

Empire State Manufacturing Survey

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

Business activity grew modestly in New York State, according to firms responding to the November 2023 *Empire State Manufacturing Survey*. The headline general business conditions index climbed fourteen points to 9.1. New orders continued to fall slightly, while shipments picked up. Unfilled orders declined significantly, and delivery times shortened. Inventories increased for the first time in several months. Labor market indicators pointed to a small decline in employment and the average workweek. The pace of input price increases moderated just slightly, while selling price increases were little changed. There was a steep drop in the outlook, with firms no longer expecting conditions to improve over the next six months.

Activity Expands

Manufacturing activity increased in New York State, according to the November survey. The general business conditions

index rose fourteen points to 9.1, its highest reading since April. Thirty-three percent of respondents reported that conditions had improved over the month, while twenty-four percent reported that conditions had worsened. The new orders index held steady at -4.9, pointing to another small decline in orders, while the shipments index rose eight points to 10.0, pointing to an increase in shipments. The unfilled orders index fell four points to -23.2, a sign that unfilled orders continued to fall significantly. The inventories index rose eleven points to 9.1, indicating that inventories moved higher for the first time in several months. The delivery times index was little changed at -6.1, suggesting that delivery times continued to shorten.

Labor Market Indicators Weaken

The index for number of employees fell eight points to -4.5, and the average workweek index fell six points to -3.8,

reflecting a small decline in employment levels and hours worked. The prices paid index edged down three points to 22.2, pointing to a slight moderation in input price increases, while the prices received held steady at 11.1, a sign that selling price increases remained modest.

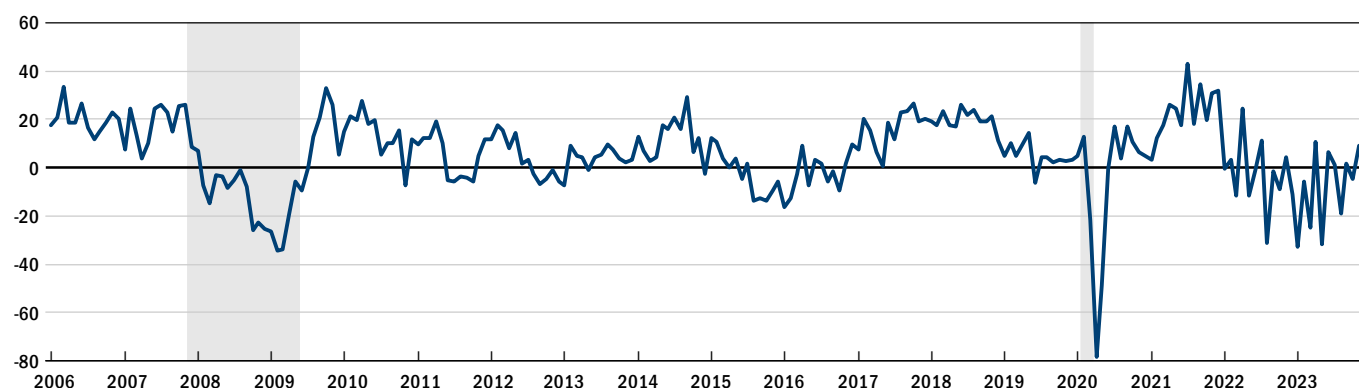
Firms No Longer Optimistic

Looking ahead, firms became much less sanguine about the outlook. The index for future business conditions plunged twenty-four points to -0.9, its lowest level in nearly a year. Only 29 percent of respondents expect conditions to be better in six months. New orders and shipments are expected to increase only modestly, though employment is expected to grow. The capital spending index dropped seven points to 3.0, and the technology index fell to zero, suggesting that capital spending plans and technology spending plans remained weak. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

