

# Empire State Manufacturing Survey

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

Business activity grew in New York State for the first time in nearly a year, according to firms responding to the September 2024 *Empire State Manufacturing Survey*. The headline general business conditions index rose sixteen points to 11.5. New orders climbed, and shipments grew significantly. Delivery times and supply availability were steady, and inventories levelled off. Labor market conditions remained soft, with employment continuing to contract modestly and the average workweek holding steady. The pace of input and selling price increases were little changed. Firms grew more optimistic that conditions would improve in the months ahead, though the capital spending index dipped below zero for the first time since 2020.

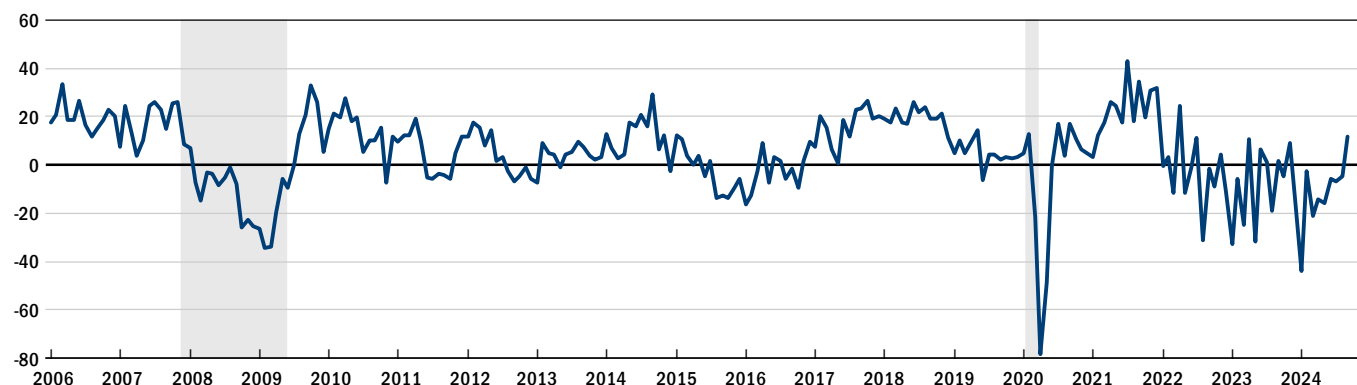
## Activity Perks Up

Manufacturing activity expanded in New York State for the first time since November of last year, according to the September survey. The general business conditions index rose sixteen points to 11.5. The new orders index climbed seventeen points to 9.4, a multi-year high, pointing to a modest increase in orders, while the shipments

## 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

“New York State manufacturing activity in September grew for the first time in nearly a year, with shipments increasing strongly. However, employment continued to decline modestly. Firms grew more optimistic that conditions would improve in the months ahead, though capital spending plans were weak.”

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

index rose eighteen points to 17.9, its highest level in about a year and a half, signaling strong growth in shipments. Unfilled orders were little changed. The inventories index rose eleven points to 0.0, indicating that inventories were level after declining for the prior two months. The delivery times index rose to -1.1, suggesting that delivery times were little changed, and the supply availability index came in at -2.1, a sign that supply availability was slightly lower.

## Price Increases Little Changed

The index for number of employees came in at -5.7, pointing to another month of modest employment reductions. After a steep drop

last month, the average workweek index recovered to 2.9, signaling a slight increase in hours worked. Price indexes were little changed: the prices paid index was 23.2, and the prices received index remained low at 7.4.

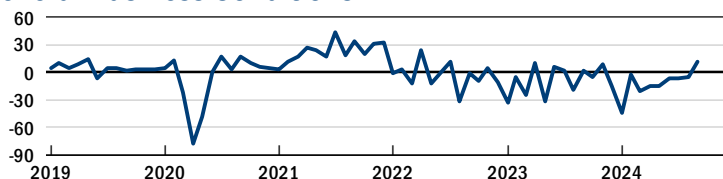
## Optimism Grows

Firms grew more optimistic that conditions would improve in the months ahead. The index for future business activity moved up eight points to 30.6, with 45 percent of respondents expecting conditions to improve over the next six months. However, the capital spending index fell eleven points to -2.1, dipping below zero for the first time since 2020. ■

