

Empire State Manufacturing Survey

Note: Survey responses were collected between February 2 and February 9.

Business activity was little changed in New York State, according to firms responding to the February 2022 *Empire State Manufacturing Survey*. The headline general business conditions index moved up four points to 3.1. New orders and shipments held steady, and unfilled orders increased. Delivery times continued to lengthen. Labor market indicators pointed to a solid increase in employment and a longer average workweek. The prices paid index remained near its recent peak, and the prices received index reached a new record high. Plans for capital and technology spending remained strong. Looking ahead, while firms generally expect conditions to improve over the next six months, optimism dipped to its lowest level since mid-2020.

Activity Remains Flat

Manufacturing activity was little

changed in New York State for a second consecutive month according to the February survey. After falling to around zero last month, the general business conditions index edged up four points to 3.1. Thirty-four percent of respondents reported that conditions had improved over the month, while 30 percent reported that conditions had worsened. The new orders index came in at 1.4, and the shipments index was 2.9, signaling little change in orders and shipments over the month. The unfilled orders index came in at 14.4. The delivery times index was unchanged at 21.6, suggesting that delivery times continued to lengthen significantly, and inventories increased modestly.

Selling Prices Increase at a Record Pace

The index for number of employees climbed seven points to 23.1,

indicating solid gains in employment levels, and the average workweek index held steady at 10.9. The prices paid index was little changed at 76.6, while the prices received index rose a steep seventeen points to a record high of 54.1, signaling ongoing substantial increases in both input prices and selling prices.

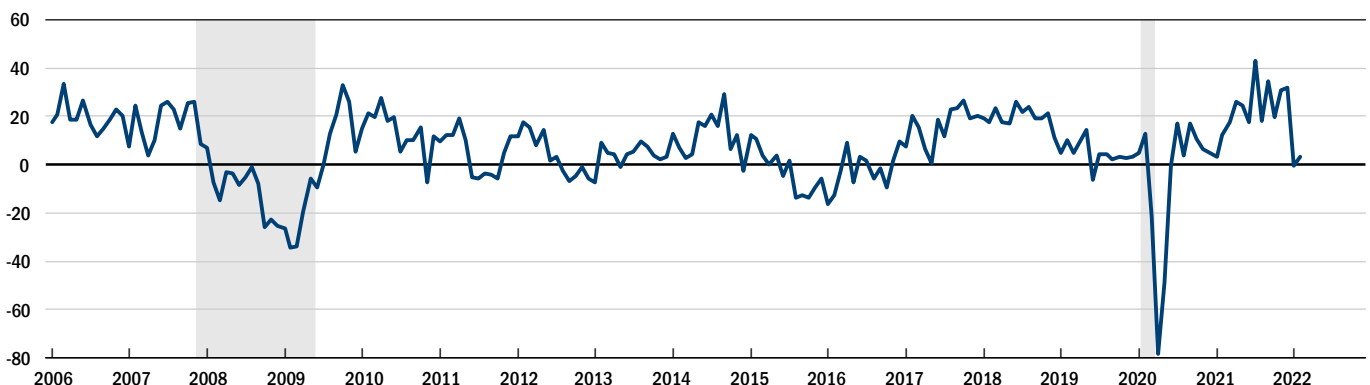
Optimism Dips

Firms were generally optimistic about the six-month outlook, but optimism waned. The index for future business conditions fell seven points to 28.2, its lowest level since the early stages of the pandemic. Longer delivery times, higher prices, and increases in employment are all expected in the months ahead. The capital expenditures index remained near a multi-year high, suggesting that firms plan significant increases in capital spending. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

