2Q 2026 BUSINESS BAROMETER

A Global Economic Conditions Survey

June 2026

Executive Summary

This 2Q 2026 Business Barometer includes responses from 116 business leaders across major industry sectors who are largely based in the U.S. and includes leaders in 6 countries.

Optimism Returns

Positive sentiment increased more than five-fold from 1Q 2026, while negative sentiment was nearly cut in half. Leaders remain cautious, but confidence has clearly improved as organizations adapt to ongoing uncertainty.

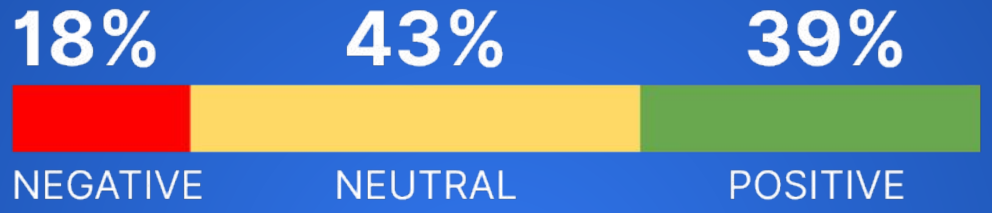
Uncertainty Is Still The Norm

Economic predictability improved modestly, yet most leaders continue to expect a volatile environment. Geopolitical tensions, government policy shifts, and rapid technological change remain significant sources of disruption and unpredictability.

Adaptability Wins

Rather than waiting for certainty, leaders are focusing on agility, resilience, and faster decision-making. Confidence is increasingly tied to the ability to adapt, not the ability to predict what happens next.

2Q 2026 BUSINESS BAROMETER



116 LEADERS

6 COUNTRIES

8 SECTORS

2Q 2026 Business Barometer
Dates = June 2-17, 2026
n = 116

Introduction

2Q 2026 BUSINESS BAROMETER

The Business Barometer is a collaboration of independent leadership organizations whose members share real-world insights into how economic conditions are impacting companies.

We created the Business Barometer to provide a real-time pulse for business leaders. At a time of acute economic and geopolitical volatility, executive decision-making requires current indicators and data.

Demographics

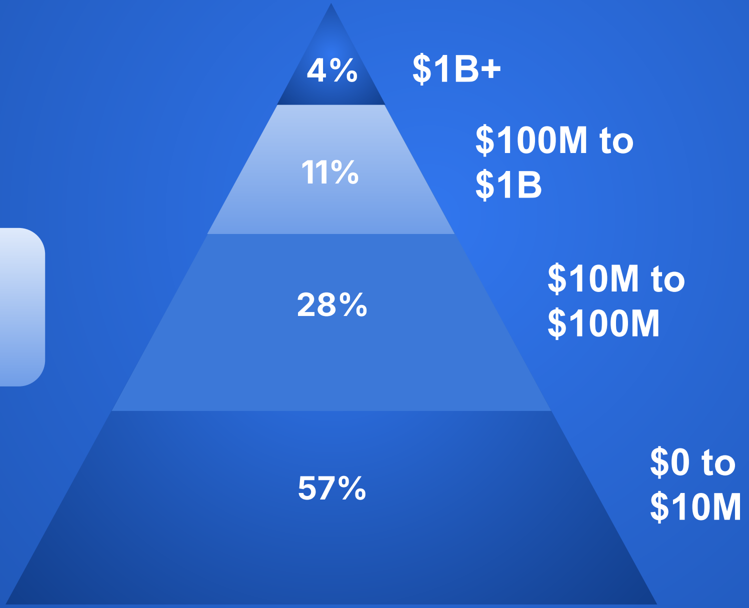
ROLES

80%
CEOs

5%
Board Directors

15%
Other Sr. Execs

REVENUES



EMPLOYEES

# OF EMPLOYEES	RESPONDENTS %	#
0-25	52%	61
26-100	21%	25
101-1,000	22%	25
1,001-10,000	3%	3
10,000+	2%	2
TOTAL	**100%**	**116**