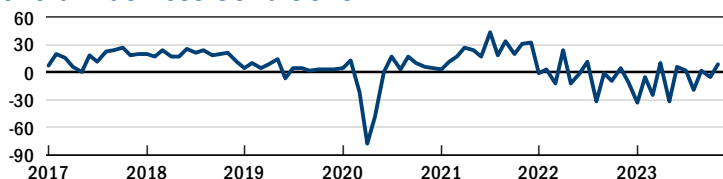


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

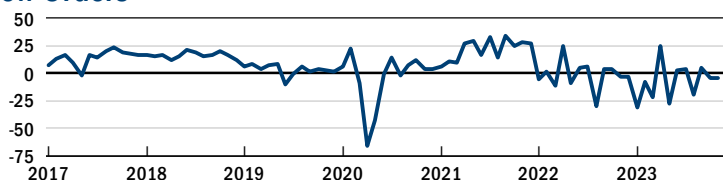
Change from Preceding Month

General Business Conditions



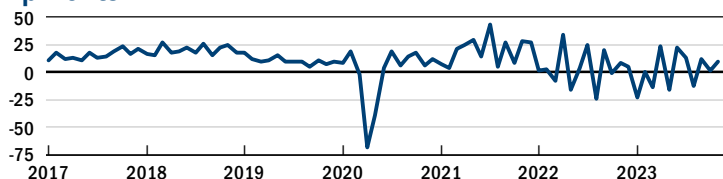
	Percent Reporting		Index
	Higher	Lower	
Oct	24.1	28.7	-4.6
Nov	33.2	24.1	9.1
Change			13.7

New Orders



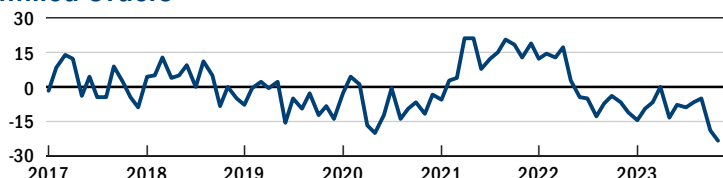
	Percent Reporting		Index
	Higher	Lower	
Oct	27.1	31.3	-4.2
Nov	24.5	29.4	-4.9
Change			-0.7

Shipments



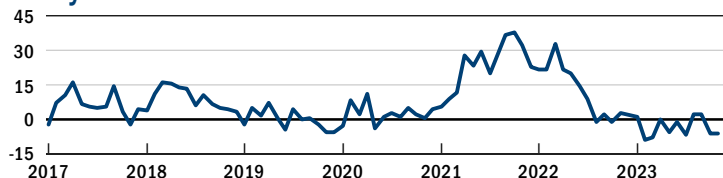
	Percent Reporting		Index
	Higher	Lower	
Oct	28.4	27.0	1.4
Nov	34.0	24.0	10.0
Change			8.6

Unfilled Orders



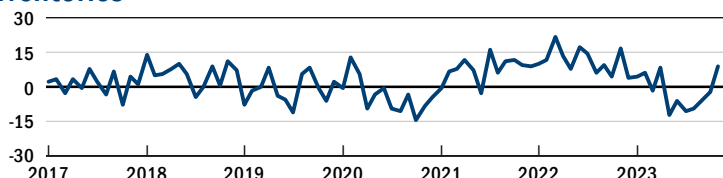
	Percent Reporting		Index
	Higher	Lower	
Oct	8.5	27.7	-19.1
Nov	8.1	31.3	-23.2
Change			-4.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Oct	10.6	17.0	-6.4
Nov	11.1	17.2	-6.1
Change			0.3

Inventories

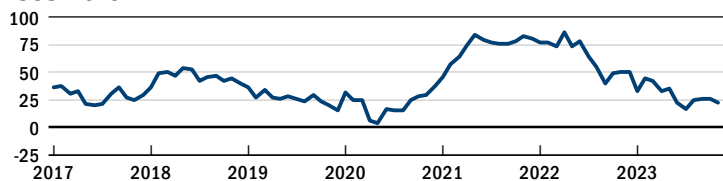


	Percent Reporting		Index
	Higher	Lower	
Oct	22.3	24.5	-2.1
Nov	24.2	15.2	9.1
Change			11.2

Current Indicators, *continued*

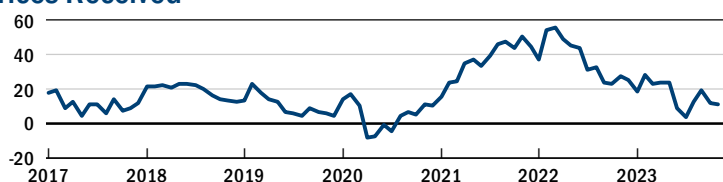
Change from Preceding Month

Prices Paid



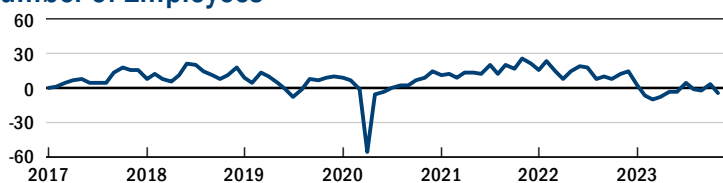
	Percent Reporting		Index
	Higher	Lower	
Oct	33.0	7.4	25.5
Nov	30.3	8.1	22.2
Change			-3.3

