

# Empire State Manufacturing Survey

The April 2015 *Empire State Manufacturing Survey* indicates that business activity was flat for New York manufacturers. The headline general business conditions index turned slightly negative for the first time since December, falling eight points to -1.2. The new orders index, negative for a second consecutive month, dropped four points to -6.0—evidence that orders were declining. The shipments index climbed to 15.2, indicating that shipments expanded at a solid pace. Labor market indicators pointed to an increase in employment levels but a somewhat shorter workweek. Input price increases picked up, with the prices paid index rising seven points to 19.2, while the prices received index fell four points to 4.3. The future general business conditions index climbed for a second consecutive month, suggesting greater optimism

among manufacturers than in February and March, and the capital spending and technology spending indexes also advanced.

## Growth Pauses

The general business conditions index fell below zero for the first time since December, declining eight points to -1.2 in a sign that activity was flat for New York manufacturers. Twenty-five percent of respondents reported that conditions had improved, while 26 percent reported that conditions had worsened. The new orders index fell for a third consecutive month, its four-point decline to -6.0 pointing to a drop-off in orders. The shipments index, however, climbed seven points to 15.2, indicating that shipments grew at a solid clip. The unfilled orders index was little changed at -11.7, and the delivery time index

edged down to -4.3. The inventories index climbed out of negative territory for the first time since November; rising to 2.1, it signaled that inventory levels were slightly higher.

## Labor Market Conditions Mixed

Labor market conditions were mixed. Although the index for number of employees fell, it remained well above zero at 9.6, indicating that employment continued to grow. However, the average workweek index fell nine points to -4.3, pointing to a slight decline in the average workweek. Input price increases picked up this month, with the prices paid index rising seven points to 19.2. The prices received index, by contrast, fell four points to 4.3, indicating only a small increase in selling prices.

## Conditions Expected to Improve

Many of the indexes assessing the six-month outlook conveyed more optimism about future business activity than they had in February and March. The index for future general business conditions climbed for a second consecutive month, rising six points to 37.1. The future new orders and shipments indexes posted similar increases. The future prices paid index advanced to 38.3, suggesting that manufacturers expected a pickup in input price increases, while the future prices received index was little changed at 13.8. The index for future employment was lower, but still suggested that employment levels were expected to rise significantly in the months ahead. The capital expenditures index moved up six points to 24.5, and the technology spending index rose to 16.0. ■

## General Business Conditions

Seasonally Adjusted



Note: The shaded area indicates a period designated a recession by the National Bureau of Economic Research.

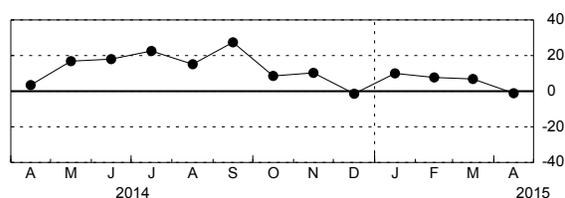
# Current Indicators

Change from Preceding Month

## General Business Conditions

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	25.79	55.33	18.89	6.90
Apr	24.94	48.94	26.13	-1.19

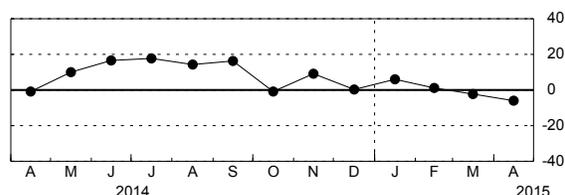
General Business Conditions - Diffusion Index



## New Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	25.09	47.43	27.48	-2.39
Apr	26.67	40.66	32.67	-6.00

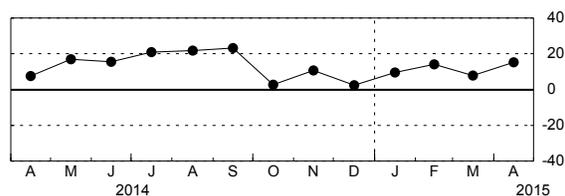
New Orders - Diffusion Index



## Shipments

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	30.69	46.55	22.76	7.93
Apr	36.30	42.64	21.07	15.23

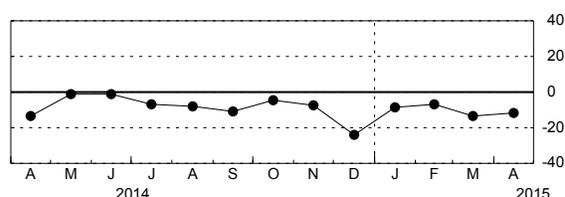
Shipments - Diffusion Index



## Unfilled Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	7.22	72.16	20.62	-13.40
Apr	11.70	64.89	23.40	-11.70

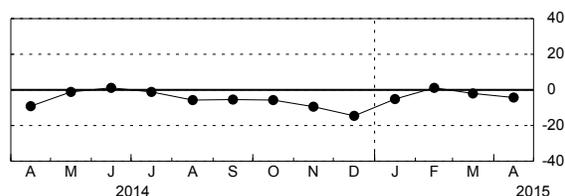
Unfilled Orders - Diffusion Index



## Delivery Time

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	8.25	81.44	10.31	-2.06
Apr	7.45	80.85	11.70	-4.26

