

Increased Business Confidence in Q3 2026

Huntsville's ABCI registered at 56.5 in the Q3 2026 survey, signaling moderately confident overall expectations for economic expansion compared to Q2 2026. This quarter's ABCI is 2.4 points above last quarter's mildly expansionary ABCI. This is the metro's fourth consecutive quarter with an expansionary ABCI, conveying sustained expectations for overall economic growth in the Huntsville area. In the Q3 2026 survey, all six of Huntsville's component indexes were above 50, indicating expansionary outlooks compared to the previous quarter. However, the levels of confidence in those forecasts varied from mildly confident (capital expenditures at 53.0) to strongly confident (sales and profits at 64.0 and 62.2, respectively).

Third Quarter 2026 Outlook

	Huntsville	Statewide
ABCI	56.5	55.6
Alabama Economy	57.9	57.0
US Economy	47.0	52.3
Industry Sales	64.0	59.7
Industry Profits	62.2	57.4
Industry Hiring	54.9	52.8
Industry Capital Expenditures	53.0	54.2

Index above 50 indicates expansionary outlook as compared to last quarter.

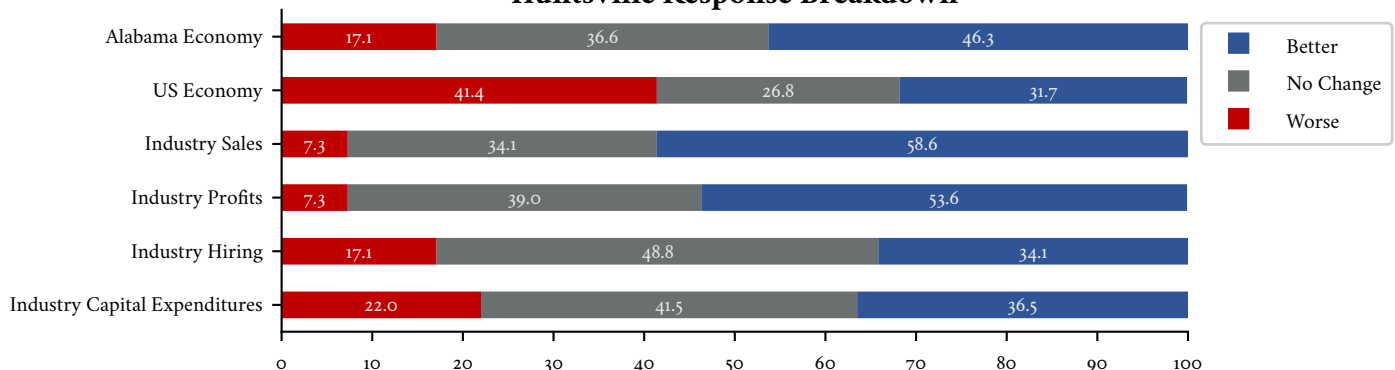
Index below 50 indicates contractionary outlook as compared to last quarter.

Color indicates type of change from previous quarter: change less than 0.5 points, decrease more than 0.5 points, increase more than 0.5 points.

Huntsville Component Index Analysis

- **Alabama Economy:** Huntsville business leaders are anticipating improved statewide economic conditions in Q3 2026 with a moderately confident index of 57.9, an increase of 4.4 points from last quarter's mildly expansionary forecast.
- **US Economy:** The metro's US economic outlook remained contractionary for the third consecutive quarter, but it increased 2.6 points to register as mildly confident (47.0) instead of moderately contractionary like it was in Q2 2026.
- **Industry Sales:** Over 58 percent of panelists are forecasting increased sales in Q3 2026, resulting in a strongly confident index of 64.0. This marks the metro's tenth consecutive expansionary forecast for industry sales.
- **Industry Profits:** Huntsville's business leaders are also anticipating increased industry profits with strong confidence. The Q3 2026 index grew 8.0 points from last quarter's mildly confident index to reach 62.2.
- **Industry Hiring:** Huntsville's hiring index remained at 54.9 this quarter as panelists continue to forecast increased hiring with moderate confidence.
- **Industry Capital Expenditures:** Huntsville's capital spending index was the only index to decrease this quarter, falling 5.3 points to reach a mildly confident expansionary index of 53.0.