2Q 2026 Business Barometer
Dates = June 2-17, 2026
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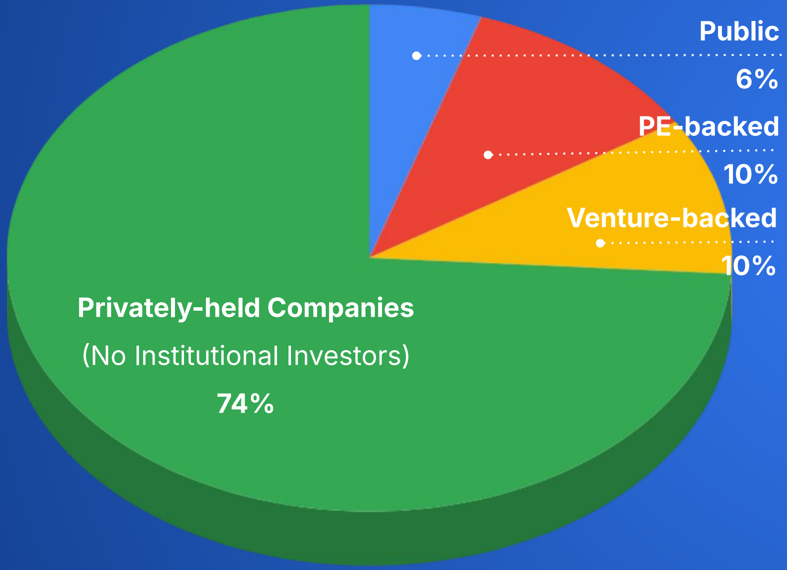
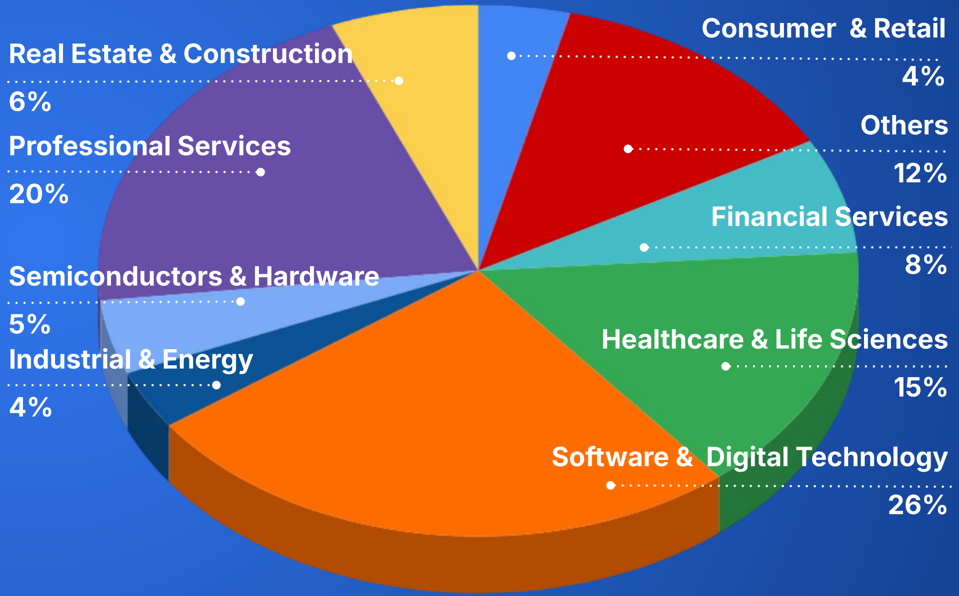
Demographics

CAPITAL STRUCTURE



INDUSTRIES



Three Areas of Focus

SENTIMENT
"HOW DO YOU FEEL?"

- Rate your ***confidence*** for the next 12 months.
- Will global economic conditions be more or less ***predictable*** in the coming years?
- Do their ***comments*** reflect positivity, negativity or neutrality?

ECONOMIC PRESSURES
"HELPING OR HURTING?"

- Tariffs & Trade Dynamics
- Labor & Talent Markets
- Government Regulations
- Consumer Spending
- Inflation
- Interest Rates/Fed Reserve
- Global Currency Volatility
- Equity Debt Fundraising
- Stock Market Volatility
- M&A Market Trends
- Geopolitical Concerns
- Technology & AI Adoption

ACTIONS
"WHAT ARE YOUR PLANS?"

- Employee Headcount Changes
- Pricing Strategies
- Marketing Expenditures
- Markets (Geography/Sectors)
- Product Strategies
- R & D Investment
- Supply Chain Changes
- Raising Capital
- M&A Initiatives
- AI Investment