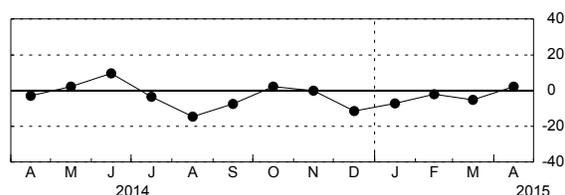
Delivery Time - Diffusion Index



## Inventories

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	17.53	59.79	22.68	-5.15
Apr	25.53	51.06	23.40	2.13

Inventories - Diffusion Index



## Current Indicators, *continued*

### Change from Preceding Month

#### Prices Paid

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	19.59	73.20	7.22	12.37
Apr	24.47	70.21	5.32	19.15

#### Prices Received

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	14.43	79.38	6.19	8.25
Apr	10.64	82.98	6.38	4.26

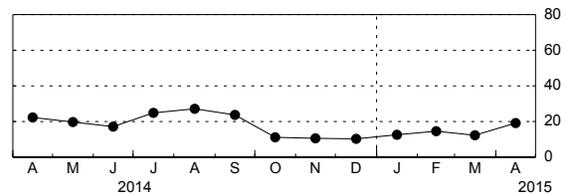
#### Number of Employees

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	26.80	64.95	8.25	18.56
Apr	20.21	69.15	10.64	9.57

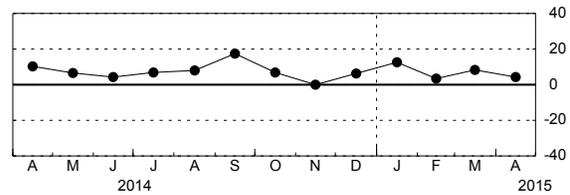
#### Average Employee Workweek

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	12.37	80.41	7.22	5.15
Apr	8.51	78.72	12.77	-4.26

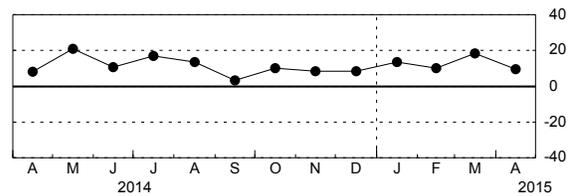
Prices Paid - Diffusion Index



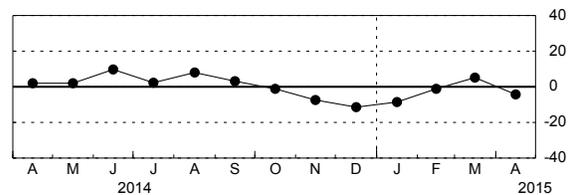
Prices Received - Diffusion Index



Number of Employees - Diffusion Index



Average Employee Workweek - Diffusion Index



Note: All data are seasonally adjusted.

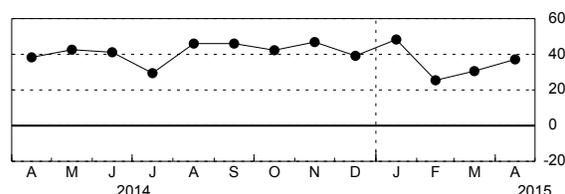
# Forward-Looking Indicators

Expectations Six Months Ahead

## General Business Conditions

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	44.38	41.96	13.66	30.72
Apr	51.65	33.76	14.59	37.06

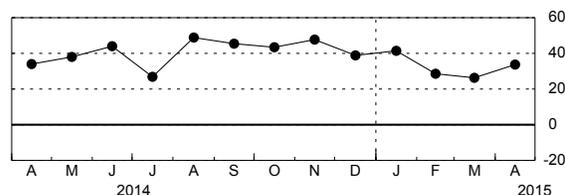
General Business Conditions - Diffusion Index



## New Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	42.05	42.22	15.73	26.31
Apr	45.52	42.53	11.95	33.57

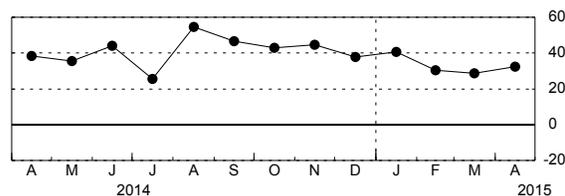
New Orders - Diffusion Index



## Shipments

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	45.05	38.62	16.33	28.71
Apr	47.72	36.93	15.35	32.38