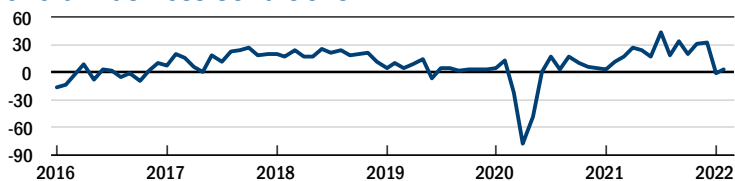


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

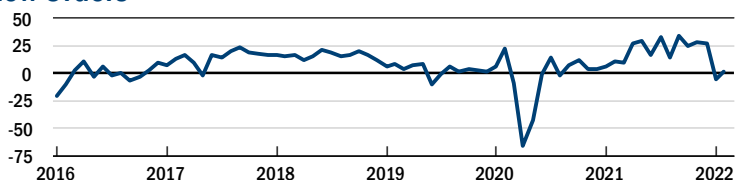
Change from Preceding Month

General Business Conditions



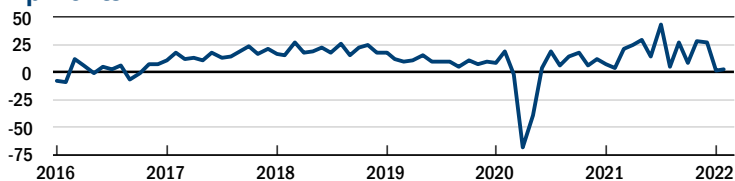
	Percent Reporting		Index
	Higher	Lower	
Jan	22.1	22.8	-0.7
Feb	33.5	30.5	3.1
Change			3.8

New Orders



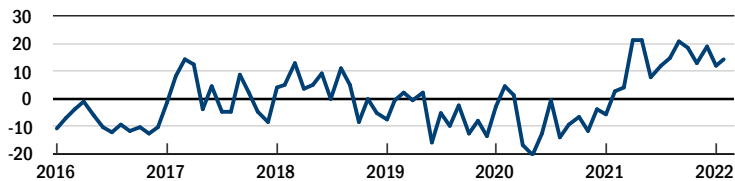
	Percent Reporting		Index
	Higher	Lower	
Jan	28.4	33.5	-5.0
Feb	35.9	34.5	1.4
Change			6.4

Shipments



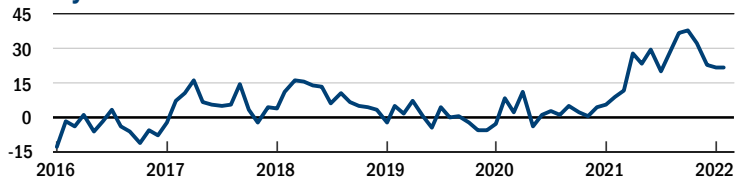
	Percent Reporting		Index
	Higher	Lower	
Jan	24.1	23.1	1.0
Feb	32.5	29.6	2.9
Change			1.9

Unfilled Orders



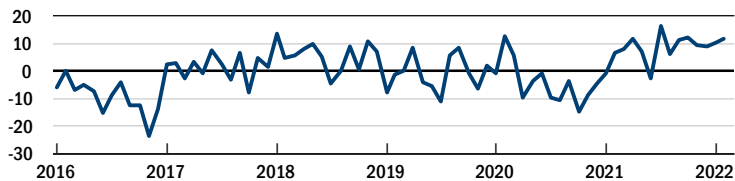
	Percent Reporting		Index
	Higher	Lower	
Jan	26.7	14.7	12.1
Feb	28.8	14.4	14.4
Change			2.3

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	29.3	7.8	21.6
Feb	35.1	13.5	21.6
Change			0.0

Inventories

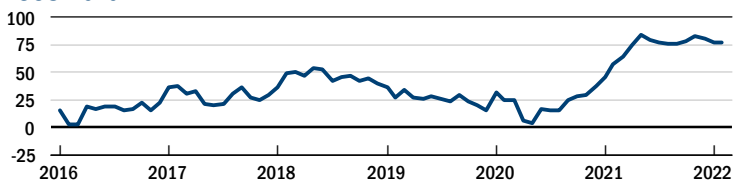


	Percent Reporting		Index
	Higher	Lower	
Jan	25.9	15.5	10.3
Feb	29.7	18.0	11.7
Change			1.4

Current Indicators, *continued*

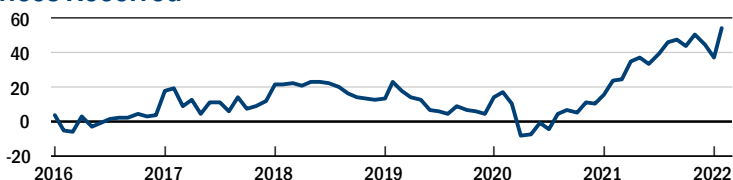
Change from Preceding Month

Prices Paid



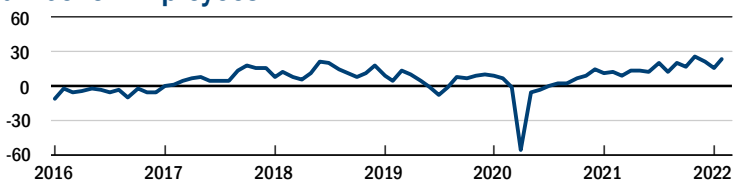
	Percent Reporting		Index
	Higher	Lower	
Jan	77.6	0.9	76.7
Feb	79.3	2.7	76.6
Change			-0.1

