

Empire State Manufacturing Survey

Note: Survey responses were collected between October 2 and October 10.

Business activity edged lower in New York State, according to firms responding to the October 2023 *Empire State Manufacturing Survey*. The headline general business conditions index fell seven points to -4.6. New orders fell slightly, while shipments were little changed. Unfilled orders declined, and delivery times shortened. Inventories held steady. Labor market indicators pointed to a slight increase in both employment and the average workweek. The pace of input price increases was similar to last month, while selling price increases moderated. Looking ahead, firms remained relatively optimistic about the six-month outlook.

Activity Slightly Lower

Manufacturing activity declined slightly in New York State, according to the October survey. The general business

conditions index fell seven points to -4.6. Twenty-four percent of respondents reported that conditions had improved over the month, while twenty-nine percent reported that conditions had worsened. The new orders index dropped nine points to -4.2, pointing to a small decline in orders, and the shipments index fell eleven points to 1.4, a sign that shipments were little changed. The unfilled orders index fell to -19.1, indicating that unfilled orders fell significantly. The inventories index remained below zero at -2.1, pointing to a small decline in inventories. The delivery times index moved down to -6.4, suggesting delivery times shortened.

Employment Ticks Up

The index for number of employees rose six points to 3.1, and the average workweek index edged up

to 2.2, indicating a slight increase in employment levels and hours worked. The prices paid index held steady at 25.5, reflecting little change in the pace of input price increases, while the prices received index fell eight points to 11.7, signaling a deceleration of input price increases.

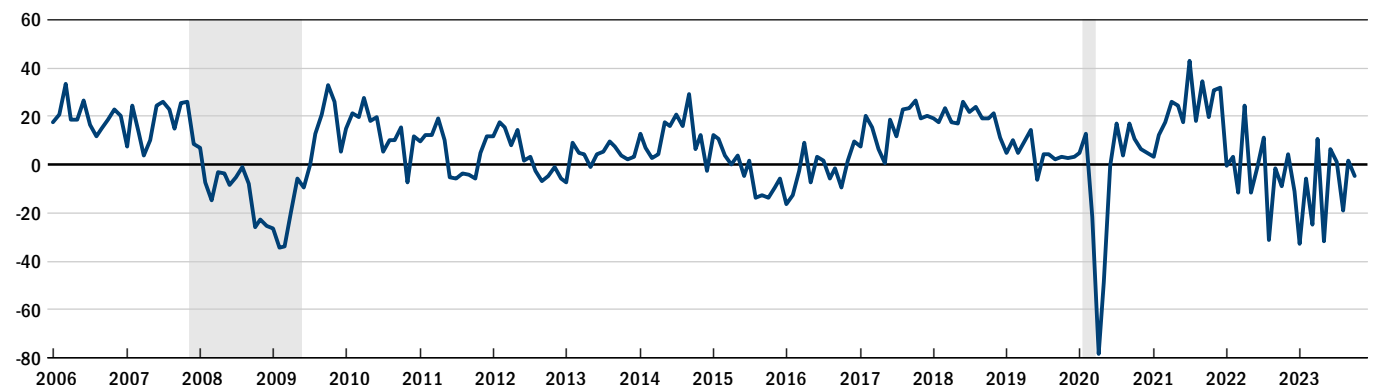
Firms Remain Fairly Optimistic

The index for future business conditions moved down three points to 23.1, suggesting that firms remained relatively optimistic about future conditions. However, less than half of respondents expect conditions to improve over the next six months. New orders and shipments are expected to increase, though less so than last month, and employment is expected to grow. The capital spending index was little changed at 9.6, suggesting that capital spending plans remained somewhat weak. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