# Current Indicators

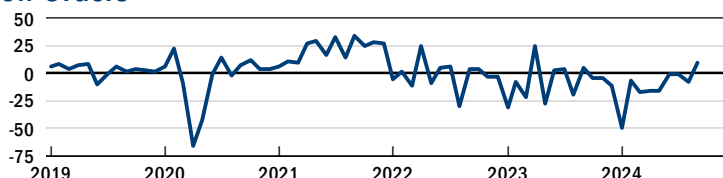
Change from Preceding Month

## General Business Conditions



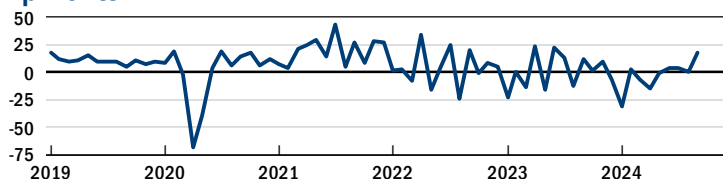
	Percent Reporting		Index
	Higher	Lower	
Aug	28.5	33.2	-4.7
Sep	32.7	21.2	11.5
Change			16.2

## New Orders



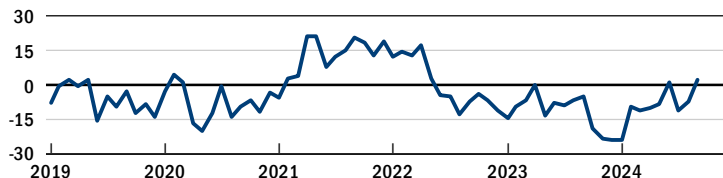
	Percent Reporting		Index
	Higher	Lower	
Aug	30.0	37.8	-7.9
Sep	34.3	25.0	9.4
Change			17.3

## Shipments



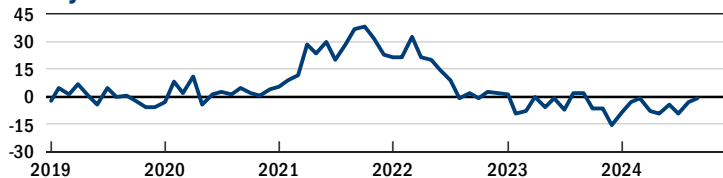
	Percent Reporting		Index
	Higher	Lower	
Aug	29.3	29.0	0.3
Sep	37.3	19.4	17.9
Change			17.6

## Unfilled Orders



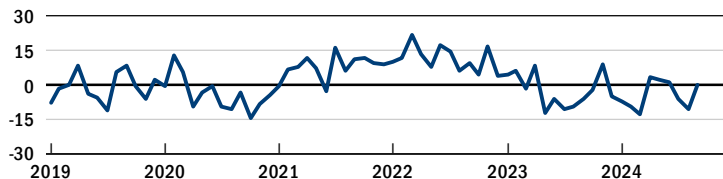
	Percent Reporting		Index
	Higher	Lower	
Aug	13.8	21.3	-7.4
Sep	17.9	15.8	2.1
Change			9.5

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Aug	8.5	11.7	-3.2
Sep	11.6	12.6	-1.1
Change			2.1

## Inventories

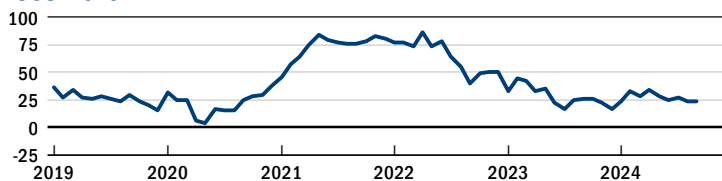


	Percent Reporting		Index
	Higher	Lower	
Aug	18.1	28.7	-10.6
Sep	18.9	18.9	0.0
Change			10.6

# Current Indicators, *continued*

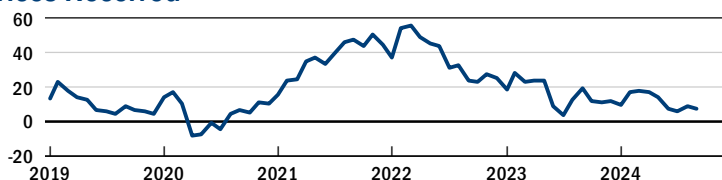
Change from Preceding Month

## Prices Paid



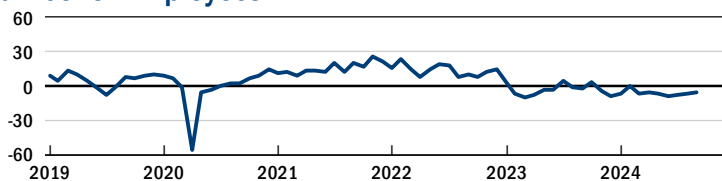
	Percent Reporting		Index
	Higher	Lower	
Aug	30.9	7.4	23.4
Sep	30.5	7.4	23.2
Change			-0.2