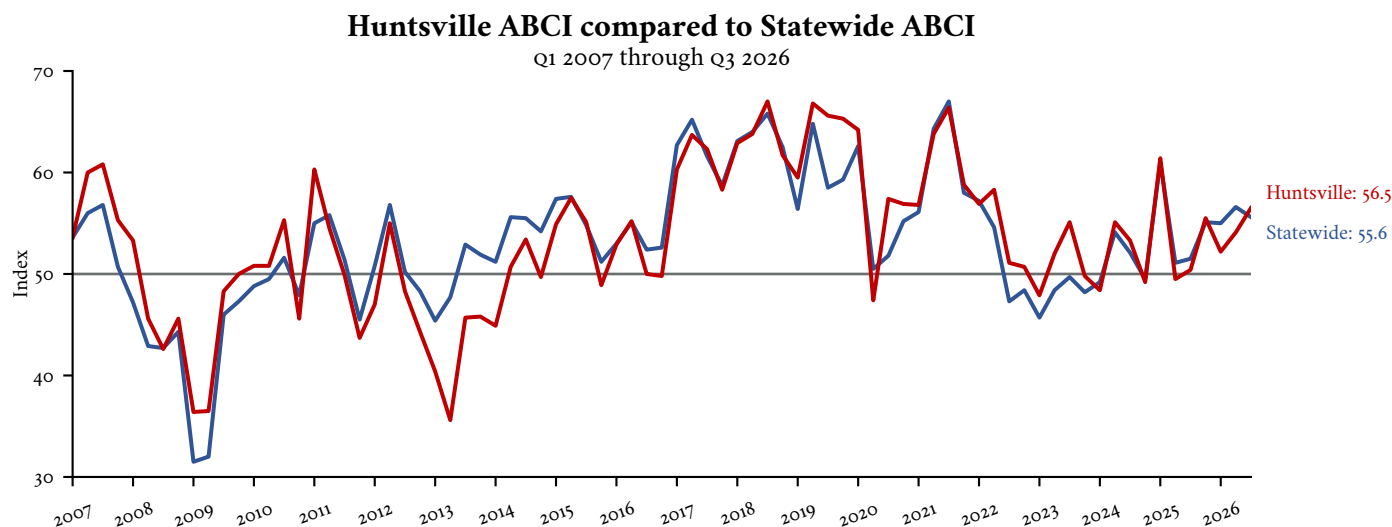
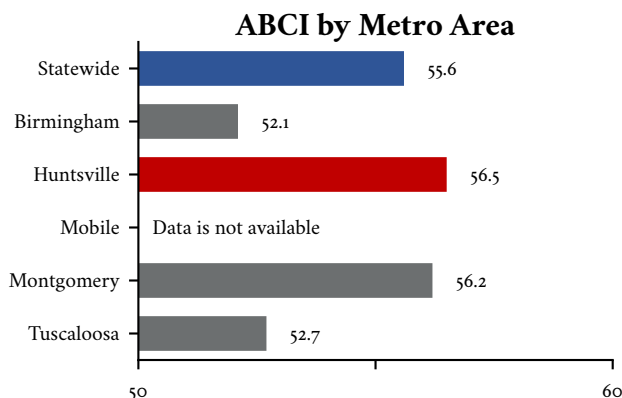
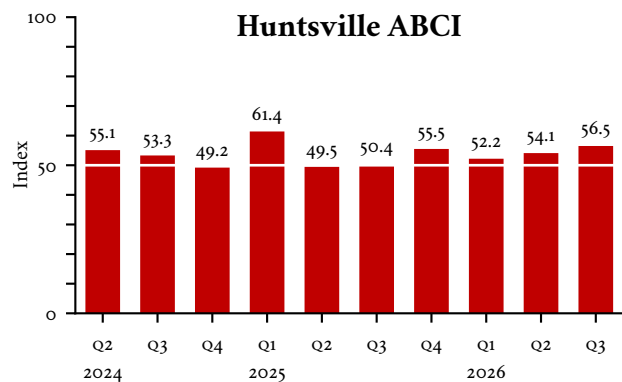
Huntsville Response Breakdown



ABCI Huntsville in Context

Business leaders in Huntsville have forecasted overall economic growth in the coming quarter for eight of the last ten quarters, with an average ABCI of 53.7. During that time, metro panelists have been generally optimistic about growth in the industry component indexes, with slightly more confidence forecasting increased sales than the other components. In contrast, the US outlook has been contractionary eight times since Q2 2024, communicating sustained expectations for worse conditions in the national economy with a brief exception in Q1 2025.

For the third consecutive quarter, the ABCIs from four of Alabama's five largest metro areas were all expansionary. In the Q3 2026 ABCI survey, panelists in Huntsville are forecasting increased sales and profits with strong confidence, while business leaders in Montgomery are anticipating higher sales and improved statewide economic conditions with strong confidence. Business leaders in Tuscaloosa and Birmingham are more conservative in their expectations, with mostly mildly confident expansionary component indexes mixed with neutral or mildly contractionary outlooks for the US economy and industry hiring.** AUTHOR **



The Center for Business and Economic Research would like to thank all Huntsville metro area business executives who completed the third quarter 2026 ABCI survey. We look forward to a continuing partnership with the Huntsville Area Chamber of Commerce and encourage you to return for the fourth quarter 2026 survey September 1–15.

For more details on the Alabama Business Confidence Index™, visit <https://cber.culverhouse.ua.edu/alabama-business-confidence-index/>.