

Empire State Manufacturing Survey

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

Business activity expanded in New York State, though only slightly, according to firms responding to the November 2020 *Empire State Manufacturing Survey*. The headline general business conditions index fell four points to 6.3, pointing to a slower pace of growth than in October. There was a small increase in new orders, and shipments were modestly higher. Inventories moved lower, and delivery times were steady. Employment levels and hours worked both rose. Input prices increased at about the same pace as last month, while selling price increases picked up. Looking ahead, firms remained optimistic that conditions would improve over the next six months.

Growth Continues to Slow

Manufacturing activity in New York State expanded only to a small degree in November. After falling seven points last

month, the general business conditions index fell four points to 6.3 this month, indicating that growth continued to slow. Thirty-one percent of respondents reported that conditions had improved over the month, while 24 percent reported that conditions had worsened. The new orders index fell nine points to 3.7, indicating a slight increase in orders, and the shipments index fell twelve points to 6.3. Delivery times were little changed, while unfilled orders and inventories continued to decline.

Ongoing Gains in Employment

The index for number of employees rose two points to 9.4, its highest level in nearly a year, indicating a modest increase in employment levels. After rising sharply last month, the average workweek index fell eleven points to 4.8, its positive value signaling a small increase in hours worked.

The prices paid index was little changed at 29.1, a sign that input prices rose at the same pace as last month. The prices received index moved up six points to 11.3, indicating a pickup in selling price increases.

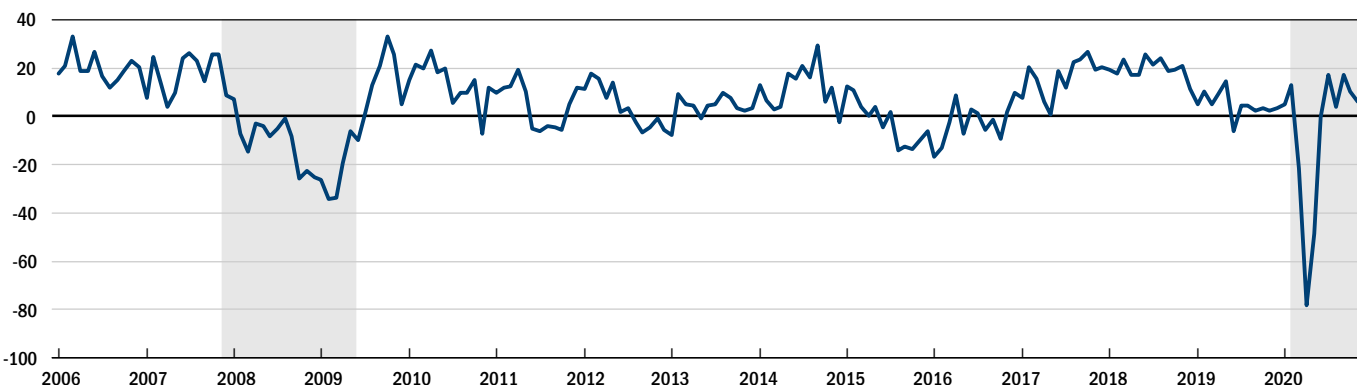
Firms Remain Optimistic

The index for future business conditions held steady at 33.9, suggesting that firms remained optimistic about future conditions. The index for future new orders was positive but slightly lower than last month. Employment levels and the average workweek are expected to continue to increase in the months ahead. Indexes for future prices paid and prices received both picked up for a second consecutive month. The capital expenditures and technology spending indexes both climbed to 17.9, suggesting ongoing planned increases in spending on capital and technology. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

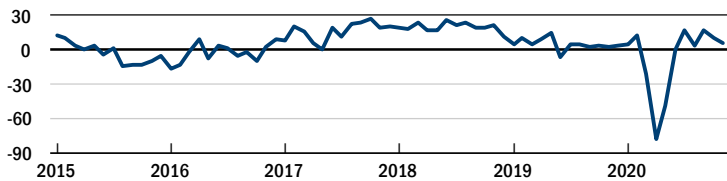


Note: The shaded areas indicate a period designated a recession by the National Bureau of Economic Research.

