

Empire State Manufacturing Survey

Survey responses were collected between April 2 and April 9.

Business activity declined modestly in New York State in April, according to firms responding to the *Empire State Manufacturing Survey*. After dropping steeply last month, the headline general business conditions index rose twelve points but remained below zero at -8.1. New orders fell modestly, and shipments edged lower. Delivery times held steady, and supply availability worsened. Inventories continued to expand. Employment was little changed, while the average workweek moved lower. Input price increases and selling price increases picked up to the fastest pace in more than two years. Firms turned pessimistic about the outlook, with the future general business conditions index falling to its second lowest reading in the more than twenty-year history of the survey.

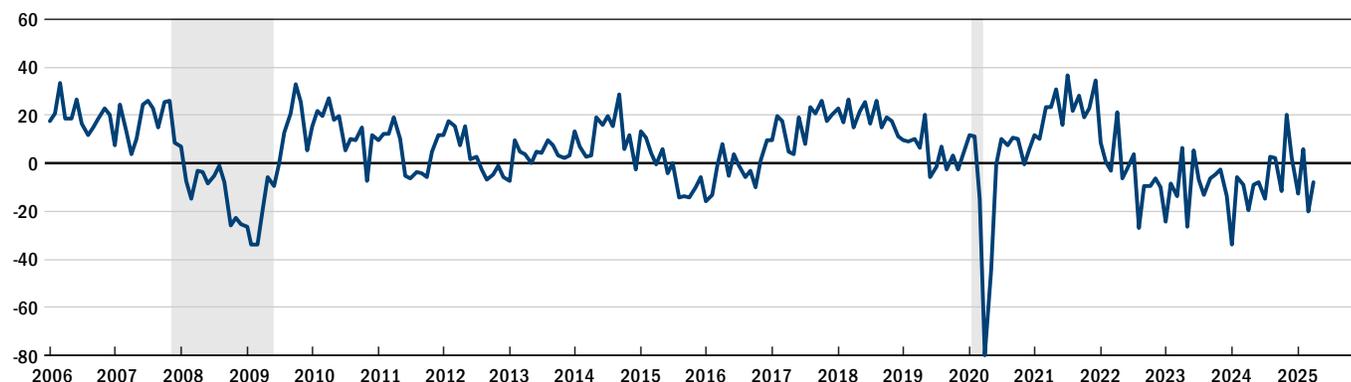
Activity Continues to Contract

Manufacturing activity fell for a second consecutive month in New York State, according to the April survey. After dropping twenty-six points last month, the general business conditions index climbed twelve points but remained below zero at -8.1. The new orders and shipments indexes also held below zero at -8.8 and -2.9,

General Business Conditions

Seasonally Adjusted

Diffusion Index



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

ECONOMIST COMMENTARY

“After declining sharply last month, business activity continued to contract modestly in New York State in April. Input and selling price increases picked up to the fastest pace in more than two years. Firms turned pessimistic about the outlook for the first time since 2022.”

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

respectively, pointing to ongoing declines in both orders and shipments. Unfilled orders edged up slightly. The inventories index came in at 7.4, signaling that business inventories continued to expand. Delivery times were unchanged, while the supply availability index fell to -5.7, suggesting supply availability was somewhat lower.

Price Increases Accelerate

The index for number of employees came in at -2.6, while the average workweek index fell to -9.1, pointing to little change in employment levels but a decline in hours worked. Both price indexes climbed for a fourth consecutive month to their highest levels in more than two years: the prices

paid index rose six points to 50.8, and the prices received index rose six points to 28.7.

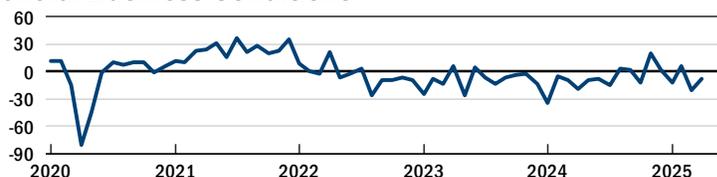
Firms Turn Pessimistic

Firms expect conditions to worsen in the months ahead, a level of pessimism that has only occurred a handful of times in the history of the survey. The index for future general business conditions fell twenty points to -7.4; the index has fallen a cumulative forty-four points over the past three months. New orders and shipments are expected to fall slightly in the months ahead. Capital spending plans were flat. Input and selling price increases are expected to pick up, and supply availability is expected to worsen over the next six months. ■

