

# Empire State Manufacturing Survey

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

Business activity continued to decline modestly in New York State, according to firms responding to the July 2024 *Empire State Manufacturing Survey*. The headline general business conditions index was little changed at -6.6. New orders remained steady, while shipments inched just slightly higher. Delivery times shortened, and supply availability was unchanged. Inventories moved lower. Labor market conditions remained weak, with employment continuing to contract. Input prices increased modestly while selling price increases were quite minor. Firms were fairly optimistic that conditions would improve in the months ahead.

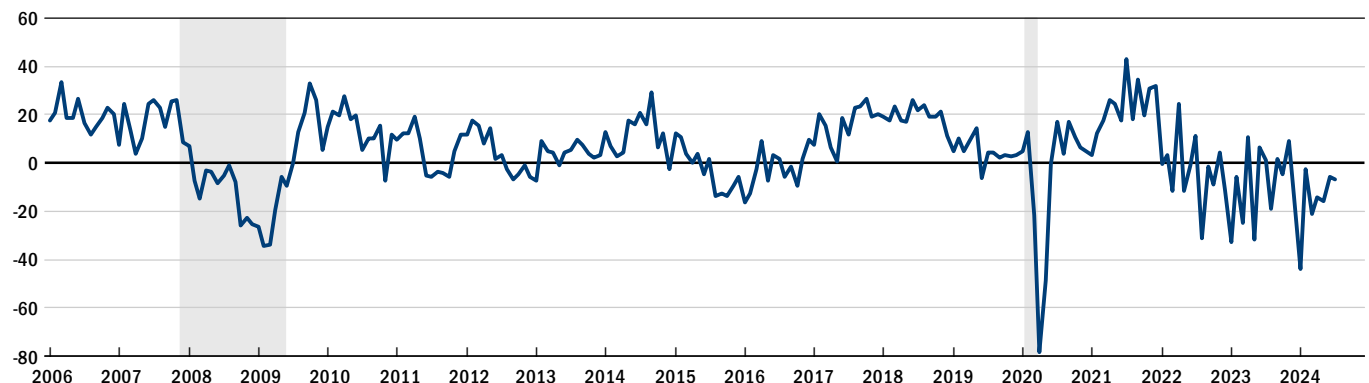
## Activity Continues to Contract

Manufacturing activity continued to decline modestly in New York State, according to the July survey. The general business conditions index held steady at -6.6. The new orders index was little changed at -0.6, suggesting that orders remained flat, and the shipments index ticked up to 3.9, pointing to a slight increase in shipments. Unfilled orders

## 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 conditions remained somewhat sluggish in New York State in July, though orders held steady and shipments edged slightly higher. Employment continued to contract, and capital spending plans were weak. However, firms remained fairly optimistic that conditions would improve in the months ahead.”

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

declined. The inventories index fell to -6.1, indicating that inventories moved lower. The delivery times index remained below zero at -9.2, suggesting that delivery times shortened, while the supply availability index was zero, indicating that supply availability was unchanged.

## Employment Continues to Decline

The index for number of employees came in at -7.9, pointing to another month of employment contraction, while the average workweek index came in around zero, suggesting that hours worked held steady. The prices paid index edged up slightly to 26.5, indicating that input

prices continued to rise modestly, while the prices received index came in at 6.1, indicating that selling price increases remained quite minor.

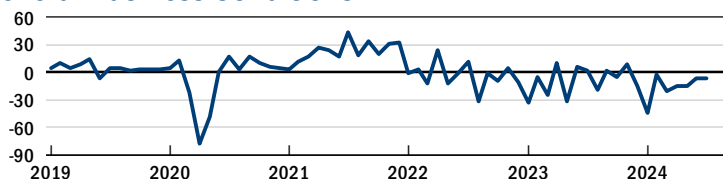
## Firms Relatively Optimistic about Future Conditions

Firms remained fairly optimistic about the outlook. After climbing sharply last month, the index for future business conditions was just slightly lower at 25.8, with 41 percent of respondents expecting conditions to improve over the next six months. However, the outlook for employment growth remained weak, and capital spending plans remained sluggish. ■