INSIGHTS

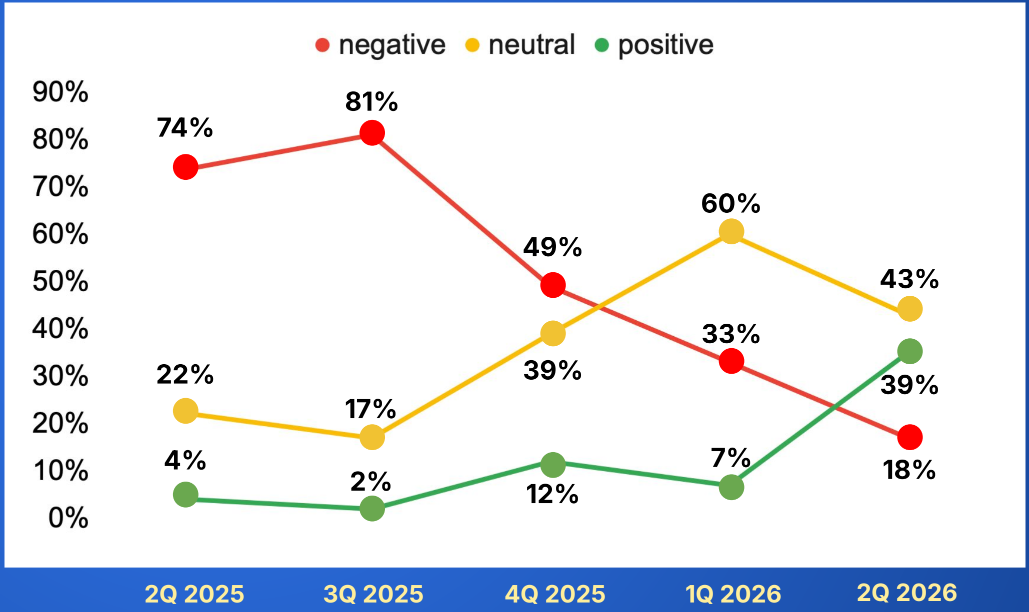
2Q 2026 BUSINESS BAROMETER

Sentiment: Positivity Rising

For the first 9 months of 2025, CEOs were overwhelming negative about the economic environment. Negativity began to decline in December and by June 2026, twice as many CEOs were feeling positive than negative.

Many CEOs mentioned opportunities to deploy AI and most were cautiously optimistic and focused on adapting to uncertainty, disruption while continuing to innovate.

SENTIMENT CHANGE
June 2025 to June 2026



*The Business Barometer **Sentiment Index** is based on Survey Monkey's algorithm which uses AI to gauge the positivity or negativity of the comments provided by the survey respondents.*

CEO Confidence vs. Sentiment

CEO confidence in their own businesses declined in March after the outbreak of war in Iran but optimism returned in June as overall sentiment about the current economic environment shifted from very negative to more positivity.

12 MONTH CONFIDENCE FOR YOUR BUSINESS

vs.

CONCURRENT ECONOMIC SENTIMENT INDEX

2Q 25

June 2025

36% PESSIMISTIC | **31% OPTIMISTIC**

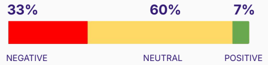
33% NEUTRAL

1Q 26

MARCH 2026

43% PESSIMISTIC | **20% OPTIMISTIC**

37% NEUTRAL

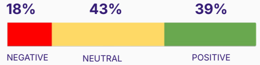


2Q 26

JUNE 2026

29% PESSIMISTIC | **31% OPTIMISTIC**

40% NEUTRAL



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Unpredictability Remains "The Norm"

CEOs do not see a return to predictable economic conditions for at least another 3 years.

ECONOMIC PREDICTABILITY

	SHORT-TERM 12 MONTHS	MID-TERM 12-36 MONTHS	LONG-TERM 36+ MONTHS
Economic conditions will become *less predictable*	67% vs. 1Q 2026: 83%	45% vs. 1Q 2026: 62%	32% vs. 1Q 2026: 39%
Ratio of leaders who believe economic conditions will be *more difficult* vs. easier to predict	8.1x	2.1x	0.8x

"However you feel about current economic conditions, do you believe global economic conditions will be more predictable or less predictable?"

2Q 2026 Business Barometer
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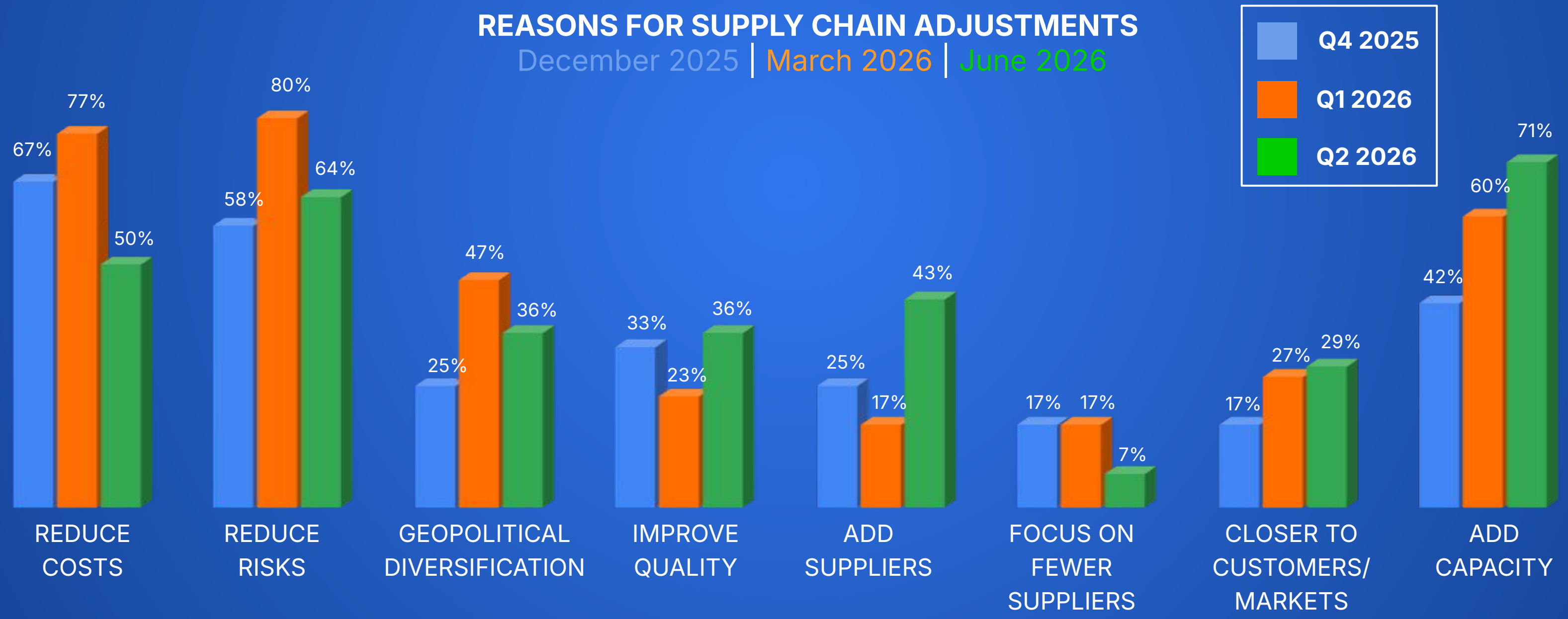
Supply Chain Adjustments

