

Empire State Manufacturing Survey

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

Business activity edged slightly lower in New York State, according to firms responding to the August 2024 *Empire State Manufacturing Survey*. The headline general business conditions index was little changed at -4.7. New orders declined modestly, while shipments held steady. Delivery times continued to shorten, and supply availability was little changed. Inventories moved lower for a second consecutive month. Labor market conditions remained weak, with employment continuing to contract and the average workweek dropping sharply. Input prices increased at a slightly slower pace than last month, while selling price increases remained steady and small. Firms were fairly optimistic that conditions would improve in the months ahead.

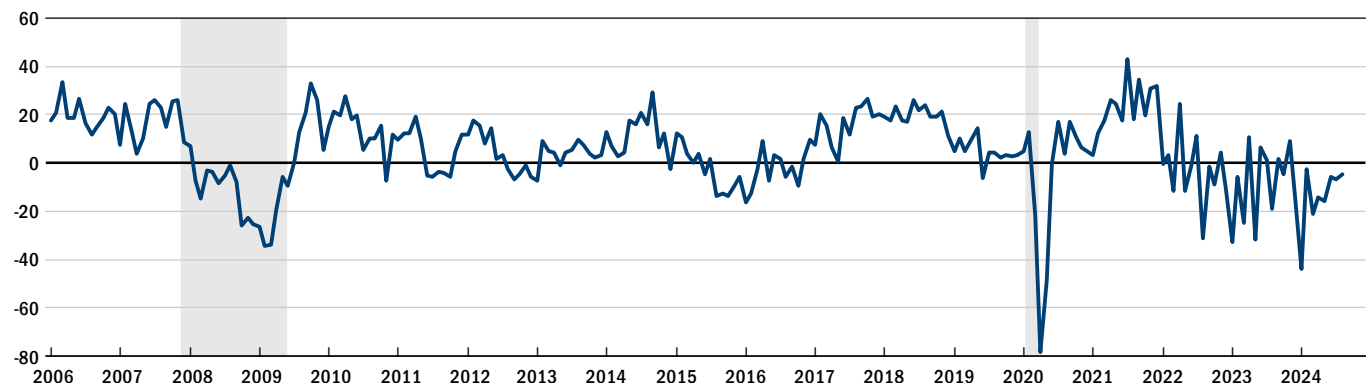
Conditions Remain Weak

Manufacturing activity continued to decline in New York State, according to the August survey. The general business conditions index came in at -4.7. The new orders index fell seven points to -7.9, pointing to a decline in orders, while the shipments index fell to around zero, suggesting shipments were flat.

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

“Manufacturing activity declined slightly in New York State in August, with new orders falling modestly. Labor market conditions remained weak, with a small decline in employment and a sharp drop in hours worked. Firms continued to be somewhat optimistic that conditions would improve in the months ahead.”

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

Unfilled orders continued to decrease. The inventories index fell to -10.6, indicating that inventories moved lower. The delivery times index remained below zero at -3.2, suggesting that delivery times continued to shorten, while the supply availability index came in at -2.1, a sign that supply availability was slightly lower.

Average Workweek Posts Sharp Decline

The index for number of employees was little changed at -6.7, pointing to another month of employment reductions, while the average workweek index dropped eighteen points to -17.8, signaling a sharp decline in hours worked. The prices paid index edged down three points to 23.4,

indicating a slight moderation in input price increases, while the prices received index edged up two points but remained low at 8.5, indicating that selling price increases were still modest.

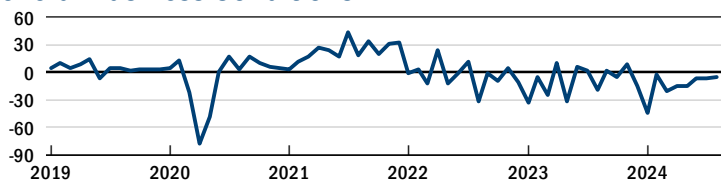
Firms Relatively Optimistic about Future Conditions

Firms remained fairly optimistic about the outlook. The index for future business conditions came in at 22.9, with 45 percent of respondents expecting conditions to improve over the next six months. The outlook for employment growth picked up, and capital spending plans, while sluggish, firmed somewhat compared to last month. ■

