Empire State Manufacturing Survey

Note: Survey responses were collected between September 2 and September 10.

After growing strongly last month, business activity increased modestly in New York State in September, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index fell thirteen points but remained positive at 7.6. New orders edged up while shipments declined slightly. Unfilled orders increased, and delivery times lengthened substantially. Supply availability continued to worsen. Employment increased at a solid pace and the average workweek rose considerably. The pace of input price and selling price increases accelerated from already elevated levels. Looking ahead, firms maintained an optimistic outlook for business activity.

ECONOMIST COMMENTARY

"On the heels of strong growth in August, New York State manufacturing activity continued to pick up modestly in September. Employment grew at a solid pace, while pricing pressures intensified."

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

Activity Continues to Grow

Building on August's strong gains, manufacturing activity grew modestly in New York State in September. The general business conditions index fell thirteen points but remained positive at 7.6. The new orders index came in at 2.0, and the shipments index fell to -3.2, pointing to a small increase in orders and a slight decrease in shipments. The unfilled orders index came in at 5.9, and the delivery times index printed at 18.8, suggesting a modest increase in unfilled orders and significantly longer delivery times. Inventories increased. The supply availability index came in at -11.9, pointing to worsening supply availability.

Pace of Price Increases Picks Up

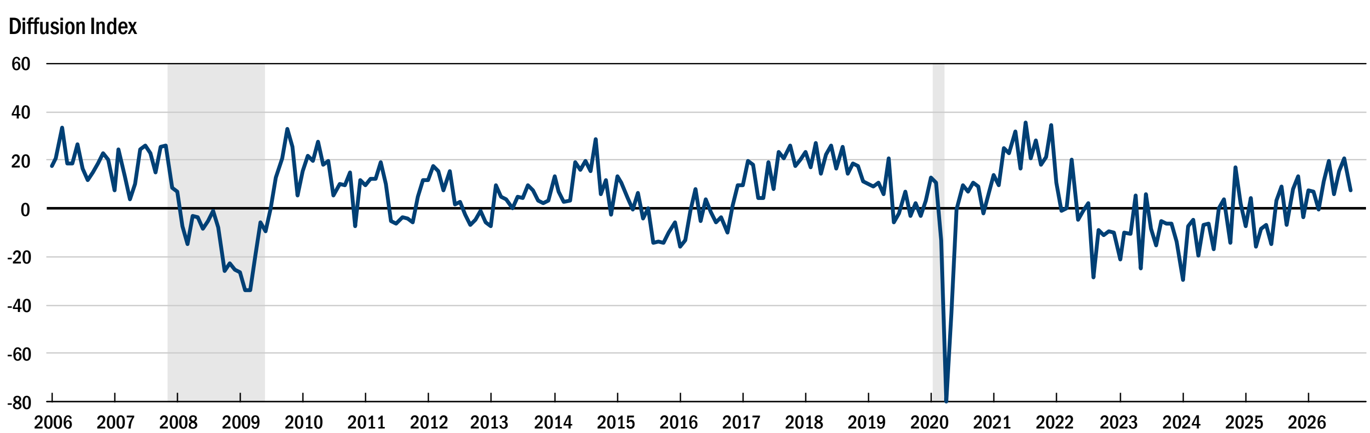
The index for number of employees was little changed at 10.6, and the average workweek index rose ten points to 17.0, its highest level in nearly five years, suggesting solid growth in employment levels and hours worked. Pricing pressures intensified. The prices paid index rose five points to 63.1, edging above its recent four-year high reached in May 2026, and the prices received index rose five points to 28.1, pointing to a pickup in input price and selling price increases.