# Current Indicators

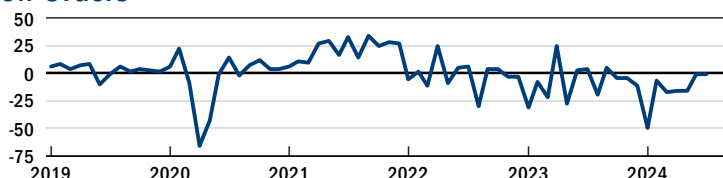
Change from Preceding Month

## General Business Conditions



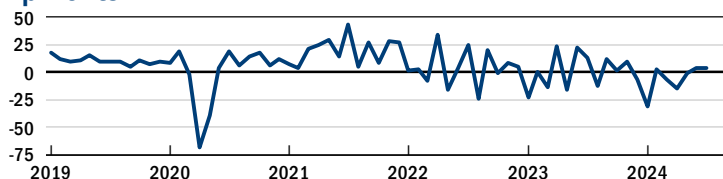
	Percent Reporting		Index
	Higher	Lower	
Jun	30.2	36.3	-6.0
Jul	24.8	31.4	-6.6
Change			-0.6

## New Orders



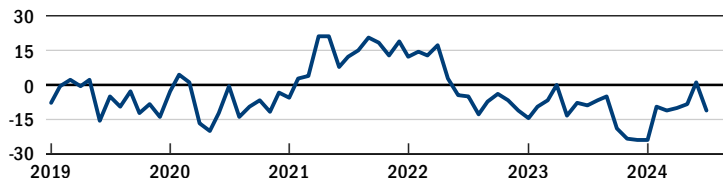
	Percent Reporting		Index
	Higher	Lower	
Jun	30.6	31.7	-1.0
Jul	27.3	27.9	-0.6
Change			0.4

## Shipments



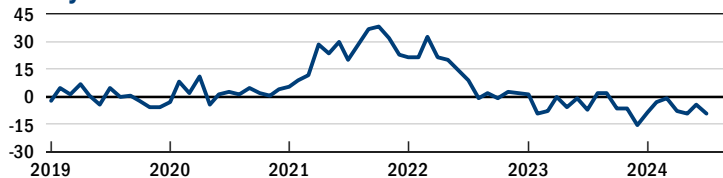
	Percent Reporting		Index
	Higher	Lower	
Jun	32.7	29.4	3.3
Jul	28.0	24.1	3.9
Change			0.6

## Unfilled Orders



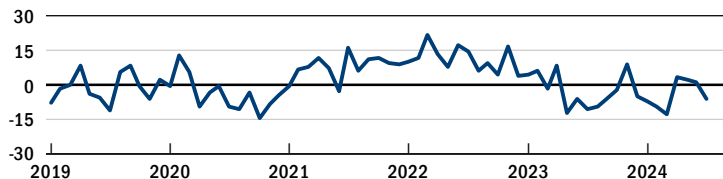
	Percent Reporting		Index
	Higher	Lower	
Jun	16.3	15.3	1.0
Jul	9.2	20.4	-11.2
Change			-12.2

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jun	11.2	15.3	-4.1
Jul	8.2	17.3	-9.2
Change			-5.1

## Inventories

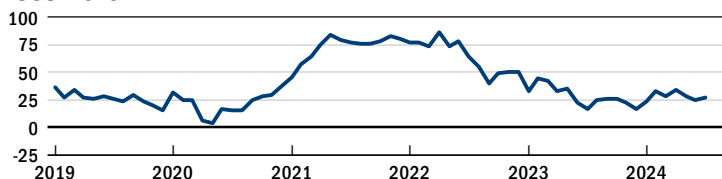


	Percent Reporting		Index
	Higher	Lower	
Jun	20.4	19.4	1.0
Jul	13.3	19.4	-6.1
Change			-7.1

# Current Indicators, *continued*

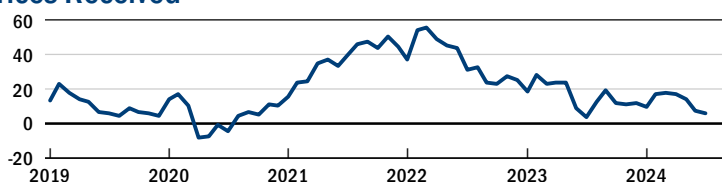
Change from Preceding Month

## Prices Paid



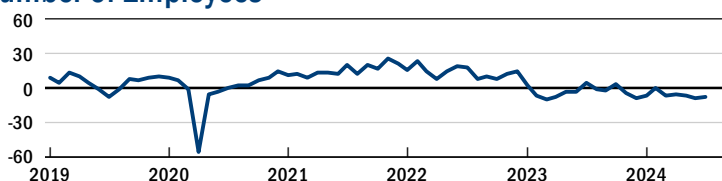
	Percent Reporting		Index
	Higher	Lower	
Jun	29.6	5.1	24.5
Jul	31.6	5.1	26.5
Change			2.0

