

Empire State Manufacturing Survey

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

Business activity increased modestly in New York State in February, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index was little changed at 7.1, its fourth positive reading in five months. New orders increased, while shipments held steady. Unfilled orders rose and delivery times were slightly longer. Inventories increased somewhat, while supply availability held steady. Employment and the average workweek increased slightly after falling last month. The pace of input price increases and selling price increases picked up. Capital spending plans strengthened. Firms grew more optimistic that conditions would improve in the months ahead, with employment expected to grow.

Modest Growth Continues

Manufacturing activity increased in New York State, according to the February survey. The general business conditions index held steady at 7.1, suggesting activity expanded modestly for a second consecutive month. The new orders index

ECONOMIST COMMENTARY

“Manufacturing activity continued to expand modestly in New York State in February. Firms remained optimistic that conditions would continue to improve, with employment expected to grow.”

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

came in at 5.8, pointing to an ongoing increase in orders, while the shipments index dropped seventeen points to -1.0, indicating shipments were flat. The unfilled orders index rose seventeen points to 9.1, and delivery times were slightly longer. Inventories rose. The supply availability index came in at -1.0, suggesting supply availability was little changed from last month.

Price Increases Pick Up

The index for number of employees rose thirteen points to 4.0 and the average workweek index rose eight points to 2.1, suggesting a small increase in employment

levels and hours worked after they declined last month. The pace of both input price and selling price increases picked up: the prices paid index rose six points to 49.1 and the prices received index increased eight points to 22.2.

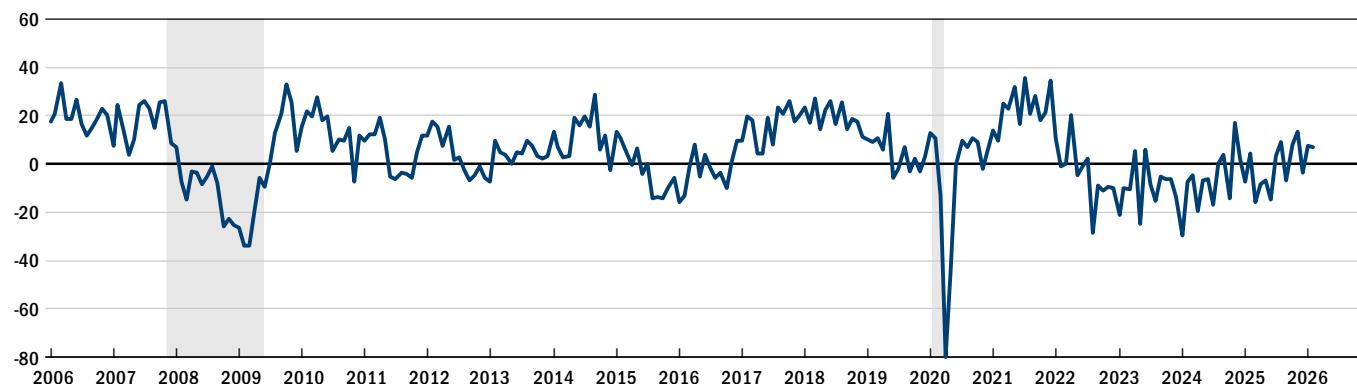
Firms Remain Optimistic

Firms continued to be optimistic about the outlook. The index for future business conditions rose four points to 34.7. New orders and shipments are expected to increase, and employment is expected to grow. The capital expenditures index rose eight points to 18.2, a multi-year high, indicating a strengthening in capital spending plans. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