Current Indicators

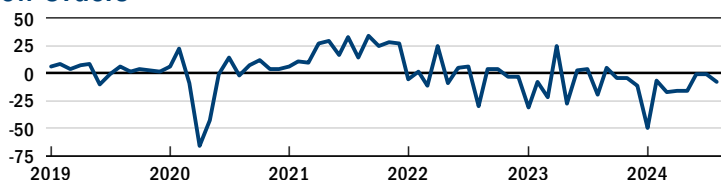
Change from Preceding Month

General Business Conditions



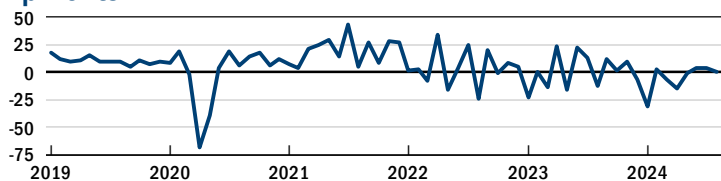
	Percent Reporting		Index
	Higher	Lower	
Jul	24.8	31.4	-6.6
Aug	28.5	33.2	-4.7
Change			1.9

New Orders



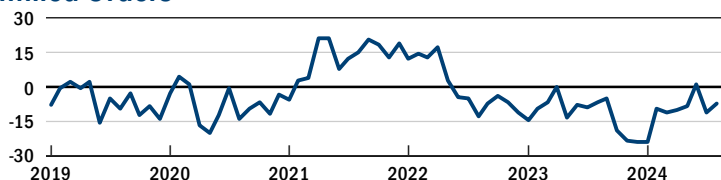
	Percent Reporting		Index
	Higher	Lower	
Jul	27.3	27.9	-0.6
Aug	30.0	37.8	-7.9
Change			-7.3

Shipments



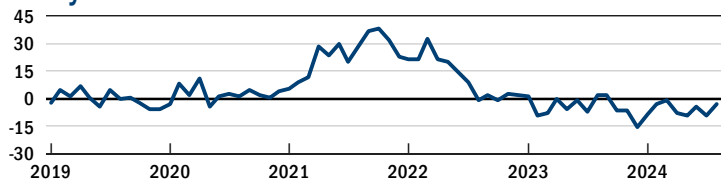
	Percent Reporting		Index
	Higher	Lower	
Jul	28.0	24.1	3.9
Aug	29.3	29.0	0.3
Change			-3.6

Unfilled Orders



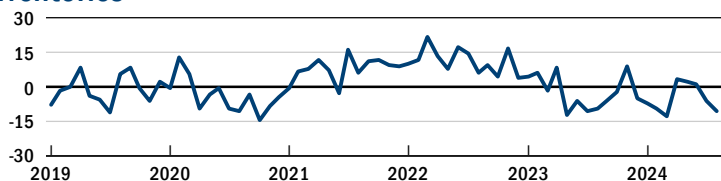
	Percent Reporting		Index
	Higher	Lower	
Jul	9.2	20.4	-11.2
Aug	13.8	21.3	-7.4
Change			3.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jul	8.2	17.3	-9.2
Aug	8.5	11.7	-3.2
Change			6.0

Inventories

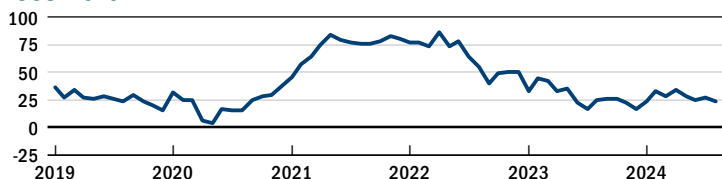


	Percent Reporting		Index
	Higher	Lower	
Jul	13.3	19.4	-6.1
Aug	18.1	28.7	-10.6
Change			-4.5

Current Indicators, *continued*

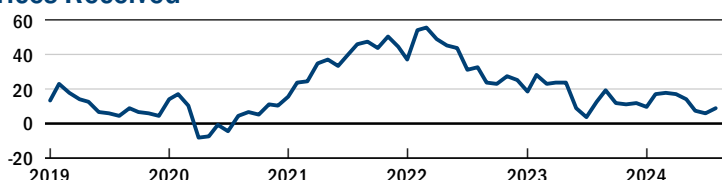
Change from Preceding Month

Prices Paid



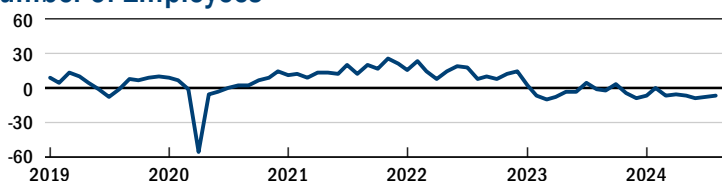
	Percent Reporting		Index
	Higher	Lower	
Jul	31.6	5.1	26.5
Aug	30.9	7.4	23.4
Change			-3.1

