

Empire State Manufacturing Survey

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

After posting strong growth last month, business activity increased modestly in New York State in June, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index remained positive but fell fourteen points to 5.7. New orders and shipments both moved higher, and unfilled orders increased. Delivery times continued to lengthen, and supply availability continued to worsen. Employment expanded for a fifth consecutive month, as did the length of the average workweek. The pace of input price and selling price increases remained elevated. Looking ahead, firms maintained a fairly optimistic outlook for business activity.

Activity Continues to Grow

On the heels of a strong increase in May, manufacturing activity rose modestly in New York State in June. The general business conditions index came in at 5.7, with 29 percent of respondents reporting an increase in activity and 23 percent reporting a decrease. The new orders index moved down to 3.5, pointing to a slight increase in orders, and the

ECONOMIST COMMENTARY

“Following strong growth in May, manufacturing activity in New York State increased modestly in June. Employment grew for the fifth straight month, but price increases remained elevated and supply availability worsened.”

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

shipments index printed at 8.6, pointing to a modest increase in shipments. Unfilled orders continued to rise. Inventories held steady. The delivery times index remained positive at 11.9, suggesting that delivery times continued to lengthen. The supply availability index edged down three points to -13.9, its lowest level since June 2022, pointing to worsening supply availability.

Price Increases Remain Elevated

The index for number of employees held steady at 9.6, and the average workweek index came in at 5.1, signaling that employment and hours worked both increased for a fifth consecutive month. The pace of price increases remained

elevated, with the prices paid index little changed at 61.0 and the prices received index holding at 31.4.

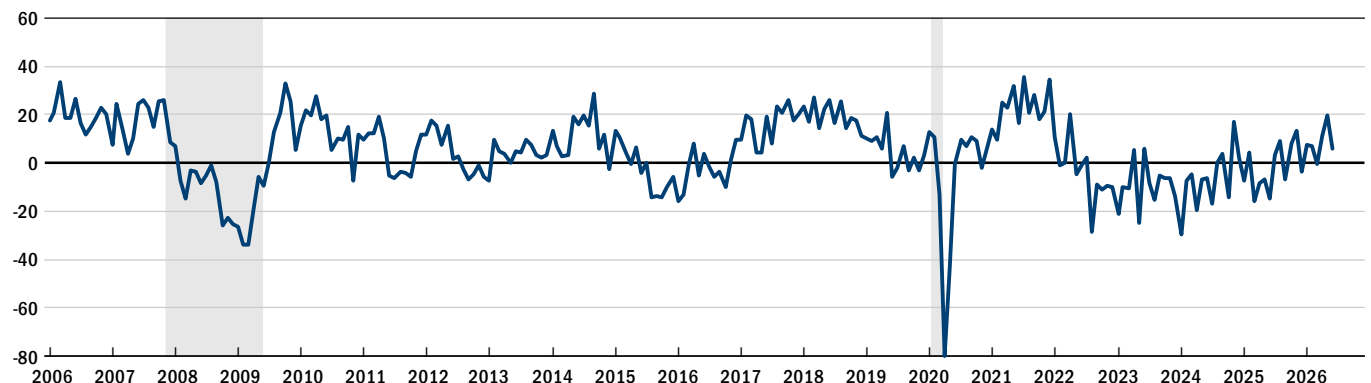
Firms Remain Fairly Optimistic

The index for future business conditions came in at 30.1, with 44 percent of respondents expecting activity to increase in the months ahead. New orders and shipments are expected to increase, and supply availability is expected to worsen. The future selling price index rose to its highest level since 2022, suggesting that firms widely expect to raise their prices over the next six months. Employment is expected to continue to expand. Capital spending plans softened. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