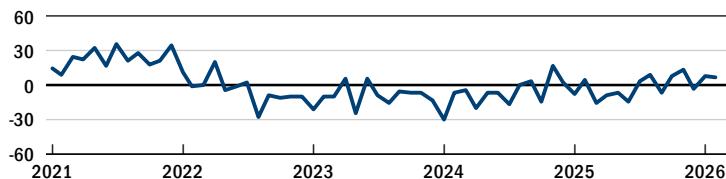


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

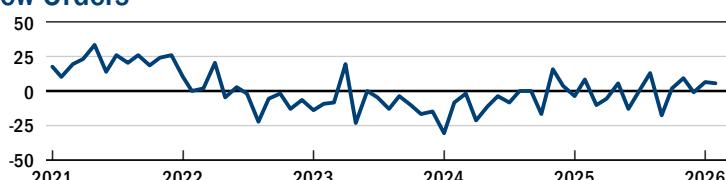
Change from Preceding Month

General Business Conditions



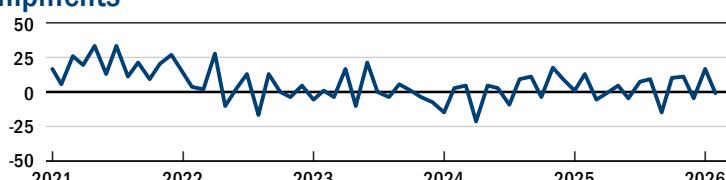
	Percent Reporting		Index
	Higher	Lower	
Jan	34.2	26.5	7.7
Feb	36.0	28.9	7.1
Change			-0.6

New Orders



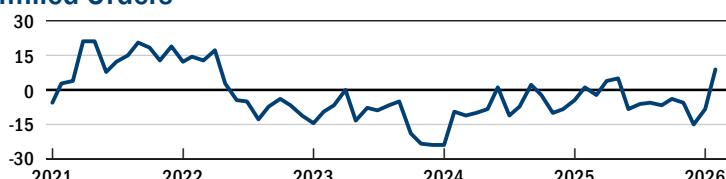
	Percent Reporting		Index
	Higher	Lower	
Jan	36.2	29.6	6.6
Feb	34.7	28.9	5.8
Change			-0.8

Shipments



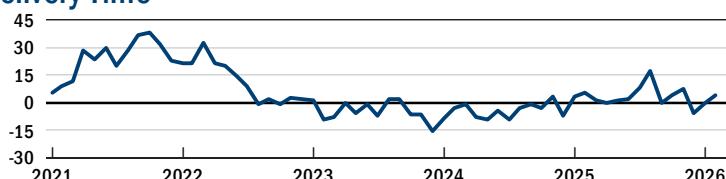
	Percent Reporting		Index
	Higher	Lower	
Jan	38.7	22.3	16.3
Feb	27.1	28.2	-1.0
Change			-17.3

Unfilled Orders



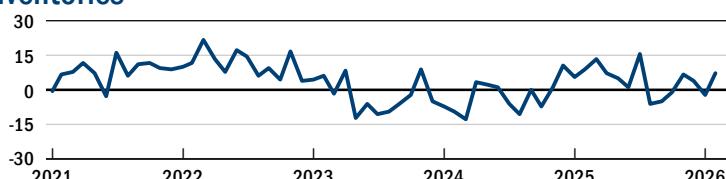
	Percent Reporting		Index
	Higher	Lower	
Jan	12.4	20.6	-8.2
Feb	20.2	11.1	9.1
Change			17.3

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	12.4	12.4	0.0
Feb	17.2	13.1	4.0
Change			4.0

Inventories

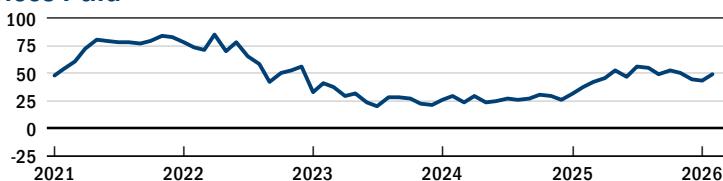


	Percent Reporting		Index
	Higher	Lower	
Jan	16.5	18.6	-2.1
Feb	23.2	16.2	7.1
Change			9.2

Current Indicators, *continued*

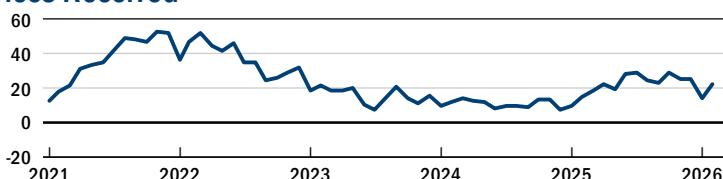
Change from Preceding Month

Prices Paid



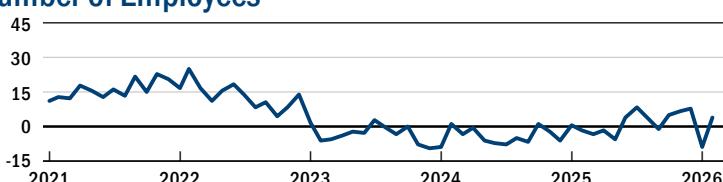
Percent Reporting		
	Higher	Lower
Jan	44.5	1.7
Feb	50.3	1.2
Change	6.3	

