

Empire State Manufacturing Survey

Note: Survey responses were collected between January 2 and January 10.

Business activity declined in New York State in January, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index fell fifteen points to -12.6. New orders fell modestly, and shipments were little changed. Delivery times were slightly longer, and supply availability was unchanged. Inventories grew slightly. Labor market indicators pointed to steady employment levels but a shorter average workweek. Both input and selling price increases picked up. Firms grew more optimistic that conditions would improve in the months ahead.

Conditions Weaken

After holding steady last month, manufacturing activity declined in New York State, according to the January survey. The general business conditions index fell fifteen points to -12.6. The new orders index fell thirteen points to -8.6, pointing to a modest decline in orders, and the shipments index retreated eleven points to -1.7, indicating that shipments were little changed. Unfilled orders continued

ECONOMIST COMMENTARY

“After holding steady last month, manufacturing activity declined in New York State in January. Price increases, while subdued, picked up. Firms grew more optimistic that conditions would improve in the months ahead.”

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

to fall. The inventories index remained positive at 5.8, a signal that inventories grew. The delivery times index came in at 3.5, suggesting that delivery times were slightly longer, and the supply availability was zero, a sign that supply availability was unchanged.

climbed in January, though they remained subdued. The prices paid index increased eight points to 29.1, and the prices received index rose five points to 9.3.

Price Increases, While Subdued, Pick Up

The index for number of employees rose eight points, but held near zero at 1.2, suggesting that employment levels were steady. The average workweek index remained negative at -15.1, pointing to a significant decline in hours worked. After dipping last month, price indexes

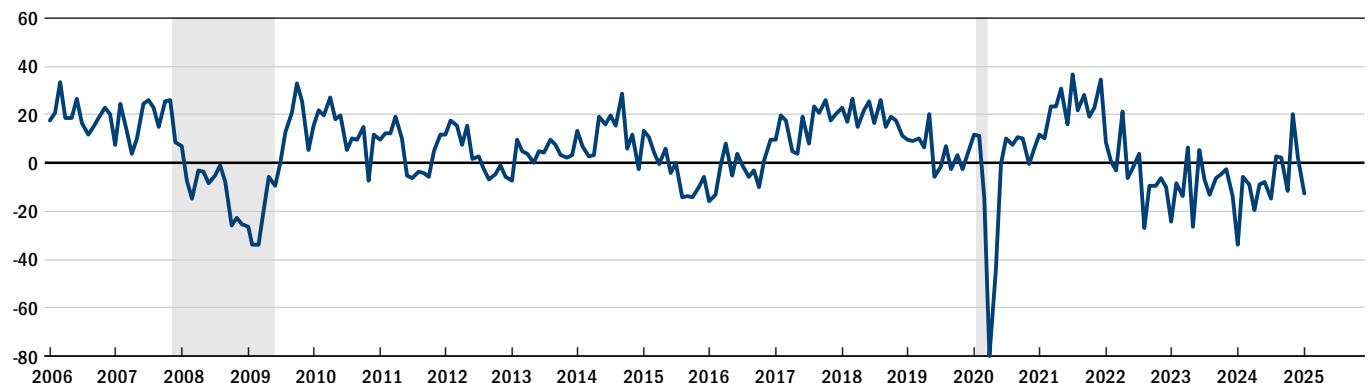
Optimism Rises

Firms grew more optimistic that conditions would continue to improve in the months ahead. The index for future business activity climbed ten points to 36.7, with fifty-three percent of respondents expecting conditions to improve over the next six months. Employment is expected to grow and supply availability is expected to be steady. Capital spending plans remained modest. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

