

Empire State Manufacturing Survey

Note: Survey responses were collected between October 1 and October 8.

Business activity grew at a solid pace in New York State, according to firms responding to the October 2021 *Empire State Manufacturing Survey*. The headline general business conditions index fell fifteen points to 19.8, pointing to a slower pace of growth than last month. New orders and shipments increased, though by less than they did last month. The delivery times index inched up to a record high. Labor market indicators pointed to ongoing growth in employment and the average workweek. Both the prices paid and prices received indexes held near record highs. Looking ahead, firms were still very optimistic that conditions would improve over the next six months.

Growth Remains Solid

Manufacturing activity continued to grow at a solid clip in New York State,

according to the October survey. The general business conditions index fell fifteen points to 19.8. Thirty-nine percent of respondents reported that conditions had improved over the month, while nearly 20 percent reported that conditions had worsened. The new orders index declined nine points to 24.3, and the shipments index moved down eighteen points to 8.9, indicating that growth slowed in both orders and shipments. The unfilled orders index was little changed at 18.5. The delivery times index inched up to a record high of 38.0, indicating significantly longer delivery times. Inventories increased modestly.

Ongoing Widespread Price Increases

The prices paid index rose three points to 78.7 and the prices received

index fell four points to 43.5, with both indexes holding near record highs. The index for number of employees came in at 17.1 and the average workweek index declined nine points to 15.3, pointing to ongoing gains in employment and hours worked.

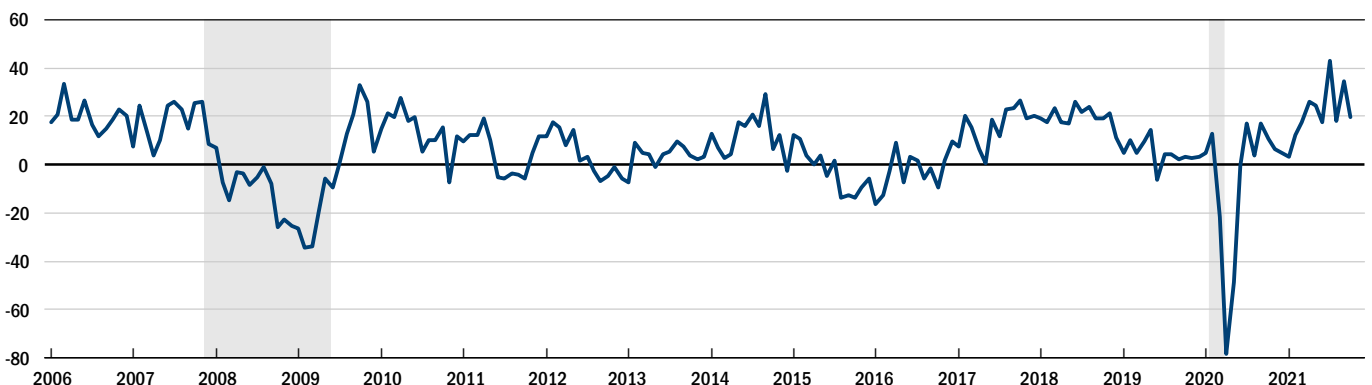
Outlook Improves

The index for future business conditions increased four points to 52.0, indicating continuing optimism about the six-month outlook. New orders and shipments are both expected to increase strongly in the months ahead. Substantial increases in employment and prices are also expected. Both capital spending and technology spending increased significantly. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