## Prices Received



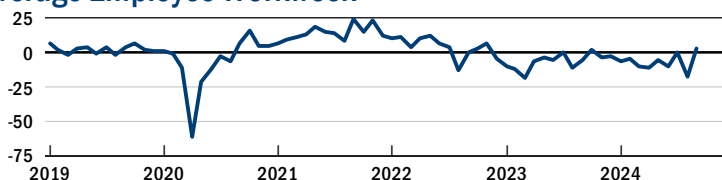
	Percent Reporting		Index
	Higher	Lower	
Aug	13.8	5.3	8.5
Sep	14.7	7.4	7.4
Change			-1.1

## Number of Employees



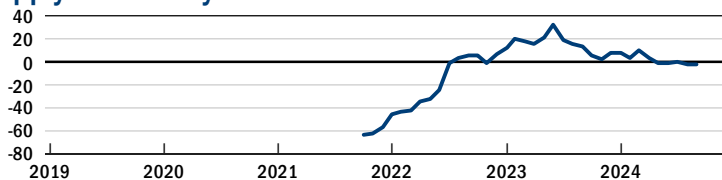
	Percent Reporting		Index
	Higher	Lower	
Aug	10.2	16.9	-6.7
Sep	7.1	12.8	-5.7
Change			1.0

## Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Aug	7.0	24.7	-17.8
Sep	12.4	9.5	2.9
Change			20.7

## Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Aug	3.2	5.3	-2.1
Sep	4.2	6.3	-2.1
Change			0.0

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

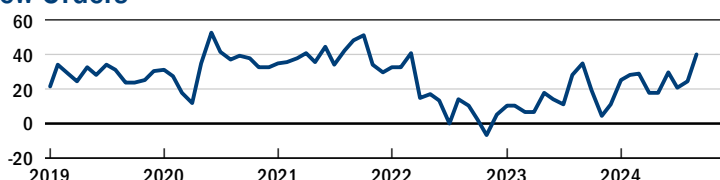
Expectations Six Months Ahead

## General Business Conditions



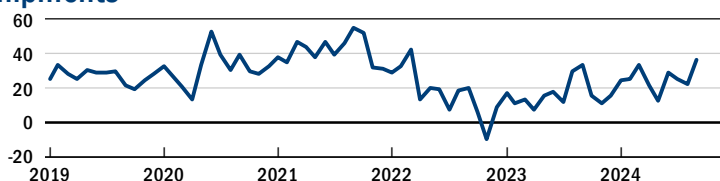
	Percent Reporting		Index
	Higher	Lower	
Aug	45.1	22.2	22.9
Sep	44.6	14.0	30.6
Change			7.7

## New Orders



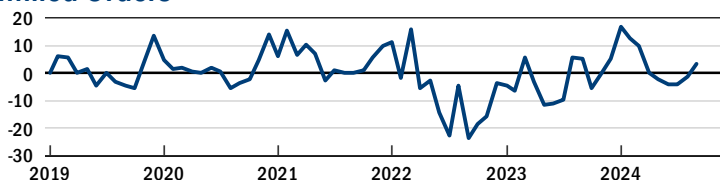
	Percent Reporting		Index
	Higher	Lower	
Aug	43.9	19.0	24.8
Sep	53.7	13.8	39.9
Change			15.1

## Shipments



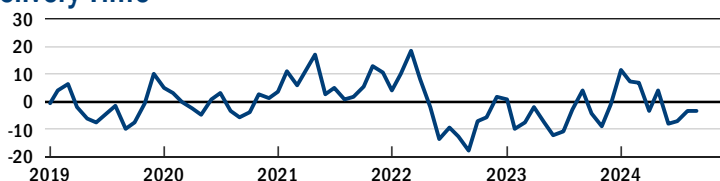
	Percent Reporting		Index
	Higher	Lower	
Aug	40.7	18.5	22.1
Sep	49.7	13.3	36.4
Change			14.3

