Empire State Manufacturing Survey

Note: Survey responses were collected between November 3 and November 10.

Business activity increased at a solid pace in New York State in November, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index rose eight points to 18.7, its fourth positive reading in the last five months. New orders and shipments increased significantly. Delivery times lengthened modestly, and supply availability worsened somewhat. Inventories expanded. Labor market indicators improved, pointing to a small increase in employment and a longer average workweek. The pace of both input price increases and selling price increases slowed slightly, but remained elevated. Capital spending plans grew. Firms expect conditions to improve in the months ahead, though firms were not as optimistic as last month.

ECONOMIST COMMENTARY

"Manufacturing activity grew at a solid pace in New York State, with the survey's headline index reaching its highest level since last November. Both employment levels and hours worked rose modestly. While firms expect conditions to improve, optimism for the future dipped."

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

Activity Picks Up

Manufacturing activity grew moderately in New York State, according to the November survey. The general business conditions index climbed eight points to 18.7, its highest level since last November. The new orders index rose twelve points to 15.9 and the shipments index increased two points to 16.8, pointing to significant gains in both orders and shipments. After three months of negative readings, the inventories index rose eight points to 6.7. The delivery times index edged up to 7.7, and the supply availability index ticked down to -11.5, continuing the trend of somewhat longer delivery times and worsening supply availability.

A Modest Increase in Employment

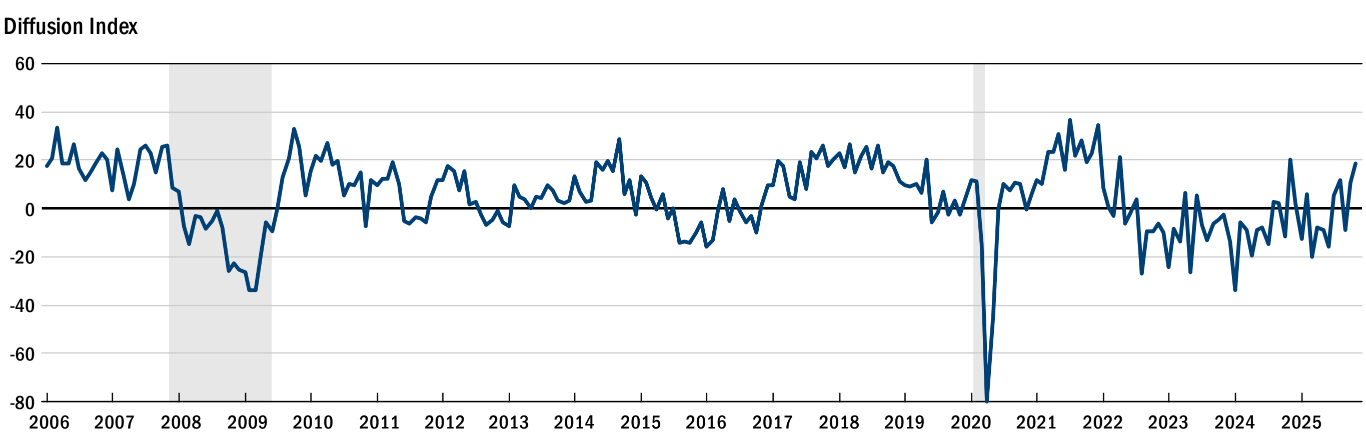
The index for number of employees ticked up to 6.6, while the average workweek index rose to a multi-year high of 7.7, suggesting a modest increase in employment levels and hours worked. Both price indexes declined slightly but remained elevated: the prices paid index dropped three points to 49.0, and the prices received index also dipped three points to 24.0.