Current Indicators

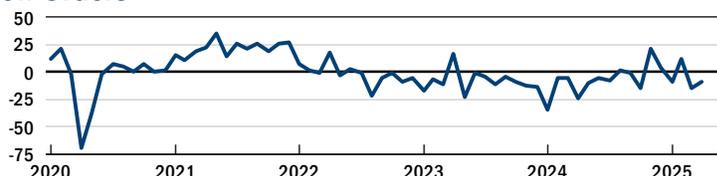
Change from Preceding Month

General Business Conditions



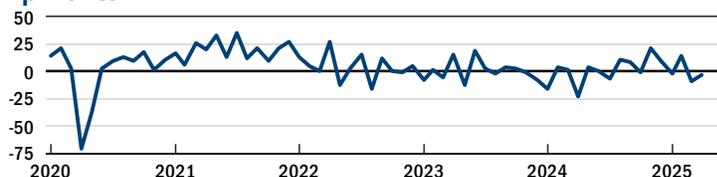
	Percent Reporting		Index
	Higher	Lower	
Mar	19.0	39.1	-20.0
Apr	27.1	35.1	-8.1
Change			11.9

New Orders



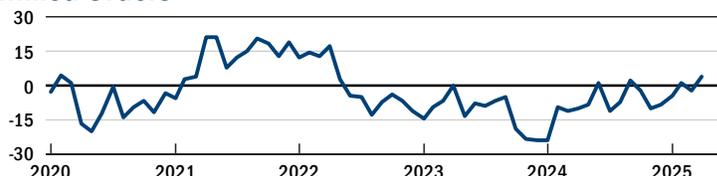
	Percent Reporting		Index
	Higher	Lower	
Mar	25.3	40.2	-14.9
Apr	27.4	36.2	-8.8
Change			6.1

Shipments



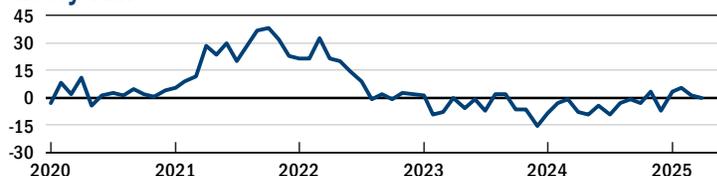
	Percent Reporting		Index
	Higher	Lower	
Mar	25.2	33.6	-8.5
Apr	23.2	26.1	-2.9
Change			5.6

Unfilled Orders



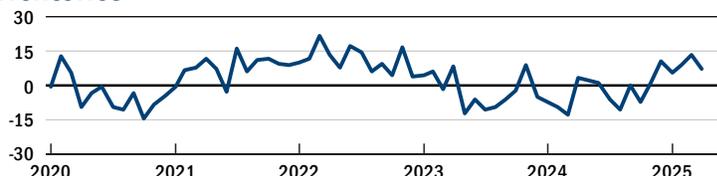
	Percent Reporting		Index
	Higher	Lower	
Mar	14.3	16.3	-2.0
Apr	17.2	13.1	4.1
Change			6.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Mar	13.3	12.2	1.0
Apr	10.7	10.7	0.0
Change			-1.0

Inventories

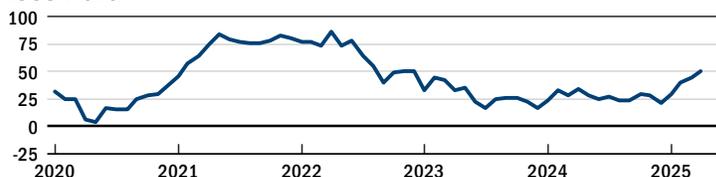


	Percent Reporting		Index
	Higher	Lower	
Mar	25.5	12.2	13.3
Apr	23.0	15.6	7.4
Change			-5.9

Current Indicators, *continued*

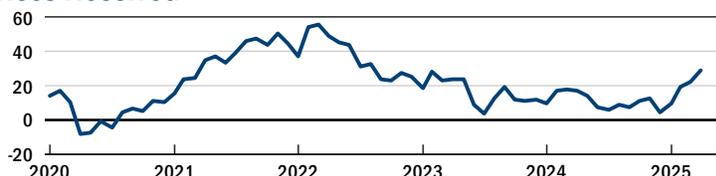
Change from Preceding Month

Prices Paid



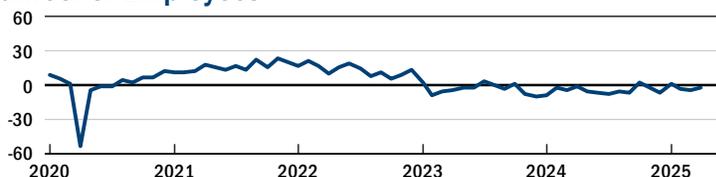
	Percent Reporting		Index
	Higher	Lower	
Mar	45.9	1.0	44.9
Apr	54.9	4.1	50.8
Change			5.9