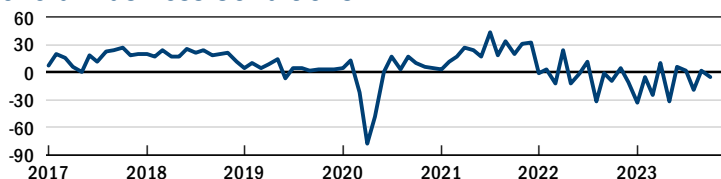


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

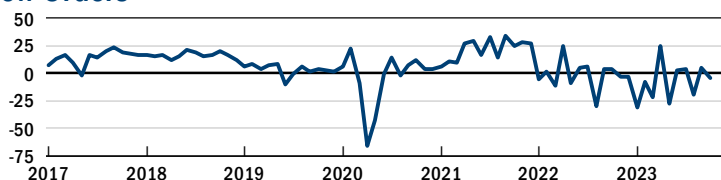
Change from Preceding Month

General Business Conditions



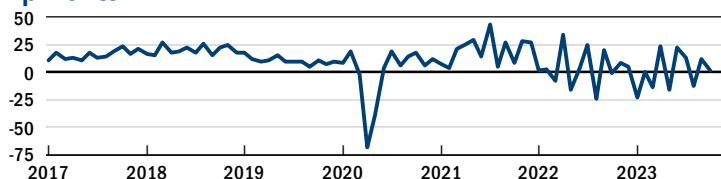
	Percent Reporting		Index
	Higher	Lower	
Sep	26.6	24.8	1.9
Oct	24.1	28.7	-4.6
Change			-6.5

New Orders



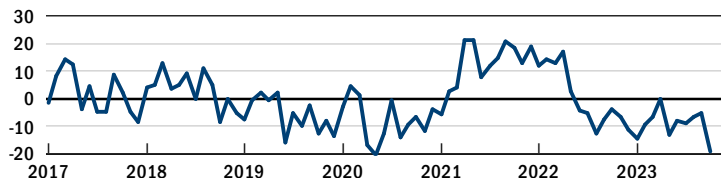
	Percent Reporting		Index
	Higher	Lower	
Sep	32.6	27.5	5.1
Oct	27.1	31.3	-4.2
Change			-9.3

Shipments



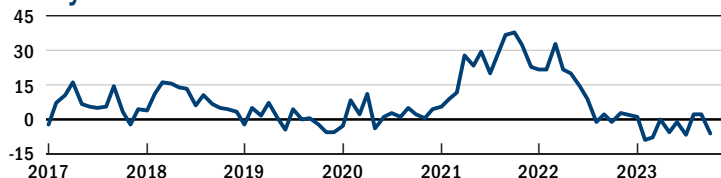
	Percent Reporting		Index
	Higher	Lower	
Sep	32.5	20.1	12.4
Oct	28.4	27.0	1.4
Change			-11.0

Unfilled Orders



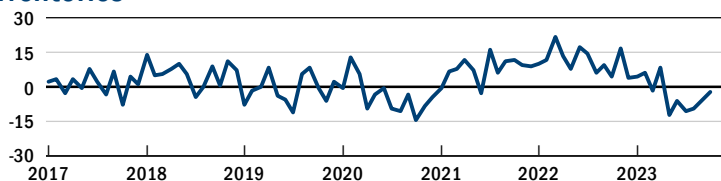
	Percent Reporting		Index
	Higher	Lower	
Sep	13.4	18.6	-5.2
Oct	8.5	27.7	-19.1
Change			-13.9

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	14.4	12.4	2.1
Oct	10.6	17.0	-6.4
Change			-8.5

Inventories

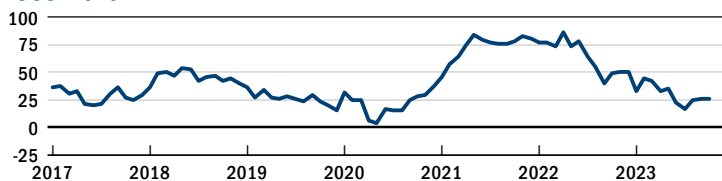


	Percent Reporting		Index
	Higher	Lower	
Sep	15.5	21.6	-6.2
Oct	22.3	24.5	-2.1
Change			4.1

Current Indicators, *continued*

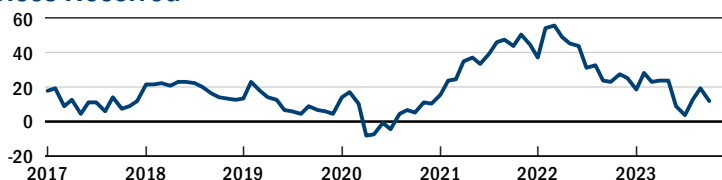
Change from Preceding Month

Prices Paid



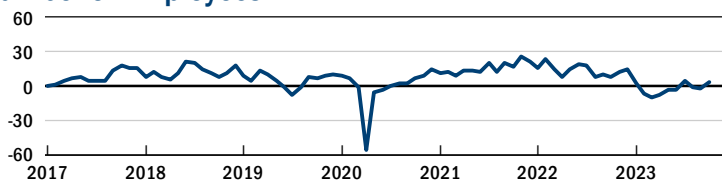
	Percent Reporting		Index
	Higher	Lower	
Sep	29.9	4.1	25.8
Oct	33.0	7.4	25.5
Change			-0.3

