

Empire State Manufacturing Survey

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

Business activity grew modestly in New York State, according to firms responding to the February 2021 *Empire State Manufacturing Survey*. The headline general business conditions index climbed nine points to 12.1, its highest level in several months. New orders increased, and shipments edged higher. Delivery times lengthened, and inventories grew. Employment levels and the average workweek both increased. Input prices rose at the fastest clip in nearly a decade, and selling prices increased significantly. Looking ahead, firms remained optimistic that conditions would improve over the next six months, and capital spending plans expanded noticeably.

Growth Picks Up

Manufacturing activity grew at its fastest pace in months in New York

State in February. The general business conditions index rose nine points to 12.1, its highest level since July of last year. Thirty-two percent of respondents reported that conditions had improved over the month, while 20 percent reported that conditions had worsened. The new orders index rose four points to 10.8, indicating that orders increased, and the shipments index fell to 4.0, pointing to a small increase in shipments. Delivery times rose at the fastest pace in a year, and inventories were higher.

Growth Price Increases Continue to Accelerate

The index for number of employees was little changed at 12.1, indicating ongoing modest gains in employment, and the average workweek index edged up to 9.0, signaling an increase in hours

worked. The prices paid index rose twelve points to 57.8, a level last reached in 2011, pointing to sharp input price increases. The prices received index climbed eight points to 23.4, its highest level in two years, pointing to a pickup in selling price increases.

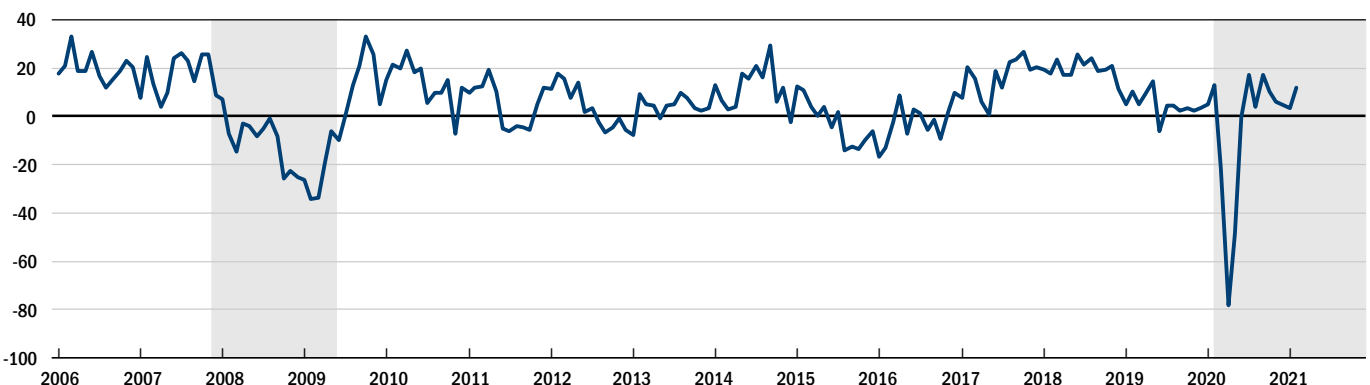
Capital Spending Plans Rise

The index for future business conditions rose three points to 34.9, suggesting that firms remained optimistic about future conditions. The indexes for future new orders and shipments rose to similar levels. Delivery times are expected to lengthen and inventories are expected to increase in the months ahead, and both the future prices paid and prices received indexes were notably higher. The capital expenditures index rose to 28.6, its highest level in over a year, and the technology spending index rose to 23.4. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

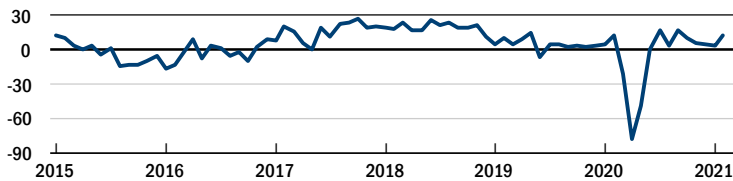


Note: The shaded areas indicate a period designated a recession by the National Bureau of Economic Research.