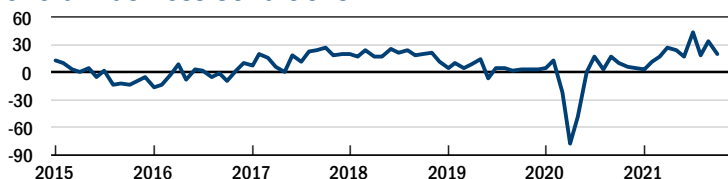


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

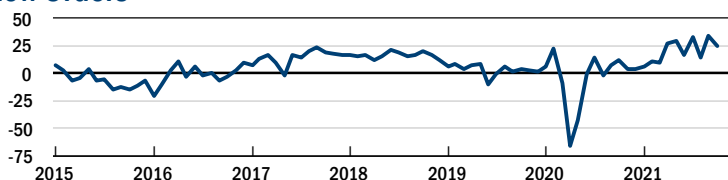
Change from Preceding Month

General Business Conditions



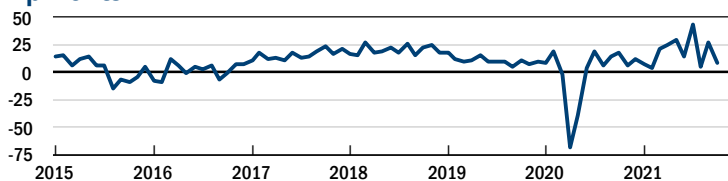
	Percent Reporting		Index
	Higher	Lower	
Sep	45.9	11.6	34.3
Oct	39.4	19.5	19.8
Change			-14.5

New Orders



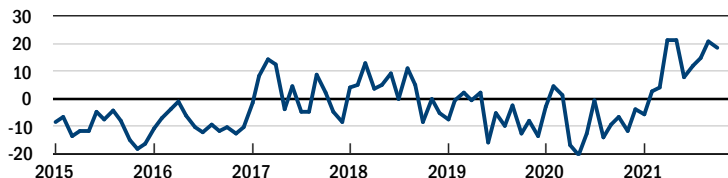
	Percent Reporting		Index
	Higher	Lower	
Sep	46.5	12.9	33.7
Oct	42.7	18.4	24.3
Change			-9.4

Shipments



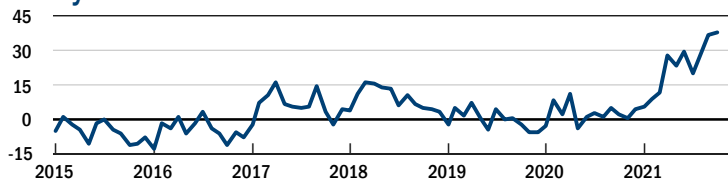
	Percent Reporting		Index
	Higher	Lower	
Sep	42.0	15.2	26.9
Oct	30.6	21.7	8.9
Change			-18.0

Unfilled Orders



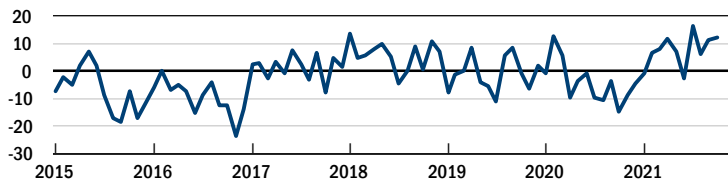
	Percent Reporting		Index
	Higher	Lower	
Sep	38.3	17.4	20.9
Oct	34.3	15.7	18.5
Change			-2.4

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	43.5	7.0	36.5
Oct	44.4	6.5	38.0
Change			1.5

Inventories

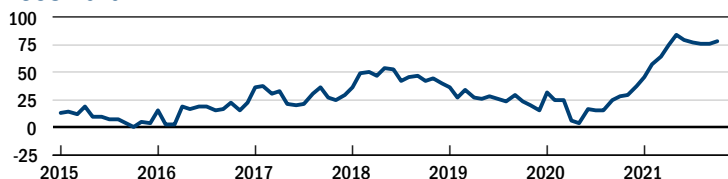


	Percent Reporting		Index
	Higher	Lower	
Sep	29.6	18.3	11.3
Oct	27.8	15.7	12.0
Change			0.7

