

Empire State Manufacturing Survey

Note: Survey responses were collected between February 3 and February 11.

Business activity edged higher in New York State in February, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index climbed eighteen points to 5.7. New orders and shipments grew moderately. Delivery times were slightly longer, and supply availability was slightly lower. Inventories continued to expand modestly. Employment levels moved lower. Input prices increased at the fastest pace in nearly two years, and selling price increases also ticked up noticeably. Though firms expect conditions to improve over the next six months, optimism about the outlook dropped significantly.

Activity Picks Up Slightly

After declining last month, manufacturing activity grew slightly in New York State, according to the February survey. The general business conditions index climbed eighteen points to 5.7. The new orders index rose twenty points to 11.4, suggesting orders increased after declining last month, and the shipments index rose

ECONOMIST COMMENTARY

“Manufacturing activity edged higher in New York State in February. Input price increases picked up to the fastest pace in nearly two years, and optimism about the outlook dropped noticeably.”

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

sixteen points to 14.2, indicating that shipments increased. Unfilled orders held steady. The inventories index remained positive at 8.7, a sign that inventories grew. The delivery times index came in at 5.4, suggesting that delivery times were slightly longer, and the supply availability index dipped to -2.2, a sign that supply availability edged slightly lower.

Price Increases Pick Up

The index for number of employees fell to -3.6, suggesting that employment levels moved somewhat lower, while the average workweek index was -1.2, suggesting that

hours worked held steady. Both price indexes climbed for a second consecutive month: the prices paid index rose eleven points to 40.2, its highest level in nearly two years, and the prices received index rose ten points to 19.6.

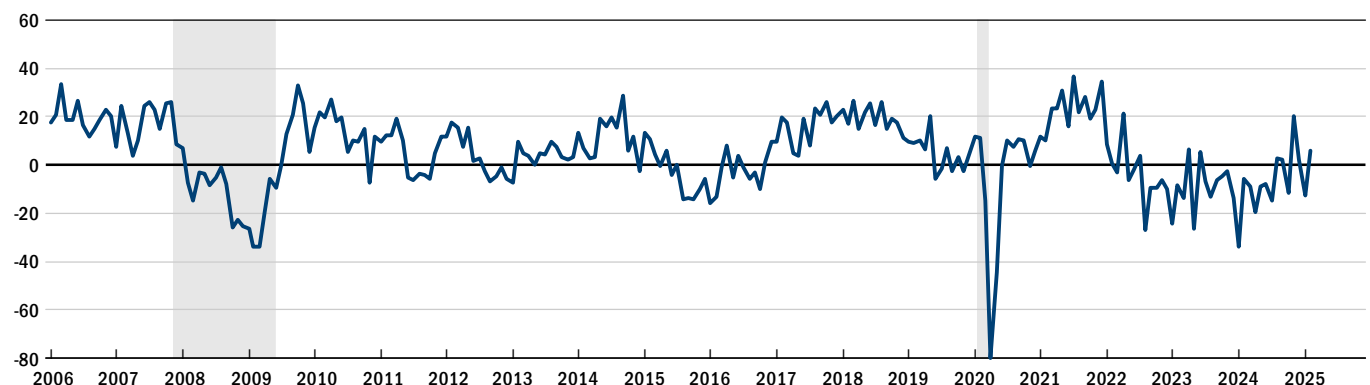
Optimism Falls

Firms expect conditions to improve in the months ahead, but optimism declined noticeably. The index for future business activity fell fifteen points to 22.2. Capital spending plans remained soft. Supply availability is expected to contract somewhat over the next six months. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