Current Indicators

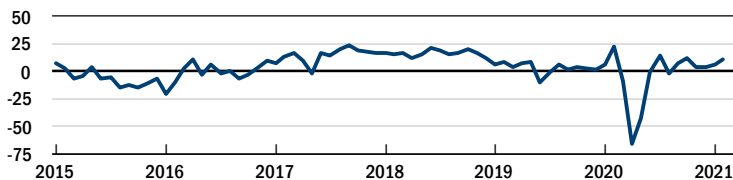
Change from Preceding Month

General Business Conditions



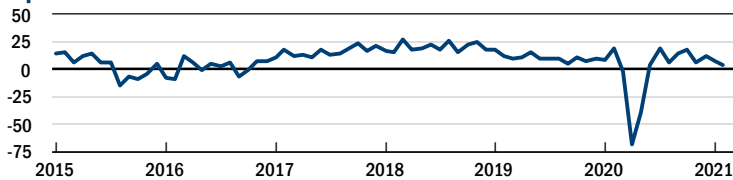
	Percent Reporting		Index
	Higher	Lower	
Jan	26.6	23.1	3.5
Feb	32.2	20.0	12.1
Change			8.6

New Orders



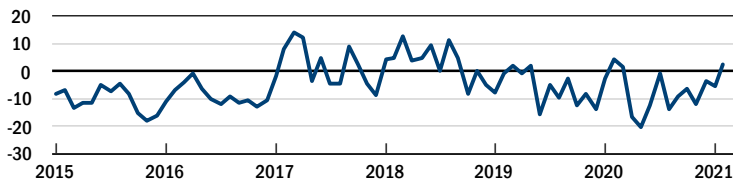
	Percent Reporting		Index
	Higher	Lower	
Jan	32.9	26.3	6.6
Feb	35.3	24.5	10.8
Change			4.2

Shipments



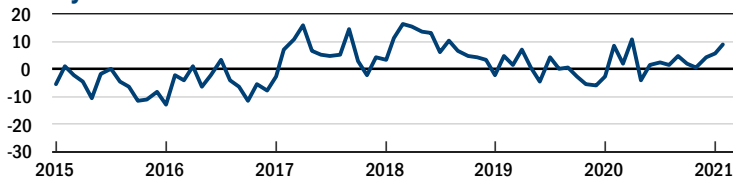
	Percent Reporting		Index
	Higher	Lower	
Jan	27.7	20.4	7.3
Feb	28.9	24.9	4.0
Change			-3.3

Unfilled Orders



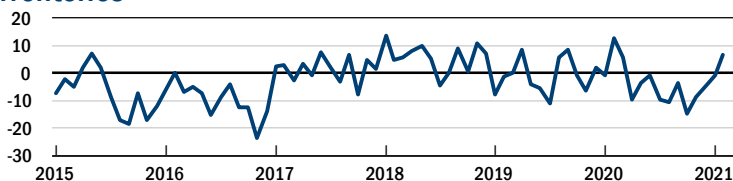
	Percent Reporting		Index
	Higher	Lower	
Jan	15.9	21.4	-5.5
Feb	22.1	19.5	2.6
Change			8.1

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	17.2	11.7	5.5
Feb	20.8	11.7	9.1
Change			3.6

Inventories

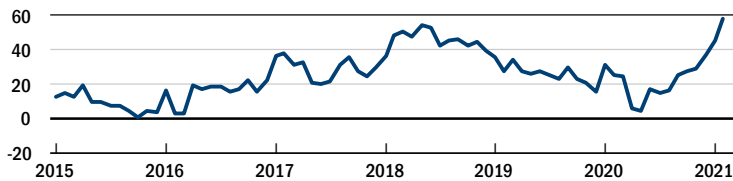


	Percent Reporting		Index
	Higher	Lower	
Jan	18.6	19.3	-0.7
Feb	24.0	17.5	6.5
Change			7.2

Current Indicators, *continued*

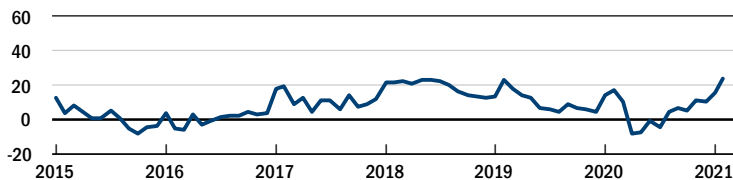
Change from Preceding Month

Prices Paid



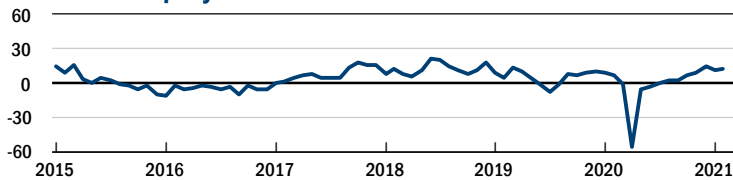
	Percent Reporting		Index
	Higher	Lower	
Jan	46.2	0.7	45.5
Feb	59.1	1.3	57.8
Change			12.3