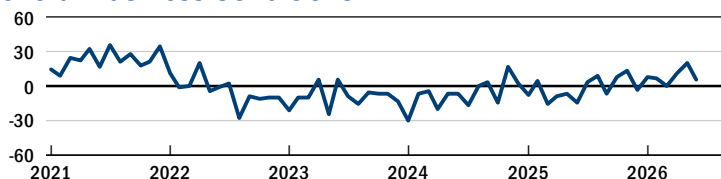


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

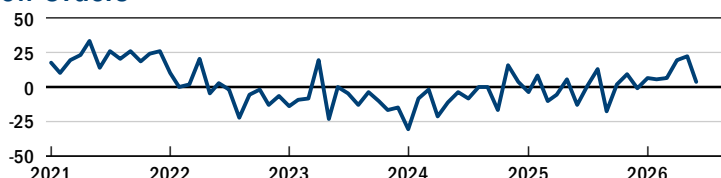
Change from Preceding Month

General Business Conditions



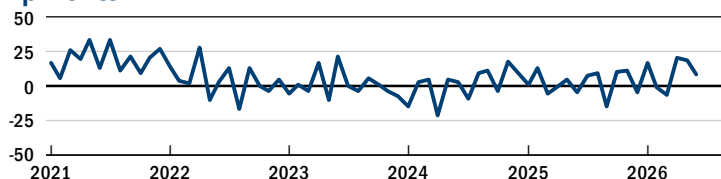
	Percent Reporting		Index
	Higher	Lower	
May	44.5	24.9	19.6
Jun	28.9	23.2	5.7
Change			-13.9

New Orders



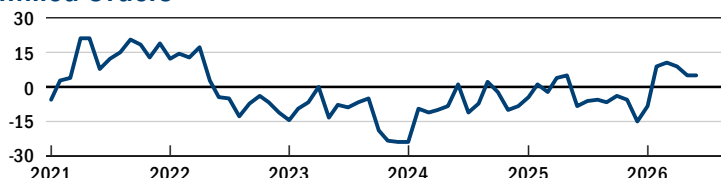
	Percent Reporting		Index
	Higher	Lower	
May	45.8	23.1	22.7
Jun	28.7	25.2	3.5
Change			-19.2

Shipments



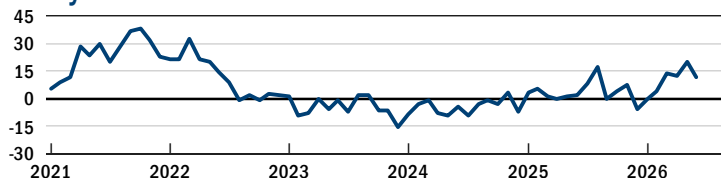
	Percent Reporting		Index
	Higher	Lower	
May	40.5	21.6	18.9
Jun	34.5	25.9	8.6
Change			-10.3

Unfilled Orders



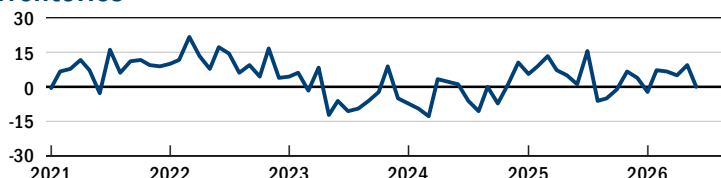
	Percent Reporting		Index
	Higher	Lower	
May	22.3	17.5	4.9
Jun	16.8	11.9	5.0
Change			0.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	25.2	4.9	20.4
Jun	18.8	6.9	11.9
Change			-8.5

Inventories

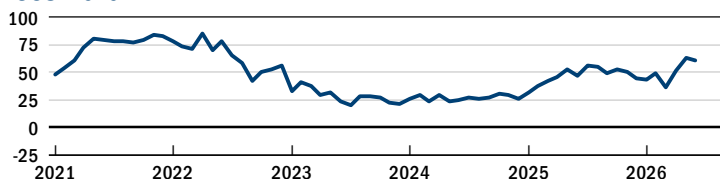


	Percent Reporting		Index
	Higher	Lower	
May	30.1	20.4	9.7
Jun	20.8	20.8	0.0
Change			-9.7

Current Indicators, *continued*

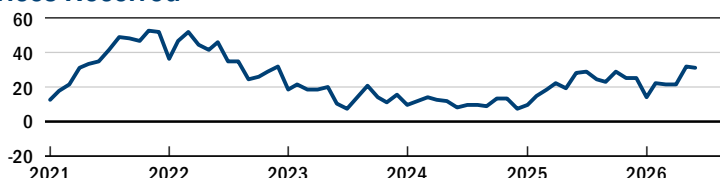
Change from Preceding Month

Prices Paid



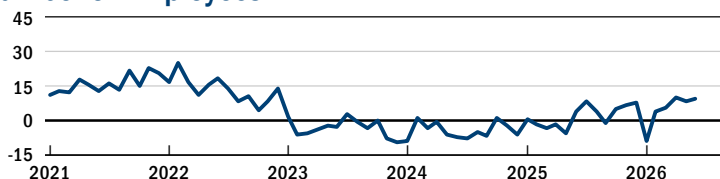
	Percent Reporting		Index
	Higher	Lower	
May	63.3	0.7	62.6
Jun	61.7	0.7	61.0
Change			-1.6

