

# Empire State Manufacturing Survey

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

Business activity continued to decline in New York State, according to firms responding to the May 2024 *Empire State Manufacturing Survey*. The headline general business conditions index was little changed at -15.6. New orders declined significantly, while shipments held steady. Unfilled orders continued to decline. Delivery times shortened, and inventories were little changed. Labor market conditions remained weak, with employment and hours worked continuing to move lower. The pace of input and selling price increases moderated slightly. Though firms expect conditions to improve over the next six months, optimism was subdued.

## Activity Remains Sluggish

Manufacturing activity continued to contract in New York State, according to the May survey. The general business conditions index came in at -15.6, similar to last month's reading. The new orders index was unchanged at -16.5, pointing to an ongoing significant decline in orders, while the shipments

### ECONOMIST COMMENTARY

“Manufacturing conditions remained sluggish in New York State in May, with activity and orders continuing to decline. Labor market conditions were also weak, as employment and hours worked both fell.”

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

index climbed to -1.2, suggesting that shipments held steady. Unfilled orders continued to fall modestly. The inventories index came in at 2.0, indicating that inventories were steady, and the delivery times index inched down to -9.1, suggesting that delivery times shortened.

## Employment Continues to Edge Down

The index for number of employees came in at -6.4, and the average workweek index moved up to -5.8, pointing to an ongoing decline in employment levels and hours worked. The prices paid index retreated five points to 28.3, and the prices received index declined three

points to 14.1, indicating that price increases moderated slightly.

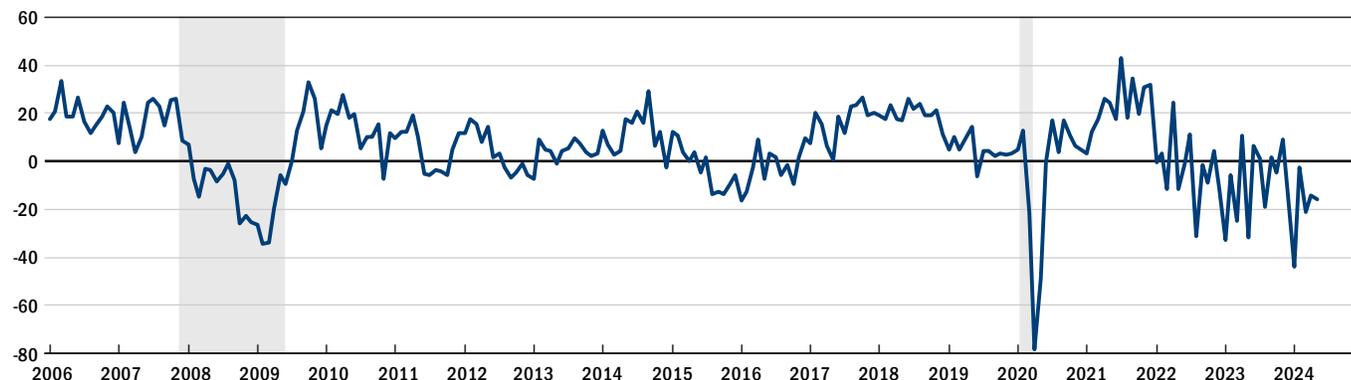
## Firms Not Very Confident about the Outlook

Optimism about the outlook remained subdued. The index for future business conditions edged down two points to 14.5, with about a quarter of respondents expecting conditions to be worse in six months, though 40 percent expect improvement. The outlook for employment growth remained weak, and inventories are expected to fall. The capital spending index fell to 2.0, suggesting that capital spending plans remained soft. ■

