

Empire State Manufacturing Survey

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

Business activity increased modestly in New York State in October, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index climbed nineteen points to 10.7, its third positive reading in the last four months. New orders edged higher and shipments increased. Delivery times were slightly longer, and supply availability continued to worsen somewhat. Inventories were little changed. Employment increased, while the average workweek was slightly lower. The pace of both input price increases and selling price increases picked up. Capital spending plans remained soft. Firms grew more optimistic about the outlook, with close to half expecting conditions to improve in the months ahead.

Activity Rebounds

Manufacturing activity grew modestly in New York State, according to the October survey. On the heels of September's retreat into negative territory, the general business conditions index climbed nineteen points to 10.7. After plunging last month, both new orders and shipments increased, with

the new orders index rising to 3.7 and the shipments index climbing to 14.4. The inventories index was -1.0, indicating that business inventories were little changed. The delivery times index rose to 3.9, and the supply availability index came in at -10.7, pointing to somewhat longer delivery times and worsening supply availability.

Employment Expands

The index for number of employees moved up to 6.2, suggesting employment increased modestly, while the average workweek index remained negative at -4.1, suggesting a small decline in hours worked. Both price indexes

remained elevated and moved higher: the prices paid index rose six points to 52.4, and the prices received index rose six points to 27.2.

Optimism Grows

The index for future general business conditions rose to its highest level in several months, suggesting that firms expect conditions to improve in the months ahead. New orders and shipments are expected to increase, and supply availability is expected to be little changed. Firms anticipate ongoing price increases. Capital spending plans remained soft. ■

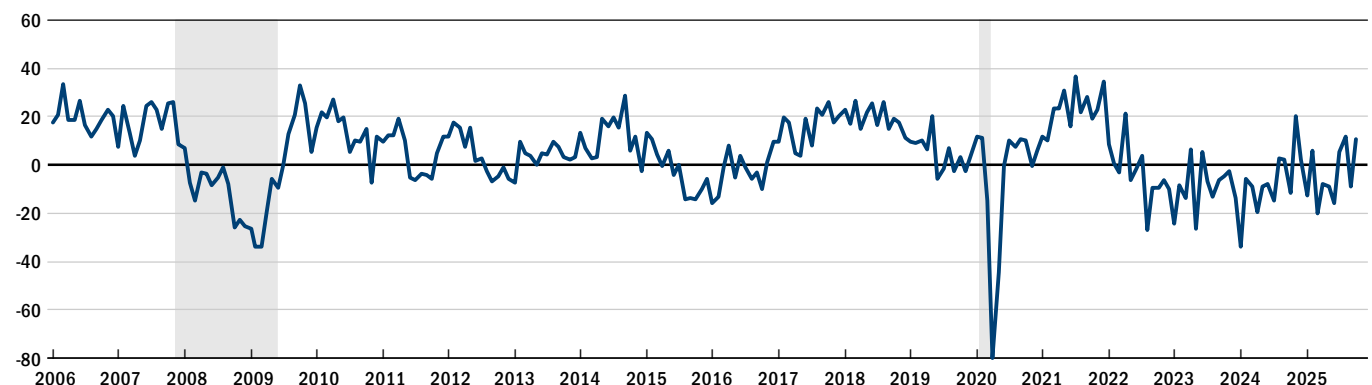
“Manufacturing activity increased modestly in New York State in October, its third increase in the past four months. Price increases picked up and are expected to pick up further in the months ahead. Optimism about the outlook improved noticeably.”

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

General Business Conditions

Seasonally Adjusted

Diffusion Index

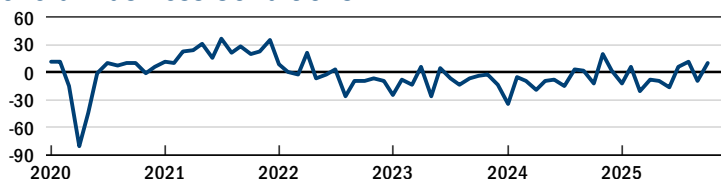


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

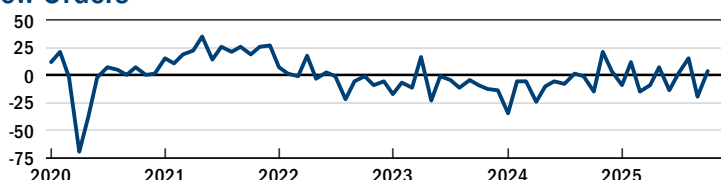
Change from Preceding Month

General Business Conditions



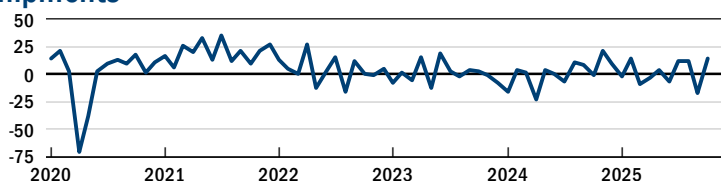
	Percent Reporting		Index
	Higher	Lower	
Sep	26.6	35.4	-8.7
Oct	36.6	26.0	10.7
Change			19.4

