

# Empire State Manufacturing Survey

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

Business activity contracted modestly in New York State, according to firms responding to the October 2024 *Empire State Manufacturing Survey*. After climbing into positive territory last month, the headline general business conditions index retreated twenty-three points to -11.9. New orders fell, and shipments edged lower. Delivery times were slightly shorter, while supply availability deteriorated somewhat. Inventories shrank. Labor market conditions improved, with a small increase in both employment and the average workweek for the first time in a year. The pace of input and selling price increases remained modest but picked up to a small degree. Despite the weakness in general business conditions, optimism about the six-month outlook grew strongly.

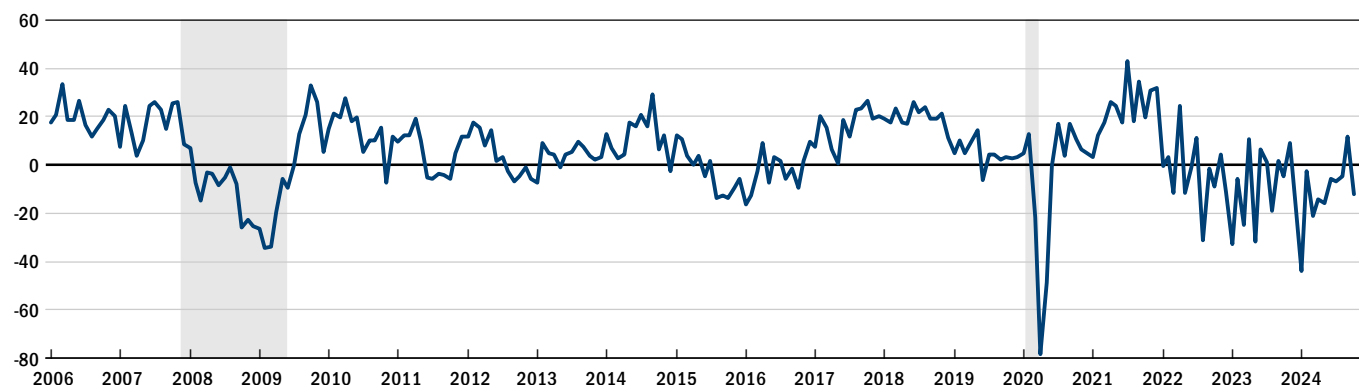
## Decline in Activity Resumes

After briefly picking up last month, manufacturing activity declined modestly in New York State, according to the October survey. The general business conditions index fell twenty-three points to -11.9. The new orders index fell twenty points to -10.2, and the shipments index fell twenty-one points to -2.7, pointing to

## 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 contracted modestly in New York State in October, with firms reporting that new orders declined. Despite this contraction, employment expanded for the first time in a year, though by a small degree, and optimism about the outlook grew strongly.”

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

declines in both orders and shipments. Unfilled orders were little changed. The inventories index fell eight points to -7.5, indicating that inventories were lower. The delivery times index edged down to -3.2, suggesting that delivery times were somewhat shorter, and the supply availability index fell five points to -7.5, a sign that supply availability worsened in October.

## Employment Increases

Despite the decline in activity, labor market conditions improved. The index for number of employees climbed ten points to 4.1, its first positive reading in a year, and the average workweek index edged up to 4.7,

pointing to small increases in employment levels and hours worked. Price increases remained modest, but ticked up somewhat: the prices paid index rose six points to 29.0, and the prices received index rose three points to 10.8.

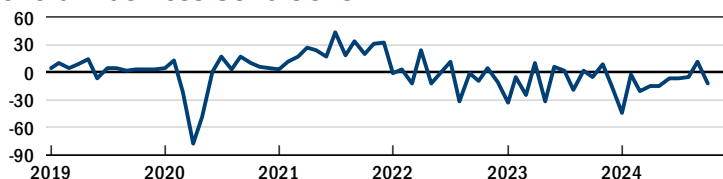
## Optimism Grows

Though firms reported that activity declined overall this month, optimism about the outlook grew strongly. The index for future business activity moved up eight points to 38.7, a multi-year high, with 55 percent of respondents expecting conditions to improve over the next six months. Capital spending plans were modestly positive. ■