## Unfilled Orders



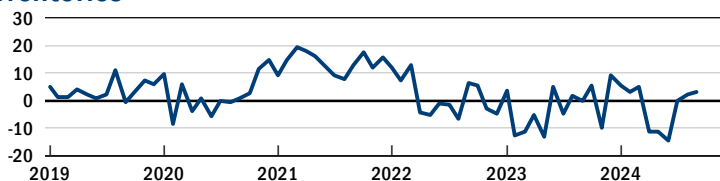
	Percent Reporting		Index
	Higher	Lower	
Aug	17.0	18.1	-1.1
Sep	17.9	14.7	3.2
Change			4.3

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Aug	7.4	10.6	-3.2
Sep	11.6	14.7	-3.2
Change			0.0

## Inventories

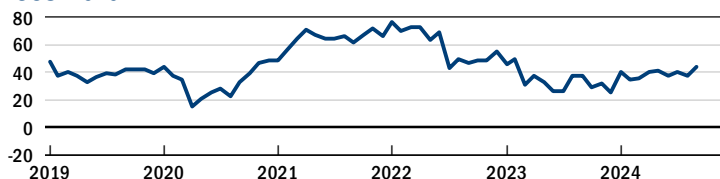


	Percent Reporting		Index
	Higher	Lower	
Aug	23.4	21.3	2.1
Sep	20.0	16.8	3.2
Change			1.1

# Forward-Looking Indicators, *continued*

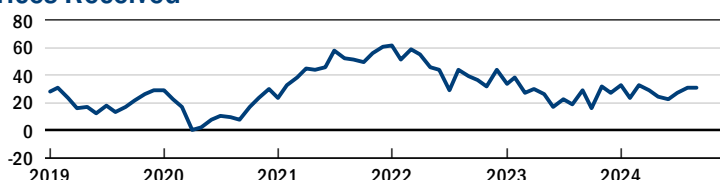
Expectations Six Months Ahead

## Prices Paid



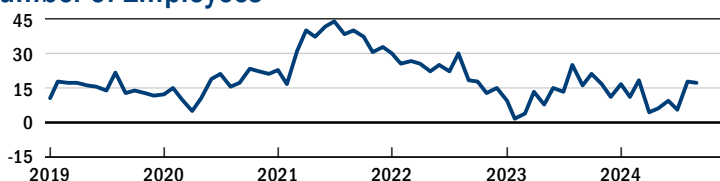
	Percent Reporting		Index
	Higher	Lower	
Aug	41.5	4.3	37.2
Sep	48.4	4.2	44.2
Change			7.0

## Prices Received



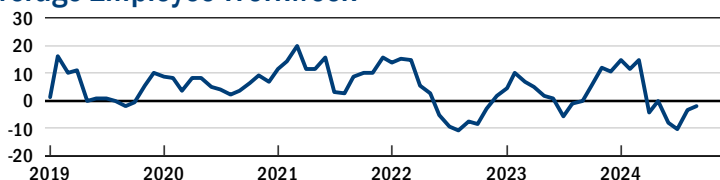
	Percent Reporting		Index
	Higher	Lower	
Aug	35.1	4.3	30.9
Sep	37.9	7.4	30.5
Change			-0.4

## Number of Employees



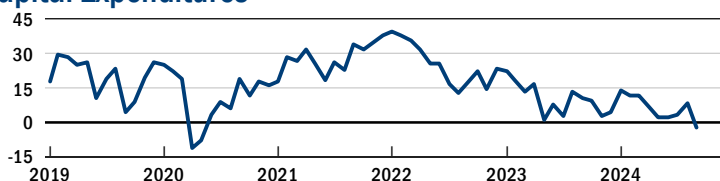
	Percent Reporting		Index
	Higher	Lower	
Aug	27.9	10.3	17.6
Sep	27.6	10.3	17.3
Change			-0.3

## Average Employee Workweek



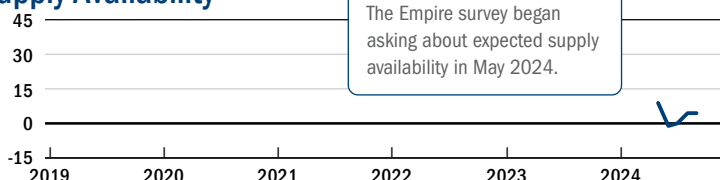
	Percent Reporting		Index
	Higher	Lower	
Aug	9.6	12.8	-3.2
Sep	11.6	13.7	-2.1
Change			1.1

## Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Aug	21.3	12.8	8.5
Sep	14.7	16.8	-2.1
Change			-10.6

## Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Aug	8.5	4.3	4.3
Sep	7.4	3.2	4.2
Change			-0.1

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.