

Empire State Manufacturing Survey

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

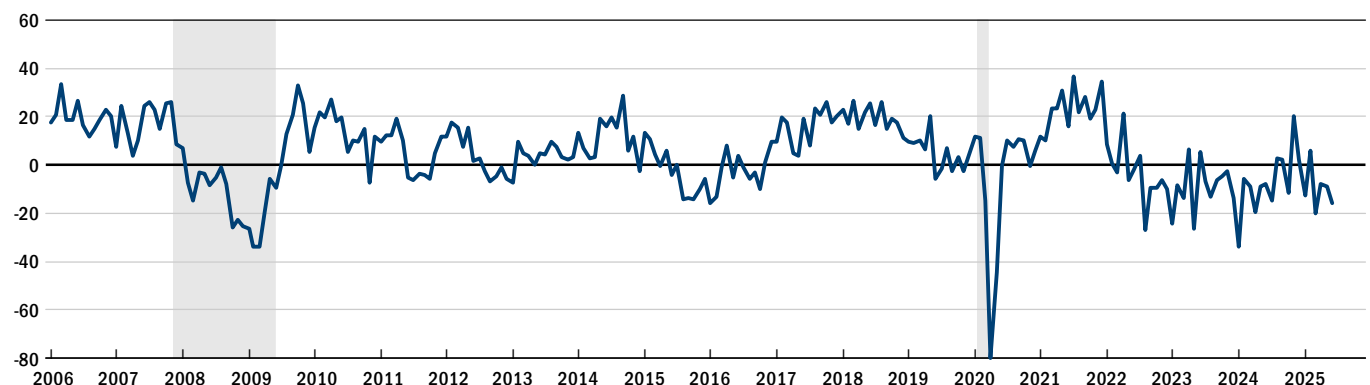
Business activity continued to decline in New York State in June, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index fell seven points to -16.0. New orders and shipments declined. Delivery times held steady, and supply availability worsened. Inventories were little changed. Employment grew slightly for the first time in several months, while the average workweek held steady. Input price increases slowed but remained substantial, while selling price increases picked up. Firms turned optimistic about the outlook, with the future general business conditions index rising above zero for the first time since March.

Business Conditions Continue to Worsen

Manufacturing activity fell for a fourth consecutive month in New York State, according to the June survey. The general business conditions index fell seven points to -16.0. After rising above zero last month, the new orders index fell to -14.2, and the shipments index moved down to around zero, pointing to a decline in both orders and shipments. Unfilled orders declined.

General Business Conditions Seasonally Adjusted

Diffusion Index



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

ECONOMIST COMMENTARY

“Business activity continued to contract in New York State in June. However, employment grew slightly for the first time in several months. Firms also turned positive about the outlook for future business conditions, expecting activity to increase in the months ahead.”

~Richard Deitz, Economic Research Advisor at the New York Fed

The inventories index came in at around zero, signaling that business inventories held steady. Delivery times were little changed, while the supply availability index remained below zero at -8.3, suggesting that supply availability continued to worsen.

Employment Edges Higher

The index for number of employees rose ten points to 4.7, its first positive reading since January and a sign that employment increased slightly. The average workweek index came in at -1.5, suggesting little change in hours worked. After reaching its highest level in more than two years in May, the prices paid index fell twelve points to 46.8, suggesting that the pace of price

increases slowed but remained significant. The prices received index edged up four points to 26.6, suggesting that selling price increases accelerated somewhat.

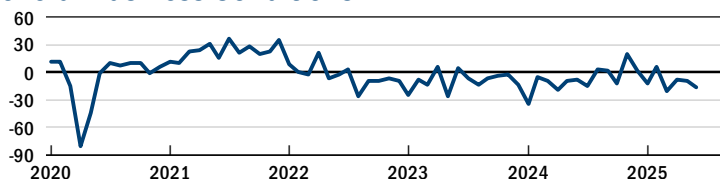
Firms Become Positive about the Outlook

After turning pessimistic in April and May, firms turned positive in June, expecting conditions to improve over the next six months. The index for future general business conditions climbed twenty-three points to 21.2. New orders and shipments are expected to increase, and firms expect supply availability to be only slightly worse in the months ahead. Capital spending plans remained soft. ■