When faced with new tariffs in 2025, manufacturers focused on geopolitical diversification and reducing costs & risks. In 2026, CEOs are adding capacity & more suppliers, improving quality and getting closer to customers.



2Q 2026 Business Barometer
Dates = June 2-17, 2026
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Raising Capital is Still Challenging

Although 57% of CEOs still view the fundraising environment as unfavorable in June 2026, it has improved from 81% unfavorable in September 2025.

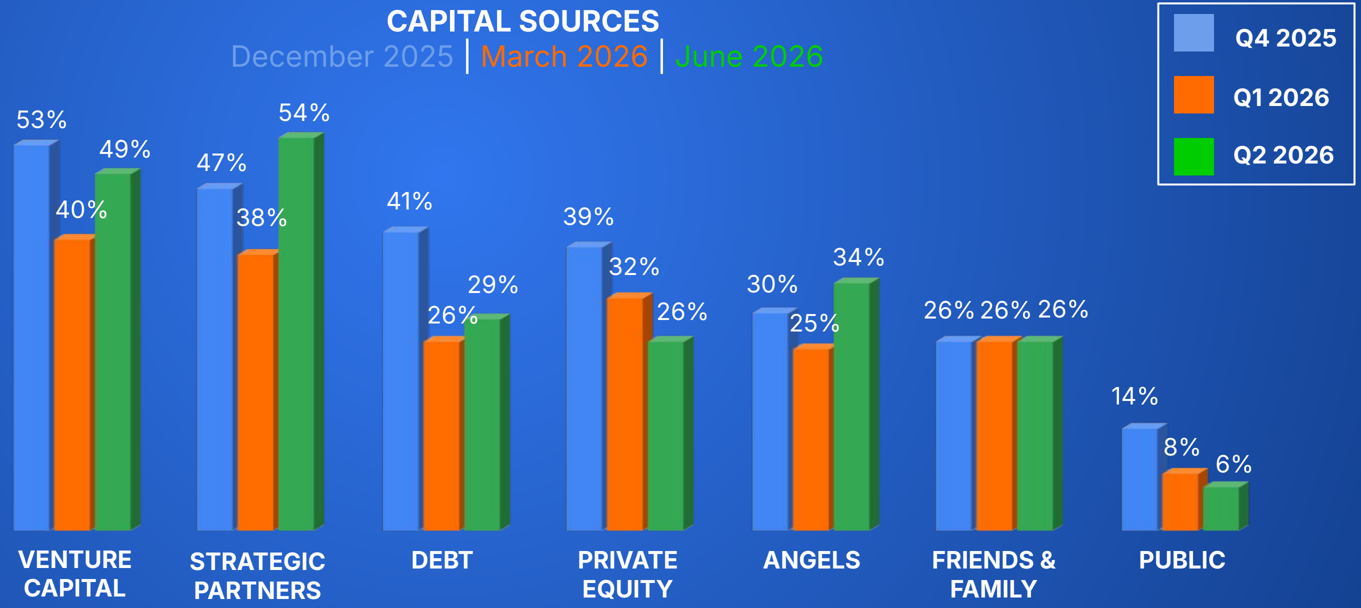
The conditions for raising capital continue to improve but are still difficult.