Firms Remain Optimistic

The index for future business conditions came in at 29.0, with about half of respondents expecting activity to increase in the months ahead. New orders and shipments are expected to increase, and employment is expected to grow significantly. Supply availability is expected to worsen. Price increases are expected to remain elevated. Capital spending plans remained modest. ■

General Business Conditions

Seasonally Adjusted

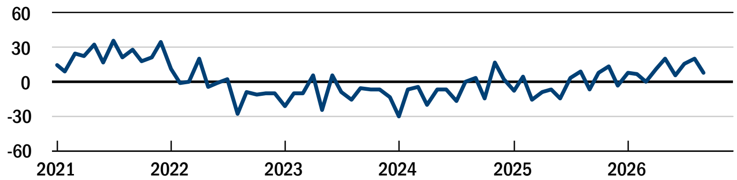


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

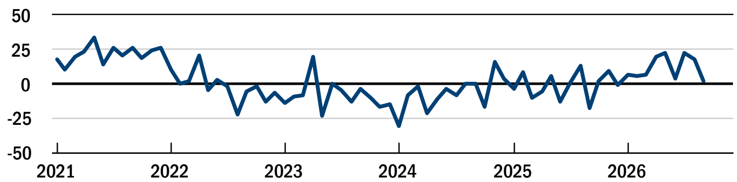
Change from Preceding Month

General Business Conditions



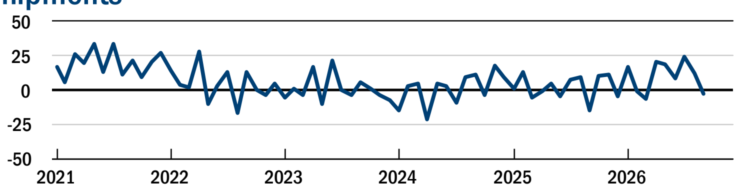
	Percent Reporting		
	Higher	Lower	Index
Aug	43.8	23.1	20.6
Sep	33.9	26.3	7.6
Change			-13.0

New Orders



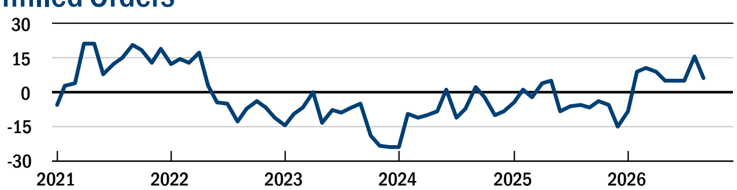
	Percent Reporting		
	Higher	Lower	Index
Aug	39.8	22.4	17.3
Sep	27.8	25.8	2.0
Change			-15.3

Shipments



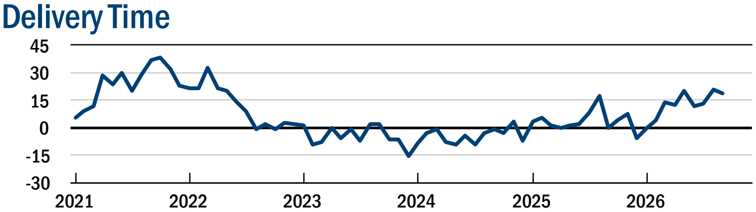
	Percent Reporting		
	Higher	Lower	Index
Aug	37.4	25.7	11.7
Sep	28.7	32.0	-3.2
Change			-14.9

Unfilled Orders



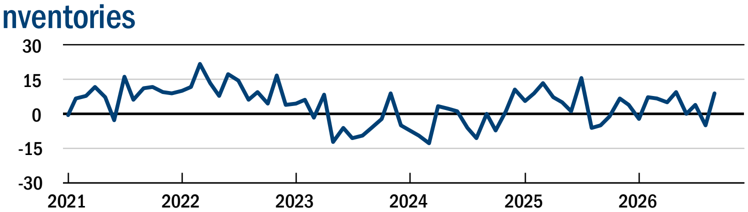
	Percent Reporting		
	Higher	Lower	Index
Aug	26.8	11.3	15.5
Sep	16.8	10.9	5.9
Change			-9.6

Delivery Time



	Percent Reporting		
	Higher	Lower	Index
Aug	26.8	6.2	20.6
Sep	25.7	6.9	18.8
Change			-1.8