# Current Indicators

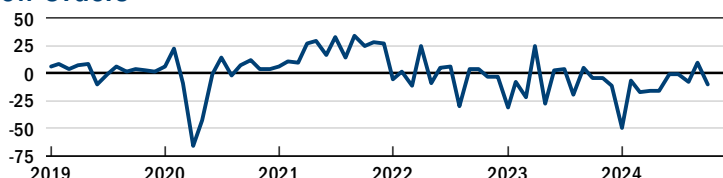
Change from Preceding Month

## General Business Conditions



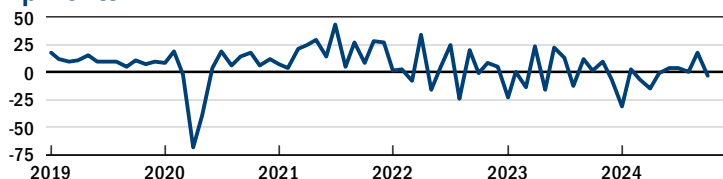
	Percent Reporting		Index
	Higher	Lower	
Sep	32.7	21.2	11.5
Oct	26.6	38.5	-11.9
Change			-23.4

## New Orders



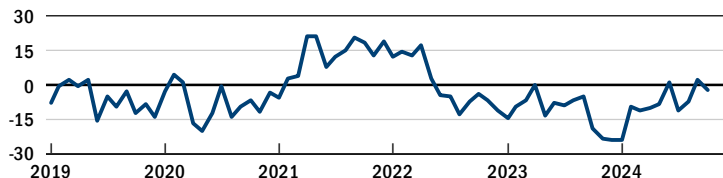
	Percent Reporting		Index
	Higher	Lower	
Sep	34.3	25.0	9.4
Oct	29.8	40.0	-10.2
Change			-19.6

## Shipments



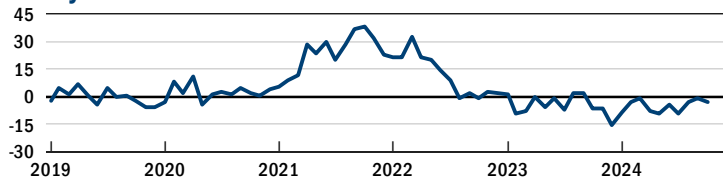
	Percent Reporting		Index
	Higher	Lower	
Sep	37.3	19.4	17.9
Oct	32.1	34.8	-2.7
Change			-20.6

## Unfilled Orders



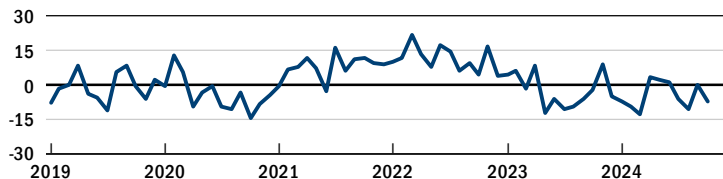
	Percent Reporting		Index
	Higher	Lower	
Sep	17.9	15.8	2.1
Oct	18.3	20.4	-2.2
Change			-4.3

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	11.6	12.6	-1.1
Oct	10.8	14.0	-3.2
Change			-2.1

## Inventories

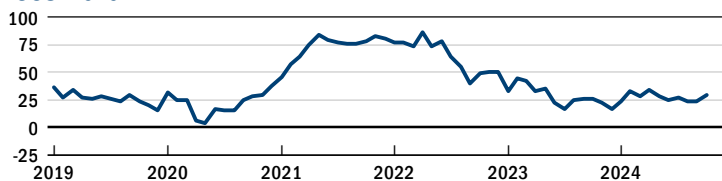


	Percent Reporting		Index
	Higher	Lower	
Sep	18.9	18.9	0.0
Oct	14.0	21.5	-7.5
Change			-7.5

# Current Indicators, *continued*

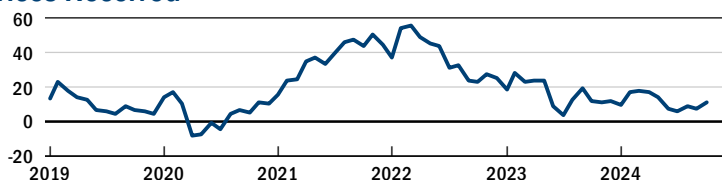
Change from Preceding Month

## Prices Paid



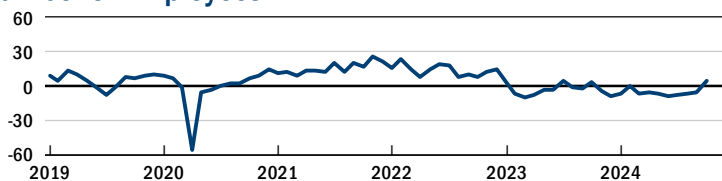
	Percent Reporting		Index
	Higher	Lower	
Sep	30.5	7.4	23.2
Oct	33.3	4.3	29.0
Change			5.8