Optimism Dips

While firms still expect conditions to improve in the months ahead, the index for future general business conditions declined to 19.1, down eleven points from its recent high in October. New orders and shipments are expected to increase, and supply availability is expected to be little changed. Firms continue to anticipate significant price increases ahead. Capital spending plans grew, with the capital expenditures index rising fourteen points to 11.5. ■

General Business Conditions

Seasonally Adjusted

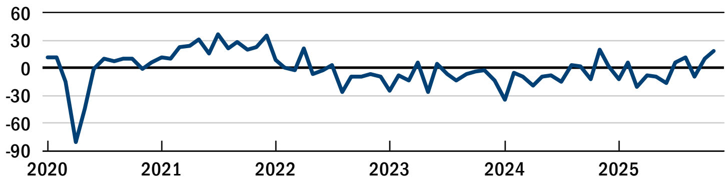


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

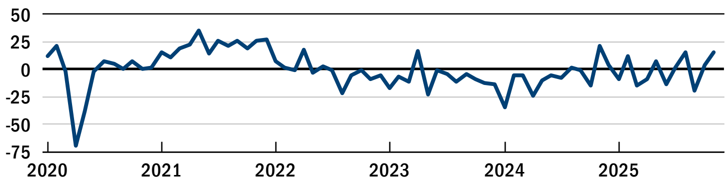
Change from Preceding Month

General Business Conditions



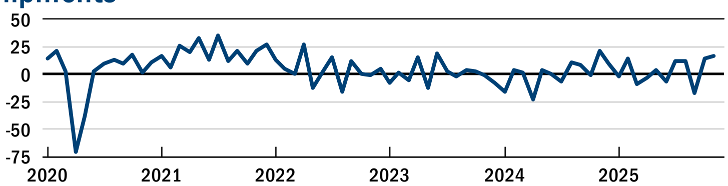
	Percent Reporting		
	Higher	Lower	Index
Oct	36.6	26.0	10.7
Nov	38.7	20.0	18.7
Change			8.0

New Orders



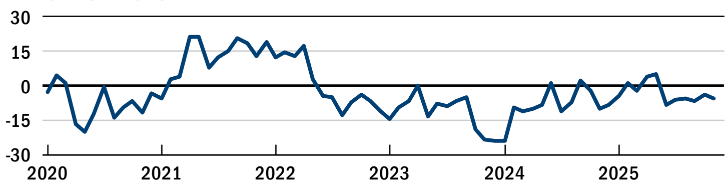
	Percent Reporting		
	Higher	Lower	Index
Oct	36.4	32.7	3.7
Nov	38.0	22.1	15.9
Change			12.2

Shipments



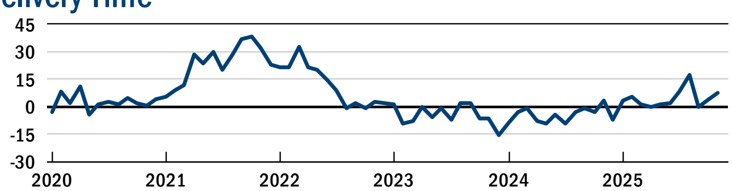
	Percent Reporting		
	Higher	Lower	Index
Oct	41.8	27.3	14.4
Nov	38.0	21.2	16.8
Change			2.4

Unfilled Orders



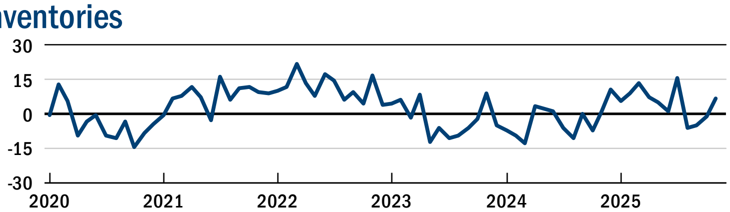
	Percent Reporting		
	Higher	Lower	Index
Oct	15.5	19.4	-3.9
Nov	16.3	22.1	-5.8
Change			-1.9

Delivery Time



	Percent Reporting		
	Higher	Lower	Index
Oct	15.5	11.7	3.9
Nov	16.3	8.7	7.7
Change			3.8

