January 2020

Empire State Manufacturing Survey

Business activity grew to a small degree in New York State, according to firms responding to the January 2020 Empire State Manufacturing Survey. The headline general business conditions index was little changed at 4.8. New orders and shipments edged higher. Delivery times were somewhat shorter, and inventories held steady. Employment continued to expand, though the average workweek was unchanged. Both input prices and selling prices increased at a significantly faster pace than in December. Optimism about the six-month outlook remained subdued, and capital spending plans remained firm.

Activity Expands Modestly
Manufacturing firms in New York State reported that business activity edged somewhat higher. The general business conditions index was little changed at 4.8. Twenty-eight percent of respondents reported that conditions had improved over the month, while 23 percent reported that conditions had worsened. The new orders index moved up five points to 6.6, indicating that orders were higher, and at 8.6, the shipments index pointed to a modest increase in shipments. The unfilled orders index rose eleven points, but remained negative at -2.7, indicating that unfilled orders continued to decline. Delivery times shortened, and inventories held steady.

Price Increases Pick Up Markedly
The index for number of employees held steady at 9.0, indicating that employment expanded for the fifth consecutive month. The average workweek index came in at 1.3, a sign that the average workweek was essentially unchanged. Price increases picked up noticeably. After falling to a multi-year low last month, the prices paid index rose sixteen points to 31.5, and the prices received index climbed ten points to 14.4.

Optimism Remains Subdued
Indexes assessing the six-month outlook suggested that optimism about future conditions remained restrained. The index for future business conditions edged down three points to 23.6. The index for future shipments climbed five points to 32.7, indicating that firms expect shipments to increase in the months ahead, and employment and hours worked are expected to grow modestly. The capital expenditures index held steady at 25.3, and the technology spending index moved down five points to 22.6.

General Business Conditions
Seasonally Adjusted

Diffusion Index

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

New Orders

Shipments

Unfilled Orders

Delivery Time

Inventories

Percent Reporting

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Percent Reporting

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Percent Reporting

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Current Indicators, continued
Change from Preceding Month

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Average Employee Workweek

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Note: Data are seasonally adjusted.
Forward-Looking Indicators
Expectations Six Months Ahead

General Business Conditions

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Inventories

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Forward-Looking Indicators, continued
Expectations Six Months Ahead

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Change 4.7

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Change 0.5

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Change 0.2

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Change -1.2

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Change -0.8

Technology Spending

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Change -4.9

Note: Data are seasonally adjusted.