## General Business Conditions

Seasonally Adjusted

Diffusion Index

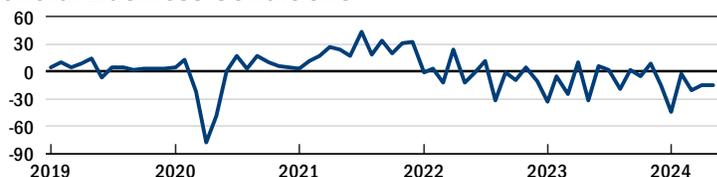


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

# Current Indicators

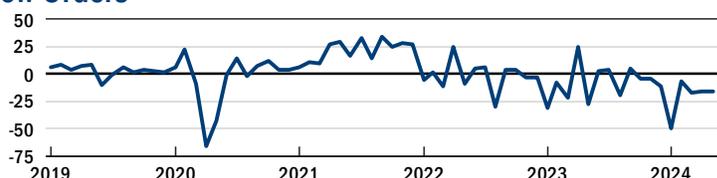
Change from Preceding Month

## General Business Conditions



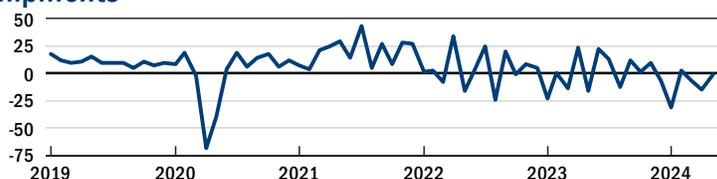
	Percent Reporting		Index
	Higher	Lower	
Apr	23.8	38.1	-14.3
May	21.4	37.0	-15.6
Change			-1.3

## New Orders



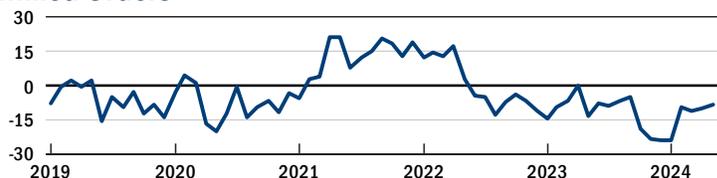
	Percent Reporting		Index
	Higher	Lower	
Apr	24.3	40.5	-16.2
May	25.1	41.7	-16.5
Change			-0.3

## Shipments



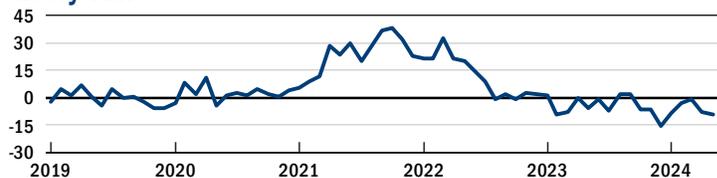
	Percent Reporting		Index
	Higher	Lower	
Apr	21.6	36.0	-14.4
May	29.2	30.4	-1.2
Change			13.2

## Unfilled Orders



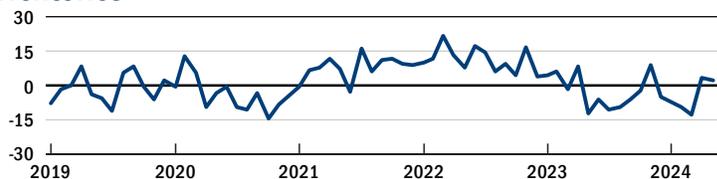
	Percent Reporting		Index
	Higher	Lower	
Apr	14.6	24.7	-10.1
May	11.1	19.2	-8.1
Change			2.0

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Apr	9.0	16.9	-7.9
May	6.1	15.2	-9.1
Change			-1.2

## Inventories

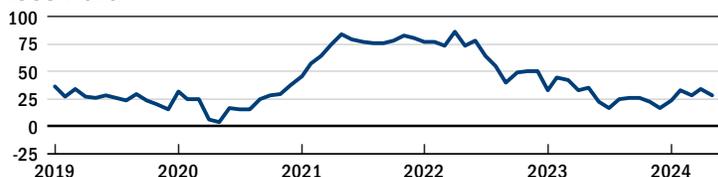


	Percent Reporting		Index
	Higher	Lower	
Apr	20.2	16.9	3.4
May	20.2	18.2	2.0
Change			-1.4

# Current Indicators, *continued*

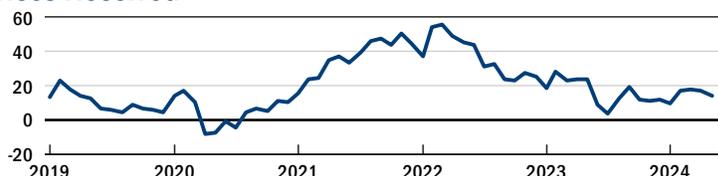
Change from Preceding Month

## Prices Paid



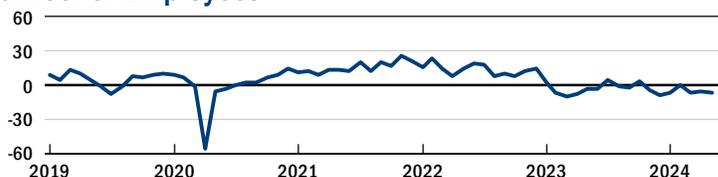
	Percent Reporting		Index
	Higher	Lower	
Apr	36.0	2.2	33.7
May	34.3	6.1	28.3
Change			-5.4