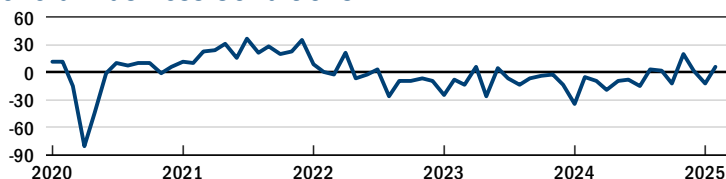


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

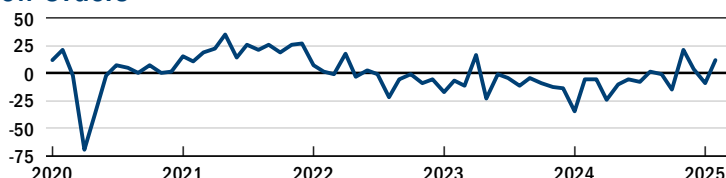
Change from Preceding Month

General Business Conditions



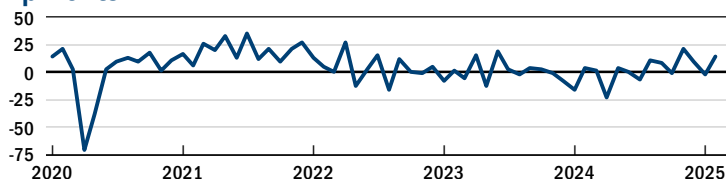
	Percent Reporting		Index
	Higher	Lower	
Jan	24.2	36.8	-12.6
Feb	26.9	21.2	5.7
Change			18.3

New Orders



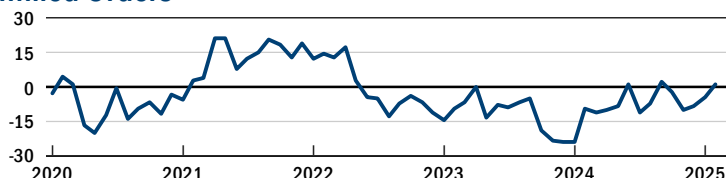
	Percent Reporting		Index
	Higher	Lower	
Jan	26.8	35.5	-8.6
Feb	31.8	20.3	11.4
Change			20.0

Shipments



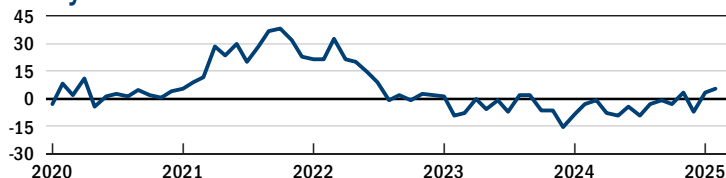
	Percent Reporting		Index
	Higher	Lower	
Jan	30.9	32.7	-1.7
Feb	29.2	15.1	14.2
Change			15.9

Unfilled Orders



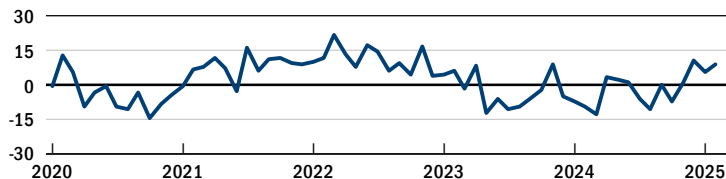
	Percent Reporting		Index
	Higher	Lower	
Jan	10.5	15.1	-4.7
Feb	15.2	14.1	1.1
Change			5.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	11.6	8.1	3.5
Feb	8.7	3.3	5.4
Change			1.9

Inventories

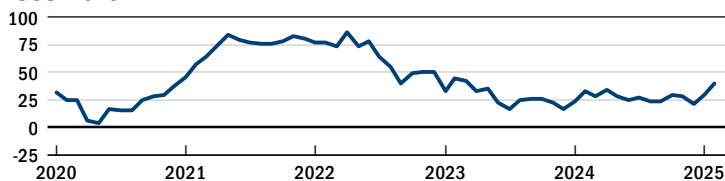


	Percent Reporting		Index
	Higher	Lower	
Jan	20.9	15.1	5.8
Feb	21.7	13.0	8.7
Change			2.9

Current Indicators, *continued*

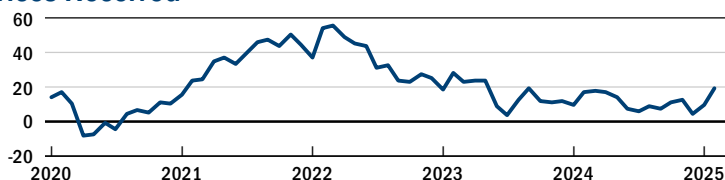
Change from Preceding Month

Prices Paid



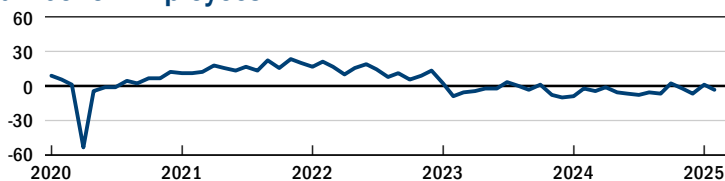
	Percent Reporting		Index
	Higher	Lower	
Jan	31.4	2.3	29.1
Feb	41.3	1.1	40.2
Change			11.1

