

Empire State Manufacturing Survey

Note: Survey responses were collected between June 3 and June 10.

Business activity declined modestly in New York State, according to firms responding to the June 2024 *Empire State Manufacturing Survey*. The headline general business conditions index moved up ten points but remained below zero at -6.0. New orders held steady, while shipments inched higher. Delivery times shortened somewhat, and supply availability—a new monthly indicator now included in these reports—was little changed. Inventories were flat. Labor market conditions remained weak, with employment and hours worked continuing to contract. The pace of input and selling price increases moderated slightly for a second consecutive month. Despite current activity remaining weak, optimism about the six-month outlook picked up to its highest level in more than two years.

Activity Continues to Contract

Manufacturing activity fell modestly in New York State, according to the June survey. The general business conditions index rose ten points but was still in contractionary territory at -6.0. The new

ECONOMIST COMMENTARY

“Manufacturing conditions remained weak in New York State in June. Employment continued contracting, and capital spending plans remained flat. Despite lackluster conditions, optimism about the six-month outlook rose to its highest level in over two years.”

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

orders index climbed sixteen points to -1.0, suggesting orders were flat, while the shipments index moved up to 3.3, pointing to a small increase in shipments. Unfilled orders held steady. The inventories index came in at 1.0, indicating that inventories were level. The delivery times index remained below zero at -4.1, suggesting that delivery times shortened, while the supply availability index was -1.0, indicating supply availability was little changed.

Employment Continues to Move Lower

The index for number of employees came in at -8.7 and the average workweek index fell to -9.9, pointing to an ongoing decline

in employment levels and hours worked. The prices paid index retreated four points to 24.5, and the prices received index declined seven points to 7.1, its lowest level in about a year, indicating that price increases continued to moderate.

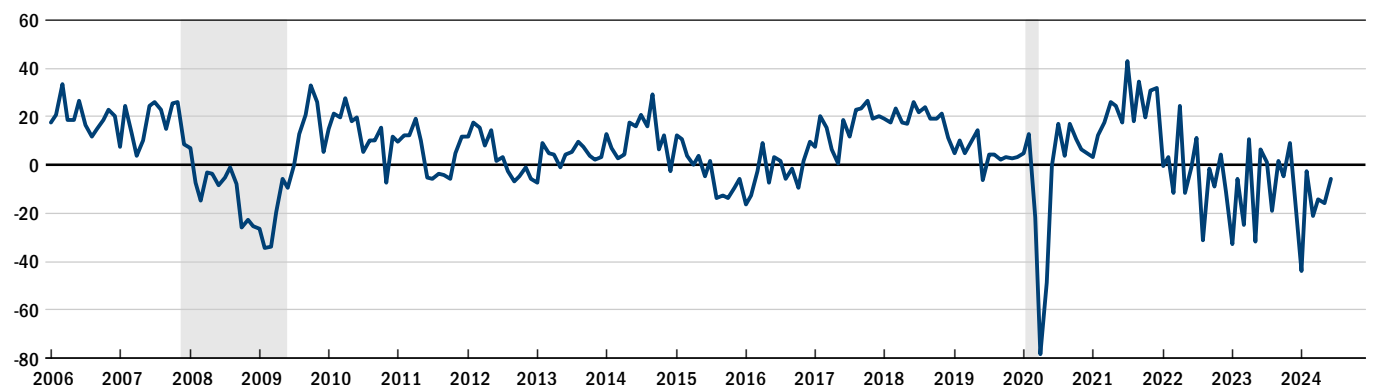
Optimism Climbs Sharply

Firms were more optimistic about the outlook than they have been in more than two years. The index for future business conditions climbed sixteen points to 30.1, with close to half of respondents expecting conditions to be better in six months. However, the outlook for employment growth remained weak, and capital spending plans still appeared sluggish. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