3Q 2025: 81% negative

4Q 2025: 72% negative

1Q 2026: 61% negative

2Q 2026: 57% negative



2Q 2026 Business Barometer
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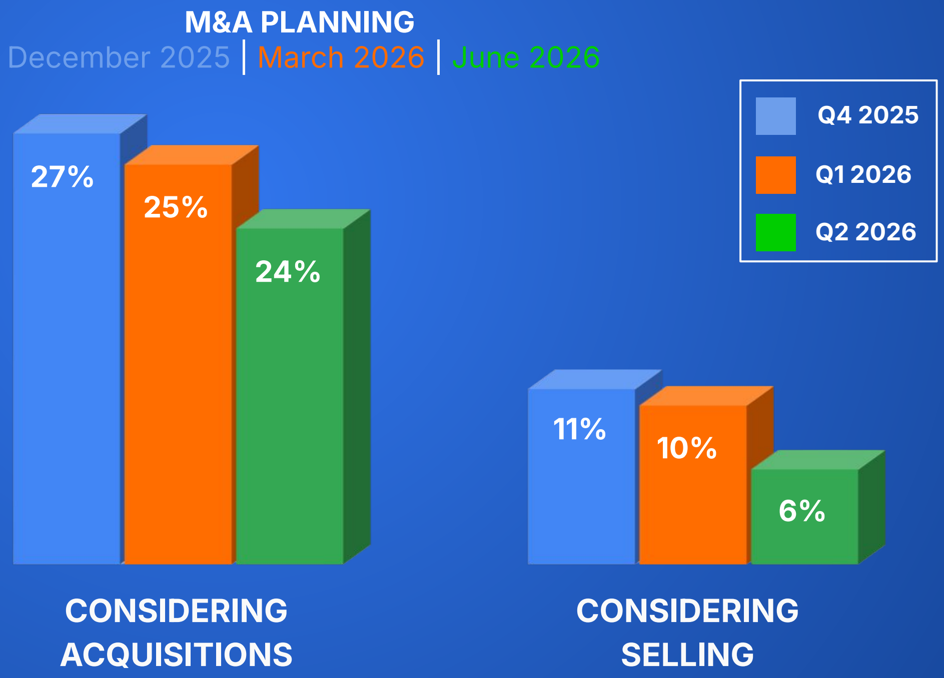
M&A: It's Still a Buyer's Market

Appetite for M&A appears to have softened in the 2Q while the M&A market remains more favorable for buyers than sellers.

In 2Q 2026:

59% of acquirers consider it a good time to buy vs. 66% in 1Q 2026

25% of sellers consider it a good time to sell vs. 47% in 1Q 2026



2Q 2026 Business Barometer
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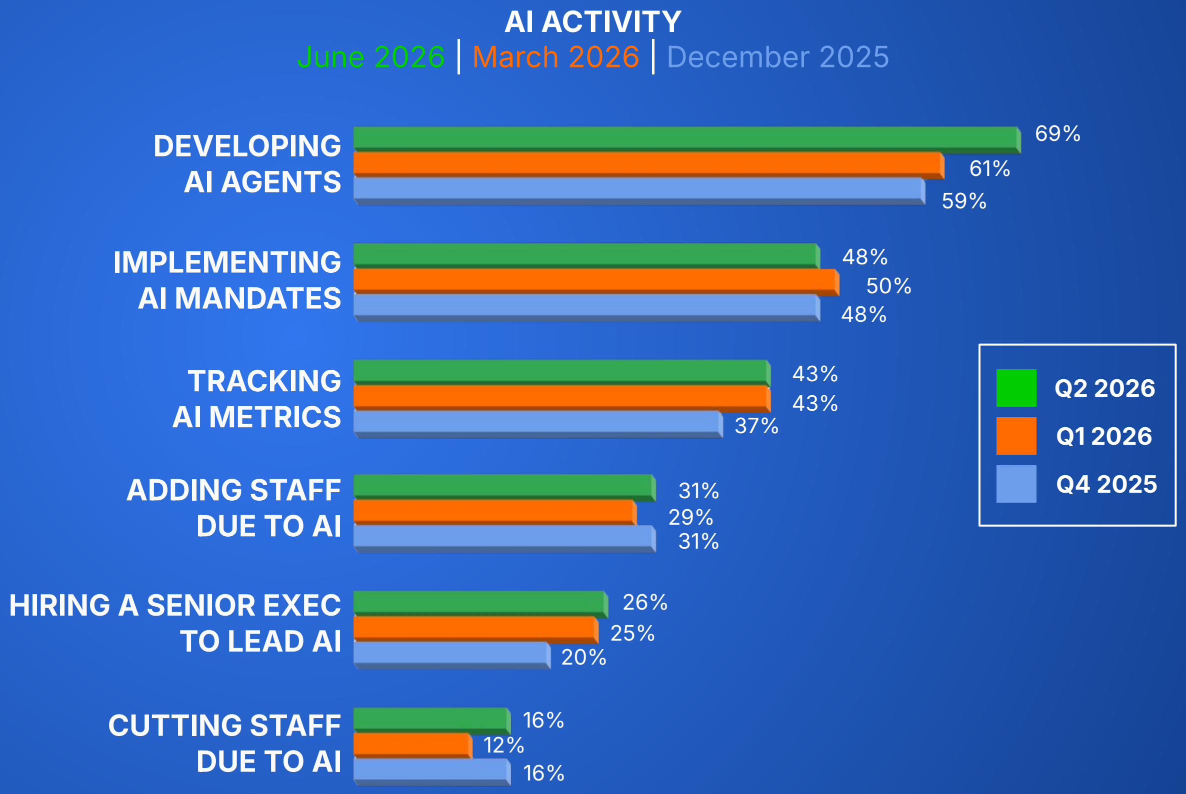
2026: AI is Still the Big Story

