

Empire State Manufacturing Survey

Survey responses were collected between July 3 and July 11.

Business activity held steady in New York State, according to firms responding to the July 2023 *Empire State Manufacturing Survey*. The headline general business conditions index fell six points to 1.1. New orders inched up and shipments expanded. Delivery times shortened and inventories continued to decline. Employment levels edged higher, though the average workweek was little changed. Input and selling price increases continued to moderate. Planned increases in capital spending remained weak. Looking ahead, while firms expect conditions to improve, optimism remained muted.

Activity Holds Steady

Manufacturing activity was little changed in New York State, according to the July survey. The general business conditions index fell six points to 1.1. Twenty-nine percent of respondents

reported that conditions had improved over the month, while twenty-seven percent reported that conditions had worsened. The new orders index was little changed at 3.3, indicating that orders edged higher, and the shipments index fell nine points to 13.4, pointing to an increase in shipments, though at a slower pace than last month. At -8.8, the unfilled orders index remained negative for a third straight month, a sign that unfilled orders continued to decline. The inventories index also remained negative at -10.8, indicating that inventories moved lower. The delivery times index came in at -6.9, suggesting that delivery times shortened.

Price Increases Continue to Moderate

The index for number of employees climbed into positive territory for the first time since January and, at 4.7, pointed to a small increase in

employment. The average workweek index rose to 0.3, indicating little change in hours worked. Price increases continued to moderate: the prices paid index fell five points to 16.7, and the prices received index fell five points to 3.9. The prices paid index has now fallen nearly fifty points over the past year, and the prices received index has fallen a cumulative twenty-seven points.

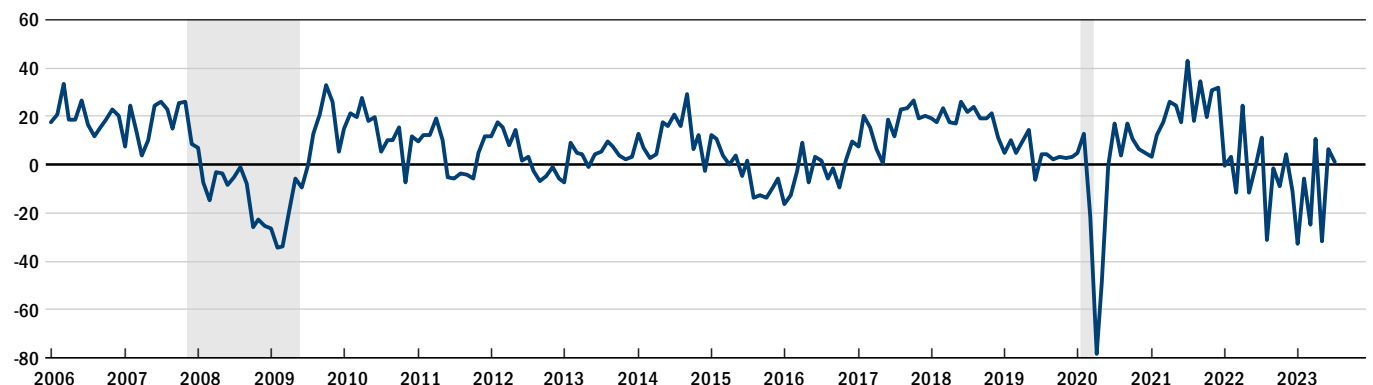
Optimism Remains Muted

The index for future business conditions edged down to 14.3, indicating that while conditions are expected to improve, optimism remained subdued. New orders and shipments are expected to increase modestly, delivery times are expected to continue to shorten, and employment is expected to expand modestly. The capital spending index fell five points to 2.9, suggesting that capital spending plans remained soft. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

