

Empire State Manufacturing Survey

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

Business activity rose sharply in New York State in October, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index climbed eighteen points to 25.5, its highest level in nearly five years. New orders increased markedly and shipments grew. Unfilled orders rose, delivery times lengthened substantially, and supply availability worsened further. Inventories increased. Employment continued to rise modestly and the average workweek rose. The pace of input and selling price increases remained elevated. Firms continued to expect conditions to improve in the months ahead, though optimism moderated.

Activity Picks Up Sharply

Manufacturing activity expanded strongly in New York State, according to the October survey. The general business conditions index increased eighteen points to 25.5, its highest reading since December 2021. The new orders index rose twenty-one points to 23.2, and the shipments index increased sixteen points to 13.1, pointing to a solid increase

ECONOMIST COMMENTARY

“New York State manufacturing activity rose sharply in October, with the headline index reaching its highest level in nearly five years. Employment continued to grow modestly and the pace of price increases remained elevated.”

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

in orders and shipments. The unfilled orders index rose eight points to 14.0, and the delivery times index came in at 19.8, suggesting an increase in unfilled orders and significantly longer delivery times. Inventories increased. The supply availability index slipped three points to -15.1, its lowest level since June 2022, pointing to worsening supply availability.

Price Increases Remain Elevated

The index for number of employees held steady at 10.3, and the average workweek index came in at 9.1, suggesting ongoing modest growth in employment and an increase in hours worked. Prices continued to rise at an elevated pace, with the prices paid index dipping four

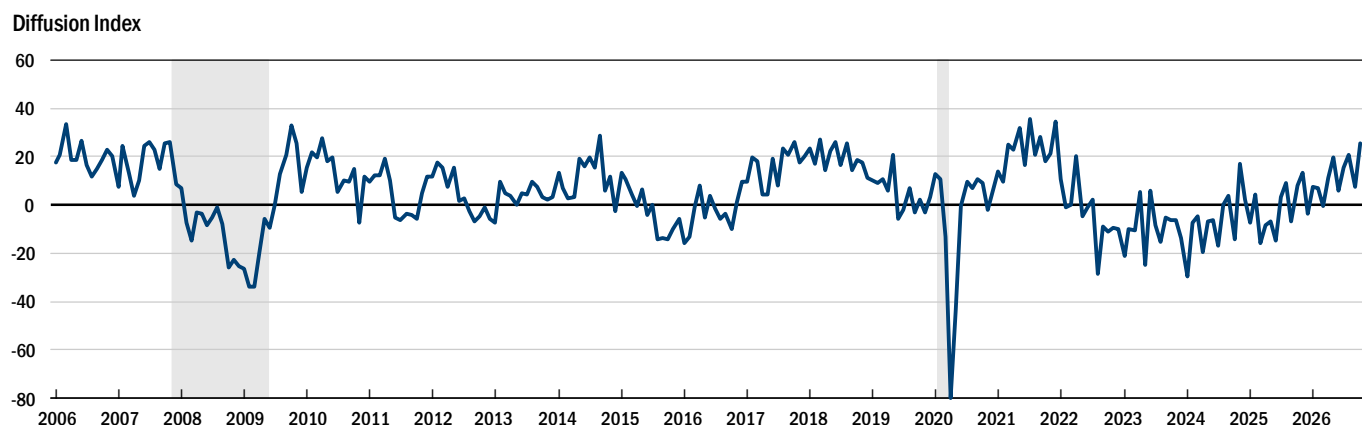
points from its four-year high last month to 59.5, and the prices received index rising three points to 30.6.

Optimism Moderates

The index for future business conditions dropped eight points to 21.0, indicating that firms expect conditions to improve in the months ahead, though they are not as optimistic as in recent months. New orders and shipments are expected to increase, and employment is expected to grow. Supply availability is expected to worsen. Both future price indexes climbed further from already elevated levels, suggesting that expectations for price increases have become more widespread. Capital spending plans remained modest. ■