## Prices Received



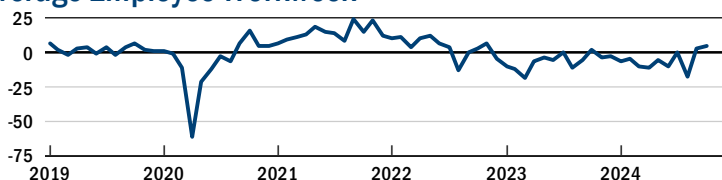
	Percent Reporting		Index
	Higher	Lower	
Sep	14.7	7.4	7.4
Oct	17.2	6.5	10.8
Change			3.4

## Number of Employees



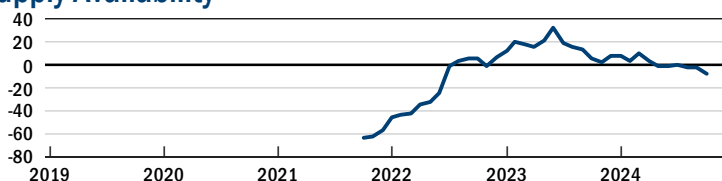
	Percent Reporting		Index
	Higher	Lower	
Sep	7.1	12.8	-5.7
Oct	12.7	8.6	4.1
Change			9.8

## Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Sep	12.4	9.5	2.9
Oct	14.7	10.0	4.7
Change			1.8

## Supply Availability



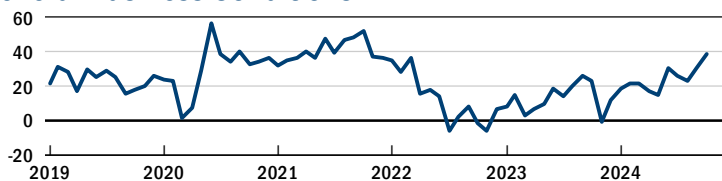
	Percent Reporting		Index
	Higher	Lower	
Sep	4.2	6.3	-2.1
Oct	0.0	7.5	-7.5
Change			-5.4

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

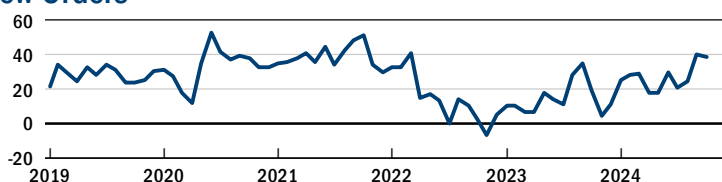
Expectations Six Months Ahead

## General Business Conditions



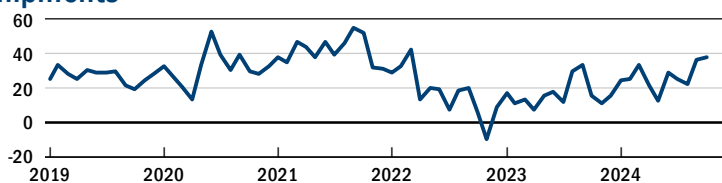
	Percent Reporting		Index
	Higher	Lower	
Sep	44.6	14.0	30.6
Oct	54.8	16.0	38.7
Change			8.1

## New Orders



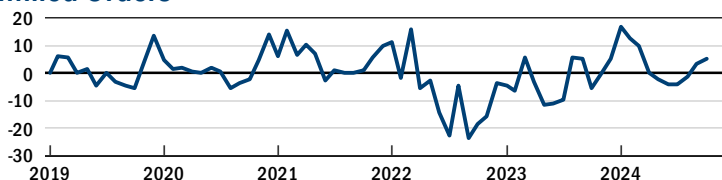
	Percent Reporting		Index
	Higher	Lower	
Sep	53.7	13.8	39.9
Oct	54.7	16.3	38.4
Change			-1.5

## Shipments



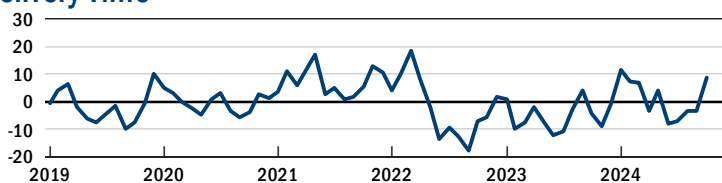
	Percent Reporting		Index
	Higher	Lower	
Sep	49.7	13.3	36.4
Oct	50.8	13.2	37.6
Change			1.2