CEOs continue to learn how to use AI to drive results.

In particular, **69% are developing AI agents** and **twice as many** CEO are **adding staff** vs cutting staff due to AI.



2Q 2026 Business Barometer
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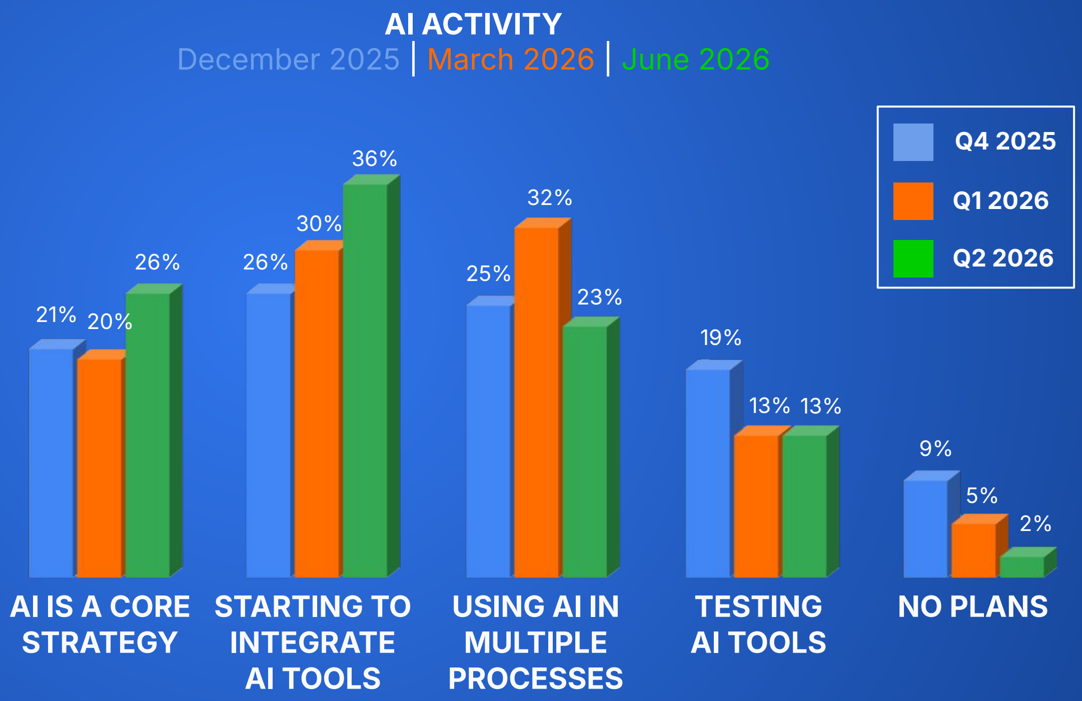
CEO Use of AI Continues to Shift

From June 2025 to June 2026, companies making significant investments into AI grew from 47% to 62% and the percentage of CEOs:

- ***"Using AI as a Core Strategy"* increased from 21% to 26%**
- ***"Starting to integrate AI Tools"* increased from 26% to 36%**
- ***"Not Doing More than Testing"* declined from 28% to 15%**
- **With *"No Plans"* to use AI dropped from 9% to 2%**