Inventories

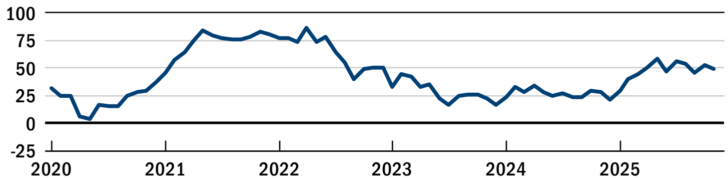


	Percent Reporting		
	Higher	Lower	Index
Oct	20.4	21.4	-1.0
Nov	23.1	16.3	6.7
Change			7.7

Current Indicators, *continued*

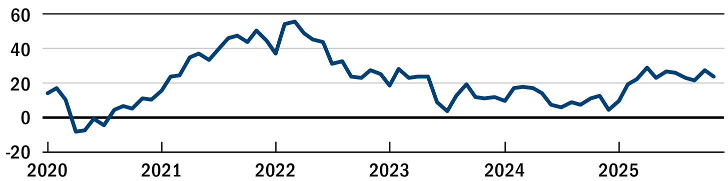
Change from Preceding Month

Prices Paid



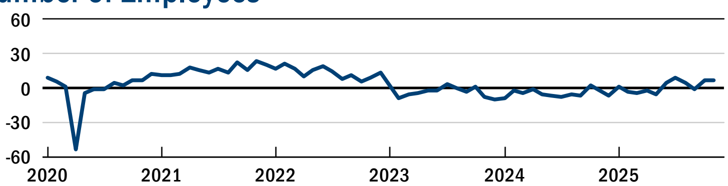
	Percent Reporting		
	Higher	Lower	Index
Oct	52.4	0.0	52.4
Nov	51.9	2.9	49.0
Change			-3.4

Prices Received



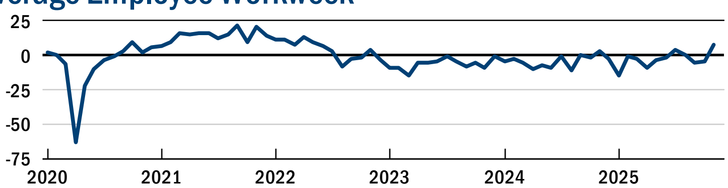
	Percent Reporting		
	Higher	Lower	Index
Oct	30.1	2.9	27.2
Nov	26.9	2.9	24.0
Change			-3.2

Number of Employees



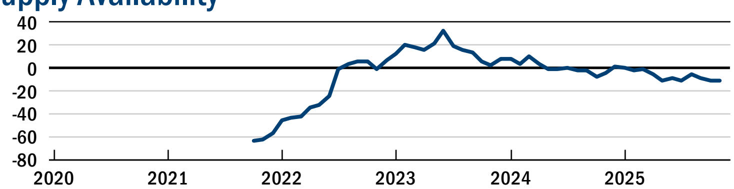
	Percent Reporting		
	Higher	Lower	Index
Oct	16.5	10.3	6.2
Nov	13.8	7.2	6.6
Change			0.4

Average Employee Workweek



	Percent Reporting		
	Higher	Lower	Index
Oct	7.5	11.7	-4.1
Nov	16.2	8.5	7.7
Change			11.8

Supply Availability



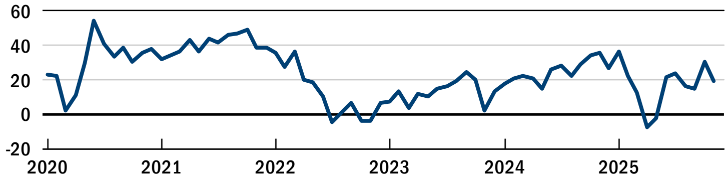
	Percent Reporting		
	Higher	Lower	Index
Oct	2.9	13.6	-10.7
Nov	2.9	14.4	-11.5
Change			-0.8