Prices Received



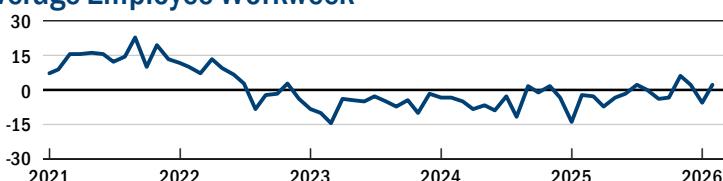
Percent Reporting		
	Higher	Lower
Jan	18.9	4.4
Feb	28.3	6.1
Change	7.8	

Number of Employees



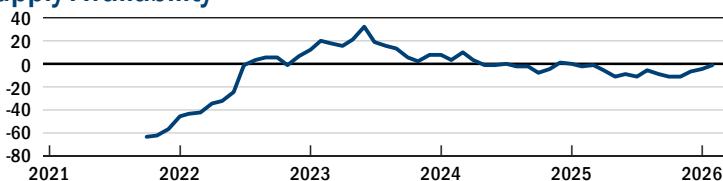
Percent Reporting		
	Higher	Lower
Jan	7.9	16.8
Feb	15.8	11.8
Change	13.0	

Average Employee Workweek



Percent Reporting		
	Higher	Lower
Jan	13.8	19.2
Feb	13.0	10.9
Change	7.5	

Supply Availability



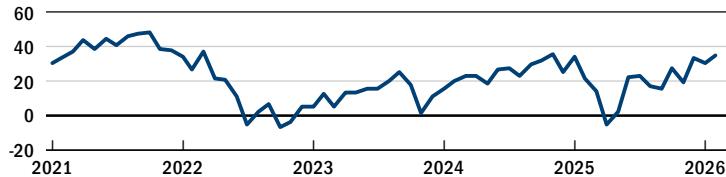
Percent Reporting		
	Higher	Lower
Jan	2.1	6.2
Feb	4.0	5.1
Change	3.1	

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

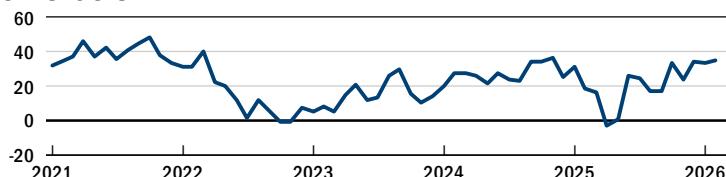
Expectations Six Months Ahead

General Business Conditions



	Percent Reporting		Index
	Higher	Lower	
Jan	50.6	20.3	30.3
Feb	43.1	8.4	34.7
Change			4.4

New Orders



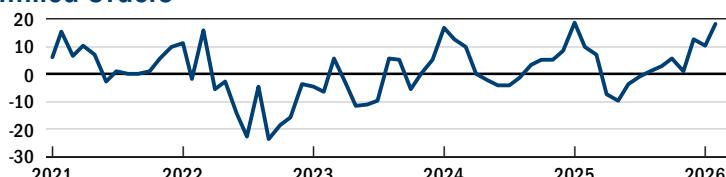
	Percent Reporting		Index
	Higher	Lower	
Jan	54.4	21.1	33.3
Feb	48.3	13.3	34.9
Change			1.6

Shipments



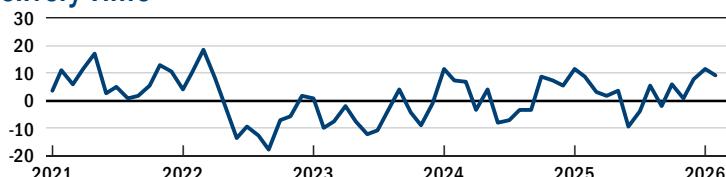
	Percent Reporting		Index
	Higher	Lower	
Jan	51.0	16.1	34.9
Feb	44.5	11.2	33.4
Change			-1.5