Prices Received



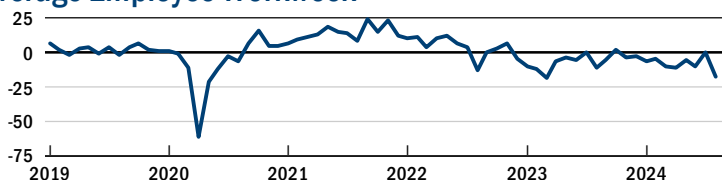
	Percent Reporting		Index
	Higher	Lower	
Jul	13.3	7.1	6.1
Aug	13.8	5.3	8.5
Change			2.4

Number of Employees



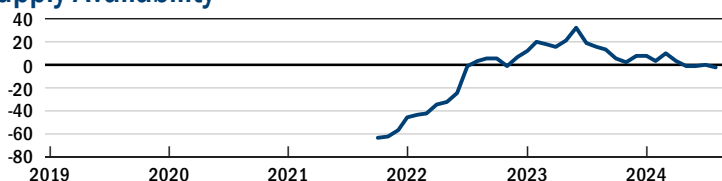
	Percent Reporting		Index
	Higher	Lower	
Jul	9.9	17.9	-7.9
Aug	10.2	16.9	-6.7
Change			1.2

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Jul	8.1	8.2	-0.1
Aug	7.0	24.7	-17.8
Change			-17.7

Supply Availability



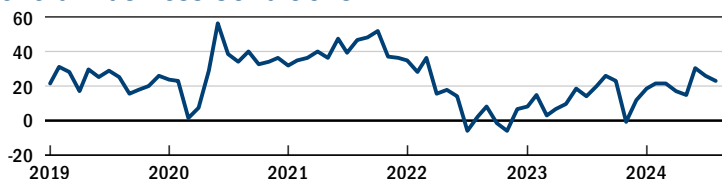
	Percent Reporting		Index
	Higher	Lower	
Jul	3.1	3.1	0.0
Aug	3.2	5.3	-2.1
Change			-2.1

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

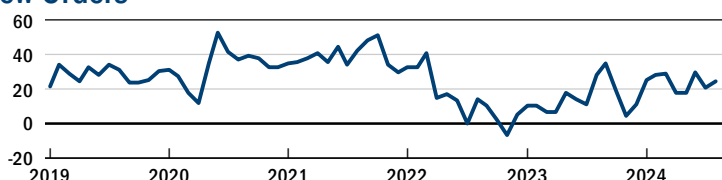
Expectations Six Months Ahead

General Business Conditions



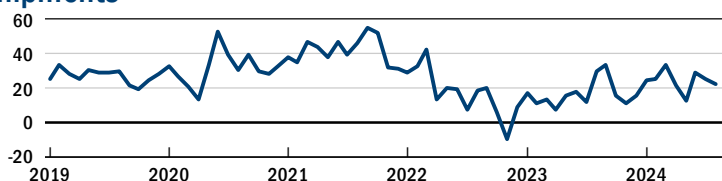
	Percent Reporting		Index
	Higher	Lower	
Jul	40.8	15.1	25.8
Aug	45.1	22.2	22.9
Change			-2.9

New Orders



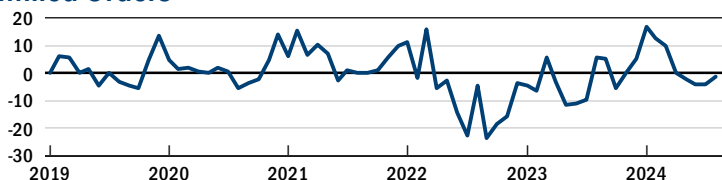
	Percent Reporting		Index
	Higher	Lower	
Jul	39.8	19.0	20.8
Aug	43.9	19.0	24.8
Change			4.0

Shipments



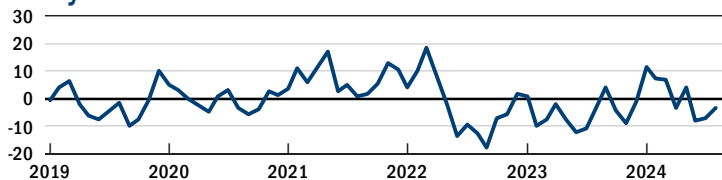
	Percent Reporting		Index
	Higher	Lower	
Jul	42.0	16.7	25.3
Aug	40.7	18.5	22.1
Change			-3.2