Inventories

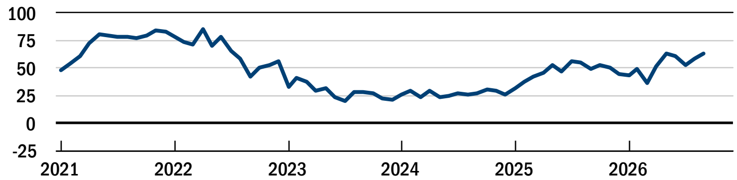


	Percent Reporting		
	Higher	Lower	Index
Aug	19.6	24.7	-5.2
Sep	23.8	14.9	8.9
Change			14.1

Current Indicators, *continued*

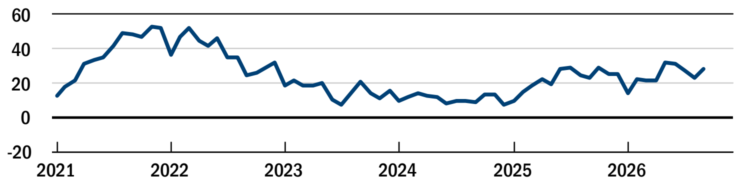
Change from Preceding Month

Prices Paid



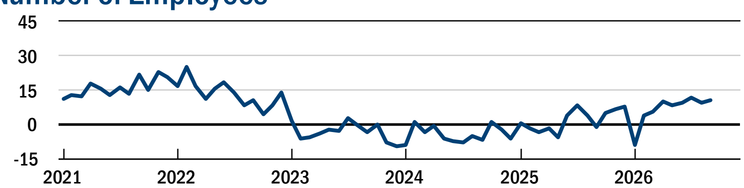
	Percent Reporting Higher	Percent Reporting Lower	Index
Aug	59.4	0.8	58.6
Sep	63.7	0.6	63.1
Change			4.5

Prices Received



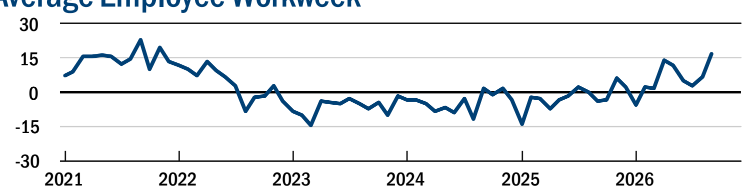
	Percent Reporting Higher	Percent Reporting Lower	Index
Aug	26.6	3.8	22.7
Sep	30.6	2.6	28.1
Change			5.4

Number of Employees



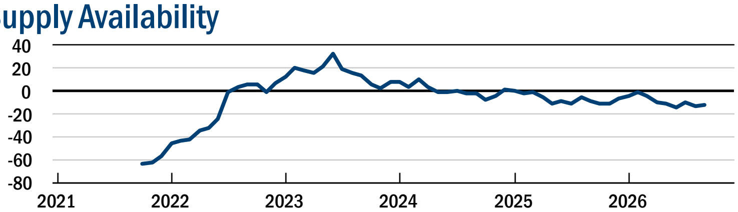
	Percent Reporting Higher	Percent Reporting Lower	Index
Aug	14.8	5.5	9.3
Sep	19.0	8.4	10.6
Change			1.3

Average Employee Workweek



	Percent Reporting Higher	Percent Reporting Lower	Index
Aug	17.7	10.8	6.9
Sep	23.8	6.8	17.0
Change			10.1

Supply Availability



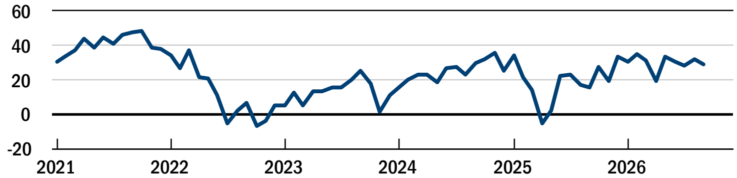
	Percent Reporting Higher	Percent Reporting Lower	Index
Aug	3.1	16.5	-13.4
Sep	4.0	15.8	-11.9
Change			1.5