Current Indicators

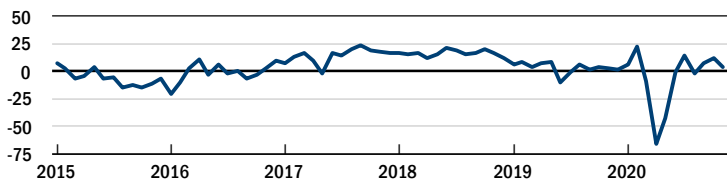
Change from Preceding Month

General Business Conditions



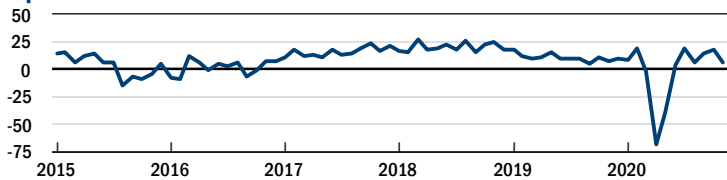
	Percent Reporting		Index
	Higher	Lower	
Oct	35.8	25.3	10.5
Nov	30.8	24.4	6.3
Change			-4.2

New Orders



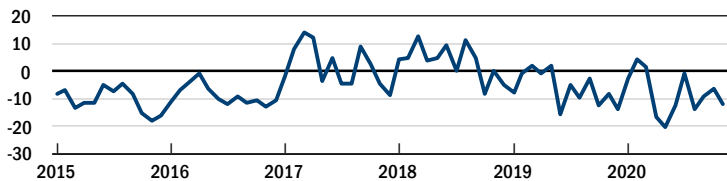
	Percent Reporting		Index
	Higher	Lower	
Oct	38.3	26.0	12.3
Nov	30.9	27.1	3.7
Change			-8.6

Shipments



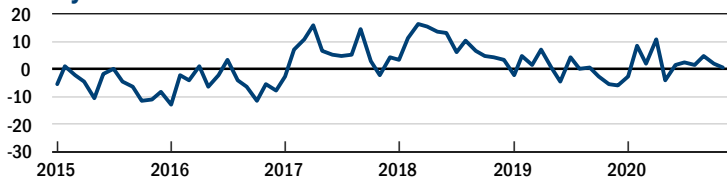
	Percent Reporting		Index
	Higher	Lower	
Oct	36.5	18.7	17.8
Nov	31.6	25.3	6.3
Change			-11.5

Unfilled Orders



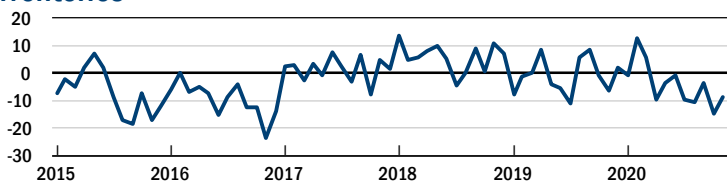
	Percent Reporting		Index
	Higher	Lower	
Oct	17.2	23.8	-6.6
Nov	14.6	26.5	-11.9
Change			-5.3

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Oct	17.2	15.2	2.0
Nov	17.2	16.6	0.7
Change			-1.3

Inventories

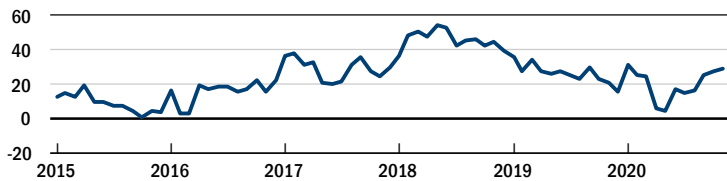


	Percent Reporting		Index
	Higher	Lower	
Oct	14.6	29.1	-14.6
Nov	17.2	25.8	-8.6
Change			6.0

Current Indicators, *continued*

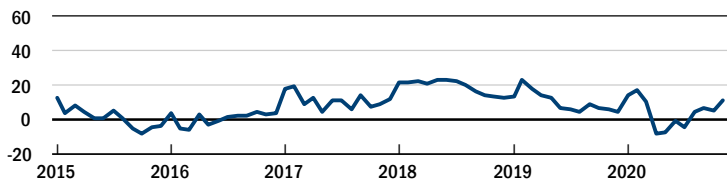
Change from Preceding Month

Prices Paid



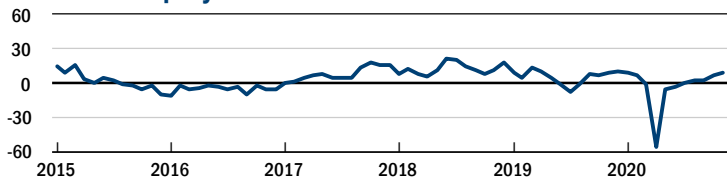
	Percent Reporting		Index
	Higher	Lower	
Oct	33.1	5.3	27.8
Nov	33.1	4.0	29.1
Change			1.3

