

# Empire State Manufacturing Survey

The May 2015 *Empire State Manufacturing Survey* indicates that business conditions improved slightly for New York manufacturers. The headline general business conditions index climbed four points to 3.1. The new orders index rose ten points to 3.9, and the shipments index was little changed at 14.9. Labor market indicators pointed to a small increase in employment levels but a slight decline in the average workweek. The prices paid index fell ten points to 9.4, its lowest level in nearly three years, and the prices received index edged down to 1.0, indicating that selling prices were flat. The index for future general business conditions fell noticeably, reflecting a positive but less favorable outlook than in April.

## A Slight Expansion in Business Activity

The May general business conditions index advanced four points but, at 3.1, indicated that business conditions were only slightly better over the month. Thirty percent of respondents reported that conditions had improved, while 27 percent reported that conditions had worsened. The new orders index, positive for the first time since February, rose ten points to 3.9, indicating a small increase in orders. The shipments index was little changed at 14.9, suggesting that shipments continued to grow at a solid clip. The unfilled orders index, at -11.5, also remained close to last month's level. The delivery time index fell to -10.4—a sign that delivery times shortened—and the inventories index

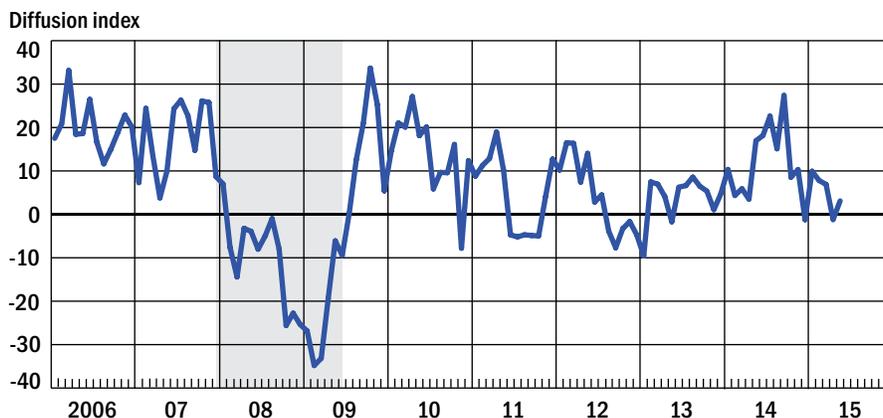
rose to 7.3, pointing to an increase in inventory levels.

## Price Indexes Fall

The indexes for both prices paid and prices received were lower this month. The prices paid index dropped ten points to 9.4, its lowest level in nearly three years, indicating that input price increases slowed. The prices received index retreated three points to 1.0, suggesting that selling prices were flat. Labor market conditions pointed to a small increase in employment but a slight dip in the length of the average workweek: the index for number of employees fell four points to 5.2, while the average workweek index, though up two points, remained negative at -2.1.

## General Business Conditions

Seasonally Adjusted



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

## Optimism Wanes

The index for future general business conditions fell seven points to 29.8, suggesting a positive but less favorable outlook than last month. The future new orders index held steady at 33.9, and the index for future shipments was little changed at 31.8. All three of these indexes remain well below the levels seen throughout most of 2014. Both indexes for future prices fell, indicating that price increases were expected to be somewhat less widespread in the months ahead. The index for future employment fell six points, but at 16.7, it still suggested that employment levels were expected to rise. The capital expenditures index declined nine points to 15.6, and the technology spending index fell to 1.0. ■

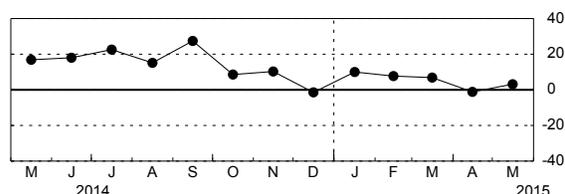
# Current Indicators

Change from Preceding Month

## General Business Conditions

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	24.94	48.94	26.13	-1.19
May	29.74	43.61	26.65	3.09