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

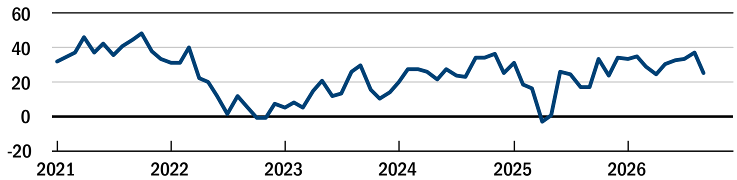
Expectations Six Months Ahead

General Business Conditions



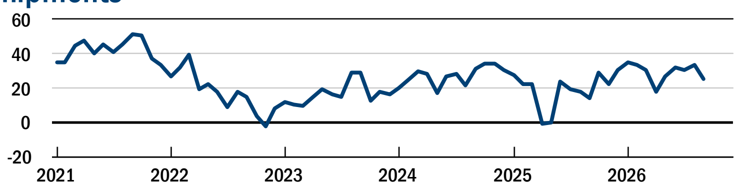
	Percent Reporting		
	Higher	Lower	Index
Aug	47.0	14.9	32.1
Sep	50.5	21.5	29.0
Change			-3.1

New Orders



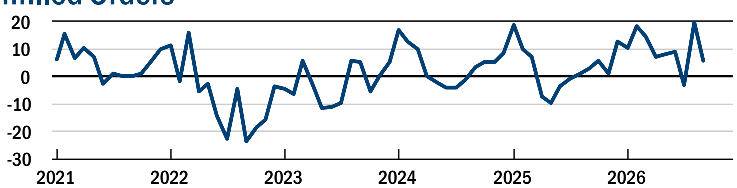
	Percent Reporting		
	Higher	Lower	Index
Aug	51.9	14.8	37.1
Sep	48.3	23.0	25.3
Change			-11.8

Shipments



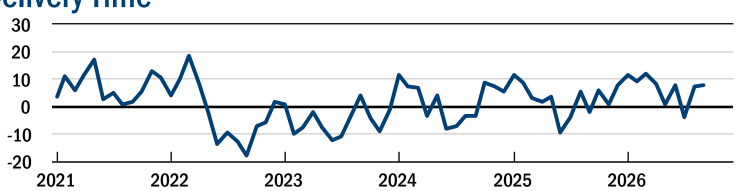
	Percent Reporting		
	Higher	Lower	Index
Aug	50.0	16.3	33.7
Sep	45.1	19.5	25.5
Change			-8.2

Unfilled Orders



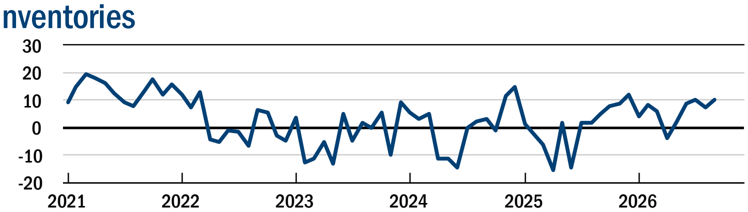
	Percent Reporting		
	Higher	Lower	Index
Aug	27.8	8.2	19.6
Sep	18.8	12.9	5.9
Change			-13.7

Delivery Time



	Percent Reporting		
	Higher	Lower	Index
Aug	18.6	11.3	7.2
Sep	19.8	11.9	7.9
Change			0.7