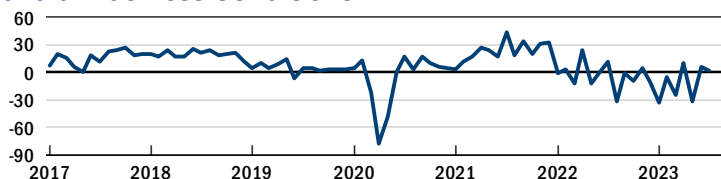


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

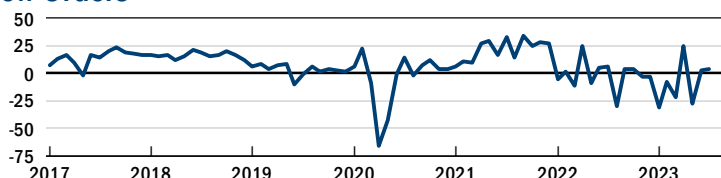
Change from Preceding Month

General Business Conditions



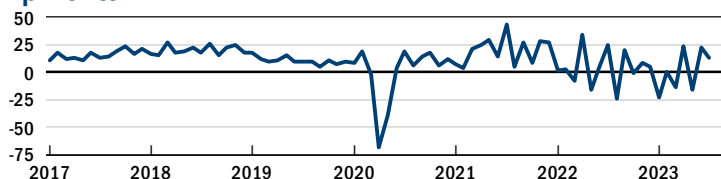
	Percent Reporting		Index
	Higher	Lower	
Jun	30.6	24.0	6.6
Jul	28.6	27.4	1.1
Change			-5.5

New Orders



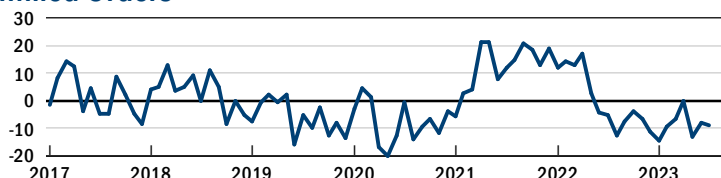
	Percent Reporting		Index
	Higher	Lower	
Jun	31.0	27.9	3.1
Jul	30.9	27.6	3.3
Change			0.2

Shipments



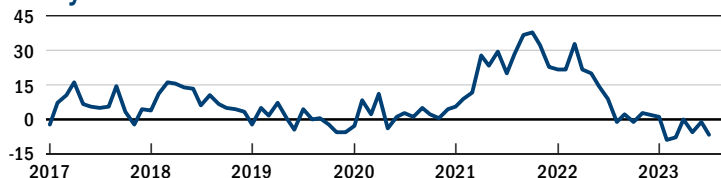
	Percent Reporting		Index
	Higher	Lower	
Jun	42.0	19.9	22.0
Jul	34.8	21.4	13.4
Change			-8.6

Unfilled Orders



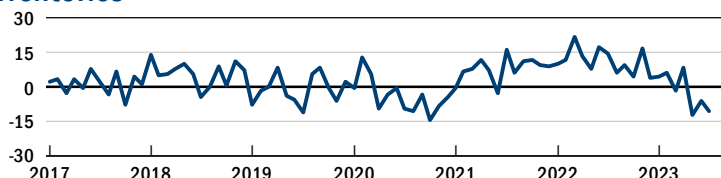
	Percent Reporting		Index
	Higher	Lower	
Jun	17.0	25.0	-8.0
Jul	13.7	22.5	-8.8
Change			-0.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jun	15.0	16.0	-1.0
Jul	11.8	18.6	-6.9
Change			-5.9

Inventories

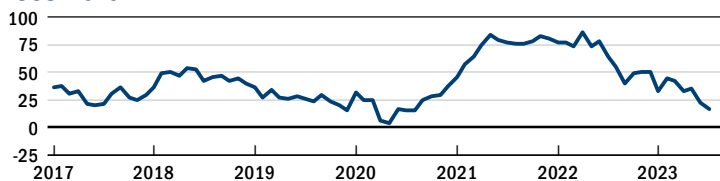


	Percent Reporting		Index
	Higher	Lower	
Jun	20.0	26.0	-6.0
Jul	13.7	24.5	-10.8
Change			-4.8

Current Indicators, *continued*

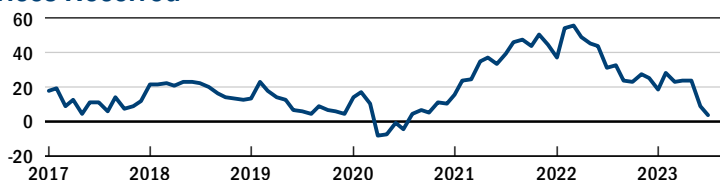
Change from Preceding Month

Prices Paid



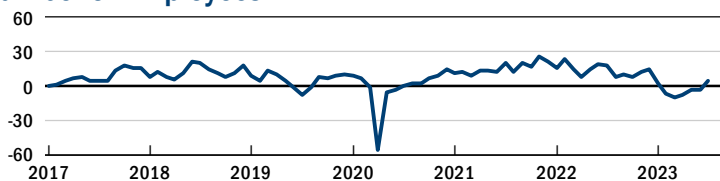
	Percent Reporting		Index
	Higher	Lower	
Jun	32.0	10.0	22.0
Jul	30.4	13.7	16.7
Change			-5.3