Current Indicators

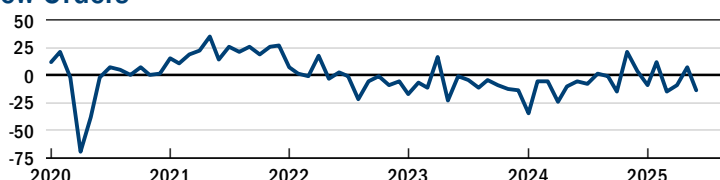
Change from Preceding Month

General Business Conditions



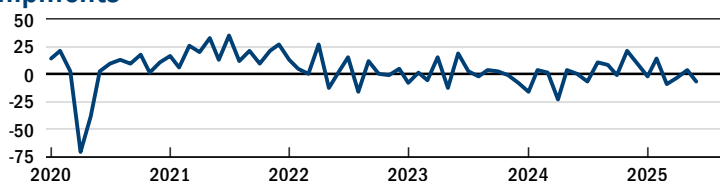
	Percent Reporting		Index
	Higher	Lower	
May	28.3	37.5	-9.2
Jun	16.9	32.9	-16.0
Change			-6.8

New Orders



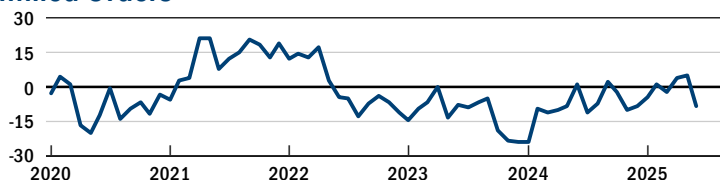
	Percent Reporting		Index
	Higher	Lower	
May	40.0	33.1	7.0
Jun	21.4	35.6	-14.2
Change			-21.2

Shipments



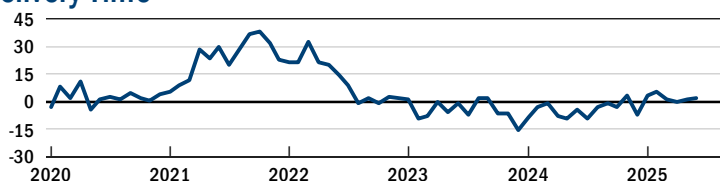
	Percent Reporting		Index
	Higher	Lower	
May	34.3	30.8	3.5
Jun	22.7	29.9	-7.2
Change			-10.7

Unfilled Orders



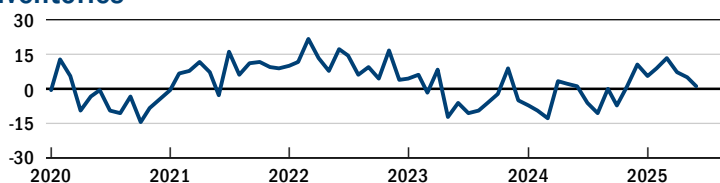
	Percent Reporting		Index
	Higher	Lower	
May	21.9	17.1	4.8
Jun	12.8	21.1	-8.3
Change			-13.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	13.3	12.4	1.0
Jun	14.7	12.8	1.8
Change			0.8

Inventories

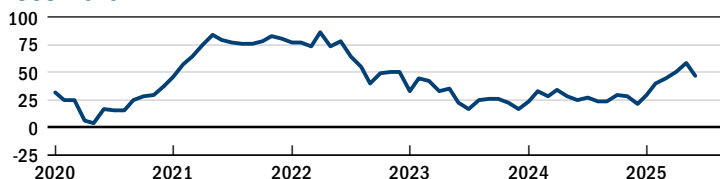


	Percent Reporting		Index
	Higher	Lower	
May	22.9	18.1	4.8
Jun	22.0	21.1	0.9
Change			-3.9

Current Indicators, *continued*

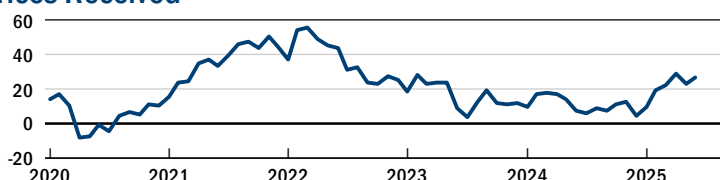
Change from Preceding Month

Prices Paid



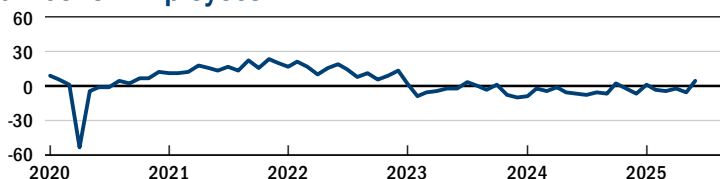
	Percent Reporting		Index
	Higher	Lower	
May	61.9	2.9	59.0
Jun	49.5	2.8	46.8
Change			-12.2