2Q 2026 Business Barometer
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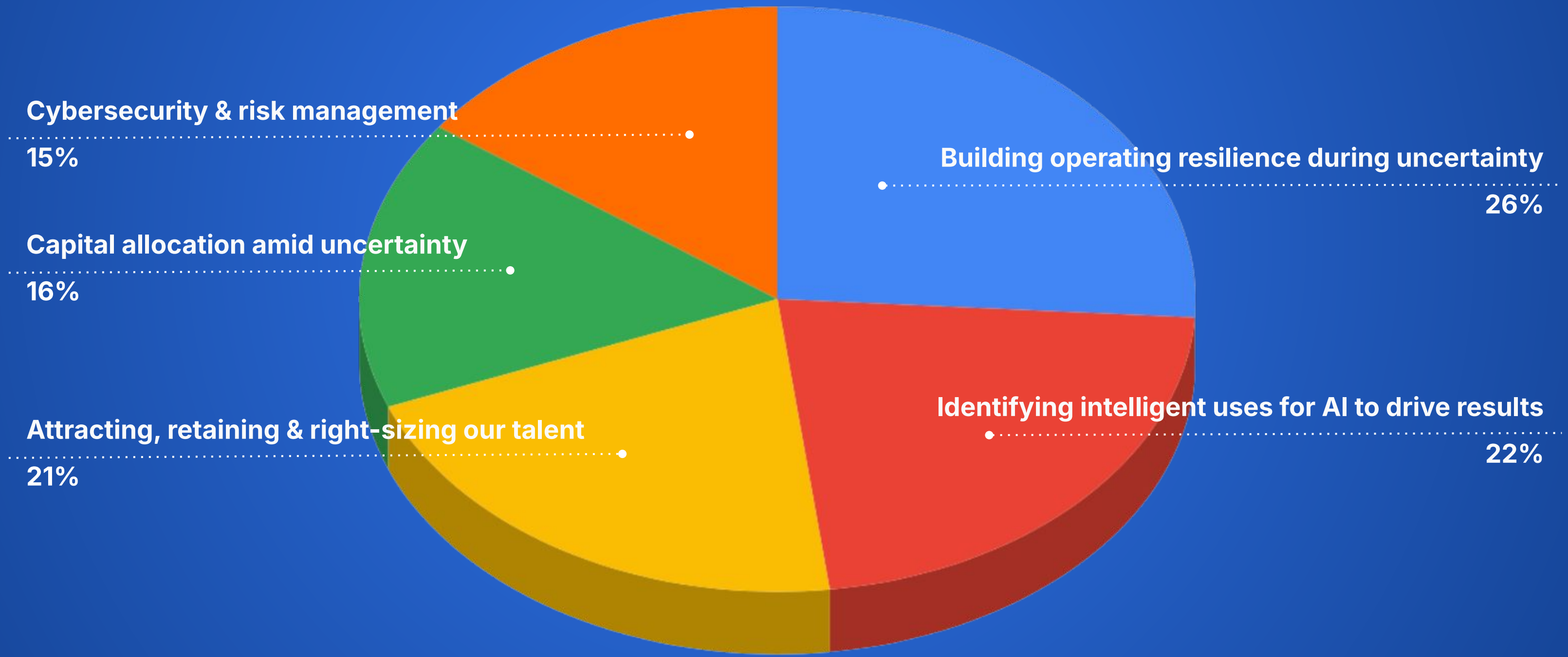
Question of the Quarter: 2Q 2026

WHAT DO CEOS VIEW AS THE MOST IMPORTANT LEADERSHIP CAPABILITY ENTERING 2027?

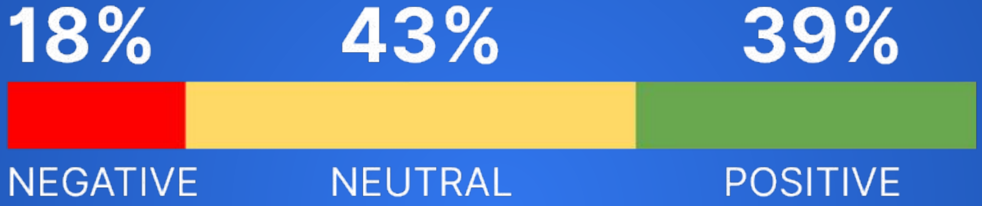


IN THEIR OWN WORDS

2Q 2026 BUSINESS BAROMETER

VOICES FROM THE C-SUITE

“What Leaders Are Saying”



Following is a curated set of direct quotes from CEOs that capture the current mindset and their evolving playbooks for steering their diverse enterprises through these uncertain times.

*The Business Barometer **Sentiment Index** is based on Survey Monkey's algorithm which uses AI to gauge the positivity or negativity of the comments provided by the survey respondents.*

AI: Opportunity, Disruption & Reinvention

Focus: Leaders increasingly view AI as both a competitive necessity and a source of business-model disruption.

"Organizations need to adopt AI or they will not survive. However, what AI can do for them has many unknowns."

"AI will be foundational to every company. Those that integrate it because it 'needs to be there' will fail. Those that understand their purpose and use AI to execute will win."

"Although we have a long way to go, we're not as far behind on AI as we were. It's beginning to make its way into our standard processes and is feeling more like an asset than lip service."

"AI is reshaping every single industry which, makes long-term predictability impossible."

2Q 2026 Business Barometer
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Geopolitics, Government & Uncertainty

Focus: Leaders continue to cite geopolitical tensions, government policy shifts, and political volatility as major sources of unpredictability.