Prices Received



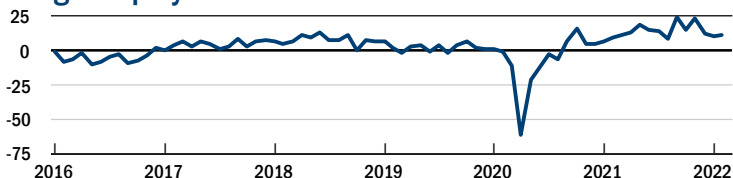
	Percent Reporting		Index
	Higher	Lower	
Jan	38.8	1.7	37.1
Feb	58.6	4.5	54.1
Change			17.0

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Jan	20.0	3.9	16.1
Feb	29.4	6.3	23.1
Change			7.0

Average Employee Workweek



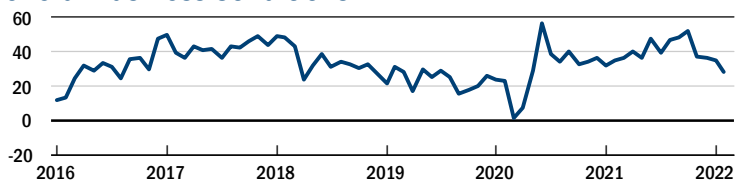
	Percent Reporting		Index
	Higher	Lower	
Jan	17.3	6.9	10.3
Feb	22.5	11.7	10.9
Change			0.6

Note: Data are seasonally adjusted.

Forward-Looking Indicators

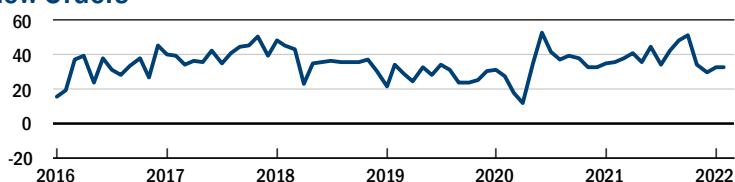
Expectations Six Months Ahead

General Business Conditions



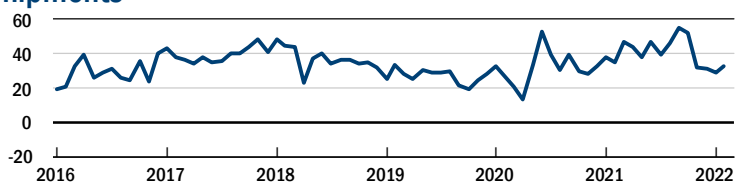
	Percent Reporting		Index
	Higher	Lower	
Jan	43.9	8.9	35.1
Feb	42.7	14.5	28.2
Change			-6.9

New Orders



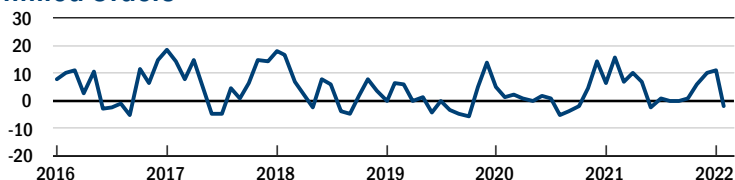
	Percent Reporting		Index
	Higher	Lower	
Jan	41.2	8.3	32.9
Feb	44.6	12.1	32.5
Change			-0.4

Shipments



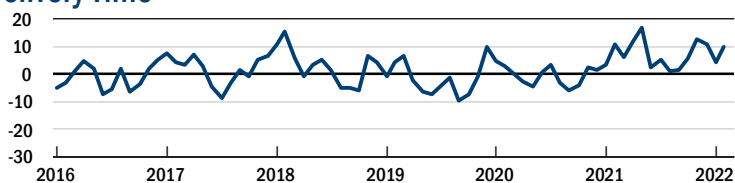
	Percent Reporting		Index
	Higher	Lower	
Jan	39.4	10.0	29.3
Feb	47.5	15.0	32.6
Change			3.3

Unfilled Orders



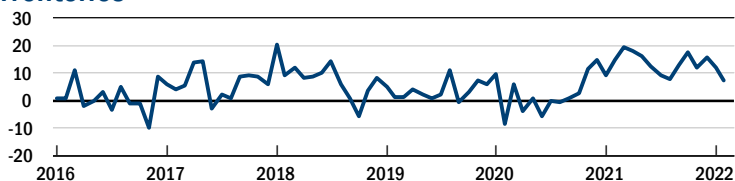
	Percent Reporting		Index
	Higher	Lower	
Jan	29.3	18.1	11.2
Feb	18.9	20.7	-1.8
Change			-13.0