Prices Received



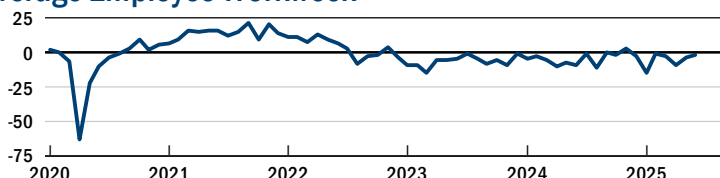
	Percent Reporting		Index
	Higher	Lower	
May	27.6	4.8	22.9
Jun	29.4	2.8	26.6
Change			3.7

Number of Employees



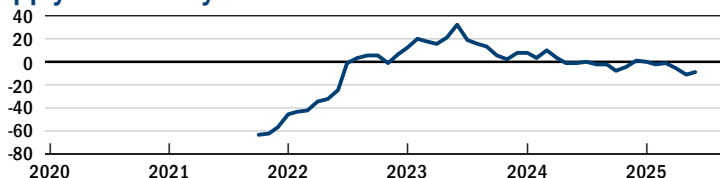
	Percent Reporting		Index
	Higher	Lower	
May	13.9	19.0	-5.1
Jun	14.6	9.9	4.7
Change			9.8

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
May	12.5	16.0	-3.4
Jun	10.3	11.8	-1.5
Change			1.9

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
May	4.8	16.2	-11.4
Jun	2.8	11.0	-8.3
Change			3.1

Note: Data are seasonally adjusted. The current supply availability index was added to the report in June 2024 and included a history of data points going back to 2021.

Forward-Looking Indicators

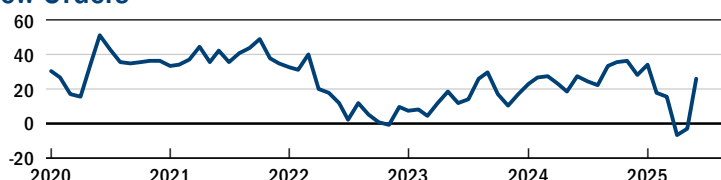
Expectations Six Months Ahead

General Business Conditions



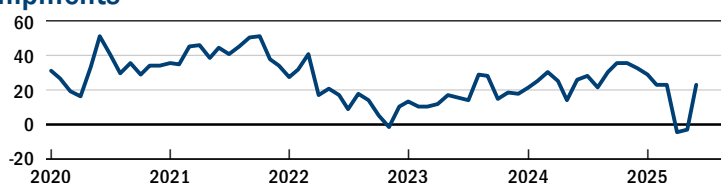
	Percent Reporting		Index
	Higher	Lower	
May	33.1	35.1	-2.0
Jun	38.4	17.2	21.2
Change			23.2

New Orders



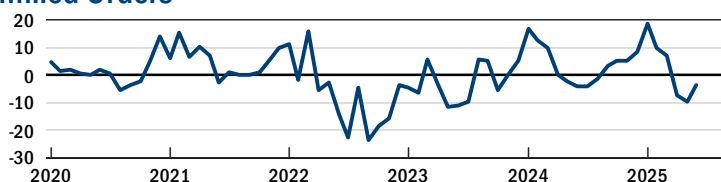
	Percent Reporting		Index
	Higher	Lower	
May	32.1	34.8	-2.7
Jun	43.8	17.7	26.1
Change			28.8

Shipments



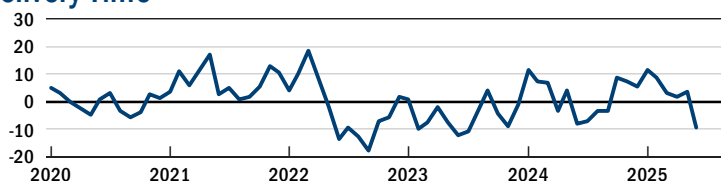
	Percent Reporting		Index
	Higher	Lower	
May	32.2	35.6	-3.4
Jun	39.8	16.8	23.0
Change			26.4

Unfilled Orders



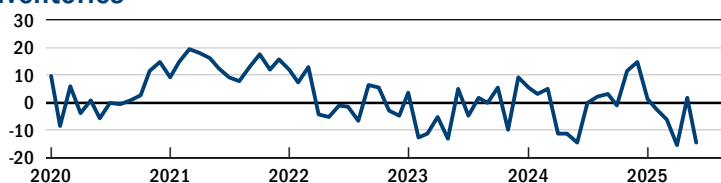
	Percent Reporting		Index
	Higher	Lower	
May	11.4	21.0	-9.5
Jun	12.8	16.5	-3.7
Change			5.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	14.3	10.5	3.8
Jun	4.6	13.8	-9.2
Change			-13.0