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

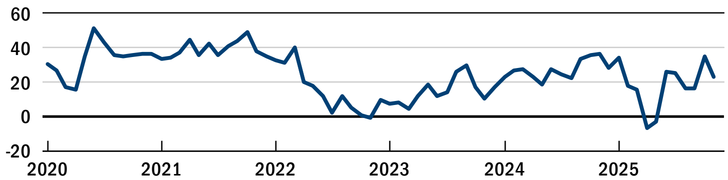
Expectations Six Months Ahead

General Business Conditions



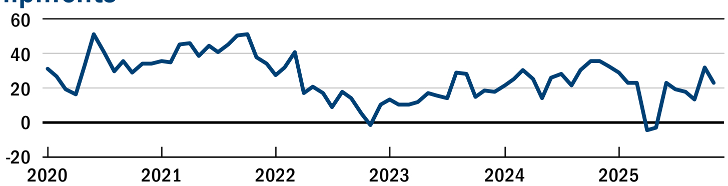
	Percent Reporting		
	Higher	Lower	Index
Oct	47.2	16.8	30.3
Nov	39.7	20.6	19.1
Change			-11.2

New Orders



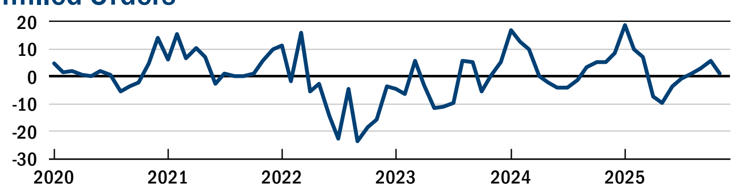
	Percent Reporting		
	Higher	Lower	Index
Oct	50.1	15.1	34.9
Nov	48.4	25.1	23.3
Change			-11.6

Shipments



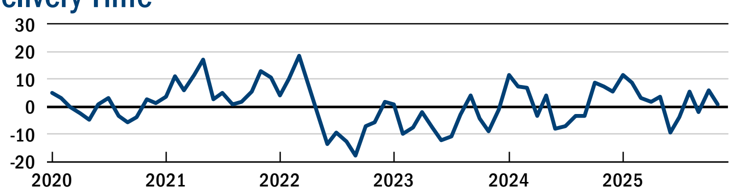
	Percent Reporting		
	Higher	Lower	Index
Oct	46.6	15.1	31.6
Nov	45.0	21.6	23.3
Change			-8.3

Unfilled Orders



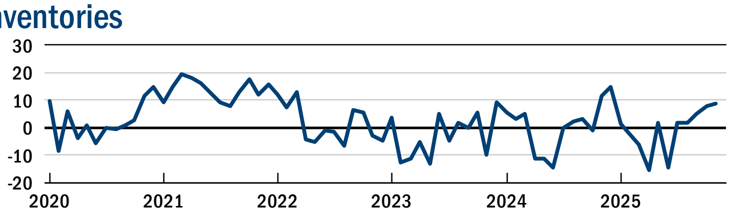
	Percent Reporting		
	Higher	Lower	Index
Oct	17.5	11.7	5.8
Nov	17.3	16.3	1.0
Change			-4.8

Delivery Time



	Percent Reporting		
	Higher	Lower	Index
Oct	17.5	11.7	5.8
Nov	11.5	10.6	1.0
Change			-4.8

Inventories

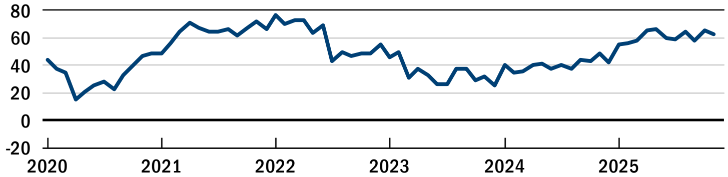


	Percent Reporting		
	Higher	Lower	Index
Oct	23.3	15.5	7.8
Nov	26.0	17.3	8.7
Change			0.9