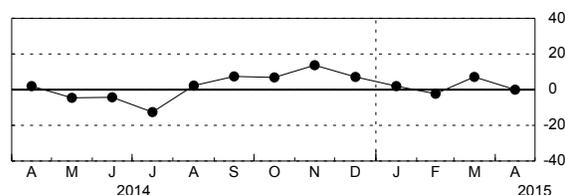
Shipments - Diffusion Index



## Unfilled Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	17.53	72.16	10.31	7.22
Apr	11.70	76.60	11.70	0.00

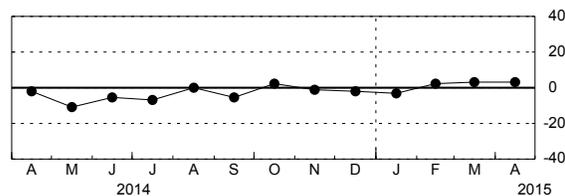
Unfilled Orders - Diffusion Index



## Delivery Time

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	14.43	74.23	11.34	3.09
Apr	13.83	75.53	10.64	3.19

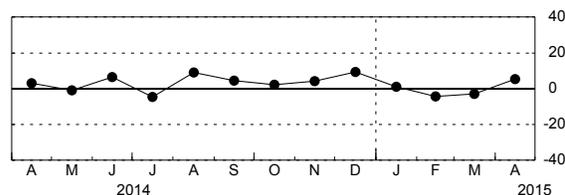
Delivery Time - Diffusion Index



## Inventories

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	22.68	51.55	25.77	-3.09
Apr	26.60	52.13	21.28	5.32

Inventories - Diffusion Index



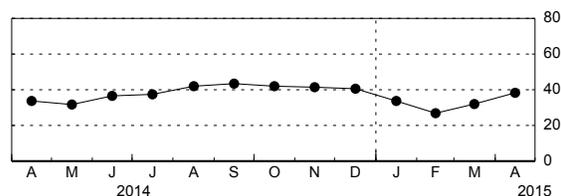
## Forward-Looking Indicators, *continued*

Expectations Six Months Ahead

### Prices Paid

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	34.02	63.92	2.06	31.96
Apr	42.55	53.19	4.26	38.30

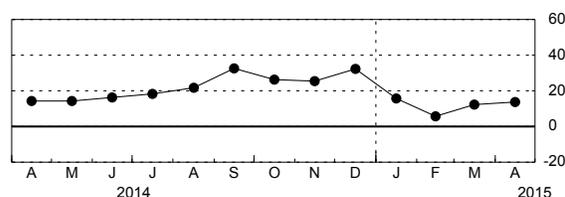
Prices Paid - Diffusion Index



### Prices Received

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	22.68	67.01	10.31	12.37
Apr	23.40	67.02	9.57	13.83

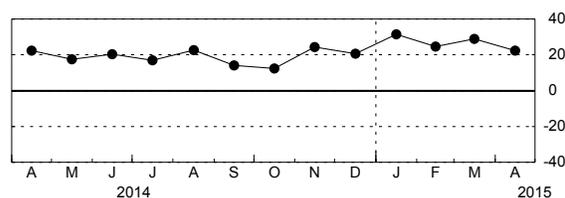
Prices Received - Diffusion Index



### Number of Employees

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	38.14	52.58	9.28	28.87
Apr	34.04	54.26	11.70	22.34

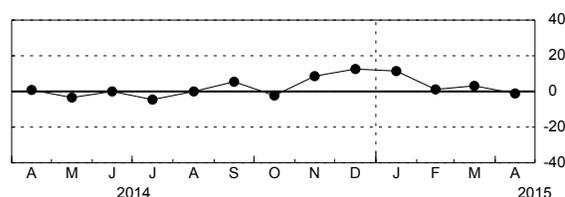
Number of Employees - Diffusion Index



### Average Employee Workweek

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	17.53	68.04	14.43	3.09
Apr	14.89	69.15	15.96	-1.06

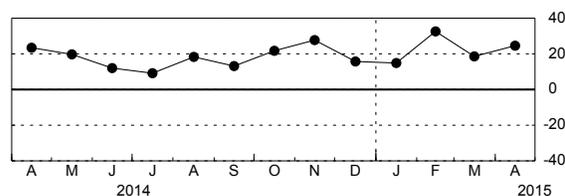
Average Employee Workweek - Diffusion Index



### Capital Expenditures

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	30.93	56.70	12.37	18.56
Apr	35.11	54.26	10.64	24.47

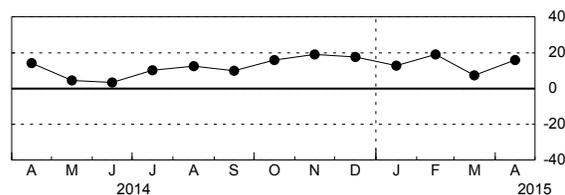
Capital Expenditures - Diffusion Index



### Technology Spending

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Mar	17.53	72.16	10.31	7.22
Apr	23.40	69.15	7.45	15.96

Technology Spending - Diffusion Index



Note: All data are seasonally adjusted.