Prices Received



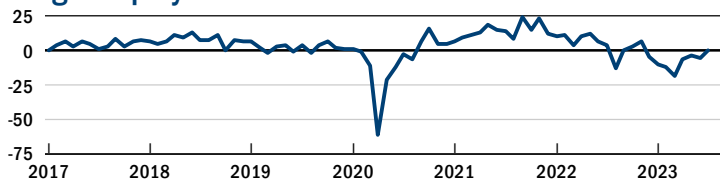
	Percent Reporting		Index
	Higher	Lower	
Jun	16.0	7.0	9.0
Jul	13.7	9.8	3.9
Change			-5.1

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Jun	16.5	20.2	-3.6
Jul	17.6	12.9	4.7
Change			8.3

Average Employee Workweek



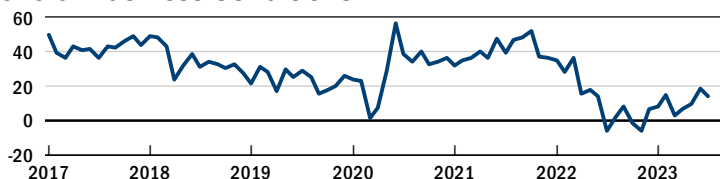
	Percent Reporting		Index
	Higher	Lower	
Jun	11.5	17.2	-5.8
Jul	11.7	11.4	0.3
Change			6.1

Note: Data are seasonally adjusted.

Forward-Looking Indicators

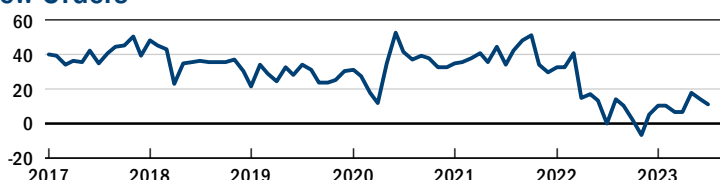
Expectations Six Months Ahead

General Business Conditions



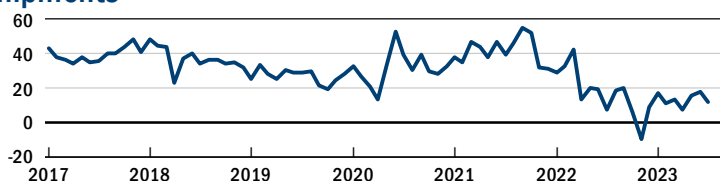
	Percent Reporting		Index
	Higher	Lower	
Jun	43.1	24.2	18.9
Jul	38.3	24.0	14.3
Change			-4.6

New Orders



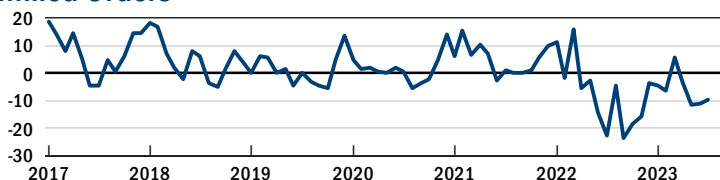
	Percent Reporting		Index
	Higher	Lower	
Jun	38.1	24.3	13.8
Jul	38.3	27.4	11.0
Change			-2.8

Shipments



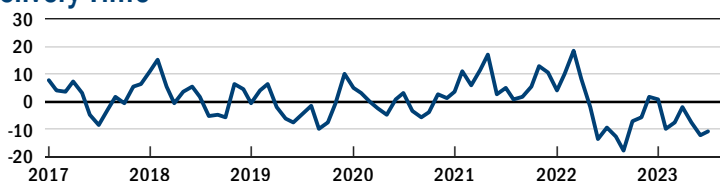
	Percent Reporting		Index
	Higher	Lower	
Jun	40.3	22.4	17.9
Jul	36.4	24.3	12.0
Change			-5.9