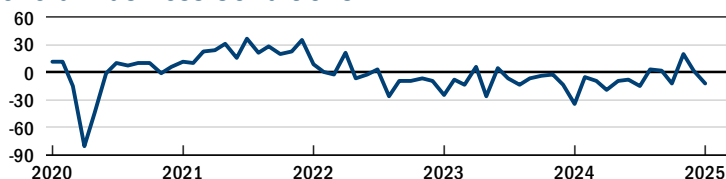


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

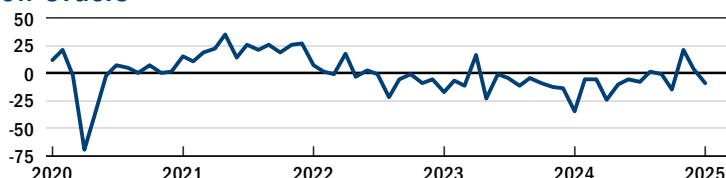
Change from Preceding Month

General Business Conditions



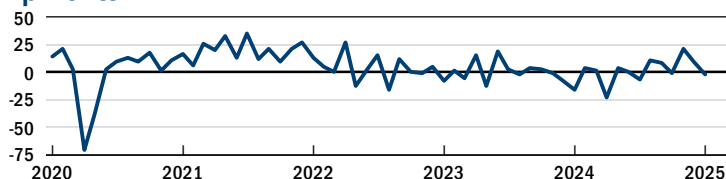
	Percent Reporting		Index
	Higher	Lower	
Dec	29.4	27.3	2.1
Jan	24.2	36.8	-12.6
Change			-14.7

New Orders



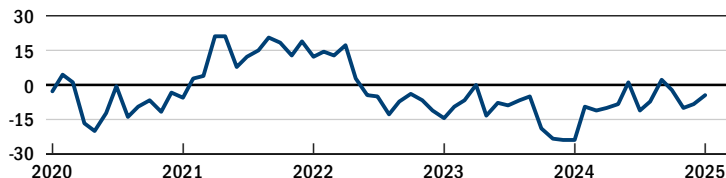
	Percent Reporting		Index
	Higher	Lower	
Dec	29.6	25.2	4.3
Jan	26.8	35.5	-8.6
Change			-12.9

Shipments



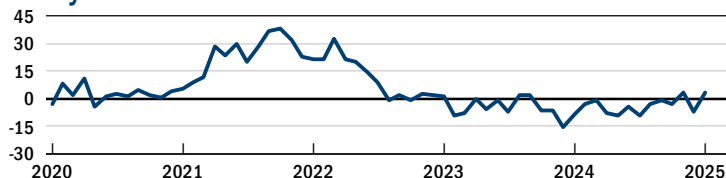
	Percent Reporting		Index
	Higher	Lower	
Dec	32.9	23.8	9.1
Jan	30.9	32.7	-1.7
Change			-10.8

Unfilled Orders



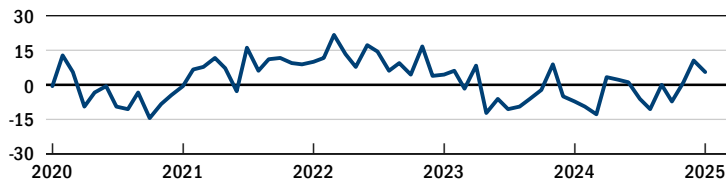
	Percent Reporting		Index
	Higher	Lower	
Dec	10.5	18.9	-8.4
Jan	10.5	15.1	-4.7
Change			3.7

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Dec	7.4	14.7	-7.4
Jan	11.6	8.1	3.5
Change			10.9

Inventories

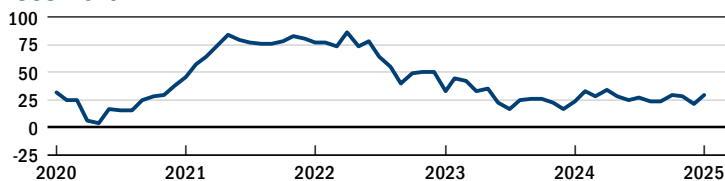


	Percent Reporting		Index
	Higher	Lower	
Dec	24.2	13.7	10.5
Jan	20.9	15.1	5.8
Change			-4.7

Current Indicators, *continued*

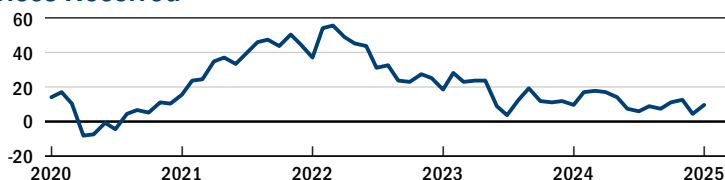
Change from Preceding Month

Prices Paid



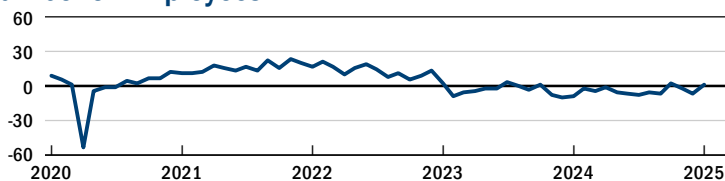
	Percent Reporting		Index
	Higher	Lower	
Dec	24.2	3.2	21.1
Jan	31.4	2.3	29.1
Change			8.0