New Orders



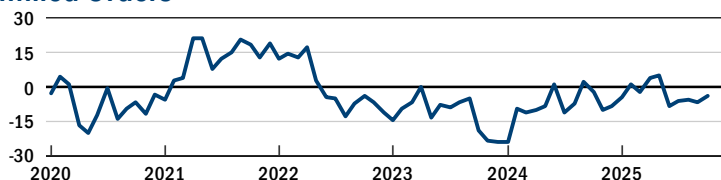
	Percent Reporting		Index
	Higher	Lower	
Sep	19.9	39.5	-19.6
Oct	36.4	32.7	3.7
Change			23.3

Shipments



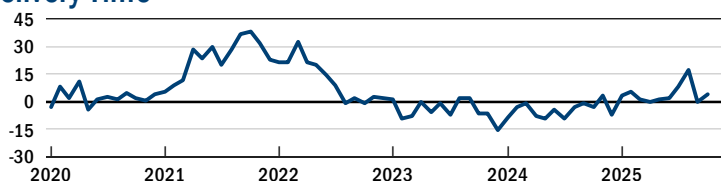
	Percent Reporting		Index
	Higher	Lower	
Sep	23.2	40.5	-17.3
Oct	41.8	27.3	14.4
Change			31.7

Unfilled Orders



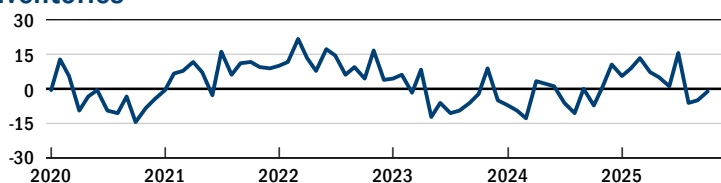
	Percent Reporting		Index
	Higher	Lower	
Sep	11.8	18.6	-6.9
Oct	15.5	19.4	-3.9
Change			3.0

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	9.8	9.8	0.0
Oct	15.5	11.7	3.9
Change			3.9

Inventories

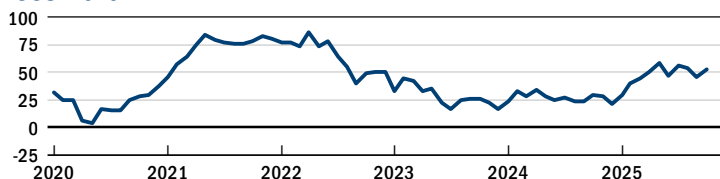


	Percent Reporting		Index
	Higher	Lower	
Sep	17.6	22.5	-4.9
Oct	20.4	21.4	-1.0
Change			3.9

Current Indicators, *continued*

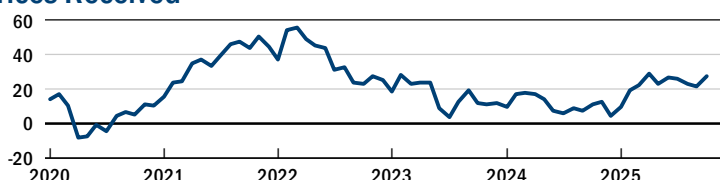
Change from Preceding Month

Prices Paid



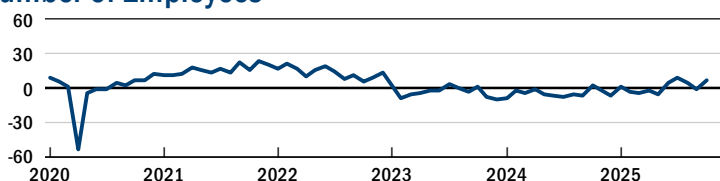
	Percent Reporting		Index
	Higher	Lower	
Sep	48.0	2.0	46.1
Oct	52.4	0.0	52.4
Change			6.3