Prices Received



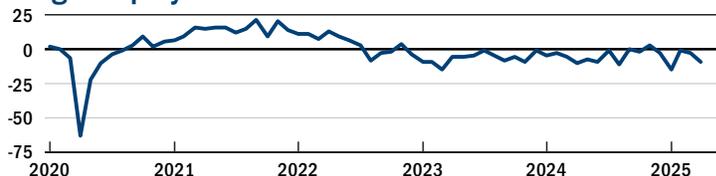
	Percent Reporting		Index
	Higher	Lower	
Mar	26.5	4.1	22.4
Apr	32.8	4.1	28.7
Change			6.3

Number of Employees



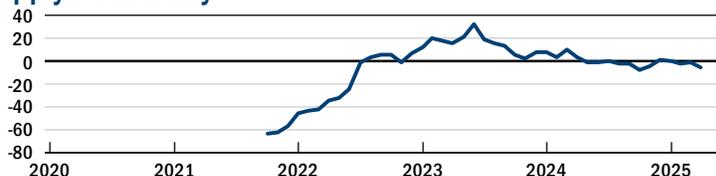
	Percent Reporting		Index
	Higher	Lower	
Mar	9.4	13.5	-4.1
Apr	12.1	14.7	-2.6
Change			1.5

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Mar	9.7	12.2	-2.5
Apr	7.8	16.9	-9.1
Change			-6.6

Supply Availability



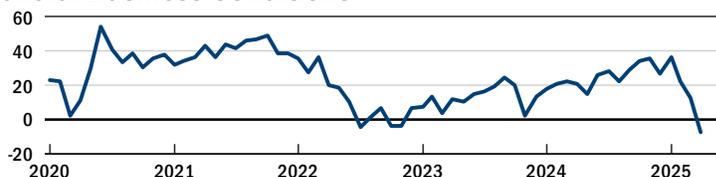
	Percent Reporting		Index
	Higher	Lower	
Mar	3.1	4.1	-1.0
Apr	4.9	10.7	-5.7
Change			-4.7

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

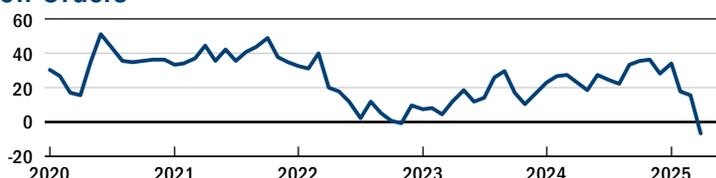
Expectations Six Months Ahead

General Business Conditions



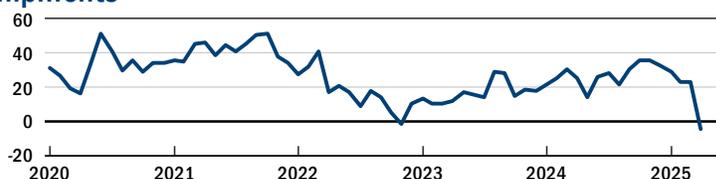
	Percent Reporting		Index
	Higher	Lower	
Mar	41.6	28.9	12.7
Apr	35.0	42.5	-7.4
Change			-20.1

New Orders



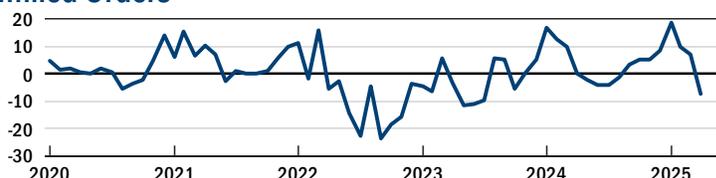
	Percent Reporting		Index
	Higher	Lower	
Mar	41.8	26.4	15.5
Apr	34.5	41.1	-6.6
Change			-22.1

Shipments



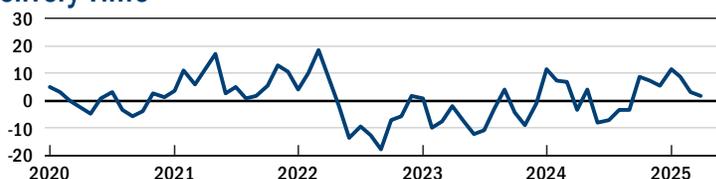
	Percent Reporting		Index
	Higher	Lower	
Mar	43.0	20.0	23.0
Apr	33.5	38.4	-4.8
Change			-27.8