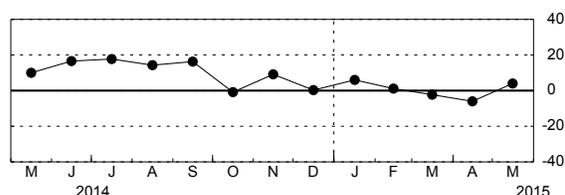
General Business Conditions - Diffusion Index



## New Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	26.67	40.66	32.67	-6.00
May	27.71	48.42	23.87	3.85

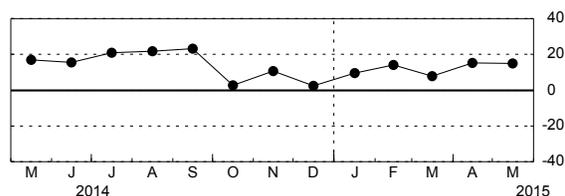
New Orders - Diffusion Index



## Shipments

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	36.30	42.64	21.07	15.23
May	36.93	41.08	21.99	14.94

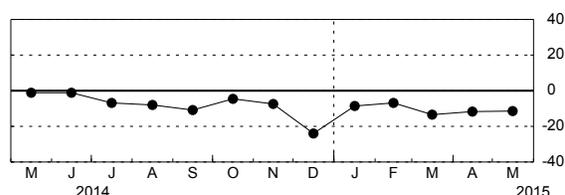
Shipments - Diffusion Index



## Unfilled Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	11.70	64.89	23.40	-11.70
May	14.58	59.38	26.04	-11.46

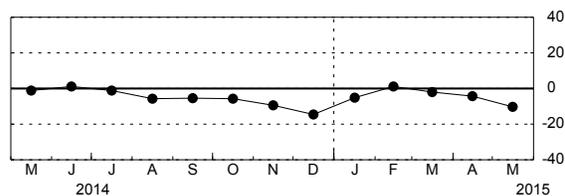
Unfilled Orders - Diffusion Index



## Delivery Time

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	7.45	80.85	11.70	-4.26
May	9.38	70.83	19.79	-10.42

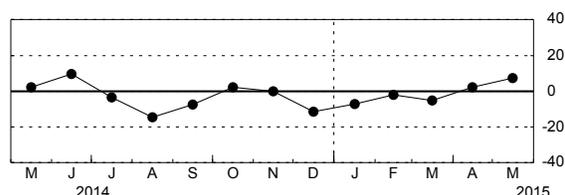
Delivery Time - Diffusion Index



## Inventories

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	25.53	51.06	23.40	2.13
May	27.08	53.13	19.79	7.29

Inventories - Diffusion Index



## Current Indicators, *continued*

### Change from Preceding Month

#### Prices Paid

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	24.47	70.21	5.32	19.15
May	16.67	76.04	7.29	9.38

#### Prices Received

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	10.64	82.98	6.38	4.26
May	9.38	82.29	8.33	1.04

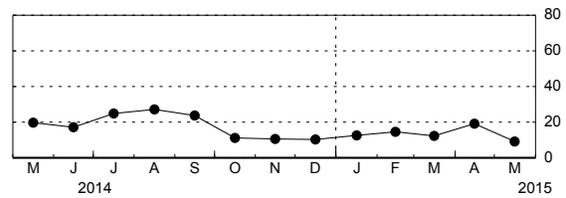
#### Number of Employees

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	20.21	69.15	10.64	9.57
May	20.83	63.54	15.63	5.21

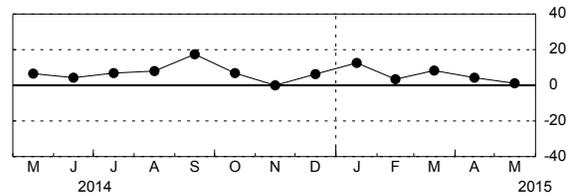
#### Average Employee Workweek

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	8.51	78.72	12.77	-4.26
May	13.54	70.83	15.63	-2.08