Prices Received



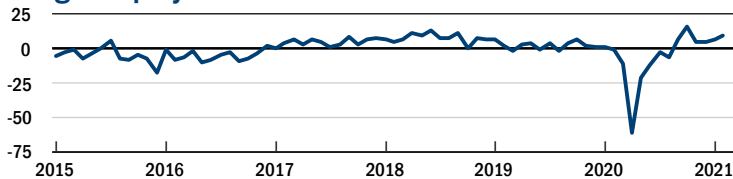
	Percent Reporting		Index
	Higher	Lower	
Jan	22.8	7.6	15.2
Feb	26.0	2.6	23.4
Change			8.2

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Jan	20.0	8.8	11.2
Feb	19.8	7.8	12.1
Change			0.9

Average Employee Workweek



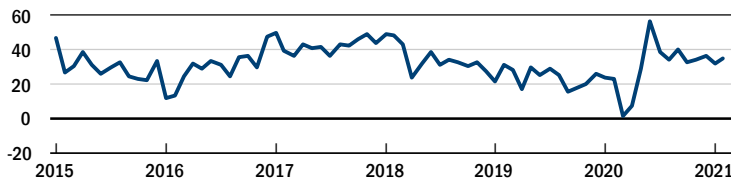
	Percent Reporting		Index
	Higher	Lower	
Jan	17.5	11.1	6.3
Feb	21.2	12.2	9.0
Change			2.7

Note: Data are seasonally adjusted.

Forward-Looking Indicators

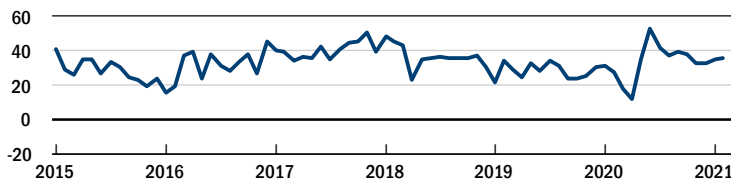
Expectations Six Months Ahead

General Business Conditions



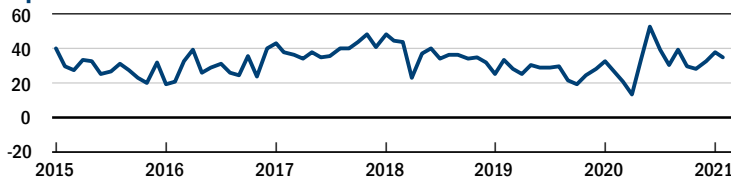
	Percent Reporting		Index
	Higher	Lower	
Jan	49.3	17.4	31.9
Feb	50.9	16.0	34.9
Change			3.0

New Orders



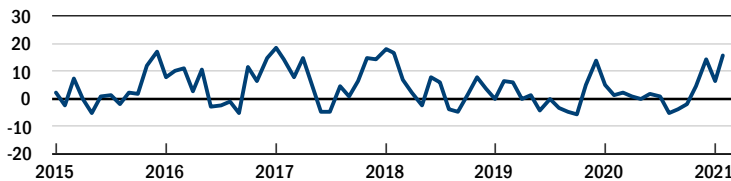
	Percent Reporting		Index
	Higher	Lower	
Jan	49.7	14.8	34.8
Feb	52.8	17.2	35.6
Change			0.8

Shipments



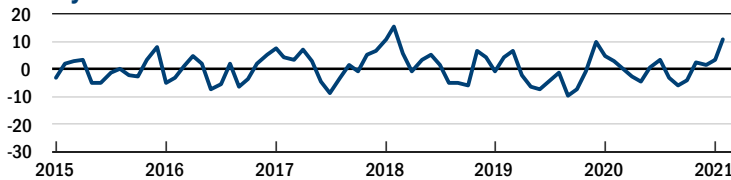
	Percent Reporting		Index
	Higher	Lower	
Jan	49.6	12.0	37.6
Feb	49.5	14.4	35.1
Change			-2.5