General Business Conditions

Seasonally Adjusted

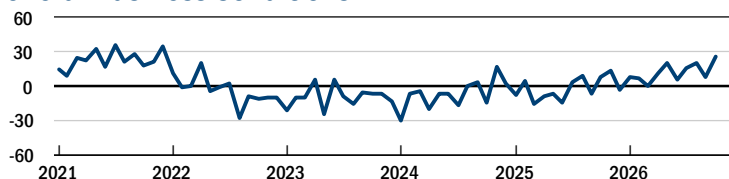


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

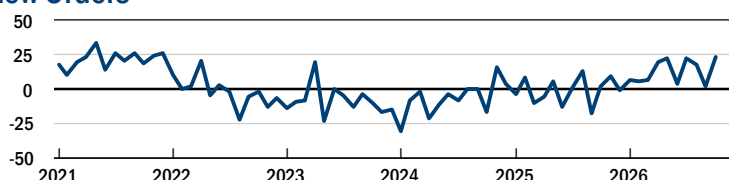
Change from Preceding Month

General Business Conditions



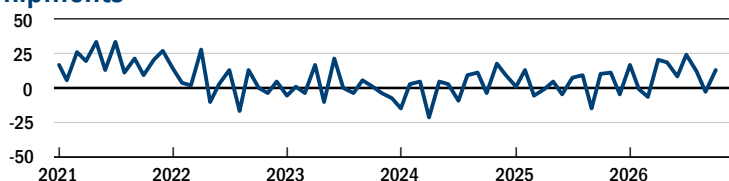
	Percent Reporting		Index
	Higher	Lower	
Sep	33.9	26.3	7.6
Oct	44.4	18.9	25.5
Change			17.9

New Orders



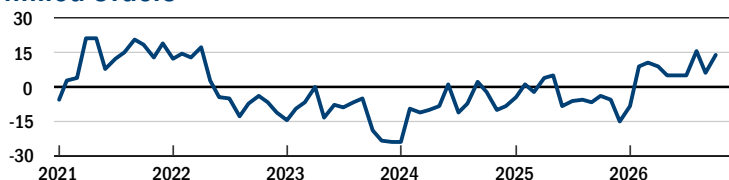
	Percent Reporting		Index
	Higher	Lower	
Sep	27.8	25.8	2.0
Oct	42.9	19.7	23.2
Change			21.2

Shipments



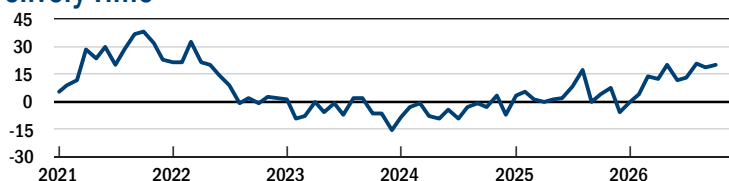
	Percent Reporting		Index
	Higher	Lower	
Sep	28.7	32.0	-3.2
Oct	37.1	23.9	13.1
Change			16.3

Unfilled Orders



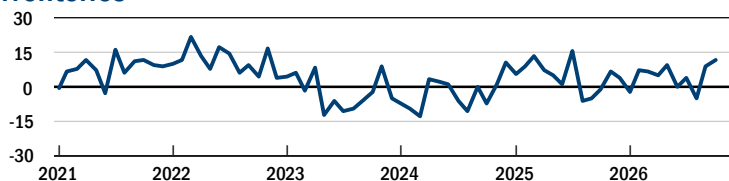
	Percent Reporting		Index
	Higher	Lower	
Sep	16.8	10.9	5.9
Oct	26.7	12.8	14.0
Change			8.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	25.7	6.9	18.8
Oct	29.1	9.3	19.8
Change			1.0

Inventories

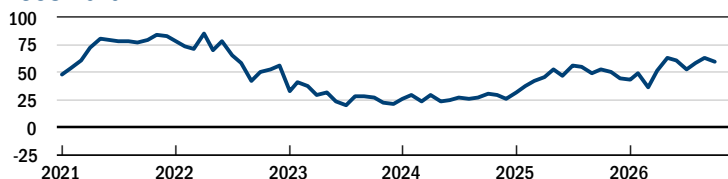


	Percent Reporting		Index
	Higher	Lower	
Sep	23.8	14.9	8.9
Oct	30.2	18.6	11.6
Change			2.7

Current Indicators, *continued*

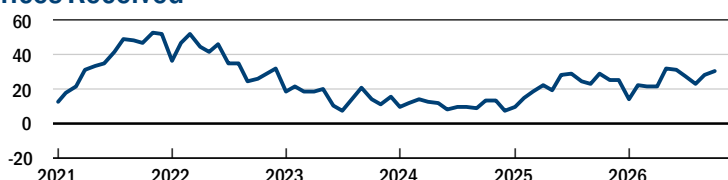
Change from Preceding Month

Prices Paid



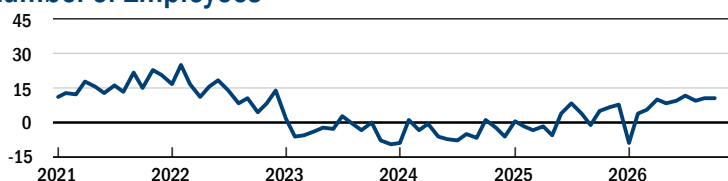
	Percent Reporting		Index
	Higher	Lower	
Sep	63.7	0.6	63.1
Oct	60.5	1.0	59.5
Change			-3.6