Unfilled Orders



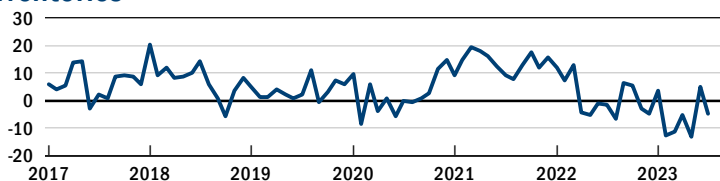
	Percent Reporting		Index
	Higher	Lower	
Jun	11.0	22.0	-11.0
Jul	11.8	21.6	-9.8
Change			1.2

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jun	10.0	22.0	-12.0
Jul	6.9	17.6	-10.8
Change			1.2

Inventories

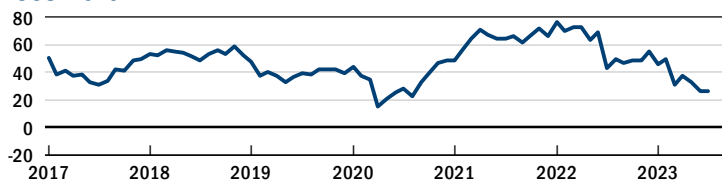


	Percent Reporting		Index
	Higher	Lower	
Jun	29.0	24.0	5.0
Jul	23.5	28.4	-4.9
Change			-9.9

Forward-Looking Indicators, *continued*

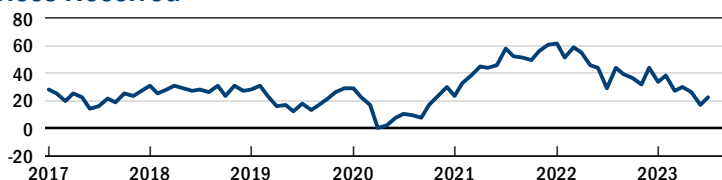
Expectations Six Months Ahead

Prices Paid



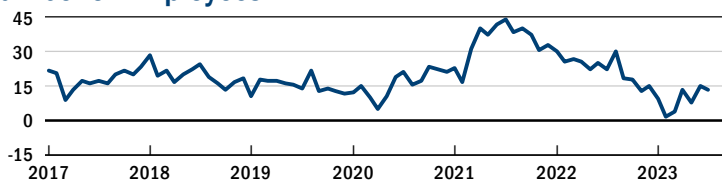
	Percent Reporting		Index
	Higher	Lower	
Jun	39.0	13.0	26.0
Jul	37.3	10.8	26.5
Change			0.5

Prices Received



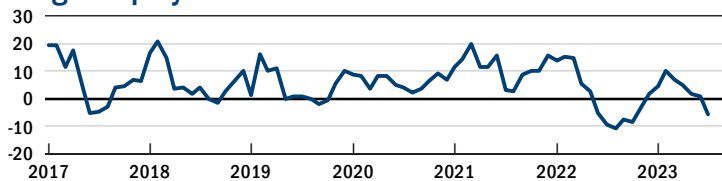
	Percent Reporting		Index
	Higher	Lower	
Jun	29.0	12.0	17.0
Jul	30.4	7.8	22.5
Change			5.5

Number of Employees



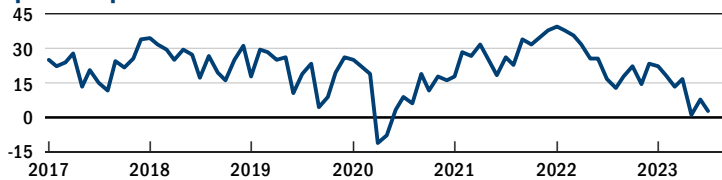
	Percent Reporting		Index
	Higher	Lower	
Jun	25.6	10.5	15.1
Jul	25.8	12.6	13.2
Change			-1.9

Average Employee Workweek



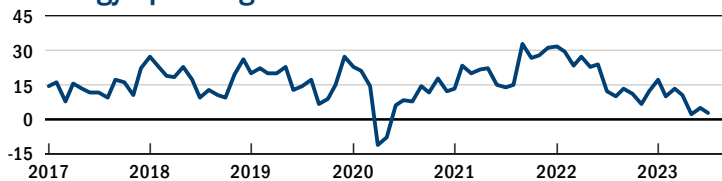
	Percent Reporting		Index
	Higher	Lower	
Jun	14.0	13.0	1.0
Jul	8.8	14.7	-5.9
Change			-6.9

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jun	25.0	17.0	8.0
Jul	21.6	18.6	2.9
Change			-5.1

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Jun	19.0	14.0	5.0
Jul	21.6	18.6	2.9
Change			-2.1

Note: Data are seasonally adjusted.