Prices Received



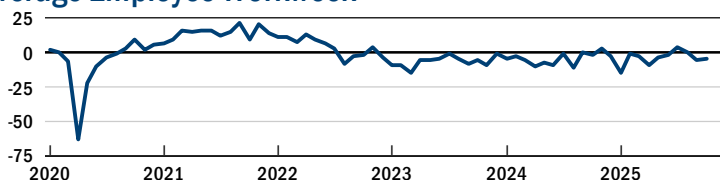
	Percent Reporting		Index
	Higher	Lower	
Sep	26.5	4.9	21.6
Oct	30.1	2.9	27.2
Change			5.6

Number of Employees



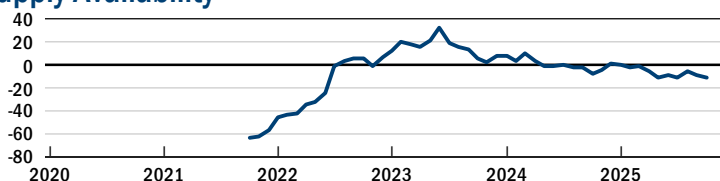
	Percent Reporting		Index
	Higher	Lower	
Sep	9.1	10.3	-1.2
Oct	16.5	10.3	6.2
Change			7.4

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Sep	6.5	11.7	-5.1
Oct	7.5	11.7	-4.1
Change			1.0

Supply Availability



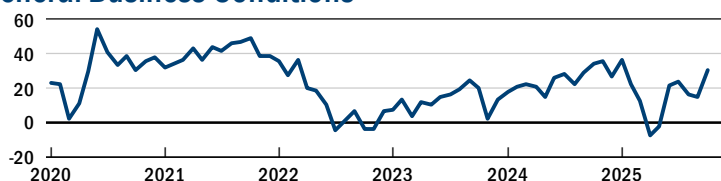
	Percent Reporting		Index
	Higher	Lower	
Sep	1.0	9.8	-8.8
Oct	2.9	13.6	-10.7
Change			-1.9

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

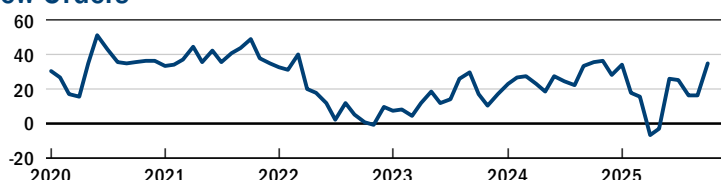
Expectations Six Months Ahead

General Business Conditions



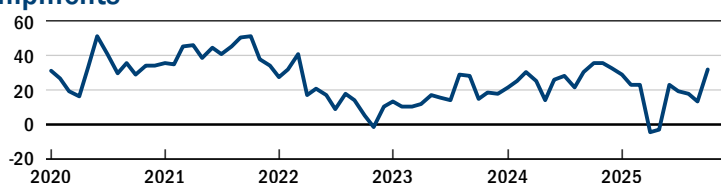
	Percent Reporting		Index
	Higher	Lower	
Sep	38.0	23.1	14.8
Oct	47.2	16.8	30.3
Change			15.5

New Orders



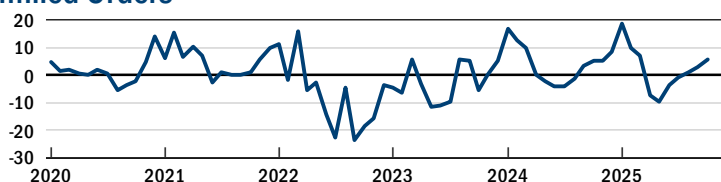
	Percent Reporting		Index
	Higher	Lower	
Sep	39.3	22.7	16.6
Oct	50.1	15.1	34.9
Change			18.3

Shipments



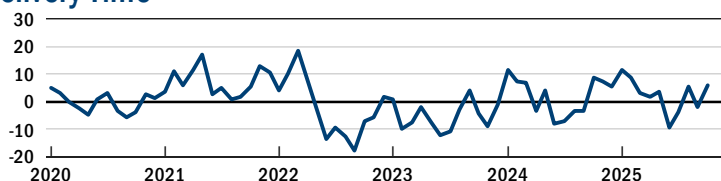
	Percent Reporting		Index
	Higher	Lower	
Sep	35.6	22.2	13.5
Oct	46.6	15.1	31.6
Change			18.1