Prices Received



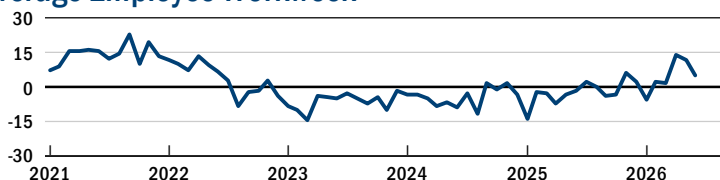
	Percent Reporting		Index
	Higher	Lower	
May	33.7	1.9	31.8
Jun	32.4	1.0	31.4
Change			-0.4

Number of Employees



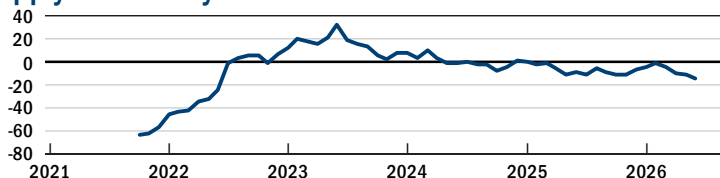
	Percent Reporting		Index
	Higher	Lower	
May	16.8	8.5	8.3
Jun	17.9	8.4	9.6
Change			1.3

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
May	20.5	9.1	11.5
Jun	15.7	10.6	5.1
Change			-6.4

Supply Availability



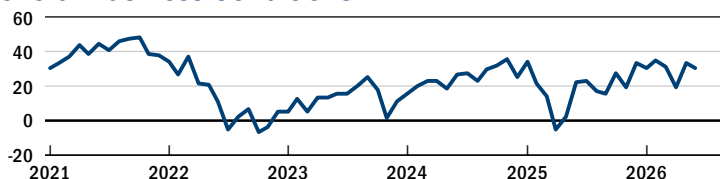
	Percent Reporting		Index
	Higher	Lower	
May	1.0	11.7	-10.7
Jun	0.0	13.9	-13.9
Change			-3.2

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

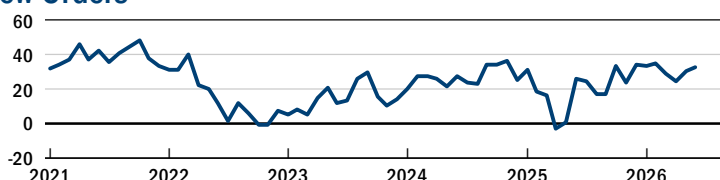
Expectations Six Months Ahead

General Business Conditions



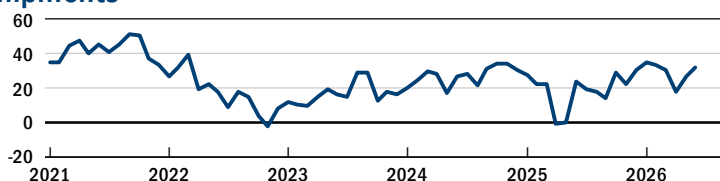
	Percent Reporting		Index
	Higher	Lower	
May	50.8	17.3	33.5
Jun	44.0	13.8	30.1
Change			-3.4

New Orders



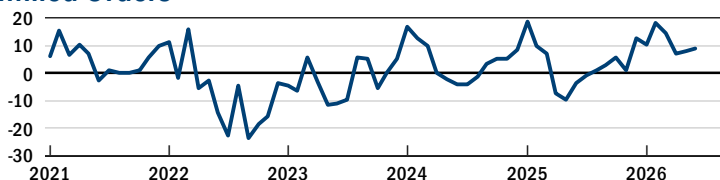
	Percent Reporting		Index
	Higher	Lower	
May	47.1	17.0	30.1
Jun	47.7	15.3	32.5
Change			2.4

Shipments



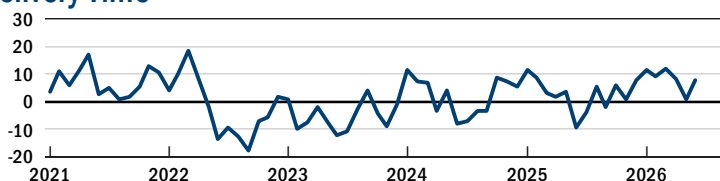
	Percent Reporting		Index
	Higher	Lower	
May	44.4	17.8	26.6
Jun	45.1	12.9	32.2
Change			5.6