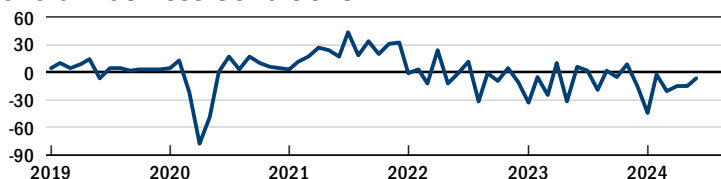


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

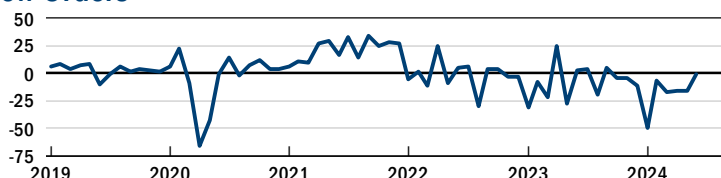
Change from Preceding Month

General Business Conditions



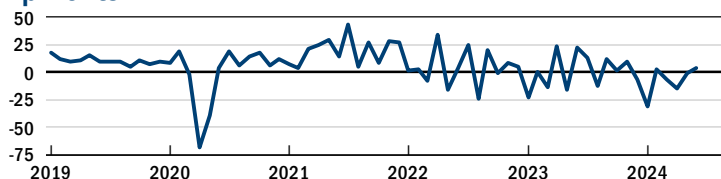
	Percent Reporting		Index
	Higher	Lower	
May	21.4	37.0	-15.6
Jun	30.2	36.3	-6.0
Change			9.6

New Orders



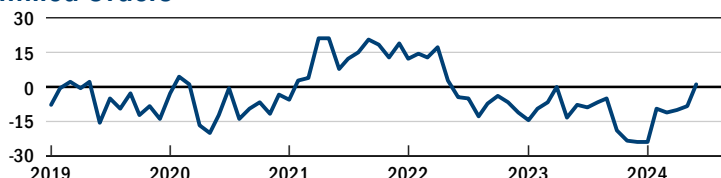
	Percent Reporting		Index
	Higher	Lower	
May	25.1	41.7	-16.5
Jun	30.6	31.7	-1.0
Change			15.5

Shipments



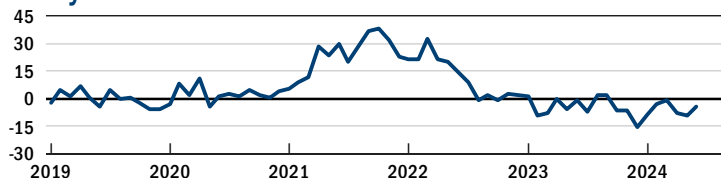
	Percent Reporting		Index
	Higher	Lower	
May	29.2	30.4	-1.2
Jun	32.7	29.4	3.3
Change			4.5

Unfilled Orders



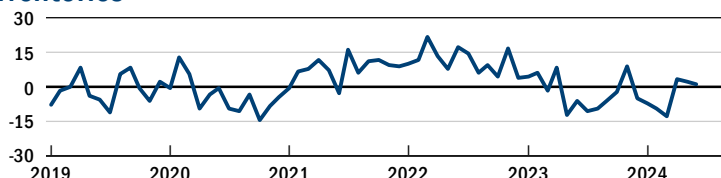
	Percent Reporting		Index
	Higher	Lower	
May	11.1	19.2	-8.1
Jun	16.3	15.3	1.0
Change			9.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	6.1	15.2	-9.1
Jun	11.2	15.3	-4.1
Change			5.0

Inventories

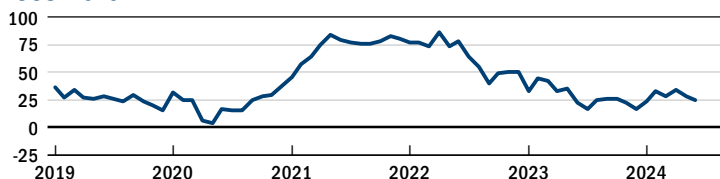


	Percent Reporting		Index
	Higher	Lower	
May	20.2	18.2	2.0
Jun	20.4	19.4	1.0
Change			-1.0

Current Indicators, *continued*

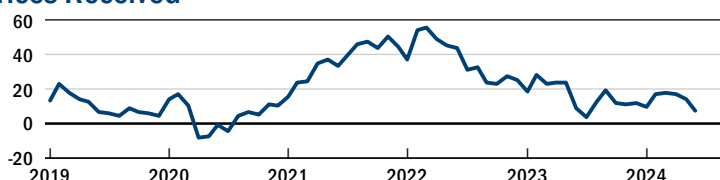
Change from Preceding Month

Prices Paid



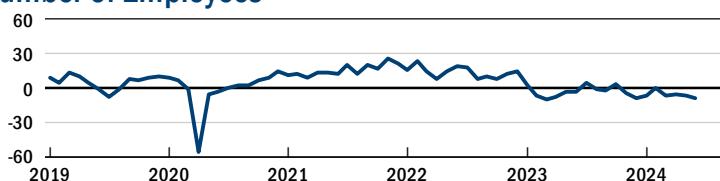
	Percent Reporting		Index
	Higher	Lower	
May	34.3	6.1	28.3
Jun	29.6	5.1	24.5
Change			-3.8