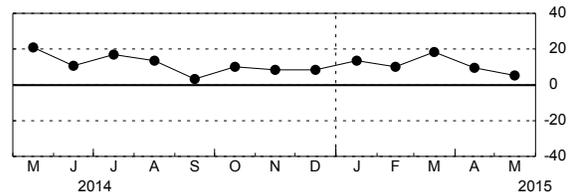
Prices Paid - Diffusion Index



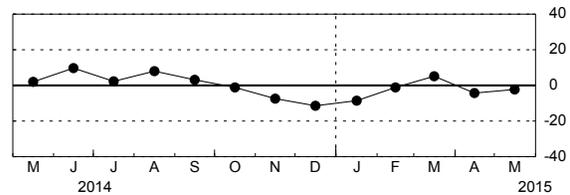
Prices Received - Diffusion Index



Number of Employees - Diffusion Index



Average Employee Workweek - Diffusion Index



Note: All data are seasonally adjusted.

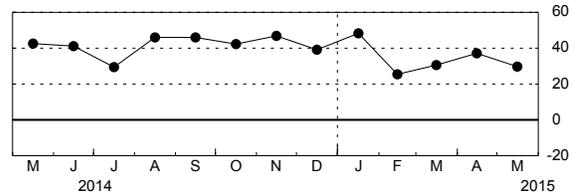
# Forward-Looking Indicators

Expectations Six Months Ahead

## General Business Conditions

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	51.65	33.76	14.59	37.06
May	43.34	43.13	13.53	29.81

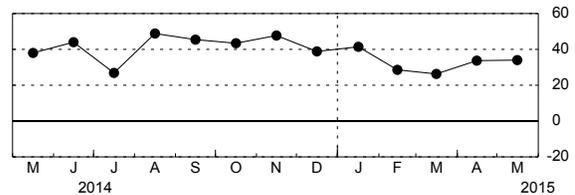
General Business Conditions - Diffusion Index



## New Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	45.52	42.53	11.95	33.57
May	45.26	43.43	11.32	33.94

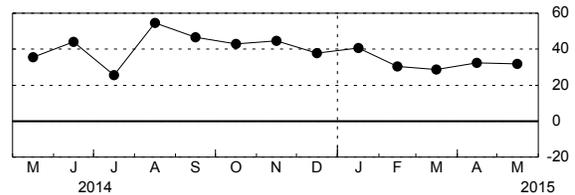
New Orders - Diffusion Index



## Shipments

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	47.72	36.93	15.35	32.38
May	43.28	45.18	11.53	31.75

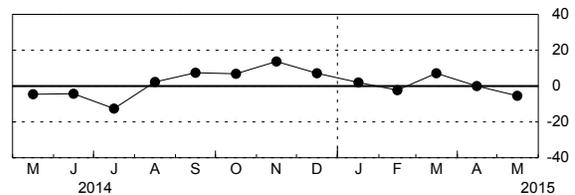
Shipments - Diffusion Index



## Unfilled Orders

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	11.70	76.60	11.70	0.00
May	10.42	73.96	15.63	-5.21

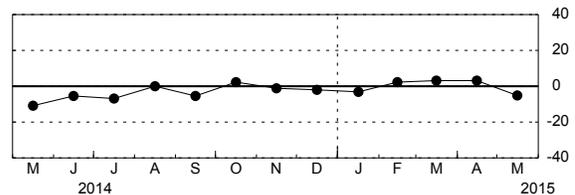
Unfilled Orders - Diffusion Index



## Delivery Time

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	13.83	75.53	10.64	3.19
May	7.29	80.21	12.50	-5.21

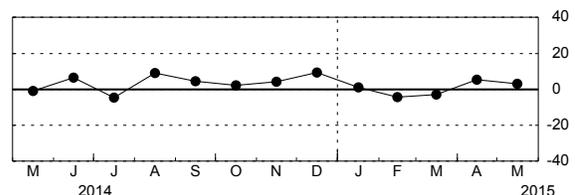
Delivery Time - Diffusion Index



## Inventories

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	26.60	52.13	21.28	5.32
May	22.92	57.29	19.79	3.13