Prices Received



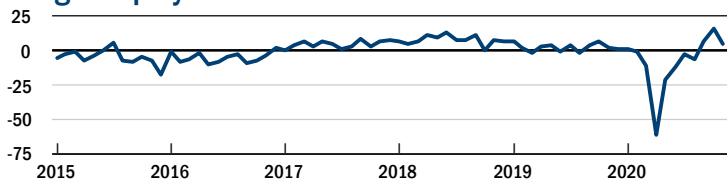
	Percent Reporting		Index
	Higher	Lower	
Oct	11.9	6.6	5.3
Nov	15.9	4.6	11.3
Change			6.0

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Oct	20.4	13.2	7.2
Nov	20.2	10.8	9.4
Change			2.2

Average Employee Workweek



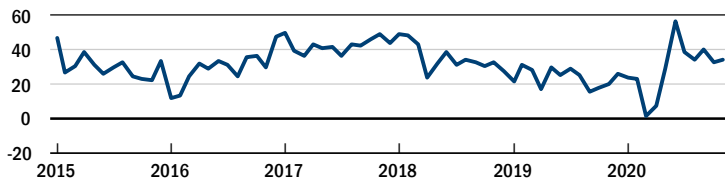
	Percent Reporting		Index
	Higher	Lower	
Oct	26.7	10.6	16.1
Nov	15.1	10.3	4.8
Change			-11.3

Note: Data are seasonally adjusted.

Forward-Looking Indicators

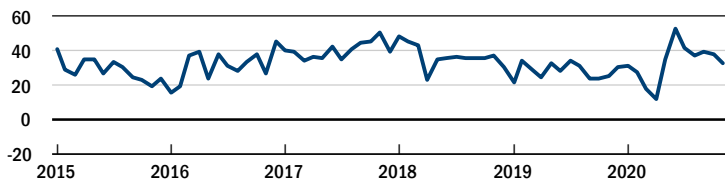
Expectations Six Months Ahead

General Business Conditions



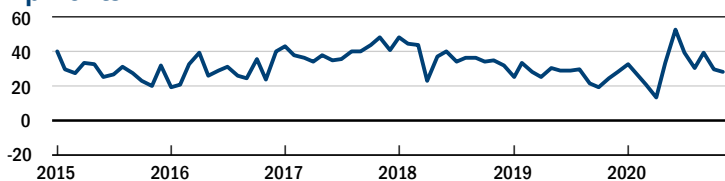
	Percent Reporting		Index
	Higher	Lower	
Oct	52.7	19.9	32.8
Nov	48.7	14.7	33.9
Change			1.1

New Orders



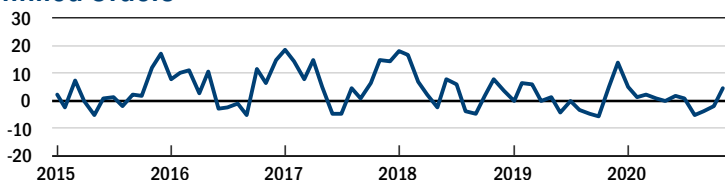
	Percent Reporting		Index
	Higher	Lower	
Oct	54.2	16.6	37.7
Nov	50.4	17.5	32.9
Change			-4.8

Shipments



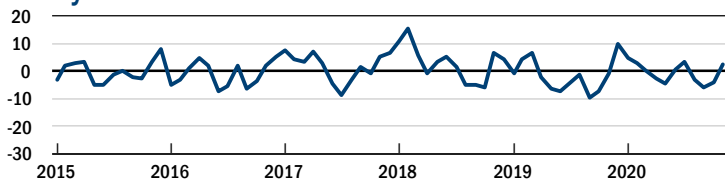
	Percent Reporting		Index
	Higher	Lower	
Oct	50.0	20.2	29.8
Nov	47.9	19.7	28.2
Change			-1.6