"The rate of change in technology coupled with geopolitical volatility = less predictability."

"Global economic conditions are likely to be influenced by unpredictable geopolitical changes and continue to be driven by AI expansion and chronic token shortages."

"I anticipate that geopolitical tensions and the US economy will continue to be in flux."

"The war is impacting business sentiment. It is impacting renewals and price sensitivity."

"Our primary advisors have shifted from economists and bankers to geopolitical intelligence providers. Hoping for the best and planning for the worst!"

Adaptability: the Competitive Advantage

Focus: Leaders increasingly accept uncertainty as permanent and are building organizations designed to adapt rather than predict.

"We are in a state of continued high dynamism, unpredictability is now predictable, dynamism is the predictable norm."

"I believe strategic and operational flexibility is necessary in our companies."

"Focus on disciplined application of core principals within an accelerated sense-decide-act cycle."

"Our business is relatively low overhead, with nimble decision processes, so we can adapt and adjust quickly to changing assumptions and environments."

"Now actively planning for uncertainty using scenario-based planning."

2Q 2026 Business Barometer
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Planning Through Volatility

Focus: Confidence is coming less from economic certainty and more from disciplined planning, market intelligence, and execution.

“Continuously gathering and analyzing market intelligence from important stakeholders, and adjusting plans as necessary to achieve short & long terms objectives.”

“We plan for disruption as part of our thesis.”

"We have built in the risks we can predict, which is an imperfect approach, yet one we have worked hard to manage."

"We know our markets well and are using a range of predictive tools (human and tech)."

Resilient Demand, Cautious Optimism

Focus: Despite uncertainty, many leaders remain optimistic because of strong customer demand, differentiated offerings, or favorable market positioning.

"Despite current economic uncertainty, I remain optimistic about the future."

"Overall strong optimism for the future - fantastic new capabilities are coming to fruition - but that comes with high uncertainty about how specific sectors and businesses will be affected in the medium-term."

"Crazy out there! Surprised business is as strong as it is given all the uncertainty."

"Sales behavior is stabilizing and improving due to specific condition changes in our market."

CONCLUSIONS

2Q 2026 BUSINESS BAROMETER

2Q 2026 Barometer Summary

Optimism Returns

Business leader sentiment improved significantly during Q2. Positive sentiment increased more than 5X from Q1, while negative sentiment declined sharply. Leaders are no longer reacting to uncertainty with pessimism and are demonstrating greater confidence in both economic conditions and their own businesses.

Volatility Remains Embedded

While confidence improved, predictability has not returned. Most leaders still expect economic conditions to remain difficult to forecast over the next 36 months, driven by geopolitical tensions, government policy shifts, and accelerating technological change. Uncertainty remains a defining feature of the operating environment.

Adaptability Creates Confidence

Rather than waiting for greater certainty, leaders are building organizations designed to adapt. Agility, scenario-based planning, operating resilience, and AI-enabled execution emerged as common themes throughout the survey. The strongest leaders are not attempting to predict the future – they are increasing their capacity to respond to it.

Looking Ahead

We welcome your feedback, participation and ideas for how the Business Barometer can continue to be a trusted resource for leaders navigating a noisy, shifting world.

Our next survey will be fielded on December 1, 2026.

Please be ready to respond so we have real-time, real-world data to make smart decisions!

Contact: info@allianceofceos.com

Our **Business Barometer** is designed to illuminate the conditions facing business leaders and learn how they are shaping today's economy.

Together, we can all gain deeper insights to enable each of us to successfully navigate through current turbulence and identify opportunities to lead our companies towards fulfilling our unique missions.

Participating Organizations & Members

This Business Barometer includes insights from members of the following global leadership organizations. To learn more, feel free to check them out at:

- Alliance of Chief Executives
- Athena Alliance
- CEO Roundtable (Minneapolis)
- The Circle by Founders Circle Capital
- Global Data Innovation
- Institute of Entrepreneurship (Atlanta)
- LXCouncil
- Operators Guild
- Quade
- VA CEOs

Survey Preparation

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Jim Cook is a seasoned strategic and operational executive with over three decades experience as CFO & COO with iconic companies such as Netflix where he built their financial and operational infrastructure from ground up. At Intuit, Jim was a key player in their IPO and M&A strategy. As Mozilla's CFO, Jim scaled global operations during a critical growth phase. Today, Jim is the Founder of BenchBoard Executive Coaching and Advisory, and the author of Cook's PlayBooks - a weekly newsletter on Substack.

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Paul Witkay founded the Alliance of CEOs in 1996 to create high-impact, confidential environments where business leaders who lead companies in every industry from small, private companies to global public enterprises can openly discuss their most critical strategic challenges and impactful opportunities. Launched in the SF Bay Area, the Alliance's distinctive culture now brings leaders from around the world together to cross-pollinate insights, generate breakthrough ideas and drive enduring success.

THANK YOU

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