Unfilled Orders



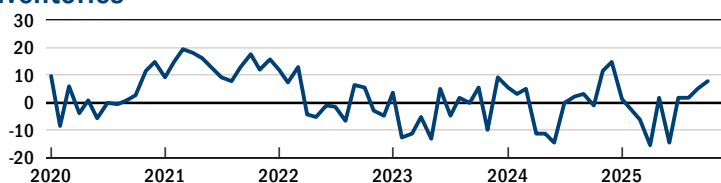
	Percent Reporting		Index
	Higher	Lower	
Sep	19.6	16.7	2.9
Oct	17.5	11.7	5.8
Change			2.9

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	11.8	13.7	-2.0
Oct	17.5	11.7	5.8
Change			7.8

Inventories

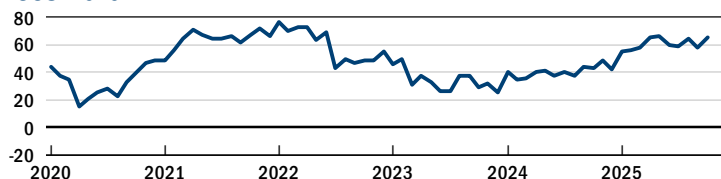


	Percent Reporting		Index
	Higher	Lower	
Sep	25.5	20.6	4.9
Oct	23.3	15.5	7.8
Change			2.9

Forward-Looking Indicators, *continued*

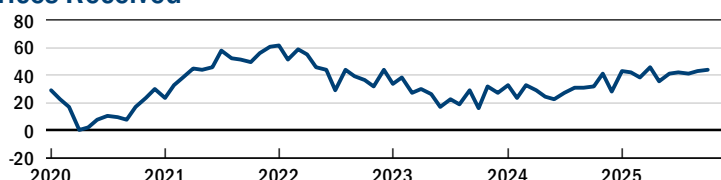
Expectations Six Months Ahead

Prices Paid



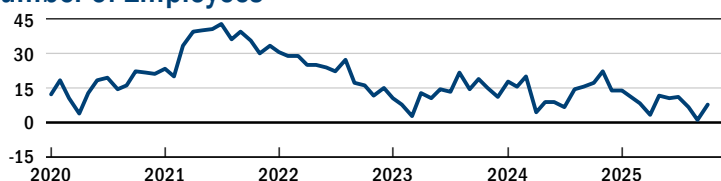
	Percent Reporting		Index
	Higher	Lower	
Sep	60.8	2.9	57.8
Oct	66.0	1.0	65.0
Change			7.2

Prices Received



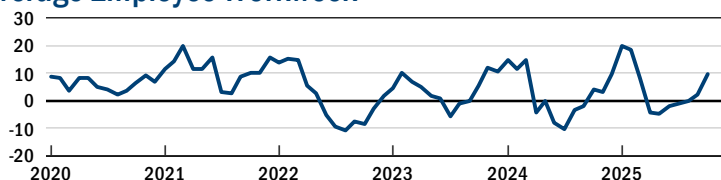
	Percent Reporting		Index
	Higher	Lower	
Sep	47.1	3.9	43.1
Oct	48.5	4.9	43.7
Change			0.6

Number of Employees



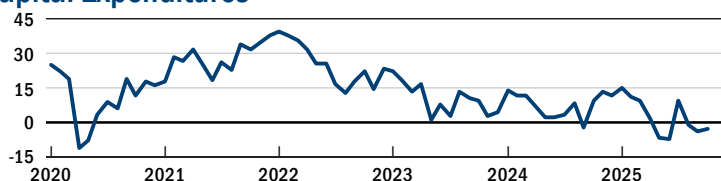
	Percent Reporting		Index
	Higher	Lower	
Sep	16.6	15.4	1.2
Oct	17.4	9.9	7.5
Change			6.3

Average Employee Workweek



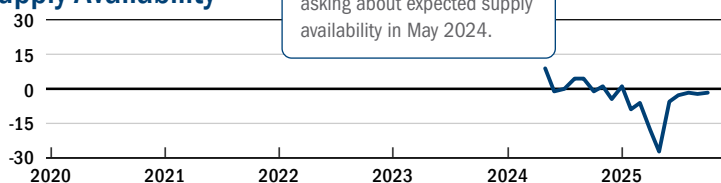
	Percent Reporting		Index
	Higher	Lower	
Sep	14.7	12.7	2.0
Oct	19.4	9.7	9.7
Change			7.7

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	16.7	20.6	-3.9
Oct	16.5	19.4	-2.9
Change			1.0

Supply Availability



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

	Percent Reporting		Index
	Higher	Lower	
Sep	4.9	6.9	-2.0
Oct	6.8	8.7	-1.9
Change			0.1

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.