Unfilled Orders



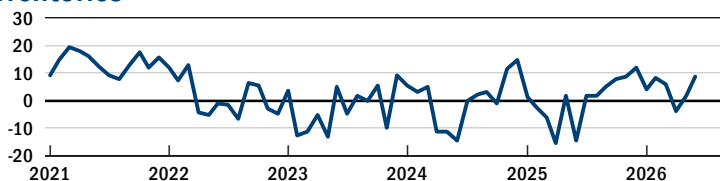
	Percent Reporting		Index
	Higher	Lower	
May	20.4	12.6	7.8
Jun	19.8	10.9	8.9
Change			1.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	13.6	12.6	1.0
Jun	17.8	9.9	7.9
Change			6.9

Inventories

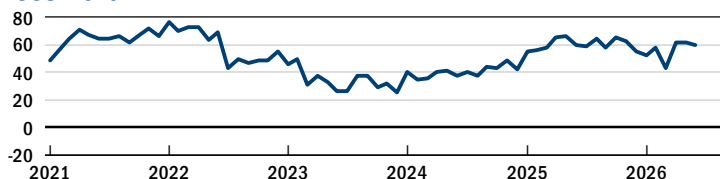


	Percent Reporting		Index
	Higher	Lower	
May	21.4	19.4	1.9
Jun	25.7	16.8	8.9
Change			7.0

Forward-Looking Indicators, *continued*

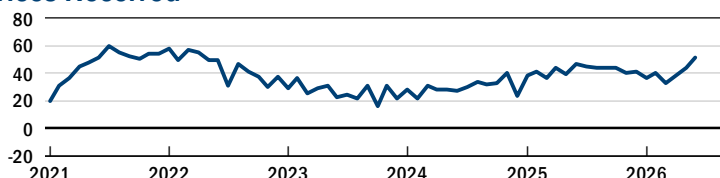
Expectations Six Months Ahead

Prices Paid



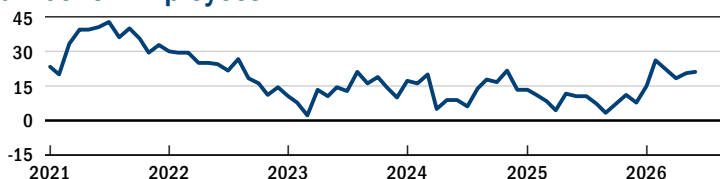
	Percent Reporting		Index
	Higher	Lower	
May	65.0	2.9	62.1
Jun	59.4	0.0	59.4
Change			-2.7

Prices Received



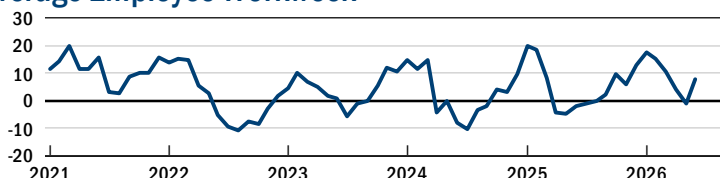
	Percent Reporting		Index
	Higher	Lower	
May	46.4	2.8	43.6
Jun	52.5	0.9	51.6
Change			8.0

Number of Employees



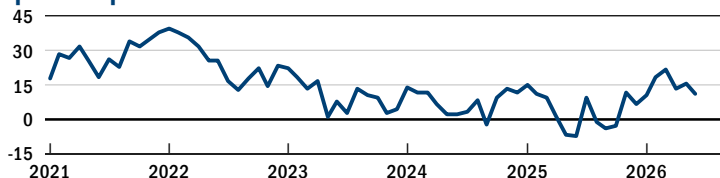
	Percent Reporting		Index
	Higher	Lower	
May	28.0	7.3	20.6
Jun	27.2	6.3	20.9
Change			0.3

Average Employee Workweek



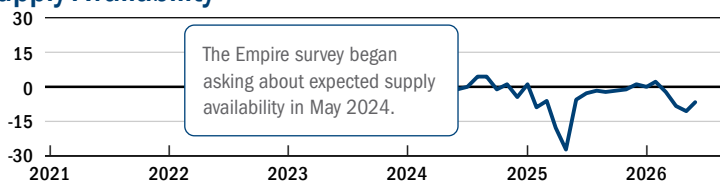
	Percent Reporting		Index
	Higher	Lower	
May	14.6	15.5	-1.0
Jun	19.8	11.9	7.9
Change			8.9

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
May	25.2	9.7	15.5
Jun	22.8	11.9	10.9
Change			-4.6

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
May	1.9	12.6	-10.7
Jun	2.0	8.9	-6.9
Change			3.8

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.