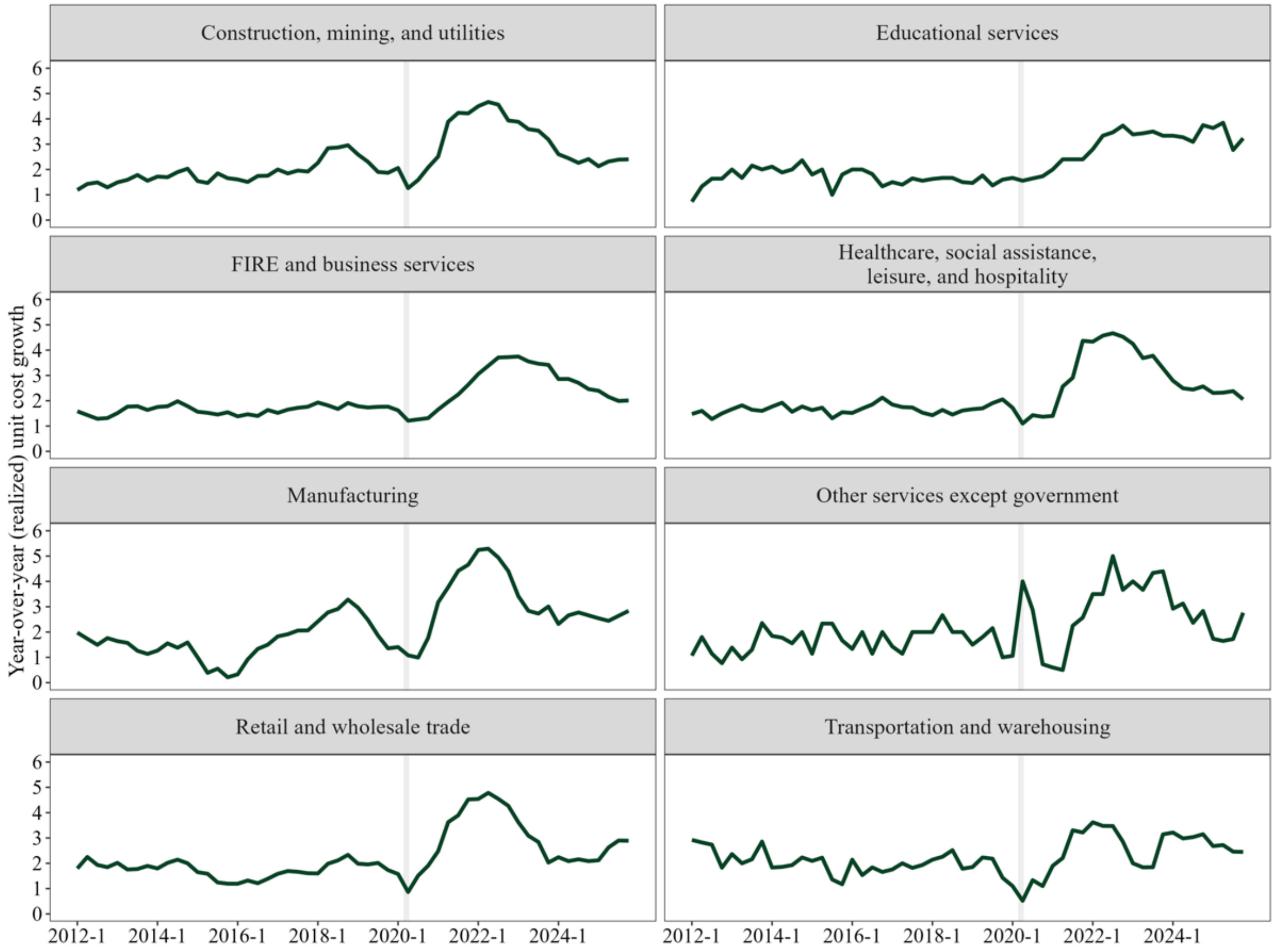
Why did your firm not communicate to dismissed employees an intent to rehire at a later date?



