

# Empire State Manufacturing Survey

Note: Survey responses were collected between January 4 and January 11.

Business activity was little changed in New York State, according to firms responding to the January 2021 *Empire State Manufacturing Survey*. The headline general business conditions index held steady at 3.5. New orders and shipments edged higher. Unfilled orders continued to move lower, and delivery times continued to lengthen somewhat. Employment levels increased modestly and the average workweek lengthened. Input price increases and selling price increases both picked up noticeably. Looking ahead, firms remained optimistic that conditions would improve over the next six months.

## Growth Remains Sluggish

There was little growth in manufacturing activity in New York State in January. The general business conditions index

was similar to last month's level at 3.5. Twenty-seven percent of respondents reported that conditions had improved over the month, while 23 percent reported that conditions had worsened. The new orders index rose three points to 6.6, indicating a small increase in orders, and the shipments index fell to 7.3, pointing to a modest increase in shipments. Delivery times were somewhat longer, and inventories held steady.

## Price Increases Pick Up

The index for number of employees fell three points to 11.2, a level pointing to ongoing gains in employment. The average workweek index was little changed at 6.3, signaling another small increase in hours worked. The prices paid index rose eight points to 45.5, its

highest level in two years, indicating a pickup in input price increases. This index has risen a cumulative 41 points since May. The prices received index climbed five points to 15.2, its highest level in a year, pointing to an acceleration in selling prices.

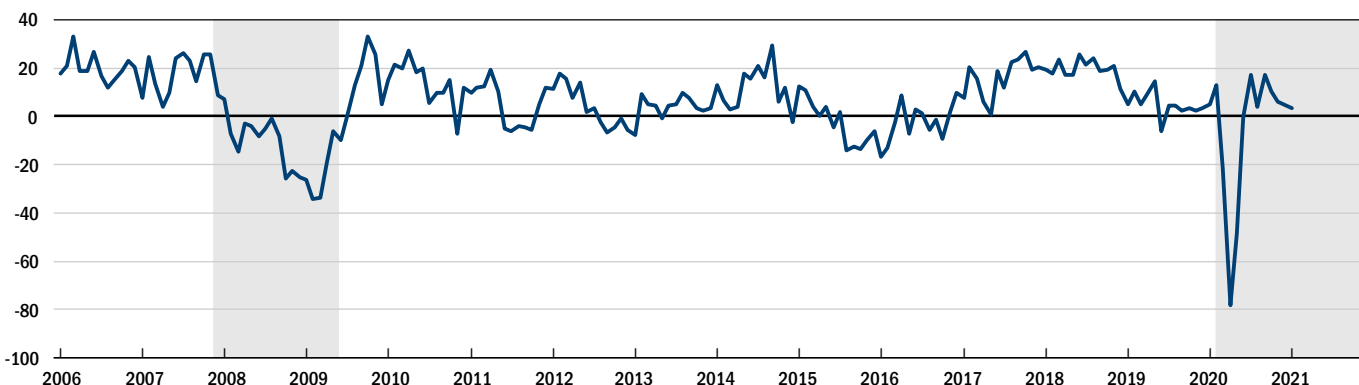
## Firms Remain Optimistic

The index for future business conditions came in at 31.9, suggesting that firms remained optimistic about future conditions. The indexes for future new orders and shipments were positive and slightly higher than last month's readings. Employment levels and the average workweek are expected to continue to increase in the months ahead. The capital expenditures index came in at 17.9, and technology spending indexes moved down to 13.1. ■

## General Business Conditions

Seasonally Adjusted

Diffusion Index

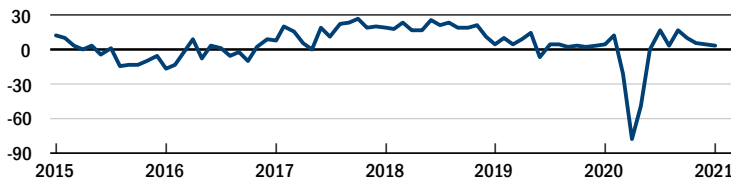


Note: The shaded areas indicate a period designated a recession by the National Bureau of Economic Research.