## Unfilled Orders



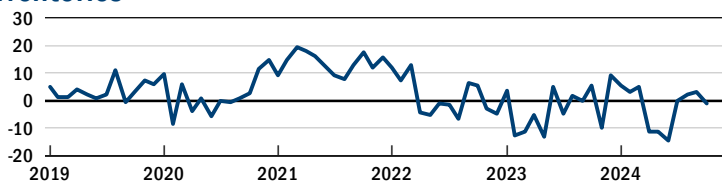
	Percent Reporting		Index
	Higher	Lower	
Sep	17.9	14.7	3.2
Oct	21.5	16.1	5.4
Change			2.2

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	11.6	14.7	-3.2
Oct	17.2	8.6	8.6
Change			11.8

## Inventories

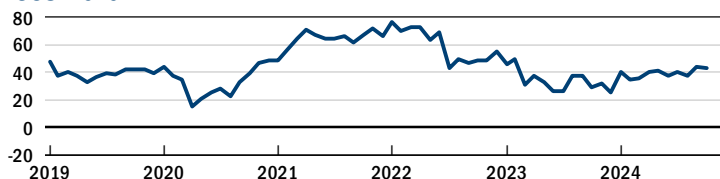


	Percent Reporting		Index
	Higher	Lower	
Sep	20.0	16.8	3.2
Oct	17.2	18.3	-1.1
Change			-4.3

# Forward-Looking Indicators, *continued*

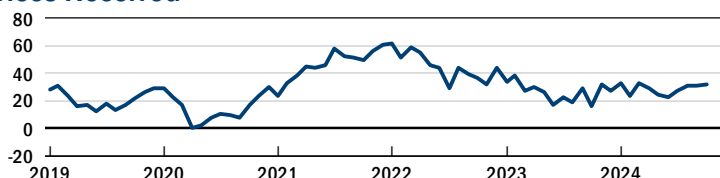
Expectations Six Months Ahead

## Prices Paid



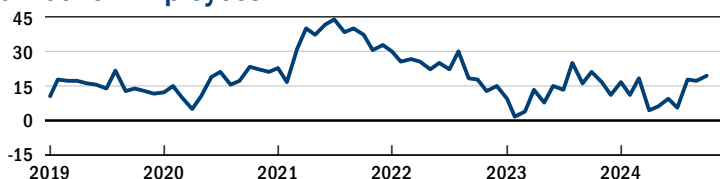
	Percent Reporting		Index
	Higher	Lower	
Sep	48.4	4.2	44.2
Oct	46.2	3.2	43.0
Change			-1.2

## Prices Received



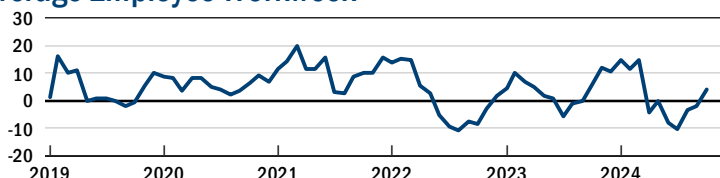
	Percent Reporting		Index
	Higher	Lower	
Sep	37.9	7.4	30.5
Oct	38.7	6.5	32.3
Change			1.8

## Number of Employees



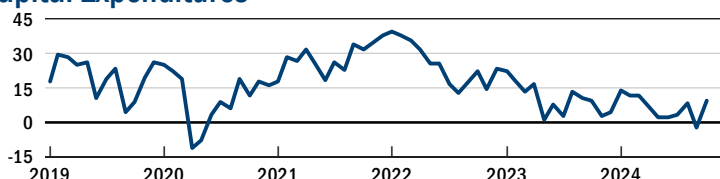
	Percent Reporting		Index
	Higher	Lower	
Sep	27.6	10.3	17.3
Oct	31.6	12.1	19.5
Change			2.2

## Average Employee Workweek



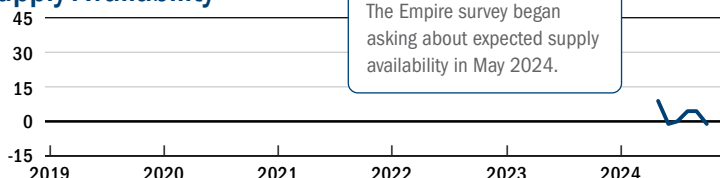
	Percent Reporting		Index
	Higher	Lower	
Sep	11.6	13.7	-2.1
Oct	16.1	11.8	4.3
Change			6.4

## Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	14.7	16.8	-2.1
Oct	20.4	10.8	9.7
Change			11.8

## Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Sep	7.4	3.2	4.2
Oct	7.5	8.6	-1.1
Change			-5.3

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.