Prices Received



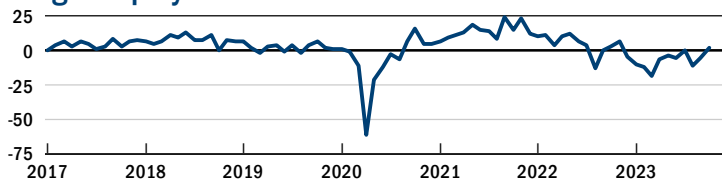
	Percent Reporting		Index
	Higher	Lower	
Sep	22.7	3.1	19.6
Oct	18.1	6.4	11.7
Change			-7.9

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Sep	8.9	11.6	-2.7
Oct	14.8	11.7	3.1
Change			5.8

Average Employee Workweek



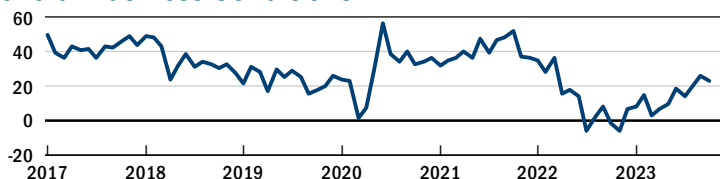
	Percent Reporting		Index
	Higher	Lower	
Sep	7.8	12.8	-5.0
Oct	15.8	13.6	2.2
Change			7.2

Note: Data are seasonally adjusted.

Forward-Looking Indicators

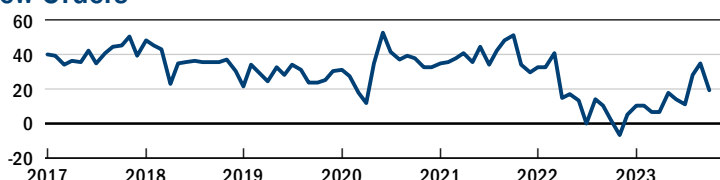
Expectations Six Months Ahead

General Business Conditions



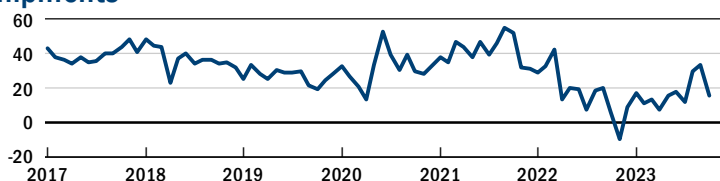
	Percent Reporting		Index
	Higher	Lower	
Sep	41.6	15.3	26.3
Oct	46.7	23.6	23.1
Change			-3.2

New Orders



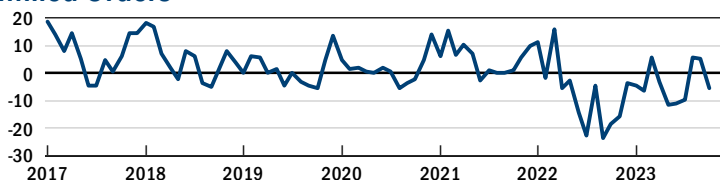
	Percent Reporting		Index
	Higher	Lower	
Sep	47.5	12.7	34.8
Oct	44.5	25.0	19.4
Change			-15.4

Shipments



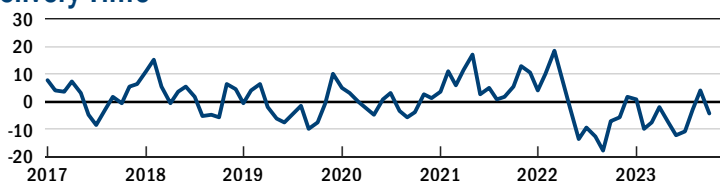
	Percent Reporting		Index
	Higher	Lower	
Sep	46.7	13.0	33.7
Oct	42.7	27.5	15.2
Change			-18.5