Prices Received



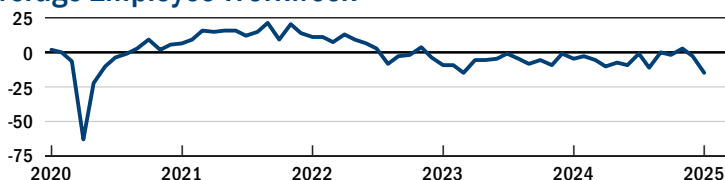
	Percent Reporting		Index
	Higher	Lower	
Dec	11.6	7.4	4.2
Jan	16.3	7.0	9.3
Change			5.1

Number of Employees



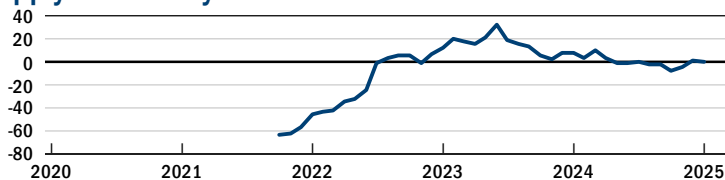
	Percent Reporting		Index
	Higher	Lower	
Dec	8.7	15.3	-6.6
Jan	12.4	11.2	1.2
Change			7.8

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Dec	8.8	11.0	-2.3
Jan	6.5	21.6	-15.1
Change			-12.8

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Dec	4.2	3.2	1.1
Jan	2.3	2.3	0.0
Change			-1.1

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

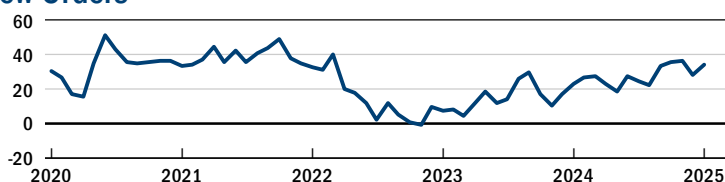
Expectations Six Months Ahead

General Business Conditions



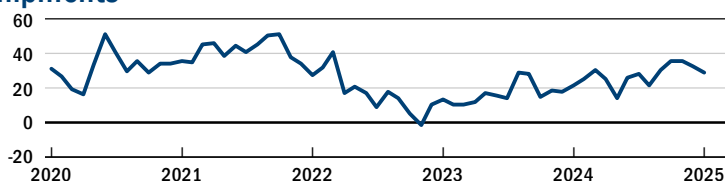
	Percent Reporting		Index
	Higher	Lower	
Dec	46.6	19.7	26.9
Jan	53.3	16.7	36.7
Change			9.8

New Orders



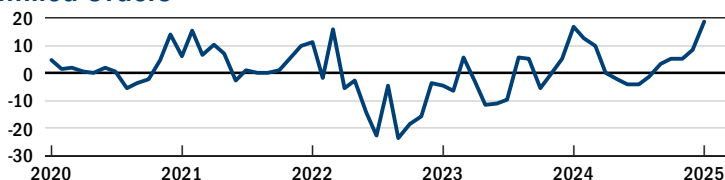
	Percent Reporting		Index
	Higher	Lower	
Dec	49.2	20.9	28.3
Jan	51.7	17.5	34.2
Change			5.9

Shipments



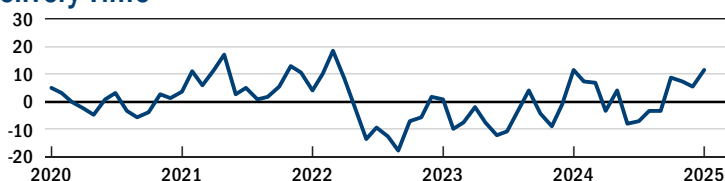
	Percent Reporting		Index
	Higher	Lower	
Dec	50.1	17.1	33.0
Jan	48.7	19.9	28.8
Change			-4.2