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

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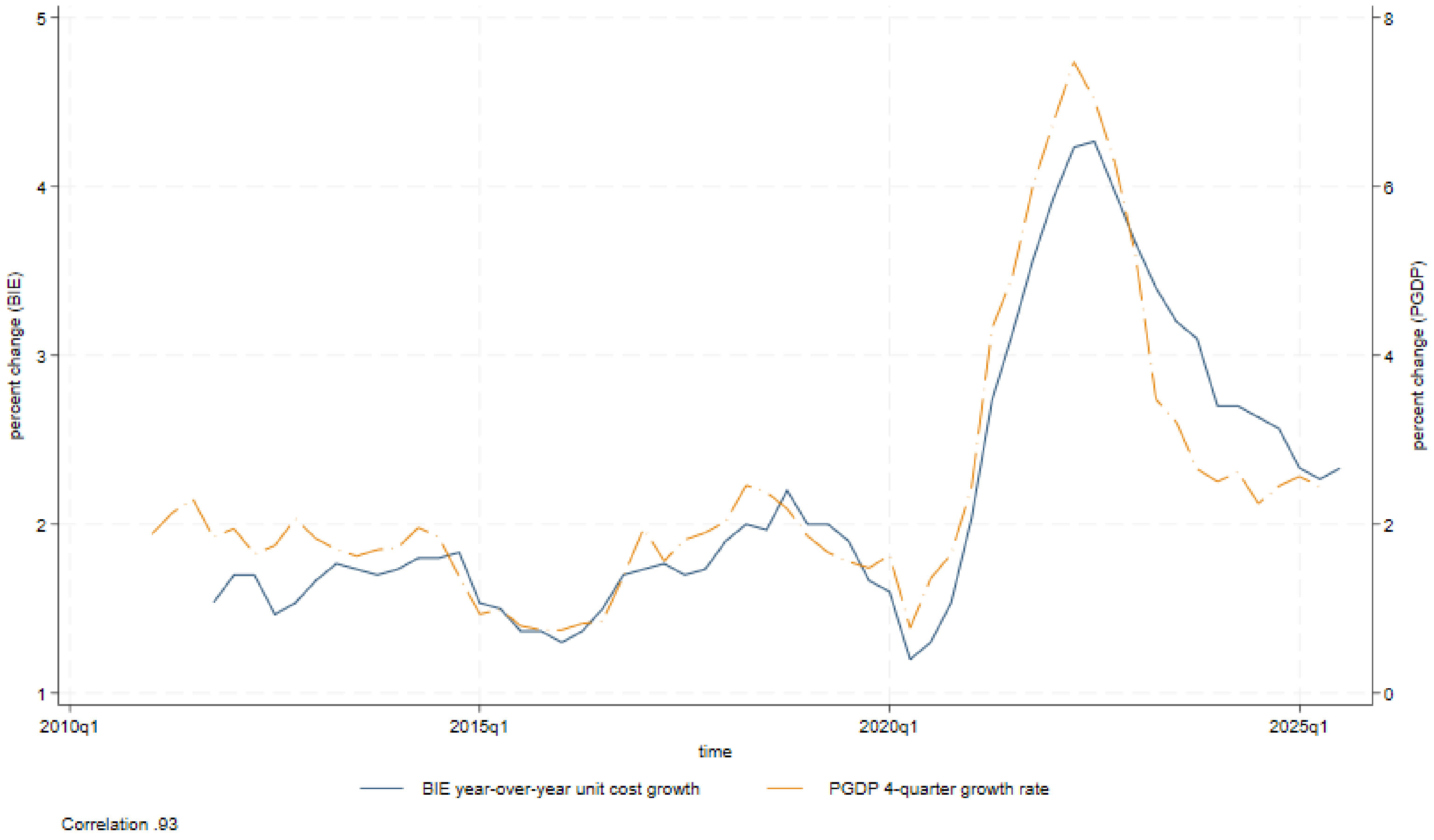
BIE Unit Cost Growth versus GDP Chain-type Price Index