Prices Received



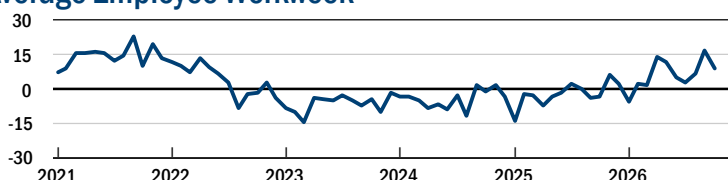
	Percent Reporting		Index
	Higher	Lower	
Sep	30.6	2.6	28.1
Oct	33.6	2.9	30.6
Change			2.5

Number of Employees



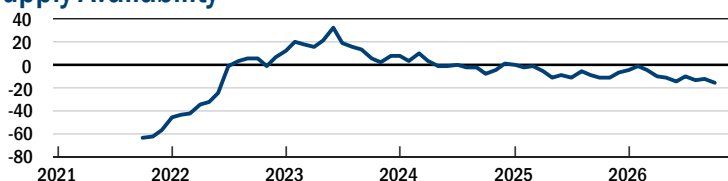
	Percent Reporting		Index
	Higher	Lower	
Sep	19.0	8.4	10.6
Oct	20.0	9.8	10.3
Change			-0.3

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Sep	23.8	6.8	17.0
Oct	17.1	7.9	9.1
Change			-7.9

Supply Availability



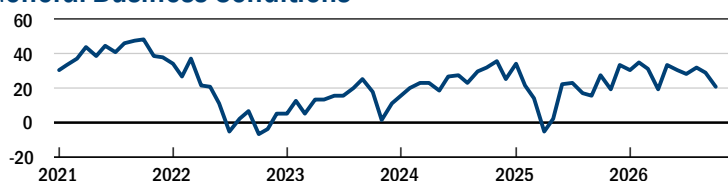
	Percent Reporting		Index
	Higher	Lower	
Sep	4.0	15.8	-11.9
Oct	3.5	18.6	-15.1
Change			-3.2

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

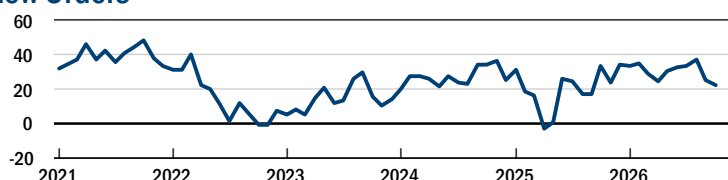
Expectations Six Months Ahead

General Business Conditions



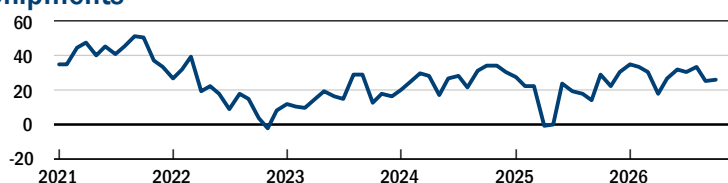
	Percent Reporting		Index
	Higher	Lower	
Sep	50.5	21.5	29.0
Oct	45.1	24.2	21.0
Change			-8.0

New Orders



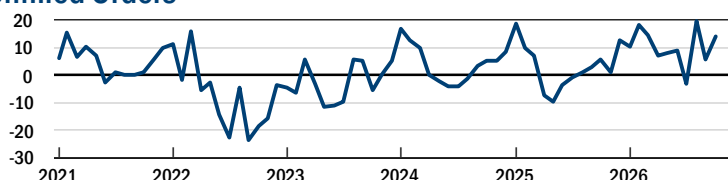
	Percent Reporting		Index
	Higher	Lower	
Sep	48.3	23.0	25.3
Oct	46.6	24.2	22.4
Change			-2.9

Shipments



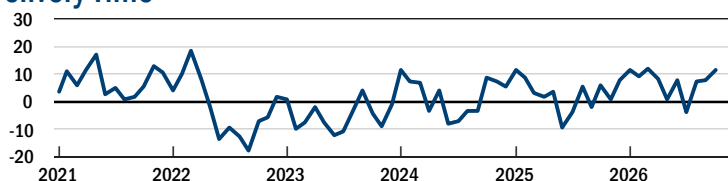
	Percent Reporting		Index
	Higher	Lower	
Sep	45.1	19.5	25.5
Oct	50.4	24.2	26.2
Change			0.7