Prices Received



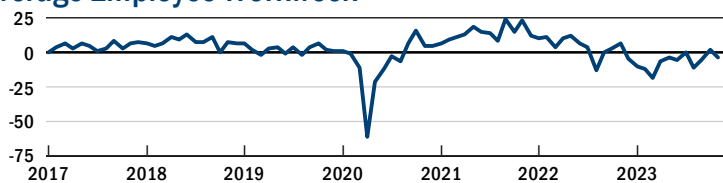
	Percent Reporting		Index
	Higher	Lower	
Oct	18.1	6.4	11.7
Nov	19.2	8.1	11.1
Change			-0.6

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Oct	14.8	11.7	3.1
Nov	8.9	13.4	-4.5
Change			-7.6

Average Employee Workweek



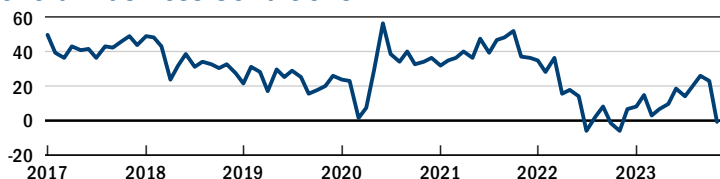
	Percent Reporting		Index
	Higher	Lower	
Oct	15.8	13.6	2.2
Nov	9.3	13.0	-3.8
Change			-6.0

Note: Data are seasonally adjusted.

Forward-Looking Indicators

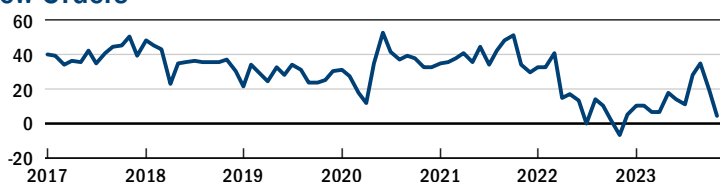
Expectations Six Months Ahead

General Business Conditions



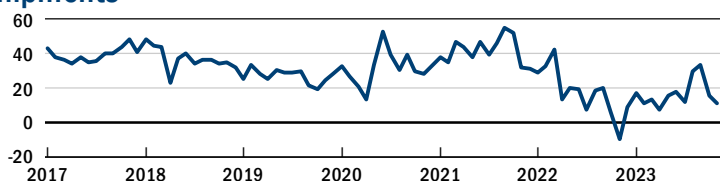
	Percent Reporting		Index
	Higher	Lower	
Oct	46.7	23.6	23.1
Nov	28.8	29.7	-0.9
Change			-24.0

New Orders



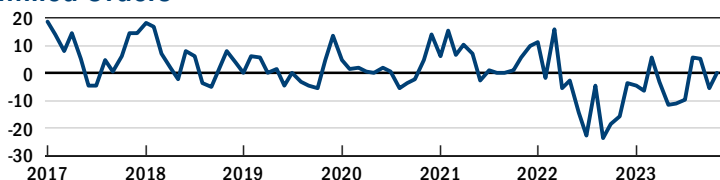
	Percent Reporting		Index
	Higher	Lower	
Oct	44.5	25.0	19.4
Nov	35.4	30.8	4.6
Change			-14.8

Shipments



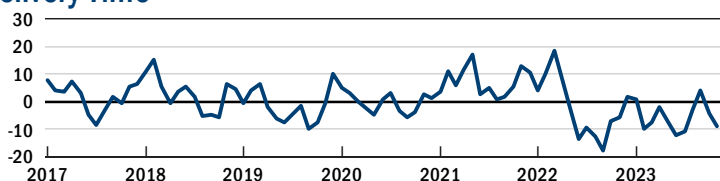
	Percent Reporting		Index
	Higher	Lower	
Oct	42.7	27.5	15.2
Nov	37.4	26.6	10.8
Change			-4.4