## Prices Received



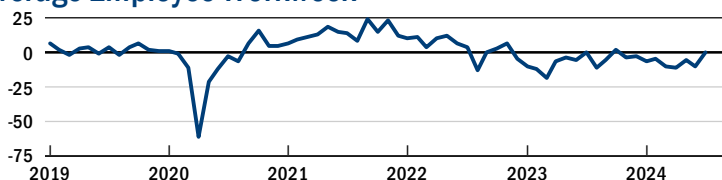
	Percent Reporting		Index
	Higher	Lower	
Jun	11.2	4.1	7.1
Jul	13.3	7.1	6.1
Change			-1.0

## Number of Employees



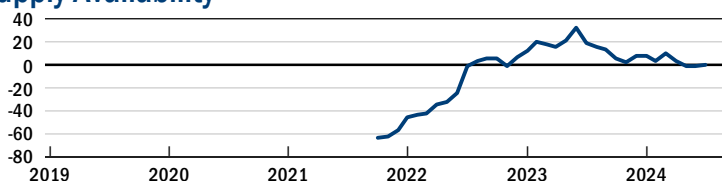
	Percent Reporting		Index
	Higher	Lower	
Jun	6.5	15.2	-8.7
Jul	9.9	17.9	-7.9
Change			0.8

## Average Employee Workweek



	Percent Reporting		Index
	Higher	Lower	
Jun	5.4	15.3	-9.9
Jul	8.1	8.2	-0.1
Change			9.8

## Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jun	5.1	6.1	-1.0
Jul	3.1	3.1	0.0
Change			1.0

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

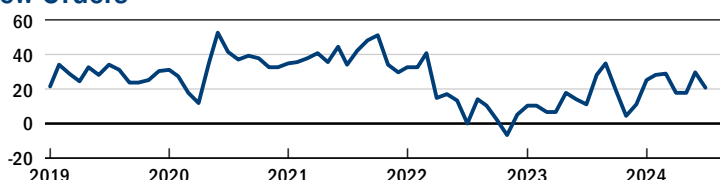
Expectations Six Months Ahead

## General Business Conditions



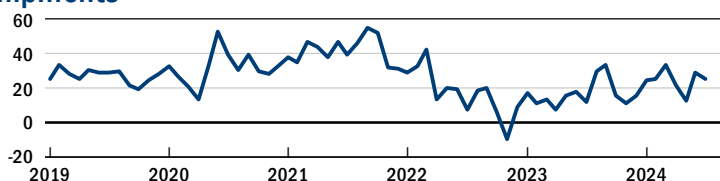
	Percent Reporting		Index
	Higher	Lower	
Jun	47.1	17.1	30.1
Jul	40.8	15.1	25.8
Change			-4.3

## New Orders



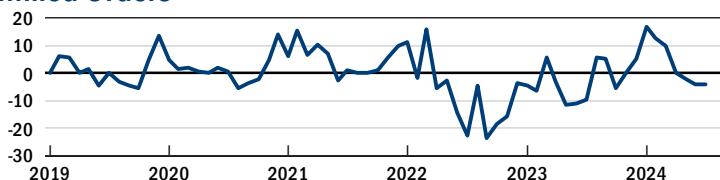
	Percent Reporting		Index
	Higher	Lower	
Jun	47.5	17.5	30.0
Jul	39.8	19.0	20.8
Change			-9.2

## Shipments



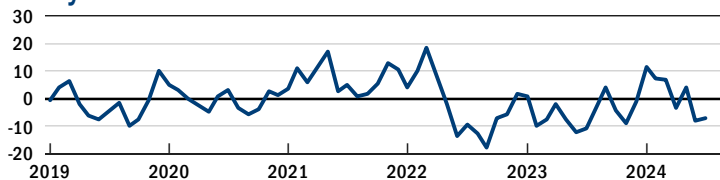
	Percent Reporting		Index
	Higher	Lower	
Jun	47.6	18.8	28.7
Jul	42.0	16.7	25.3
Change			-3.4