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

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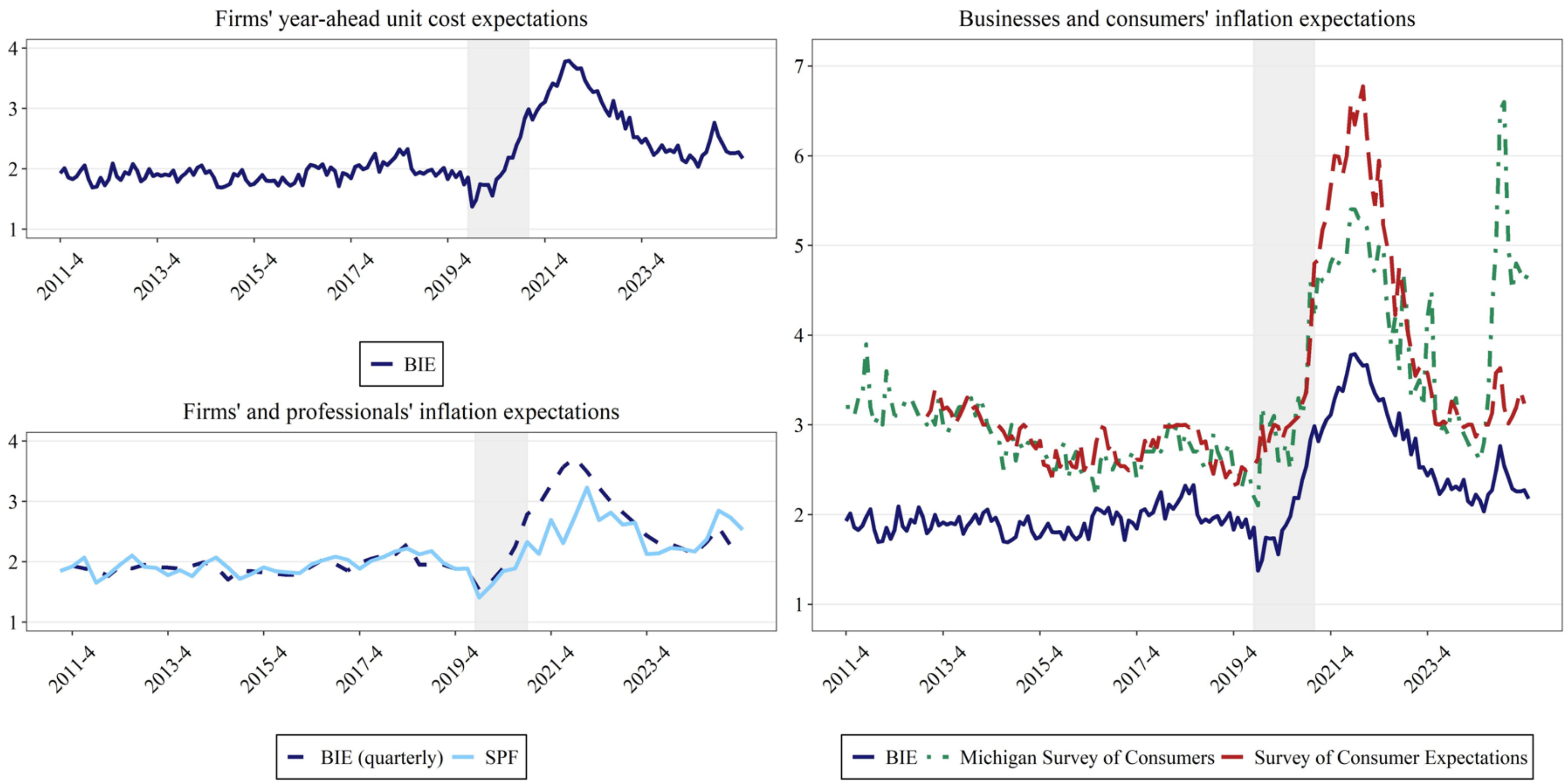