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	19.8	15.5	4.3
Feb	26.1	16.2	9.9
Change			5.6

Inventories

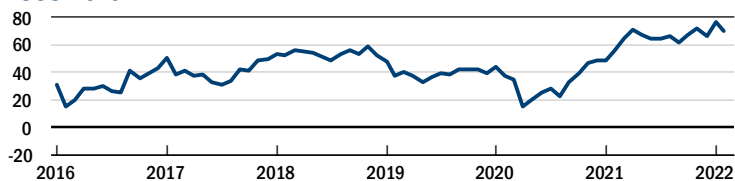


	Percent Reporting		Index
	Higher	Lower	
Jan	28.4	16.4	12.1
Feb	23.4	16.2	7.2
Change			-4.9

Forward-Looking Indicators, *continued*

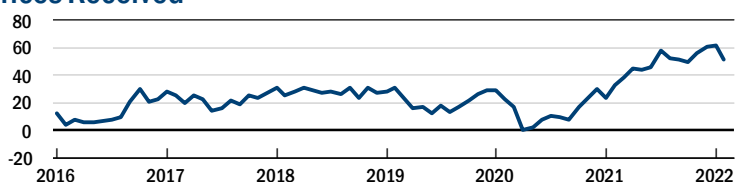
Expectations Six Months Ahead

Prices Paid



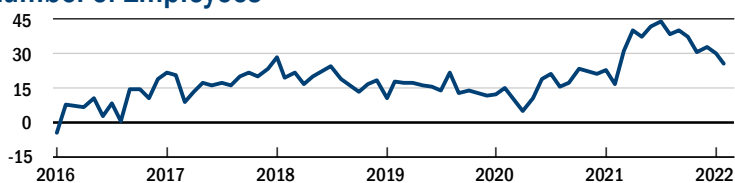
	Percent Reporting		Index
	Higher	Lower	
Jan	78.4	1.7	76.7
Feb	75.7	5.4	70.3
Change			-6.4

Prices Received



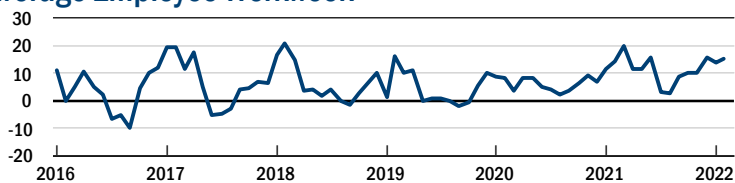
	Percent Reporting		Index
	Higher	Lower	
Jan	64.7	2.6	62.1
Feb	57.7	6.3	51.4
Change			-10.7

Number of Employees



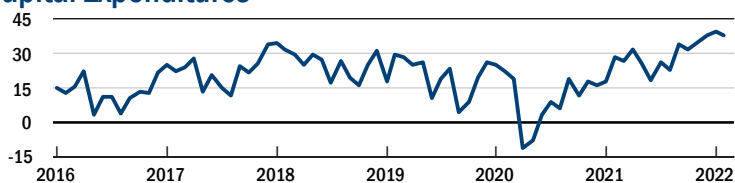
	Percent Reporting		Index
	Higher	Lower	
Jan	37.2	7.3	29.9
Feb	35.9	10.4	25.5
Change			-4.4

Average Employee Workweek



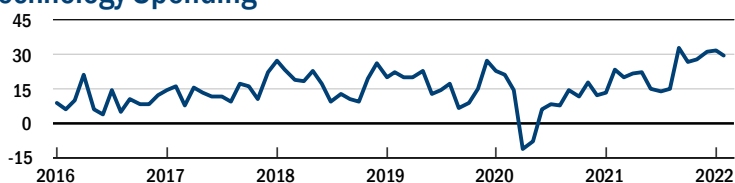
	Percent Reporting		Index
	Higher	Lower	
Jan	21.6	7.8	13.8
Feb	22.5	7.2	15.3
Change			1.5

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jan	43.1	3.4	39.7
Feb	44.1	6.3	37.8
Change			-1.9

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Jan	34.5	2.6	31.9
Feb	34.2	4.5	29.7
Change			-2.2

Note: Data are seasonally adjusted.