Unfilled Orders



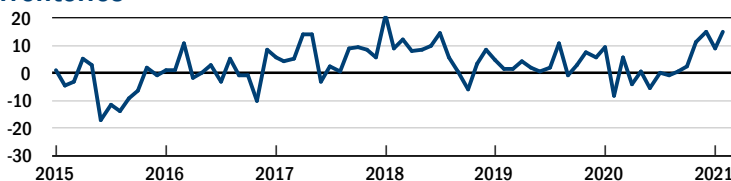
	Percent Reporting		Index
	Higher	Lower	
Jan	21.4	15.2	6.2
Feb	29.9	14.3	15.6
Change			9.4

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Jan	16.6	13.1	3.4
Feb	22.7	11.7	11.0
Change			7.6

Inventories

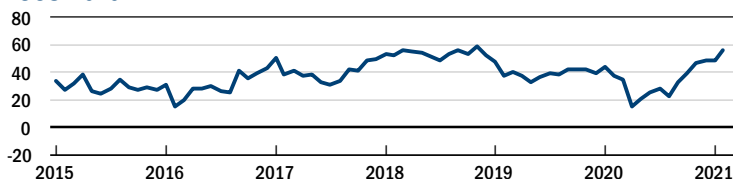


	Percent Reporting		Index
	Higher	Lower	
Jan	28.3	19.3	9.0
Feb	31.8	16.9	14.9
Change			5.9

Forward-Looking Indicators, *continued*

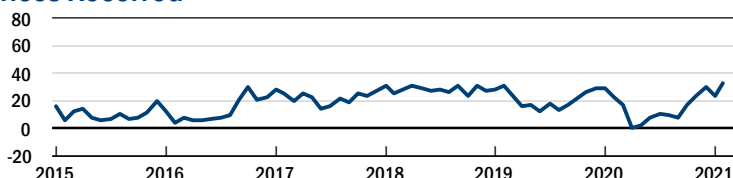
Expectations Six Months Ahead

Prices Paid



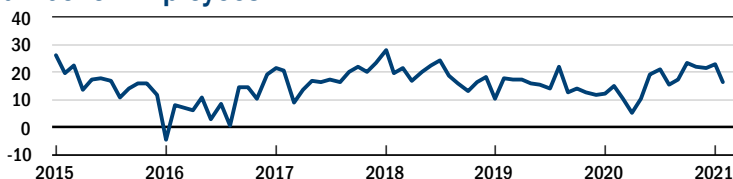
	Percent Reporting		Index
	Higher	Lower	
Jan	52.4	3.4	49.0
Feb	59.7	3.9	55.8
Change			6.8

Prices Received



	Percent Reporting		Index
	Higher	Lower	
Jan	31.0	7.6	23.4
Feb	37.7	5.2	32.5
Change			9.1

Number of Employees



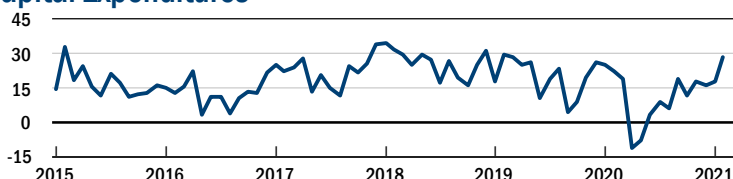
	Percent Reporting		Index
	Higher	Lower	
Jan	31.3	8.3	23.0
Feb	28.7	12.1	16.6
Change			-6.4

Average Employee Workweek



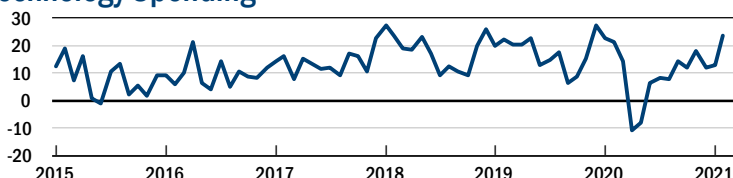
	Percent Reporting		Index
	Higher	Lower	
Jan	20.7	9.0	11.7
Feb	21.4	7.1	14.3
Change			2.6

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Jan	31.0	13.1	17.9
Feb	35.1	6.5	28.6
Change			10.7

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Jan	24.1	11.0	13.1
Feb	29.9	6.5	23.4
Change			10.3

Note: Data are seasonally adjusted.