Current Indicators, *continued*

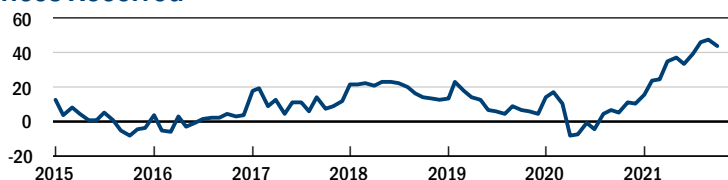
Change from Preceding Month

Prices Paid



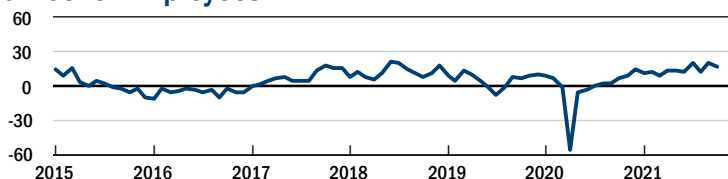
	Percent Reporting		Index
	Higher	Lower	
Sep	76.5	0.9	75.7
Oct	80.6	1.9	78.7
Change			3.0

Prices Received



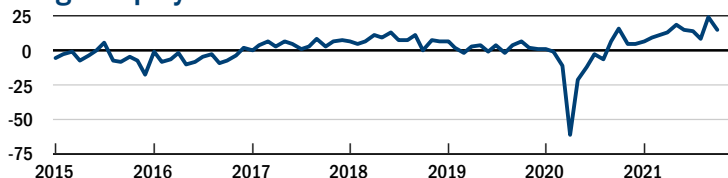
	Percent Reporting		Index
	Higher	Lower	
Sep	50.4	2.6	47.8
Oct	46.3	2.8	43.5
Change			-4.3

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Sep	26.1	5.5	20.5
Oct	23.6	6.5	17.1
Change			-3.4

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Sep	24.9	0.7	24.3
Oct	19.9	4.6	15.3
Change			-9.0

Note: Data are seasonally adjusted.

Forward-Looking Indicators

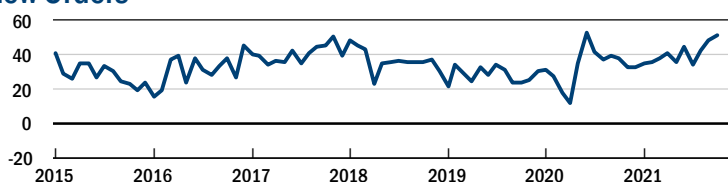
Expectations Six Months Ahead

General Business Conditions



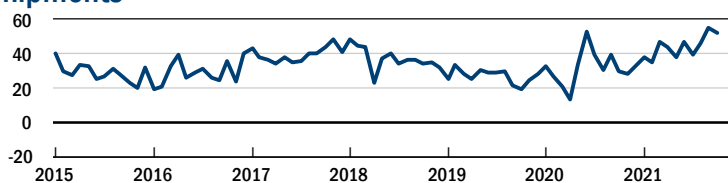
	Percent Reporting		Index
	Higher	Lower	
Sep	59.8	11.4	48.4
Oct	60.8	8.8	52.0
Change			3.6

New Orders



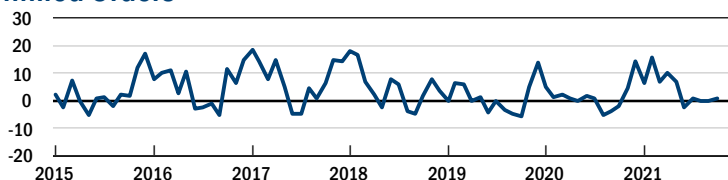
	Percent Reporting		Index
	Higher	Lower	
Sep	60.3	11.9	48.4
Oct	63.3	12.3	51.0
Change			2.6

Shipments



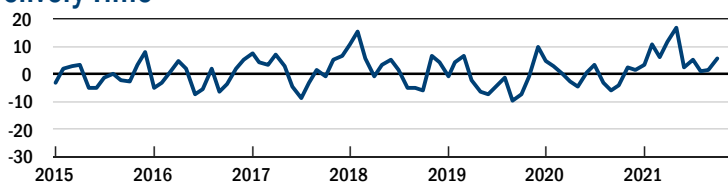
	Percent Reporting		Index
	Higher	Lower	
Sep	64.3	9.6	54.7
Oct	62.8	10.5	52.3
Change			-2.4