Unfilled Orders



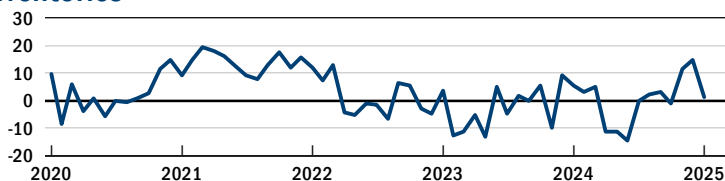
	Percent Reporting		Index
	Higher	Lower	
Dec	21.1	12.6	8.4
Jan	24.4	5.8	18.6
Change			10.2

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Dec	14.7	9.5	5.3
Jan	16.3	4.7	11.6
Change			6.3

Inventories

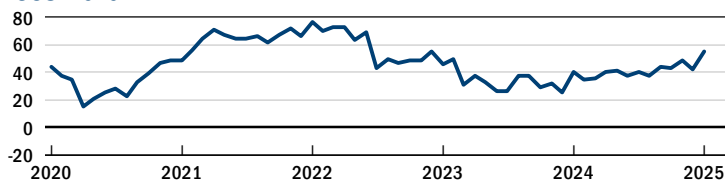


	Percent Reporting		Index
	Higher	Lower	
Dec	28.4	13.7	14.7
Jan	22.1	20.9	1.2
Change			-13.5

Forward-Looking Indicators, *continued*

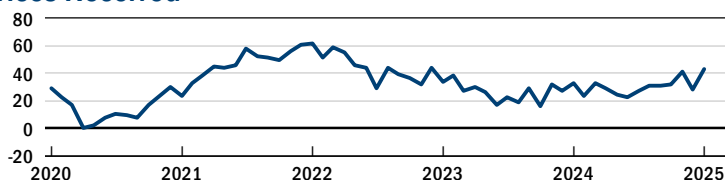
Expectations Six Months Ahead

Prices Paid



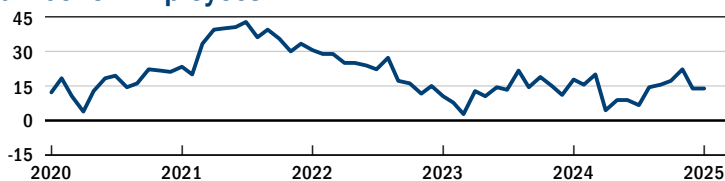
	Percent Reporting		Index
	Higher	Lower	
Dec	50.5	8.4	42.1
Jan	54.7	0.0	54.7
Change			12.6

Prices Received



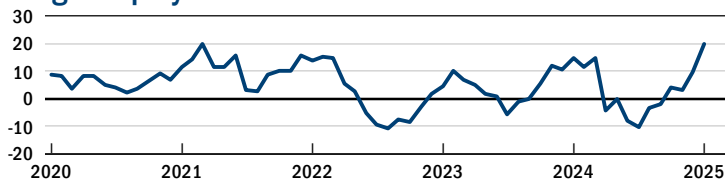
	Percent Reporting		Index
	Higher	Lower	
Dec	36.8	8.4	28.4
Jan	48.8	5.8	43.0
Change			14.6

Number of Employees



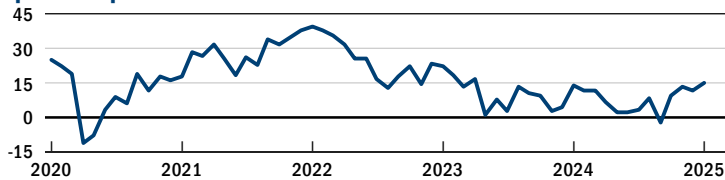
	Percent Reporting		Index
	Higher	Lower	
Dec	25.3	11.3	14.1
Jan	26.9	13.1	13.8
Change			-0.3

Average Employee Workweek



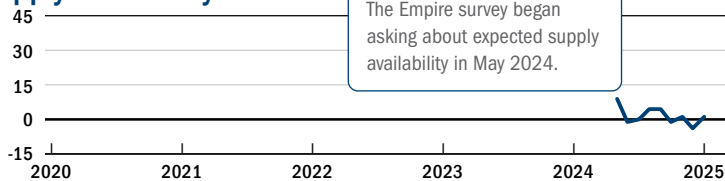
	Percent Reporting		Index
	Higher	Lower	
Dec	17.9	8.4	9.5
Jan	27.9	8.1	19.8
Change			10.3

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Dec	21.1	9.5	11.6
Jan	24.4	9.3	15.1
Change			3.5

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Dec	5.3	9.5	-4.2
Jan	5.8	4.7	1.2
Change			5.4

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.