Unfilled Orders



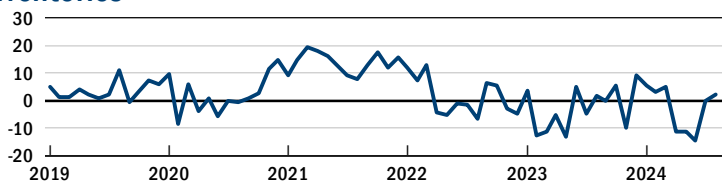
	Percent Reporting		Index
	Higher	Lower	
Jul	16.3	20.4	-4.1
Aug	17.0	18.1	-1.1
Change			3.0

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jul	10.2	17.3	-7.1
Aug	7.4	10.6	-3.2
Change			3.9

Inventories

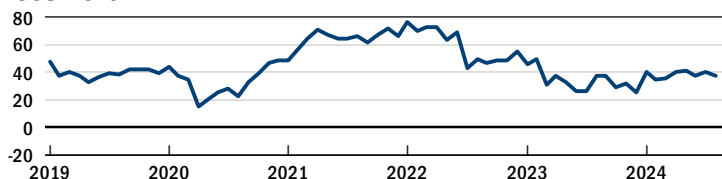


	Percent Reporting		Index
	Higher	Lower	
Jul	19.4	19.4	0.0
Aug	23.4	21.3	2.1
Change			2.1

Forward-Looking Indicators, *continued*

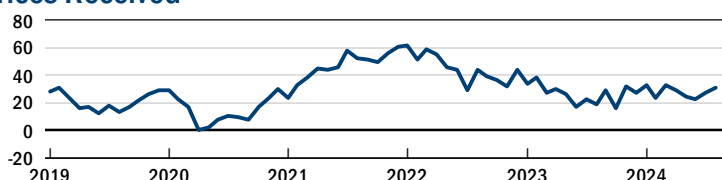
Expectations Six Months Ahead

Prices Paid



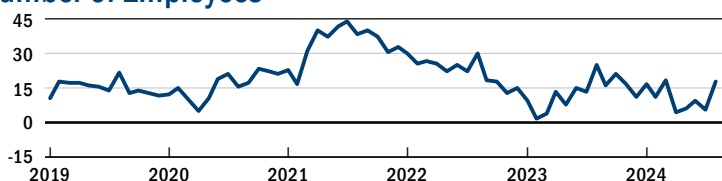
	Percent Reporting		Index
	Higher	Lower	
Jul	41.8	2.0	39.8
Aug	41.5	4.3	37.2
Change			-2.6

Prices Received



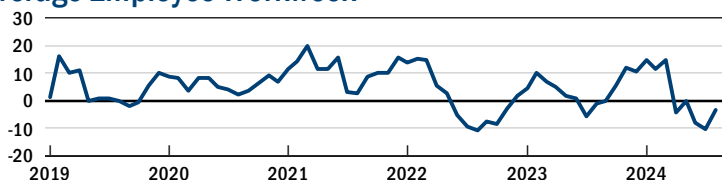
	Percent Reporting		Index
	Higher	Lower	
Jul	32.7	5.1	27.6
Aug	35.1	4.3	30.9
Change			3.3

Number of Employees



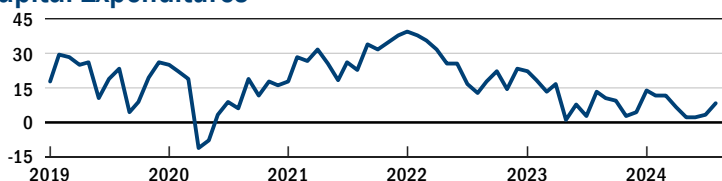
	Percent Reporting		Index
	Higher	Lower	
Jul	19.8	14.0	5.8
Aug	27.9	10.3	17.6
Change			11.8

Average Employee Workweek



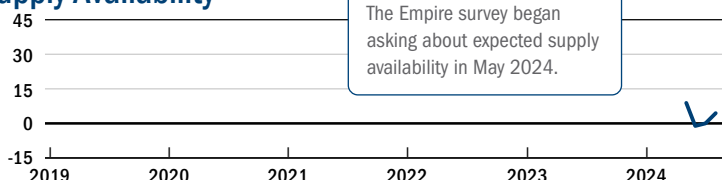
	Percent Reporting		Index
	Higher	Lower	
Jul	9.2	19.4	-10.2
Aug	9.6	12.8	-3.2
Change			7.0

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jul	16.3	13.3	3.1
Aug	21.3	12.8	8.5
Change			5.4

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jul	3.1	3.1	0.0
Aug	8.5	4.3	4.3
Change			4.3

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.