Unfilled Orders



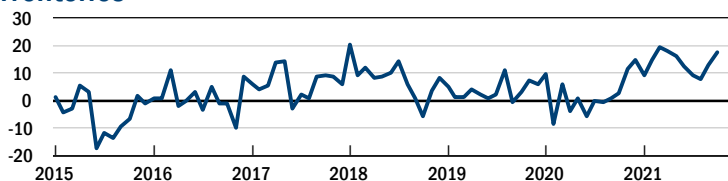
	Percent Reporting		Index
	Higher	Lower	
Sep	21.7	21.7	0.0
Oct	20.4	19.4	0.9
Change			0.9

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	24.3	22.6	1.7
Oct	25.9	20.4	5.6
Change			3.9

Inventories

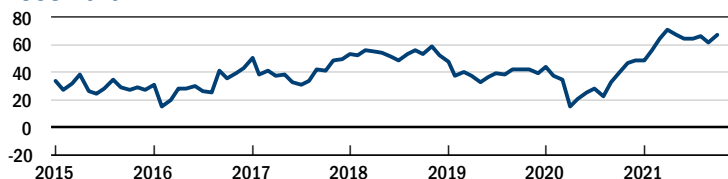


	Percent Reporting		Index
	Higher	Lower	
Sep	29.6	16.5	13.0
Oct	30.6	13.0	17.6
Change			4.6

Forward-Looking Indicators, *continued*

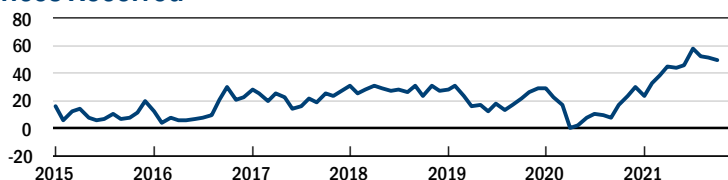
Expectations Six Months Ahead

Prices Paid



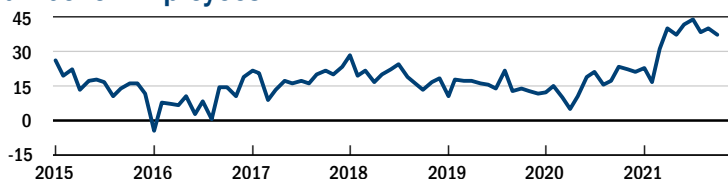
	Percent Reporting		Index
	Higher	Lower	
Sep	69.6	7.8	61.7
Oct	71.3	3.7	67.6
Change			5.9

Prices Received



	Percent Reporting		Index
	Higher	Lower	
Sep	56.5	5.2	51.3
Oct	55.6	5.6	50.0
Change			-1.3

Number of Employees



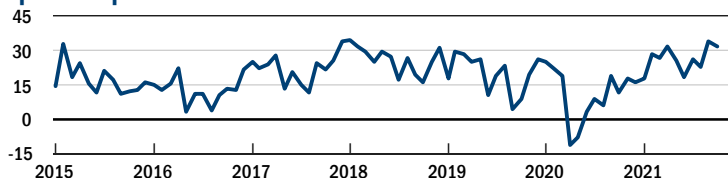
	Percent Reporting		Index
	Higher	Lower	
Sep	46.1	5.8	40.3
Oct	44.0	6.9	37.1
Change			-3.2

Average Employee Workweek



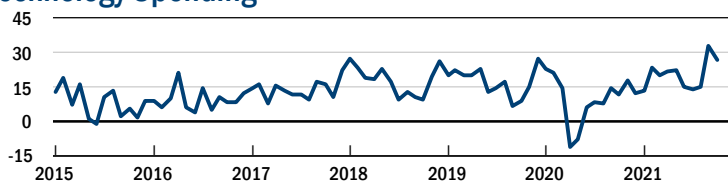
	Percent Reporting		Index
	Higher	Lower	
Sep	20.9	12.2	8.7
Oct	20.4	10.2	10.2
Change			1.5

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	40.9	7.0	33.9
Oct	39.8	8.3	31.5
Change			-2.4

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Sep	36.5	3.5	33.0
Oct	31.5	4.6	26.9
Change			-6.1

Note: Data are seasonally adjusted.