Forward-Looking Indicators, *continued*

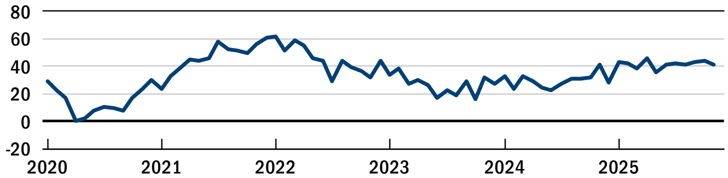
Expectations Six Months Ahead

Prices Paid



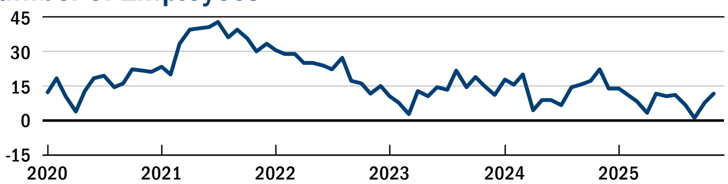
	Percent Reporting		
	Higher	Lower	Index
Oct	66.0	1.0	65.0
Nov	66.3	3.8	62.5
Change			-2.5

Prices Received



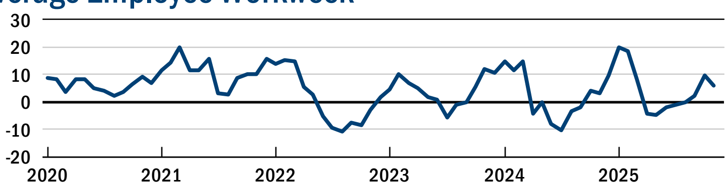
	Percent Reporting		
	Higher	Lower	Index
Oct	48.5	4.9	43.7
Nov	43.3	1.9	41.3
Change			-2.4

Number of Employees



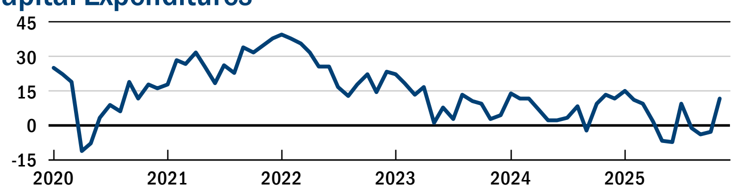
	Percent Reporting		
	Higher	Lower	Index
Oct	17.4	9.9	7.5
Nov	23.1	11.3	11.9
Change			4.4

Average Employee Workweek



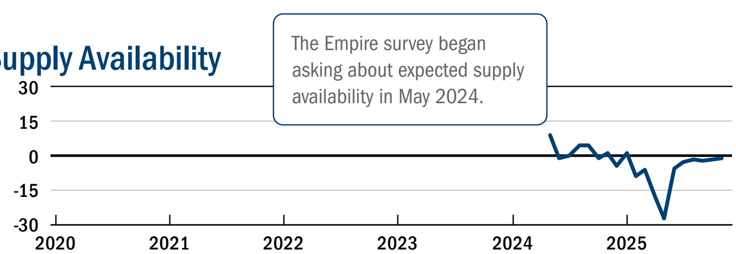
	Percent Reporting		
	Higher	Lower	Index
Oct	19.4	9.7	9.7
Nov	15.4	9.6	5.8
Change			-3.9

Capital Expenditures



	Percent Reporting		
	Higher	Lower	Index
Oct	16.5	19.4	-2.9
Nov	26.0	14.4	11.5
Change			14.4

Supply Availability



	Percent Reporting		
	Higher	Lower	Index
Oct	6.8	8.7	-1.9
Nov	4.8	5.8	-1.0
Change			0.9

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.