## Unfilled Orders



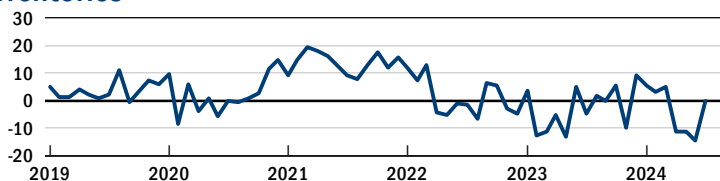
	Percent Reporting		Index
	Higher	Lower	
Jun	14.3	18.4	-4.1
Jul	16.3	20.4	-4.1
Change			0.0

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jun	9.2	17.3	-8.2
Jul	10.2	17.3	-7.1
Change			1.1

## Inventories

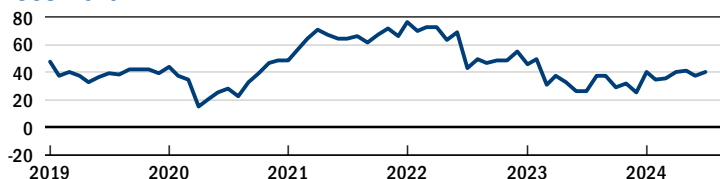


	Percent Reporting		Index
	Higher	Lower	
Jun	11.2	25.5	-14.3
Jul	19.4	19.4	0.0
Change			14.3

# Forward-Looking Indicators, *continued*

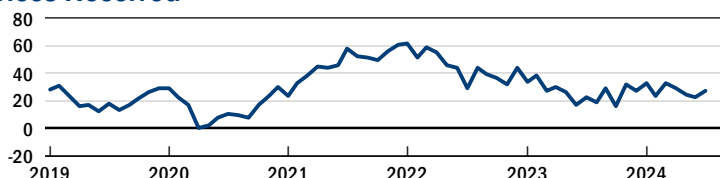
Expectations Six Months Ahead

## Prices Paid



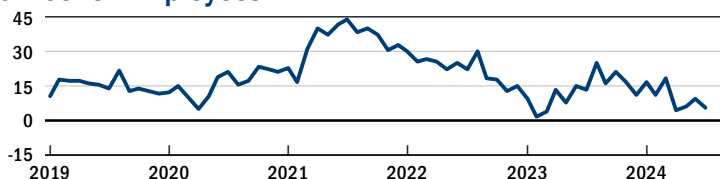
	Percent Reporting		Index
	Higher	Lower	
Jun	43.9	6.1	37.8
Jul	41.8	2.0	39.8
Change			2.0

## Prices Received



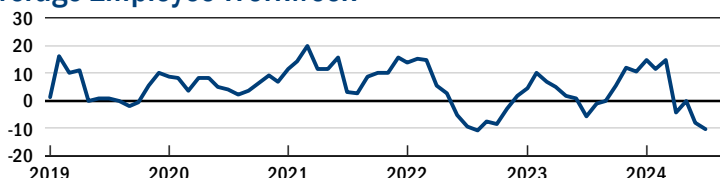
	Percent Reporting		Index
	Higher	Lower	
Jun	28.6	6.1	22.4
Jul	32.7	5.1	27.6
Change			5.2

## Number of Employees



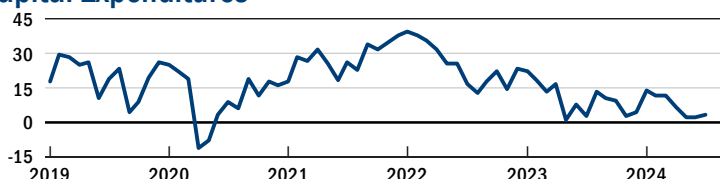
	Percent Reporting		Index
	Higher	Lower	
Jun	22.8	13.4	9.4
Jul	19.8	14.0	5.8
Change			-3.6

## Average Employee Workweek



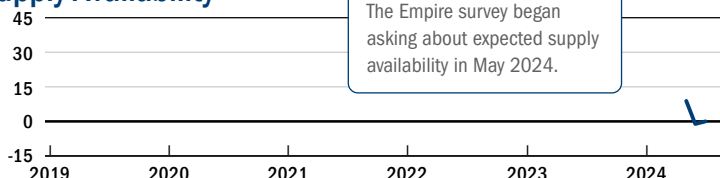
	Percent Reporting		Index
	Higher	Lower	
Jun	9.2	17.3	-8.2
Jul	9.2	19.4	-10.2
Change			-2.0

## Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jun	18.4	16.3	2.0
Jul	16.3	13.3	3.1
Change			1.1

## Supply Availability



	Percent Reporting		Index
	Higher	Lower	
Jun	6.1	7.1	-1.0
Jul	3.1	3.1	0.0
Change			1.0

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.