Inventories - Diffusion Index



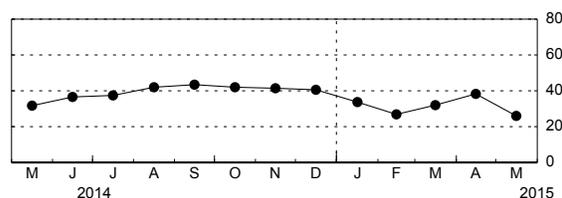
## Forward-Looking Indicators, *continued*

### Expectations Six Months Ahead

#### Prices Paid

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	42.55	53.19	4.26	38.30
May	28.13	69.79	2.08	26.04

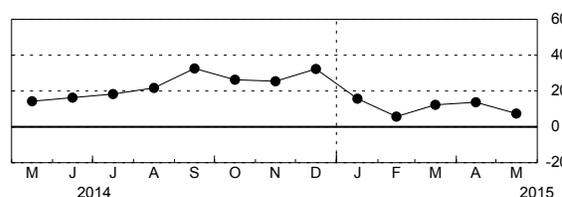
Prices Paid - Diffusion Index



#### Prices Received

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	23.40	67.02	9.57	13.83
May	18.75	69.79	11.46	7.29

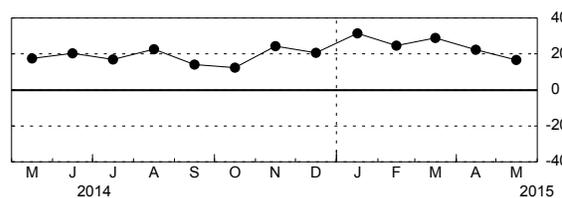
Prices Received - Diffusion Index



#### Number of Employees

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	34.04	54.26	11.70	22.34
May	30.21	56.25	13.54	16.67

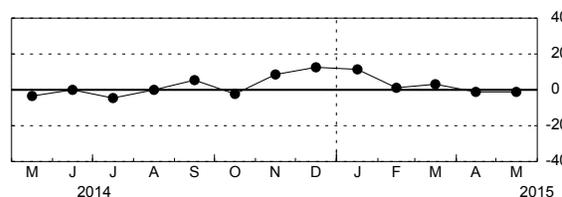
Number of Employees - Diffusion Index



#### Average Employee Workweek

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	14.89	69.15	15.96	-1.06
May	10.42	78.13	11.46	-1.04

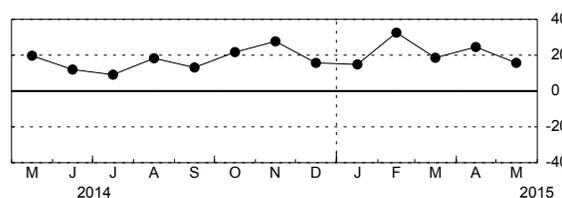
Average Employee Workweek - Diffusion Index



#### Capital Expenditures

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	35.11	54.26	10.64	24.47
May	28.13	59.38	12.50	15.63

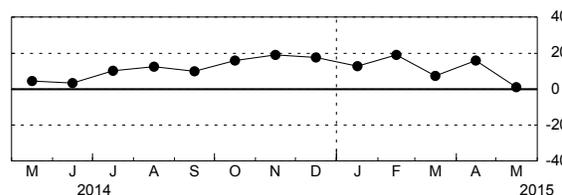
Capital Expenditures - Diffusion Index



#### Technology Spending

	<u>Higher</u>	<u>Same</u>	<u>Lower</u>	<u>Index</u>
Apr	23.40	69.15	7.45	15.96
May	13.54	73.96	12.50	1.04

Technology Spending - Diffusion Index



Note: All data are seasonally adjusted.