Inventories

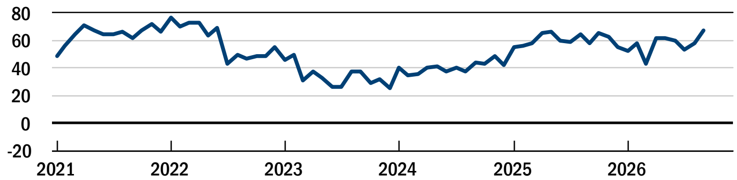


	Percent Reporting		
	Higher	Lower	Index
Aug	28.9	21.6	7.2
Sep	27.7	17.8	9.9
Change			2.7

Forward-Looking Indicators, *continued*

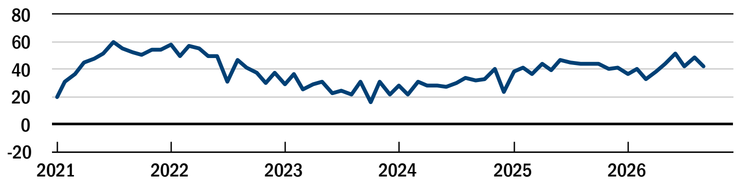
Expectations Six Months Ahead

Prices Paid



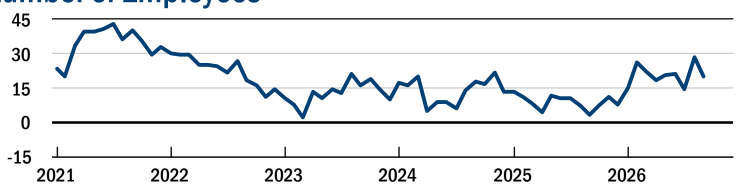
	Percent Reporting		
	Higher	Lower	Index
Aug	59.8	2.1	57.7
Sep	69.3	2.0	67.3
Change			9.6

Prices Received



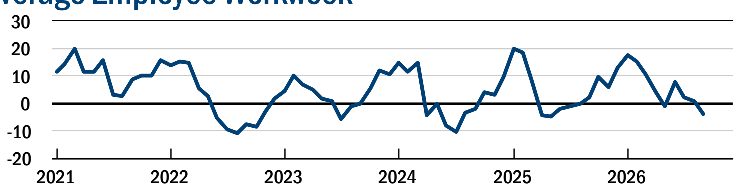
	Percent Reporting		
	Higher	Lower	Index
Aug	52.8	4.0	48.7
Sep	47.8	5.5	42.3
Change			-6.4

Number of Employees



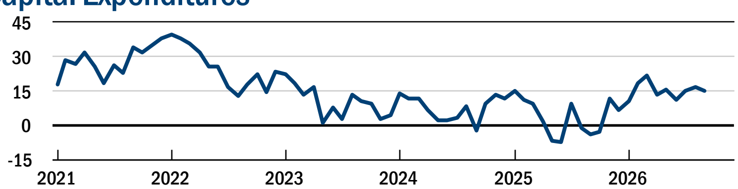
	Percent Reporting		
	Higher	Lower	Index
Aug	36.0	7.7	28.2
Sep	29.4	9.4	20.0
Change			-8.2

Average Employee Workweek



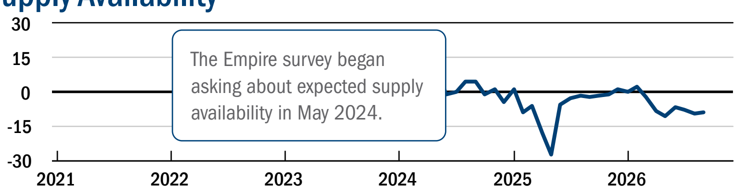
	Percent Reporting		
	Higher	Lower	Index
Aug	15.5	14.4	1.0
Sep	9.9	13.9	-4.0
Change			-5.0

Capital Expenditures



	Percent Reporting		
	Higher	Lower	Index
Aug	26.8	10.3	16.5
Sep	29.7	14.9	14.9
Change			-1.6

Supply Availability



	Percent Reporting		
	Higher	Lower	Index
Aug	4.1	13.4	-9.3
Sep	5.0	13.9	-8.9
Change			0.4

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.