# Current Indicators

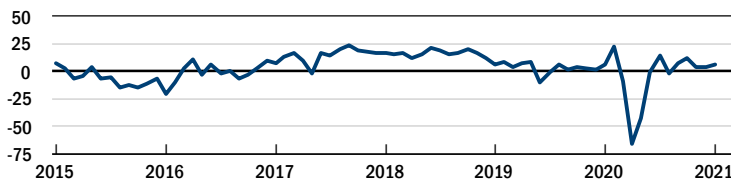
Change from Preceding Month

## General Business Conditions



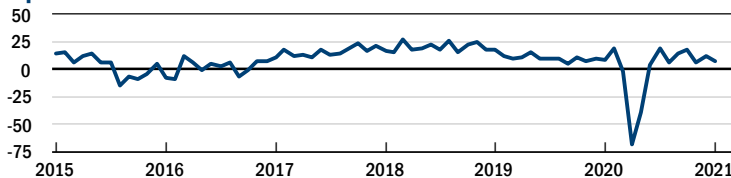
	Percent Reporting		Index
	Higher	Lower	
Dec	25.8	20.9	4.9
Jan	26.6	23.1	3.5
Change			-1.4

## New Orders



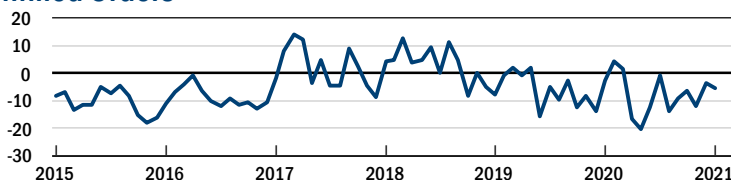
	Percent Reporting		Index
	Higher	Lower	
Dec	26.9	23.6	3.4
Jan	32.9	26.3	6.6
Change			3.2

## Shipments



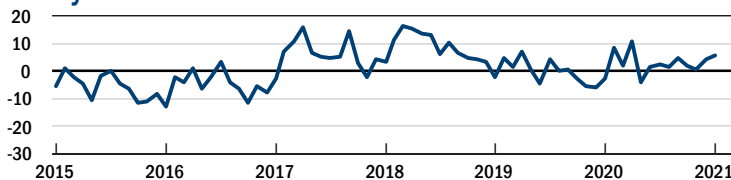
	Percent Reporting		Index
	Higher	Lower	
Dec	29.8	17.7	12.1
Jan	27.7	20.4	7.3
Change			-4.8

## Unfilled Orders



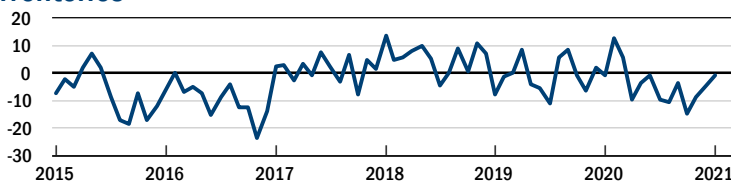
	Percent Reporting		Index
	Higher	Lower	
Dec	17.1	20.7	-3.6
Jan	15.9	21.4	-5.5
Change			-1.9

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Dec	16.4	12.1	4.3
Jan	17.2	11.7	5.5
Change			1.2

## Inventories

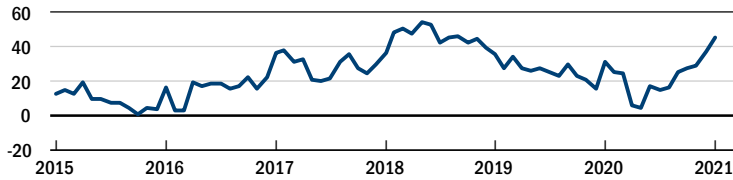


	Percent Reporting		Index
	Higher	Lower	
Dec	17.1	21.4	-4.3
Jan	18.6	19.3	-0.7
Change			3.6

# Current Indicators, *continued*

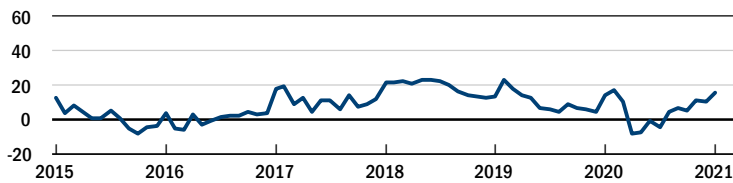
Change from Preceding Month

## Prices Paid



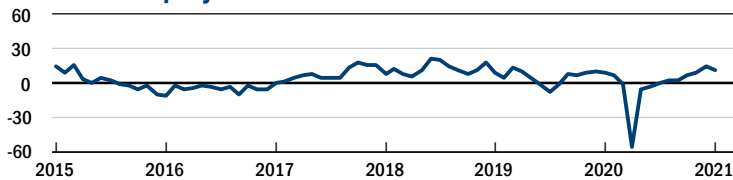
	Percent Reporting		Index
	Higher	Lower	
Dec	37.9	0.7	37.1
Jan	46.2	0.7	45.5
Change			8.4