Prices Received



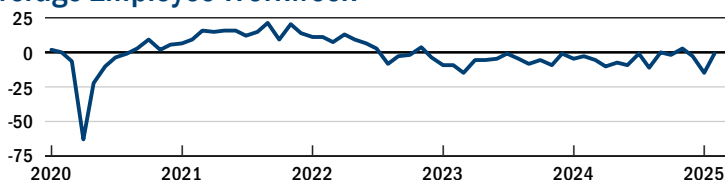
	Percent Reporting		Index
	Higher	Lower	
Jan	16.3	7.0	9.3
Feb	23.9	4.3	19.6
Change			10.3

Number of Employees



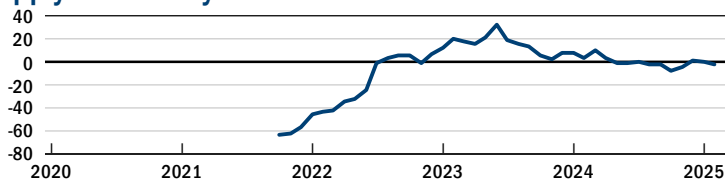
	Percent Reporting		Index
	Higher	Lower	
Jan	12.4	11.2	1.2
Feb	7.6	11.3	-3.6
Change			-4.8

Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Jan	6.5	21.6	-15.1
Feb	10.7	11.9	-1.2
Change			13.9

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jan	2.3	2.3	0.0
Feb	4.3	6.5	-2.2
Change			-2.2

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

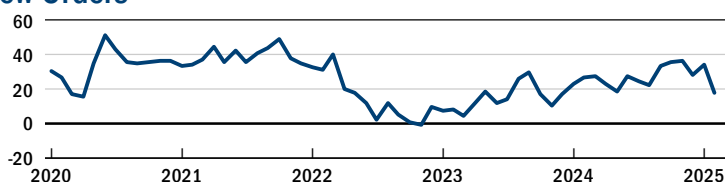
Expectations Six Months Ahead

General Business Conditions



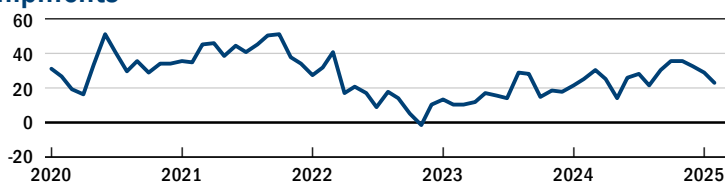
	Percent Reporting		Index
	Higher	Lower	
Jan	53.3	16.7	36.7
Feb	43.2	21.0	22.2
Change			-14.5

New Orders



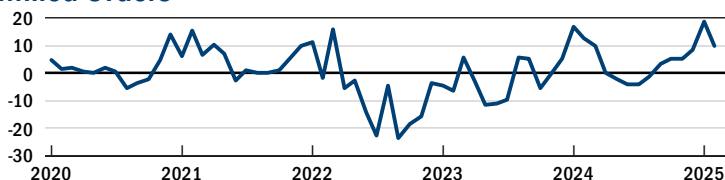
	Percent Reporting		Index
	Higher	Lower	
Jan	51.7	17.5	34.2
Feb	42.4	24.6	17.8
Change			-16.4

Shipments



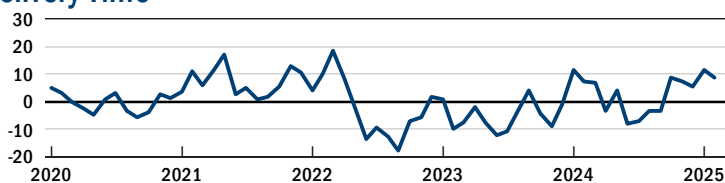
	Percent Reporting		Index
	Higher	Lower	
Jan	48.7	19.9	28.8
Feb	45.0	22.2	22.7
Change			-6.1