Prices Received



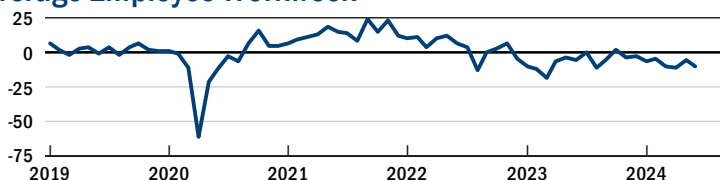
	Percent Reporting		Index
	Higher	Lower	
May	20.2	6.1	14.1
Jun	11.2	4.1	7.1
Change			-7.0

Number of Employees



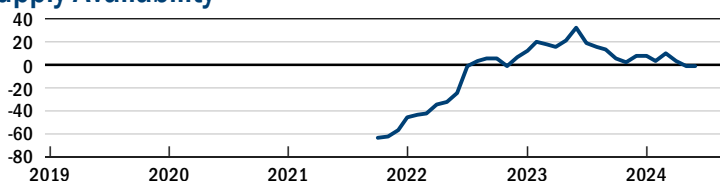
	Percent Reporting		Index
	Higher	Lower	
May	9.2	15.6	-6.4
Jun	6.5	15.2	-8.7
Change			-2.3

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
May	9.6	15.4	-5.8
Jun	5.4	15.3	-9.9
Change			-4.1

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
May	10.4	11.5	-1.1
Jun	5.1	6.1	-1.0
Change			0.1

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

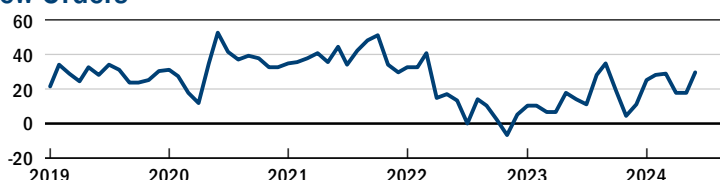
Expectations Six Months Ahead

General Business Conditions



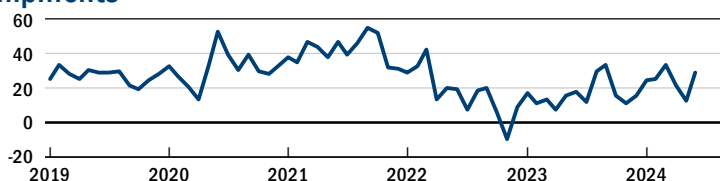
	Percent Reporting		Index
	Higher	Lower	
May	40.0	25.5	14.5
Jun	47.1	17.1	30.1
Change			15.6

New Orders



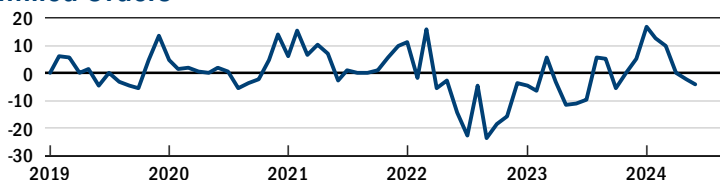
	Percent Reporting		Index
	Higher	Lower	
May	40.3	22.6	17.7
Jun	47.5	17.5	30.0
Change			12.3

Shipments



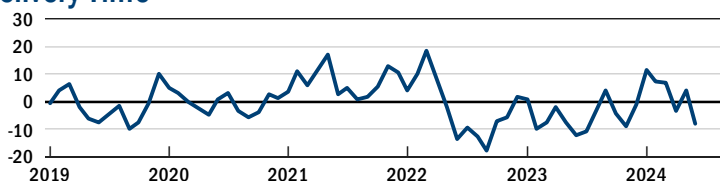
	Percent Reporting		Index
	Higher	Lower	
May	38.3	25.7	12.6
Jun	47.6	18.8	28.7
Change			16.1