Unfilled Orders



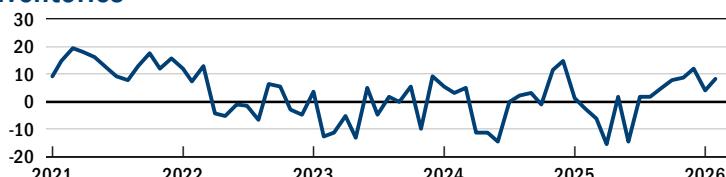
	Percent Reporting		Index
	Higher	Lower	
Jan	22.7	12.4	10.3
Feb	24.2	6.1	18.2
Change			7.9

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	17.5	6.2	11.3
Feb	16.2	7.1	9.1
Change			-2.2

Inventories

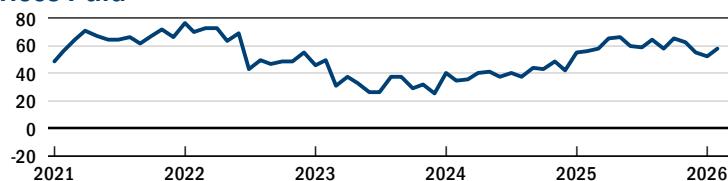


	Percent Reporting		Index
	Higher	Lower	
Jan	22.7	18.6	4.1
Feb	26.3	18.2	8.1
Change			4.0

Forward-Looking Indicators, *continued*

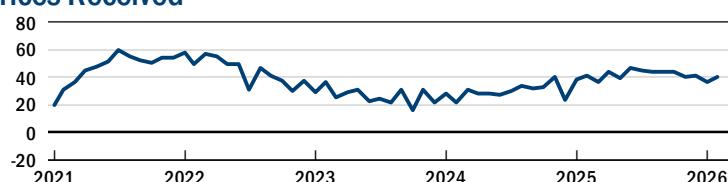
Expectations Six Months Ahead

Prices Paid



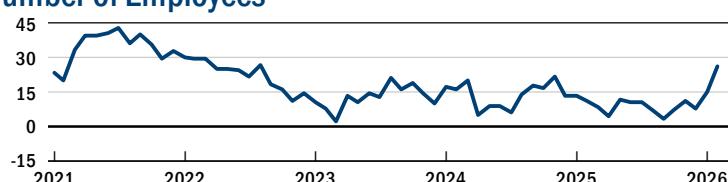
	Percent Reporting		Index
	Higher	Lower	
Jan	56.7	4.1	52.6
Feb	58.6	1.0	57.6
Change			5.0

Prices Received



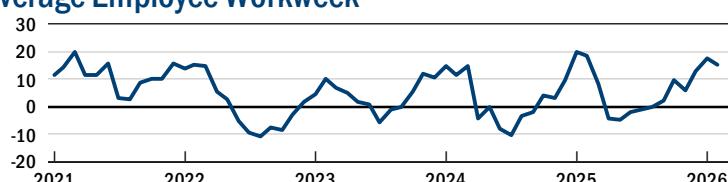
	Percent Reporting		Index
	Higher	Lower	
Jan	40.8	4.3	36.5
Feb	42.4	2.1	40.3
Change			3.8

Number of Employees



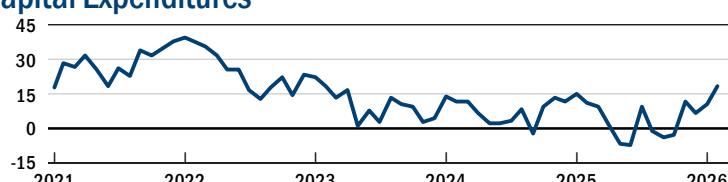
	Percent Reporting		Index
	Higher	Lower	
Jan	22.0	7.0	14.9
Feb	30.6	4.4	26.1
Change			11.2

Average Employee Workweek



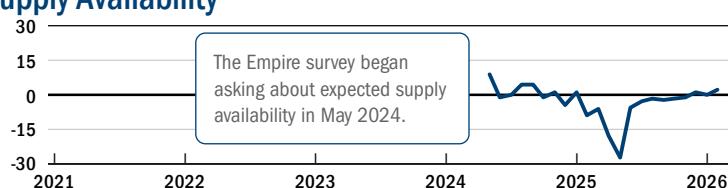
	Percent Reporting		Index
	Higher	Lower	
Jan	22.7	5.2	17.5
Feb	22.2	7.1	15.2
Change			-2.3

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jan	24.7	14.4	10.3
Feb	30.3	12.1	18.2
Change			7.9

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jan	4.1	4.1	0.0
Feb	8.1	6.1	2.0
Change			2.0

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.