Unfilled Orders



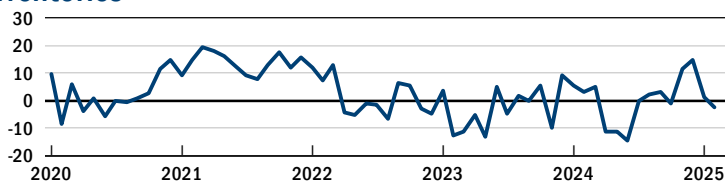
	Percent Reporting		Index
	Higher	Lower	
Jan	24.4	5.8	18.6
Feb	21.7	12.0	9.8
Change			-8.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	16.3	4.7	11.6
Feb	16.3	7.6	8.7
Change			-2.9

Inventories

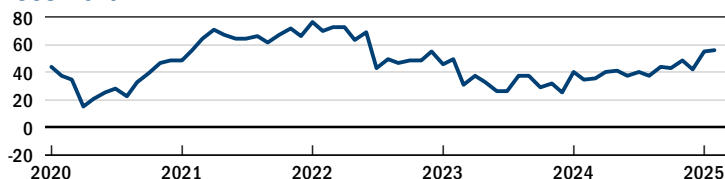


	Percent Reporting		Index
	Higher	Lower	
Jan	22.1	20.9	1.2
Feb	19.6	21.7	-2.2
Change			-3.4

Forward-Looking Indicators, *continued*

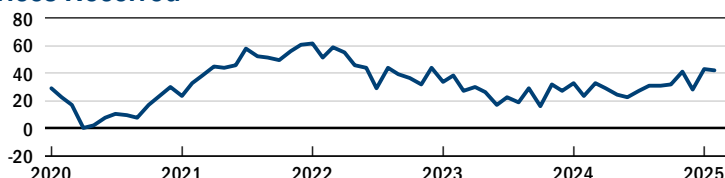
Expectations Six Months Ahead

Prices Paid



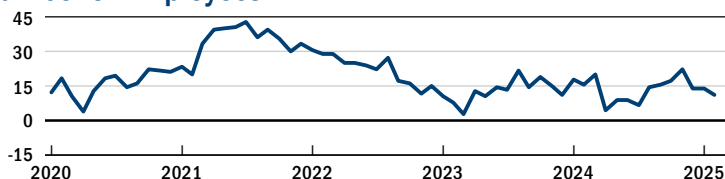
	Percent Reporting		Index
	Higher	Lower	
Jan	54.7	0.0	54.7
Feb	60.9	4.3	56.5
Change			1.8

Prices Received



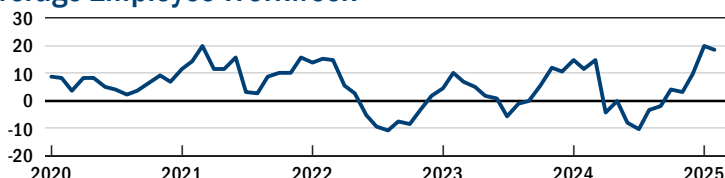
	Percent Reporting		Index
	Higher	Lower	
Jan	48.8	5.8	43.0
Feb	48.9	6.5	42.4
Change			-0.6

Number of Employees



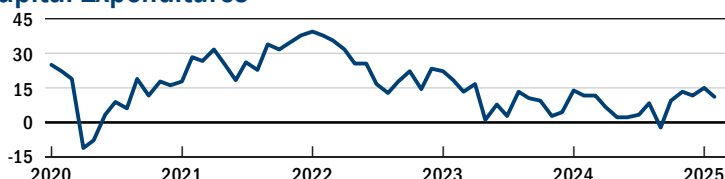
	Percent Reporting		Index
	Higher	Lower	
Jan	26.9	13.1	13.8
Feb	22.5	11.3	11.2
Change			-2.6

Average Employee Workweek



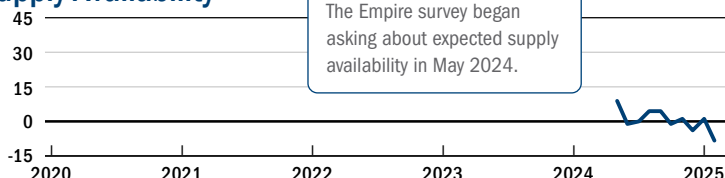
	Percent Reporting		Index
	Higher	Lower	
Jan	27.9	8.1	19.8
Feb	21.7	3.3	18.5
Change			-1.3

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jan	24.4	9.3	15.1
Feb	22.8	12.0	10.9
Change			-4.2

Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jan	5.8	4.7	1.2
Feb	6.5	15.2	-8.7
Change			-9.9

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.