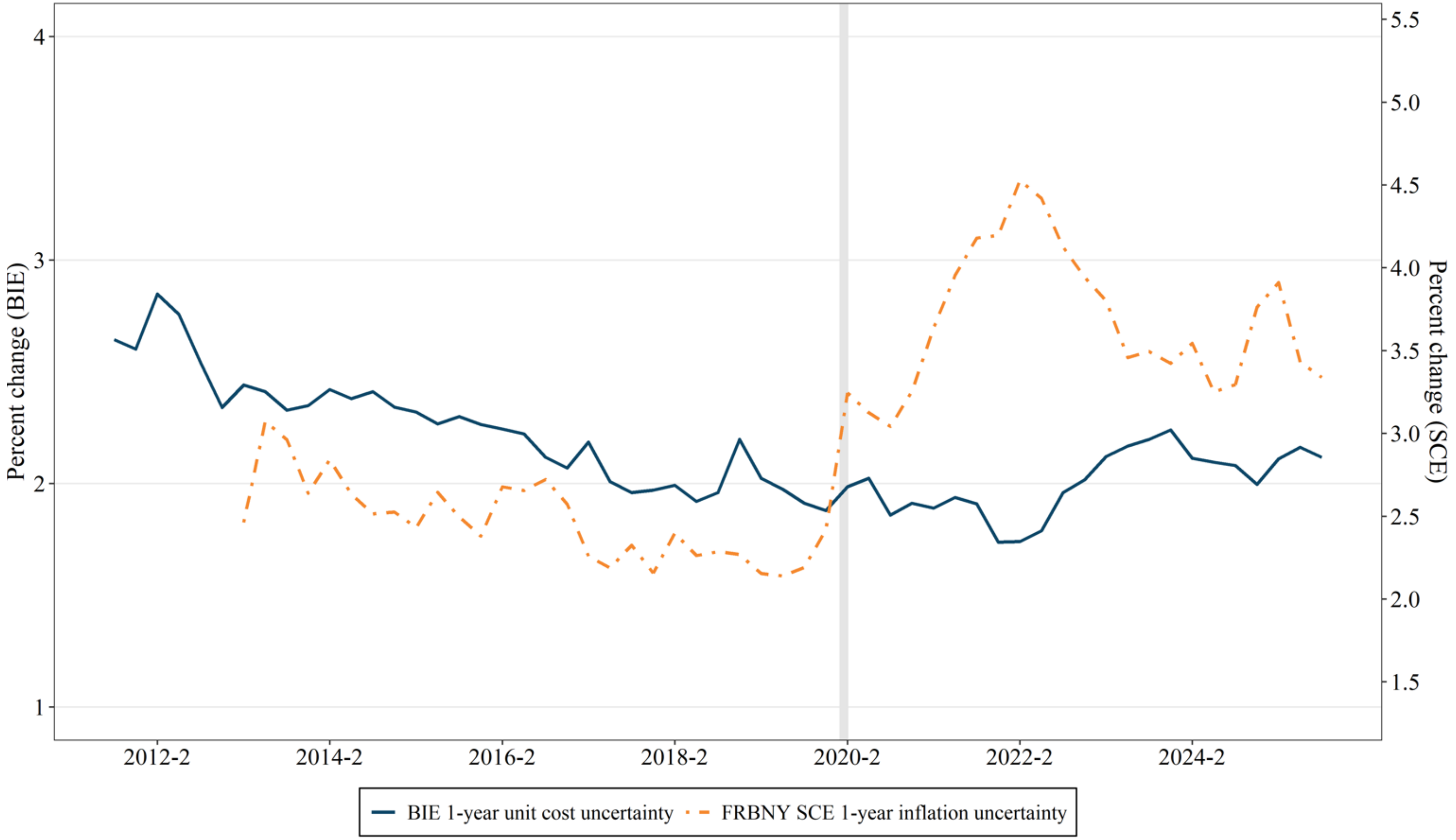
BIE Survey versus SPF and Survey of Consumers



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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