Unfilled Orders



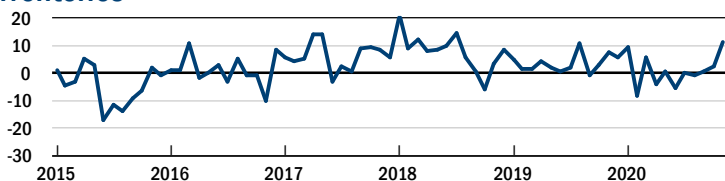
	Percent Reporting		Index
	Higher	Lower	
Oct	15.9	17.9	-2.0
Nov	19.9	15.2	4.6
Change			6.6

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Oct	12.6	16.6	-4.0
Nov	14.6	11.9	2.6
Change			6.6

Inventories

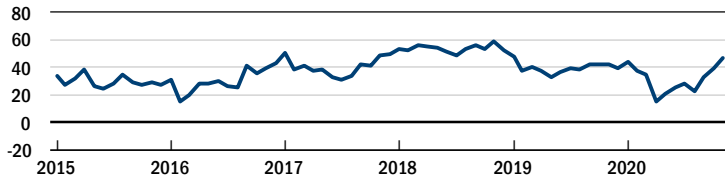


	Percent Reporting		Index
	Higher	Lower	
Oct	23.8	21.2	2.6
Nov	27.2	15.9	11.3
Change			8.7

Forward-Looking Indicators, *continued*

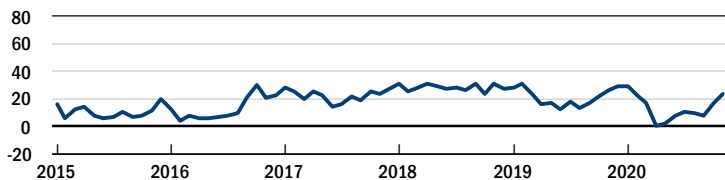
Expectations Six Months Ahead

Prices Paid



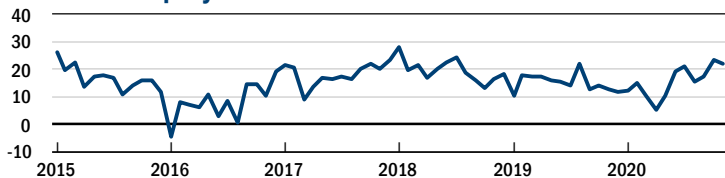
	Percent Reporting		Index
	Higher	Lower	
Oct	45.7	6.6	39.1
Nov	50.3	4.0	46.4
Change			7.3

Prices Received



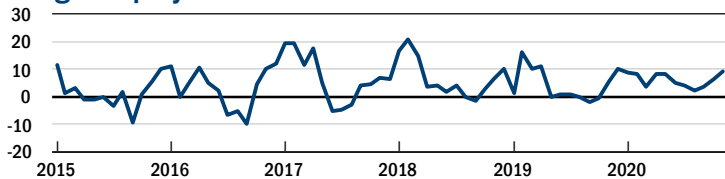
	Percent Reporting		Index
	Higher	Lower	
Oct	25.8	9.3	16.6
Nov	31.1	7.9	23.2
Change			6.6

Number of Employees



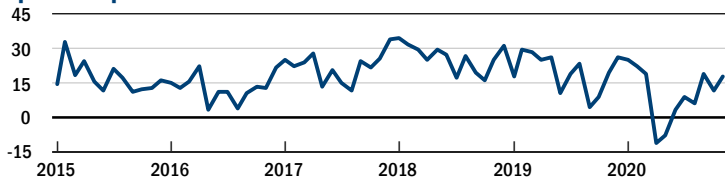
	Percent Reporting		Index
	Higher	Lower	
Oct	34.9	11.8	23.2
Nov	33.7	11.5	22.2
Change			-1.0

Average Employee Workweek



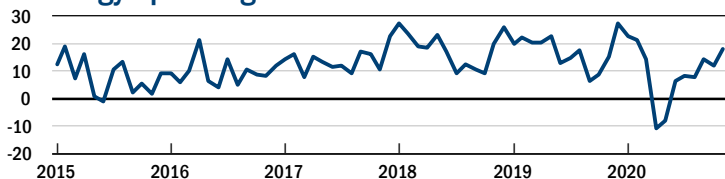
	Percent Reporting		Index
	Higher	Lower	
Oct	19.9	13.2	6.6
Nov	18.5	9.3	9.3
Change			2.7

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Oct	31.8	19.9	11.9
Nov	30.5	12.6	17.9
Change			6.0

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Oct	27.8	15.9	11.9
Nov	29.1	11.3	17.9
Change			6.0

Note: Data are seasonally adjusted.