Unfilled Orders



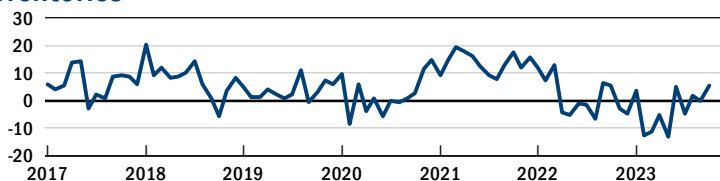
	Percent Reporting		Index
	Higher	Lower	
Sep	18.6	13.4	5.2
Oct	14.9	20.2	-5.3
Change			-10.5

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	16.5	12.4	4.1
Oct	16.0	20.2	-4.3
Change			-8.4

Inventories

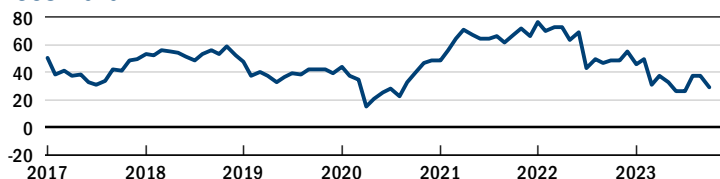


	Percent Reporting		Index
	Higher	Lower	
Sep	20.6	20.6	0.0
Oct	26.6	21.3	5.3
Change			5.3

Forward-Looking Indicators, *continued*

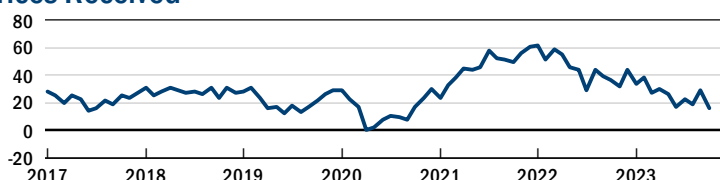
Expectations Six Months Ahead

Prices Paid



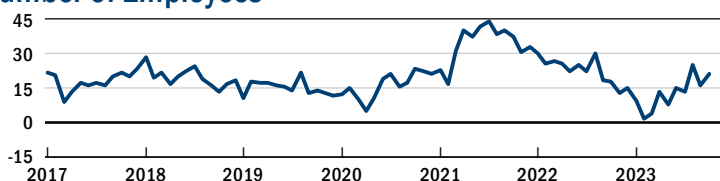
	Percent Reporting		Index
	Higher	Lower	
Sep	45.4	8.2	37.1
Oct	35.1	6.4	28.7
Change			-8.4

Prices Received



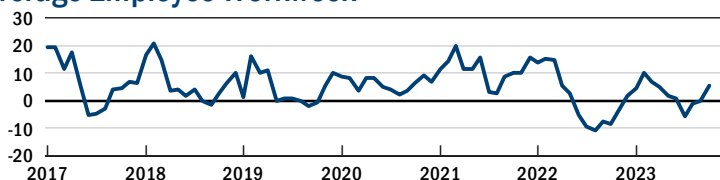
	Percent Reporting		Index
	Higher	Lower	
Sep	37.1	8.2	28.9
Oct	23.4	7.4	16.0
Change			-12.9

Number of Employees



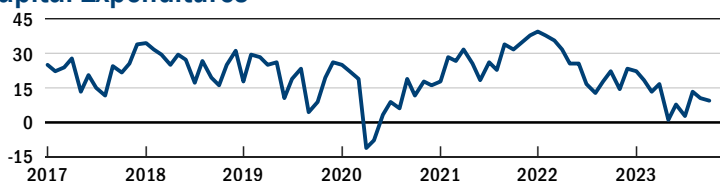
	Percent Reporting		Index
	Higher	Lower	
Sep	29.3	13.4	15.9
Oct	28.9	7.9	21.0
Change			5.1

Average Employee Workweek



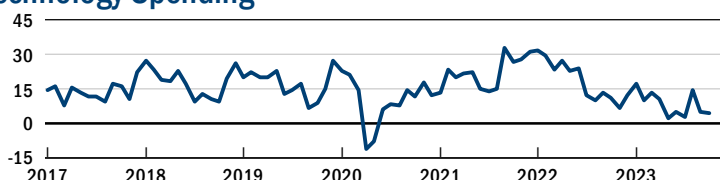
	Percent Reporting		Index
	Higher	Lower	
Sep	14.4	14.4	0.0
Oct	16.0	10.6	5.3
Change			5.3

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	24.7	14.4	10.3
Oct	24.5	14.9	9.6
Change			-0.7

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Sep	17.5	12.4	5.2
Oct	21.3	17.0	4.3
Change			-0.9

Note: Data are seasonally adjusted.