Unfilled Orders



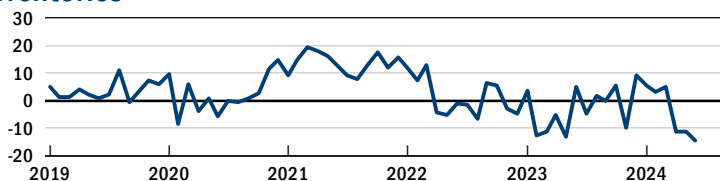
	Percent Reporting		Index
	Higher	Lower	
May	15.2	17.2	-2.0
Jun	14.3	18.4	-4.1
Change			-2.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
May	13.1	9.1	4.0
Jun	9.2	17.3	-8.2
Change			-12.2

Inventories

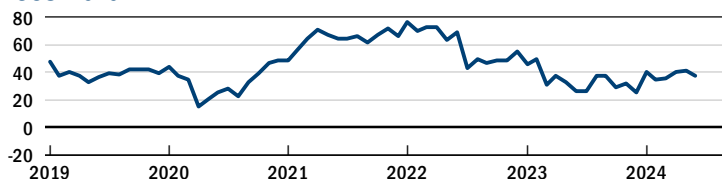


	Percent Reporting		Index
	Higher	Lower	
May	13.1	24.2	-11.1
Jun	11.2	25.5	-14.3
Change			-3.2

Forward-Looking Indicators, *continued*

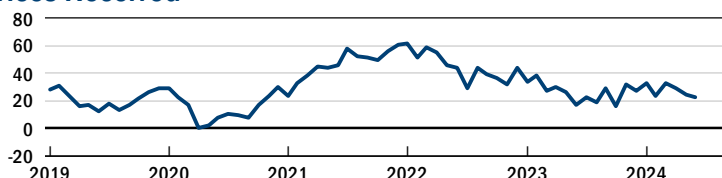
Expectations Six Months Ahead

Prices Paid



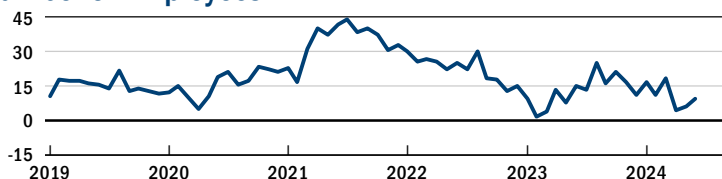
	Percent Reporting		Index
	Higher	Lower	
May	43.4	2.0	41.4
Jun	43.9	6.1	37.8
Change			-3.6

Prices Received



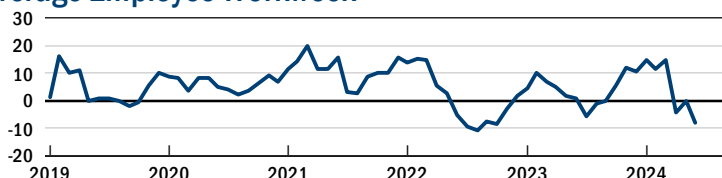
	Percent Reporting		Index
	Higher	Lower	
May	29.3	5.1	24.2
Jun	28.6	6.1	22.4
Change			-1.8

Number of Employees



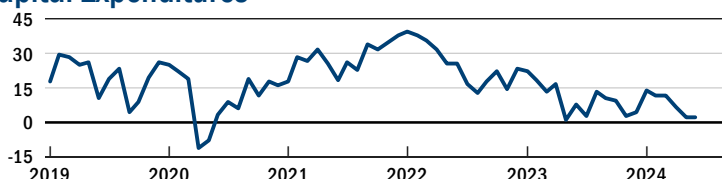
	Percent Reporting		Index
	Higher	Lower	
May	18.2	11.9	6.3
Jun	22.8	13.4	9.4
Change			3.1

Average Employee Workweek



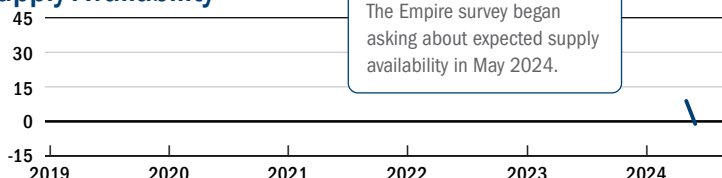
	Percent Reporting		Index
	Higher	Lower	
May	14.1	14.1	0.0
Jun	9.2	17.3	-8.2
Change			-8.2

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
May	24.2	22.2	2.0
Jun	18.4	16.3	2.0
Change			0.0

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
May	18.2	9.1	9.1
Jun	6.1	7.1	-1.0
Change			-10.1

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.