## Prices Received



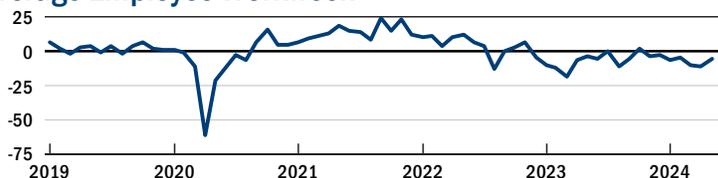
	Percent Reporting		Index
	Higher	Lower	
Apr	20.2	3.4	16.9
May	20.2	6.1	14.1
Change			-2.8

## Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Apr	12.7	17.7	-5.1
May	9.2	15.6	-6.4
Change			-1.3

## Average Employee Workweek



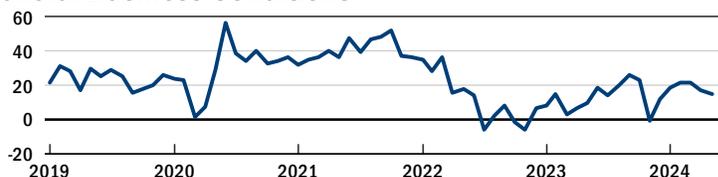
	Percent Reporting		Index
	Higher	Lower	
Apr	5.4	16.0	-10.6
May	9.6	15.4	-5.8
Change			4.8

Note: Data are seasonally adjusted.

# Forward-Looking Indicators

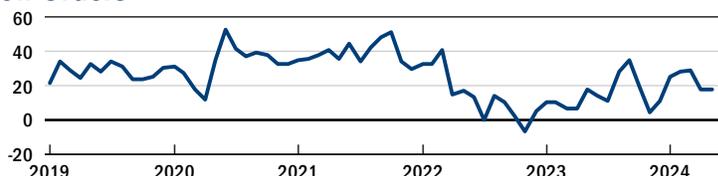
Expectations Six Months Ahead

## General Business Conditions



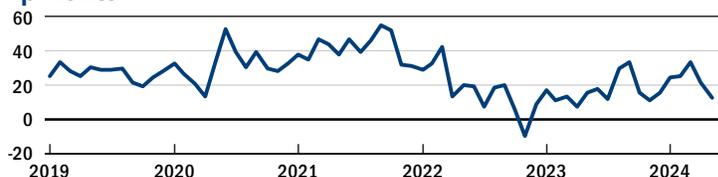
	Percent Reporting		Index
	Higher	Lower	
Apr	37.4	20.7	16.7
May	40.0	25.5	14.5
Change			-2.2

## New Orders



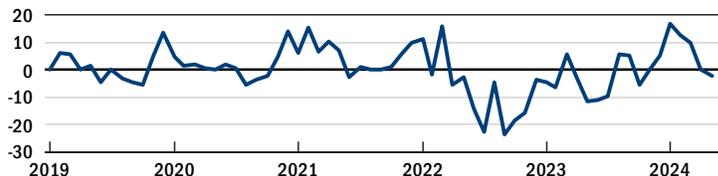
	Percent Reporting		Index
	Higher	Lower	
Apr	39.3	21.4	17.9
May	40.3	22.6	17.7
Change			-0.2

## Shipments



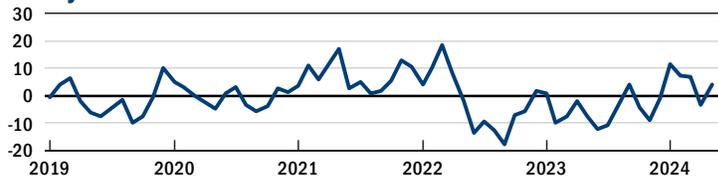
	Percent Reporting		Index
	Higher	Lower	
Apr	39.0	17.2	21.8
May	38.3	25.7	12.6
Change			-9.2