Inventories

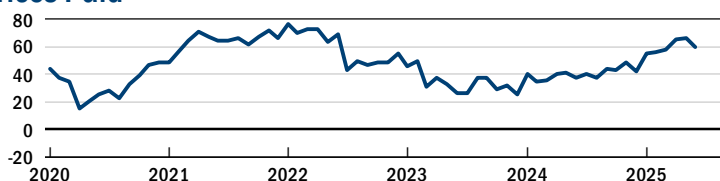


	Percent Reporting		Index
	Higher	Lower	
May	23.8	21.9	1.9
Jun	13.8	28.4	-14.7
Change			-16.6

Forward-Looking Indicators, *continued*

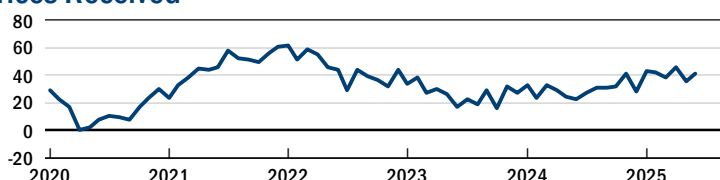
Expectations Six Months Ahead

Prices Paid



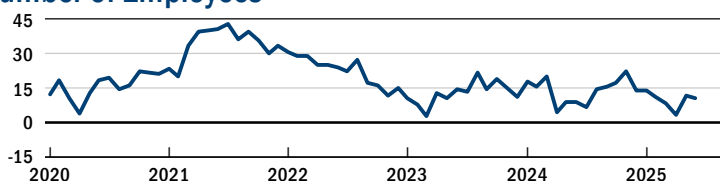
	Percent Reporting		Index
	Higher	Lower	
May	69.5	2.9	66.7
Jun	59.6	0.0	59.6
Change			-7.1

Prices Received



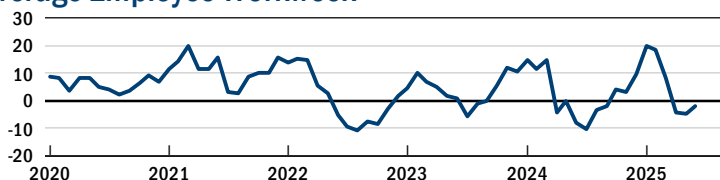
	Percent Reporting		Index
	Higher	Lower	
May	41.9	6.7	35.2
Jun	45.0	3.7	41.3
Change			6.1

Number of Employees



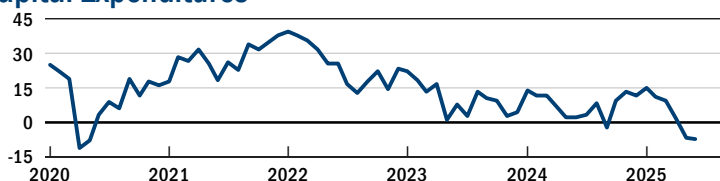
	Percent Reporting		Index
	Higher	Lower	
May	25.8	14.2	11.6
Jun	19.9	9.6	10.4
Change			-1.2

Average Employee Workweek



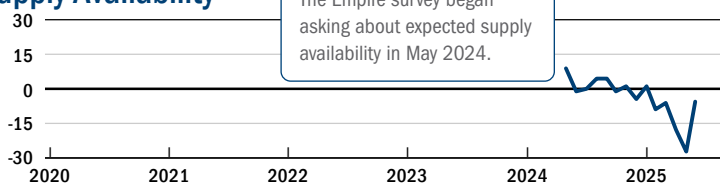
	Percent Reporting		Index
	Higher	Lower	
May	12.4	17.1	-4.8
Jun	11.9	13.8	-1.8
Change			3.0

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
May	13.3	20.0	-6.7
Jun	12.8	20.2	-7.3
Change			-0.6

Supply Availability



The Empire survey began asking about expected supply availability in May 2024.

	Percent Reporting		Index
	Higher	Lower	
May	1.9	29.5	-27.6
Jun	6.4	11.9	-5.5
Change			22.1

Note: Data are seasonally adjusted. The expected supply availability index was added to the report in June 2024 and included one additional data point from May 2024. The technology spending index was discontinued at this time.