Unfilled Orders



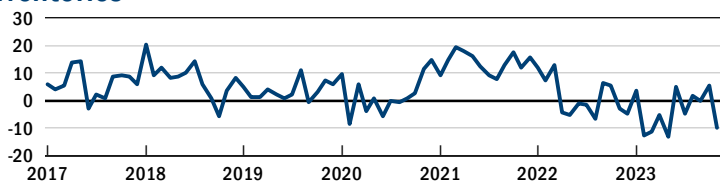
	Percent Reporting		Index
	Higher	Lower	
Oct	14.9	20.2	-5.3
Nov	16.2	16.2	0.0
Change			5.3

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Oct	16.0	20.2	-4.3
Nov	9.1	18.2	-9.1
Change			-4.8

Inventories

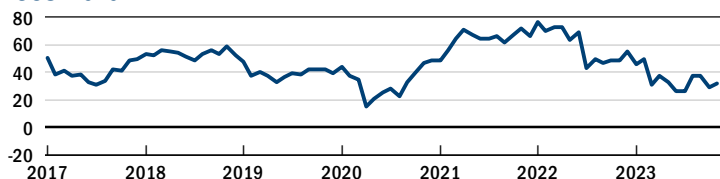


	Percent Reporting		Index
	Higher	Lower	
Oct	26.6	21.3	5.3
Nov	16.2	26.3	-10.1
Change			-15.4

Forward-Looking Indicators, *continued*

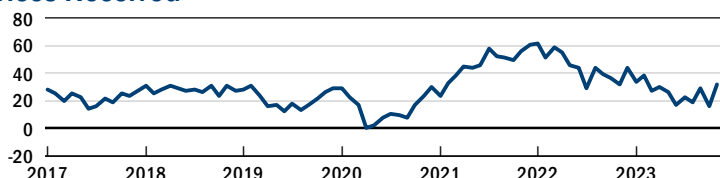
Expectations Six Months Ahead

Prices Paid



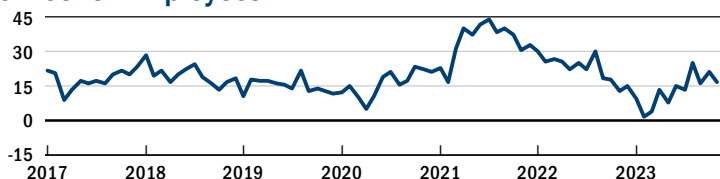
	Percent Reporting		Index
	Higher	Lower	
Oct	35.1	6.4	28.7
Nov	41.4	9.1	32.3
Change			3.6

Prices Received



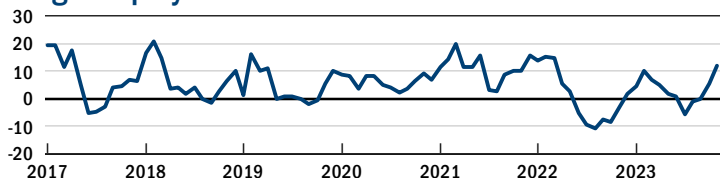
	Percent Reporting		Index
	Higher	Lower	
Oct	23.4	7.4	16.0
Nov	40.4	8.1	32.3
Change			16.3

Number of Employees



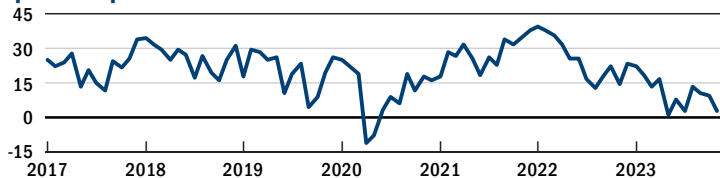
	Percent Reporting		Index
	Higher	Lower	
Oct	28.9	7.9	21.0
Nov	27.2	10.7	16.5
Change			-4.5

Average Employee Workweek



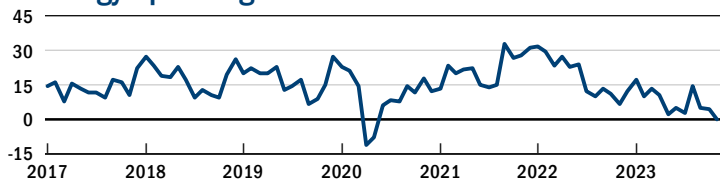
	Percent Reporting		Index
	Higher	Lower	
Oct	16.0	10.6	5.3
Nov	19.2	7.1	12.1
Change			6.8

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Oct	24.5	14.9	9.6
Nov	22.2	19.2	3.0
Change			-6.6

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Oct	21.3	17.0	4.3
Nov	17.2	17.2	0.0
Change			-4.3

Note: Data are seasonally adjusted.