## Unfilled Orders



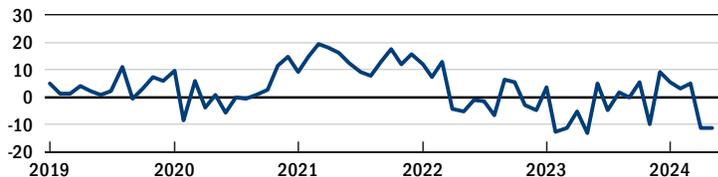
	Percent Reporting		Index
	Higher	Lower	
Apr	13.5	13.5	0.0
May	15.2	17.2	-2.0
Change			-2.0

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Apr	10.1	13.5	-3.4
May	13.1	9.1	4.0
Change			7.4

## Inventories

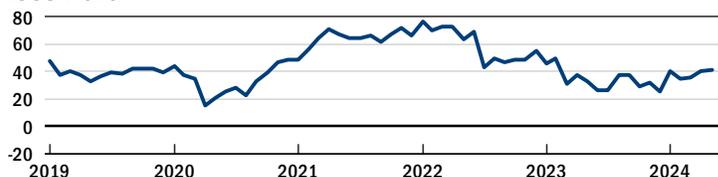


	Percent Reporting		Index
	Higher	Lower	
Apr	12.4	23.6	-11.2
May	13.1	24.2	-11.1
Change			0.1

# Forward-Looking Indicators, *continued*

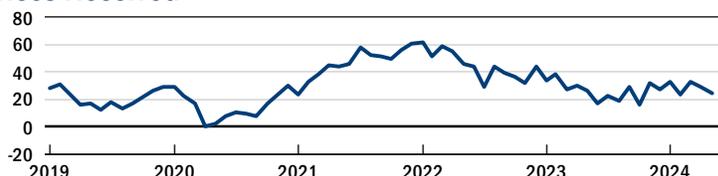
Expectations Six Months Ahead

## Prices Paid



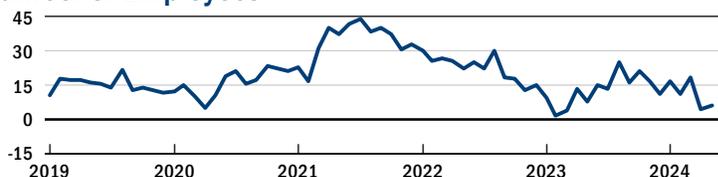
	Percent Reporting		Index
	Higher	Lower	
Apr	43.8	3.4	40.4
May	43.4	2.0	41.4
Change			1.0

## Prices Received



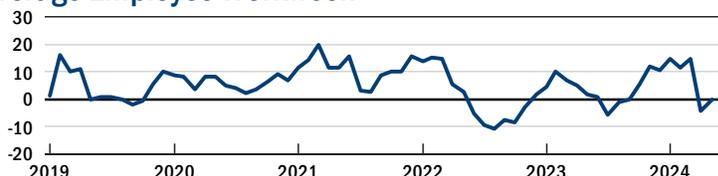
	Percent Reporting		Index
	Higher	Lower	
Apr	34.8	5.6	29.2
May	29.3	5.1	24.2
Change			-5.0

## Number of Employees



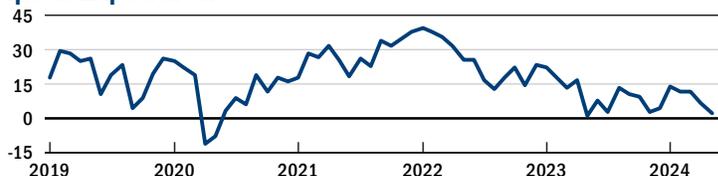
	Percent Reporting		Index
	Higher	Lower	
Apr	17.8	13.4	4.5
May	18.2	11.9	6.3
Change			1.8

## Average Employee Workweek



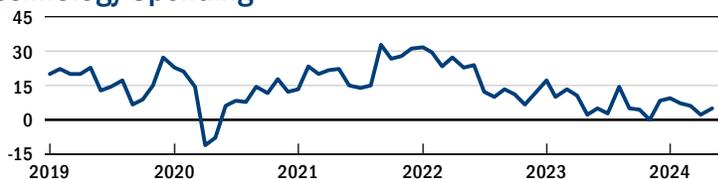
	Percent Reporting		Index
	Higher	Lower	
Apr	10.1	14.6	-4.5
May	14.1	14.1	0.0
Change			4.5

## Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Apr	21.3	14.6	6.7
May	24.2	22.2	2.0
Change			-4.7

## Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Apr	16.9	14.6	2.2
May	22.2	17.2	5.1
Change			2.9

Note: Data are seasonally adjusted.