Unfilled Orders



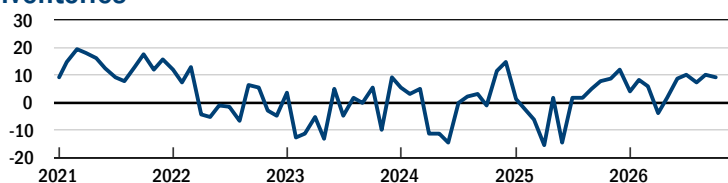
	Percent Reporting		Index
	Higher	Lower	
Sep	18.8	12.9	5.9
Oct	27.9	14.0	14.0
Change			8.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	19.8	11.9	7.9
Oct	24.4	12.8	11.6
Change			3.7

Inventories

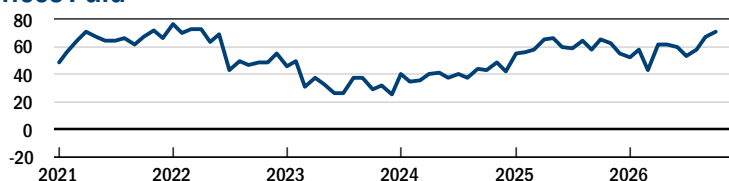


	Percent Reporting		Index
	Higher	Lower	
Sep	27.7	17.8	9.9
Oct	31.4	22.1	9.3
Change			-0.6

Forward-Looking Indicators, *continued*

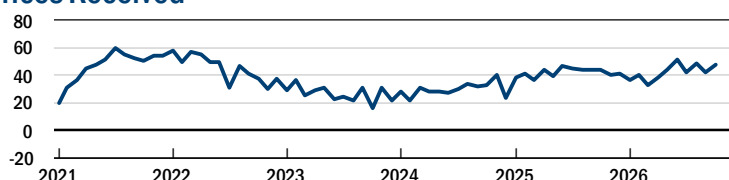
Expectations Six Months Ahead

Prices Paid



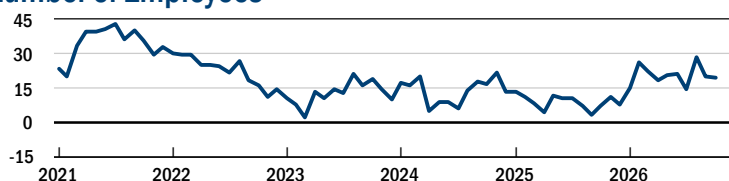
	Percent Reporting		Index
	Higher	Lower	
Sep	69.3	2.0	67.3
Oct	74.4	3.5	70.9
Change			3.6

Prices Received



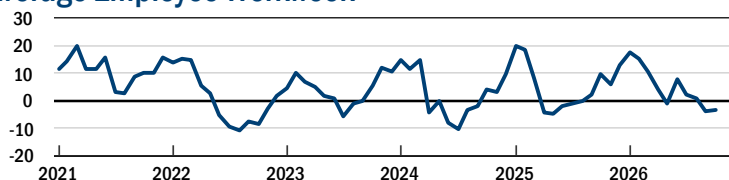
	Percent Reporting		Index
	Higher	Lower	
Sep	47.8	5.5	42.3
Oct	53.5	5.5	48.0
Change			5.7

Number of Employees



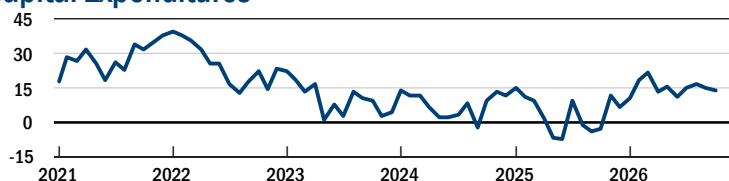
	Percent Reporting		Index
	Higher	Lower	
Sep	29.4	9.4	20.0
Oct	34.5	15.0	19.5
Change			-0.5

Average Employee Workweek



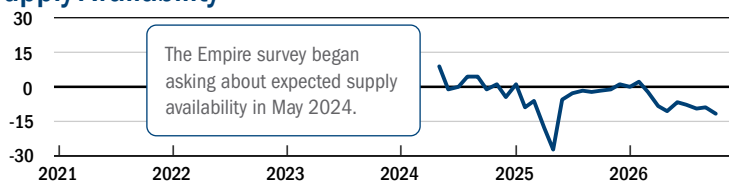
	Percent Reporting		Index
	Higher	Lower	
Sep	9.9	13.9	-4.0
Oct	12.8	16.3	-3.5
Change			0.5

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	29.7	14.9	14.9
Oct	29.1	15.1	14.0
Change			-0.9

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Sep	5.0	13.9	-8.9
Oct	4.7	16.3	-11.6
Change			-2.7

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.