Unfilled Orders



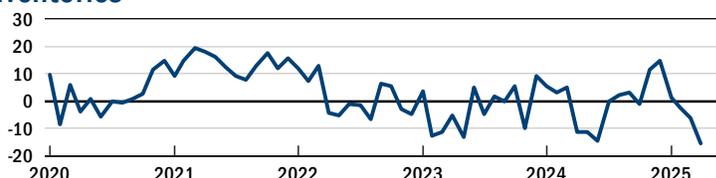
	Percent Reporting		Index
	Higher	Lower	
Mar	16.3	9.2	7.1
Apr	12.3	19.7	-7.4
Change			-14.5

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Mar	14.3	11.2	3.1
Apr	14.8	13.1	1.6
Change			-1.5

Inventories

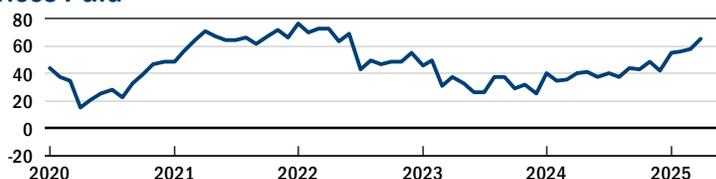


	Percent Reporting		Index
	Higher	Lower	
Mar	17.3	23.5	-6.1
Apr	15.6	31.1	-15.6
Change			-9.5

Forward-Looking Indicators, *continued*

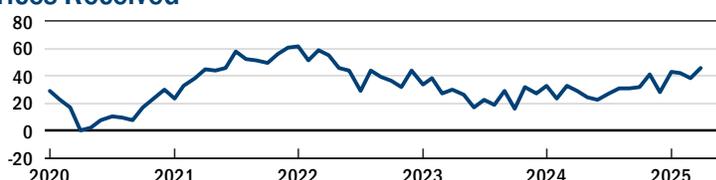
Expectations Six Months Ahead

Prices Paid



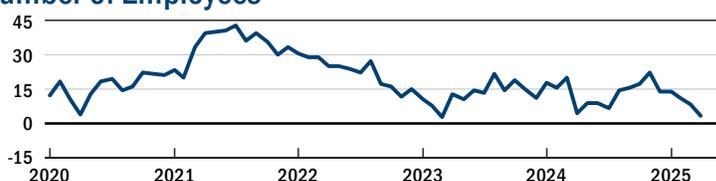
	Percent Reporting		Index
	Higher	Lower	
Mar	60.2	2.0	58.2
Apr	70.5	4.9	65.6
Change			7.4

Prices Received



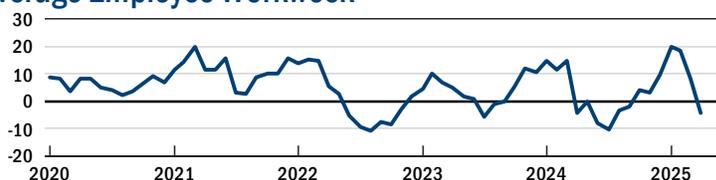
	Percent Reporting		Index
	Higher	Lower	
Mar	44.9	6.1	38.8
Apr	53.3	7.4	45.9
Change			7.1

Number of Employees



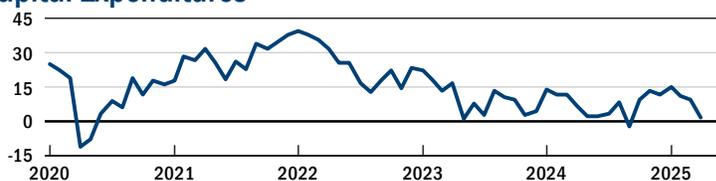
	Percent Reporting		Index
	Higher	Lower	
Mar	20.4	12.2	8.2
Apr	22.1	18.6	3.4
Change			-4.8

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Mar	16.3	8.2	8.2
Apr	11.5	15.6	-4.1
Change			-12.3

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Mar	23.5	14.3	9.2
Apr	23.8	22.1	1.6
Change			-7.6

Supply Availability



The Empire survey began asking about expected supply availability in May 2024.

	Percent Reporting		Index
	Higher	Lower	
Mar	5.1	11.2	-6.1
Apr	5.7	23.8	-18.0
Change			-11.9

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.