## Prices Received



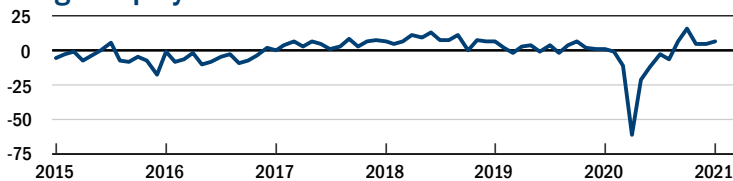
	Percent Reporting		Index
	Higher	Lower	
Dec	13.6	3.6	10.0
Jan	22.8	7.6	15.2
Change			5.2

## Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Dec	20.5	6.3	14.2
Jan	20.0	8.8	11.2
Change			-3.0

## Average Employee Workweek



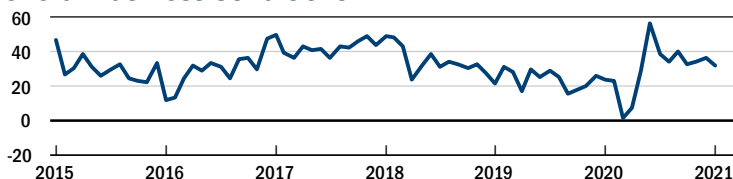
	Percent Reporting		Index
	Higher	Lower	
Dec	16.1	11.3	4.8
Jan	17.5	11.1	6.3
Change			1.5

Note: Data are seasonally adjusted.

# Forward-Looking Indicators

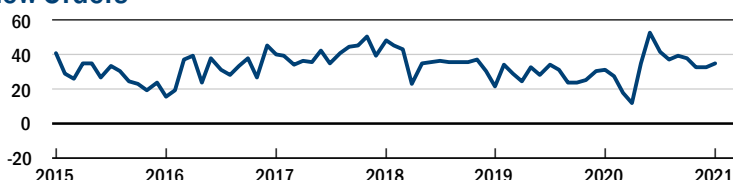
Expectations Six Months Ahead

## General Business Conditions



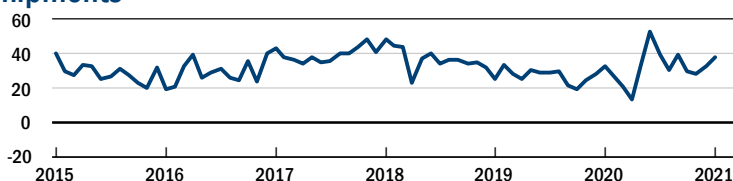
	Percent Reporting		Index
	Higher	Lower	
Dec	49.7	13.4	36.3
Jan	49.3	17.4	31.9
Change			-4.4

## New Orders



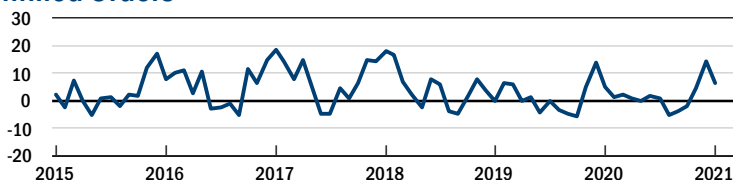
	Percent Reporting		Index
	Higher	Lower	
Dec	47.4	15.1	32.3
Jan	49.7	14.8	34.8
Change			2.5

## Shipments



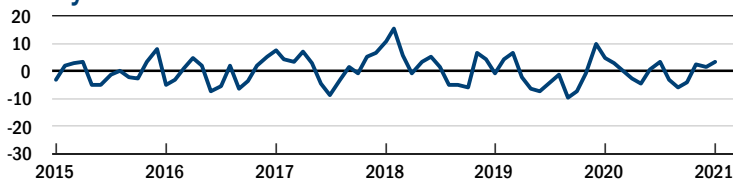
	Percent Reporting		Index
	Higher	Lower	
Dec	47.6	15.0	32.7
Jan	49.6	12.0	37.6
Change			4.9

## Unfilled Orders



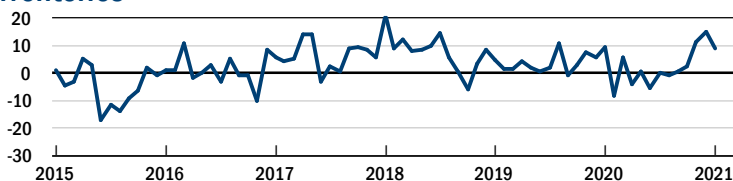
	Percent Reporting		Index
	Higher	Lower	
Dec	25.7	11.4	14.3
Jan	21.4	15.2	6.2
Change			-8.1

## Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Dec	16.4	15.0	1.4
Jan	16.6	13.1	3.4
Change			2.0

## Inventories

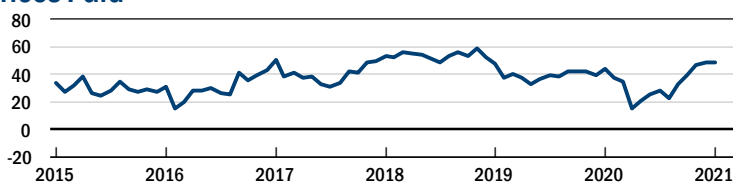


	Percent Reporting		Index
	Higher	Lower	
Dec	29.3	14.3	15.0
Jan	28.3	19.3	9.0
Change			-6.0

# Forward-Looking Indicators, *continued*

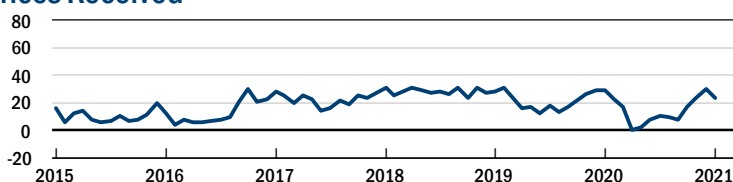
Expectations Six Months Ahead

## Prices Paid



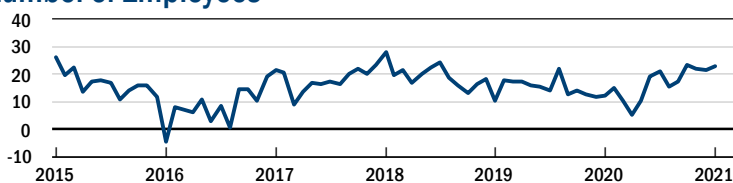
	Percent Reporting		Index
	Higher	Lower	
Dec	52.1	3.6	48.6
Jan	52.4	3.4	49.0
Change			0.4

## Prices Received



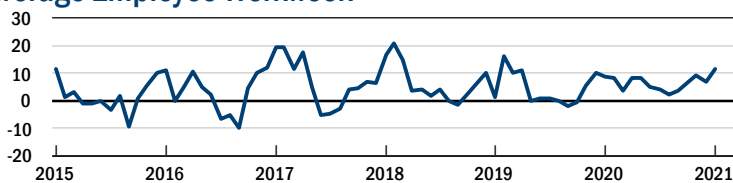
	Percent Reporting		Index
	Higher	Lower	
Dec	35.0	5.0	30.0
Jan	31.0	7.6	23.4
Change			-6.6

## Number of Employees



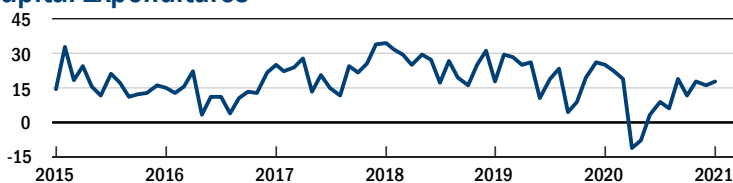
	Percent Reporting		Index
	Higher	Lower	
Dec	32.9	11.6	21.3
Jan	31.3	8.3	23.0
Change			1.7

## Average Employee Workweek



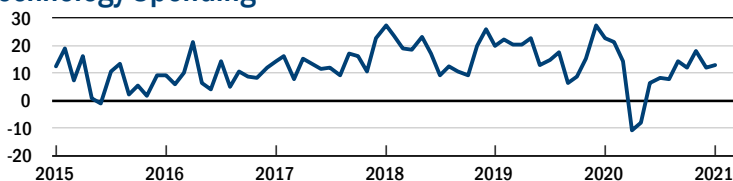
	Percent Reporting		Index
	Higher	Lower	
Dec	22.9	15.7	7.1
Jan	20.7	9.0	11.7
Change			4.6

## Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Dec	32.9	16.4	16.4
Jan	31.0	13.1	17.9
Change			1.5

## Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Dec	26.4	14.3	12.1
Jan	24.1	11.0	13.1
Change			1.0

Note: Data are seasonally adjusted.