

Empire State Manufacturing Survey

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

Business activity grew strongly in New York State, according to firms responding to the April 2021 *Empire State Manufacturing Survey*. The headline general business conditions index climbed nine points to 26.3, a multi-year high. New orders and shipments grew at a solid clip, and unfilled orders increased. Delivery times were the longest on record, and inventories were notably higher. Employment levels and the average workweek both expanded modestly. Input prices rose at the fastest pace since 2008, and selling prices climbed at a record-setting pace. Looking ahead, firms remained optimistic that conditions would improve over the next six months, expecting significant increases in employment and prices.

Robust Growth

Manufacturing activity grew at a sturdy pace in New York State in April. The general business conditions index

rose nine points to 26.3, its highest level since well before the pandemic began. Thirty-nine percent of respondents reported that conditions had improved over the month, while 12 percent reported that conditions had worsened. The new orders index shot up eighteen points to 26.9 and the shipments index climbed to 25.0, pointing to strong gains in orders and shipments. Unfilled orders were notably higher. The delivery times index surged seventeen points to 28.1, breaking the previous record by twelve points, pointing to significantly longer delivery times. Inventories moved higher.

Selling Prices Rise at a Record-Setting Pace

The index for number of employees increased five points to 13.9, and the average workweek index edged up to 12.7, indicating ongoing gains in employment

and hours worked. The prices paid index rose ten points to 74.7, its highest level since 2008, pointing to sharp input price increases. The prices received index rose eleven points to 34.9, a record high, indicating that selling prices increased at the fastest pace in more than twenty years.

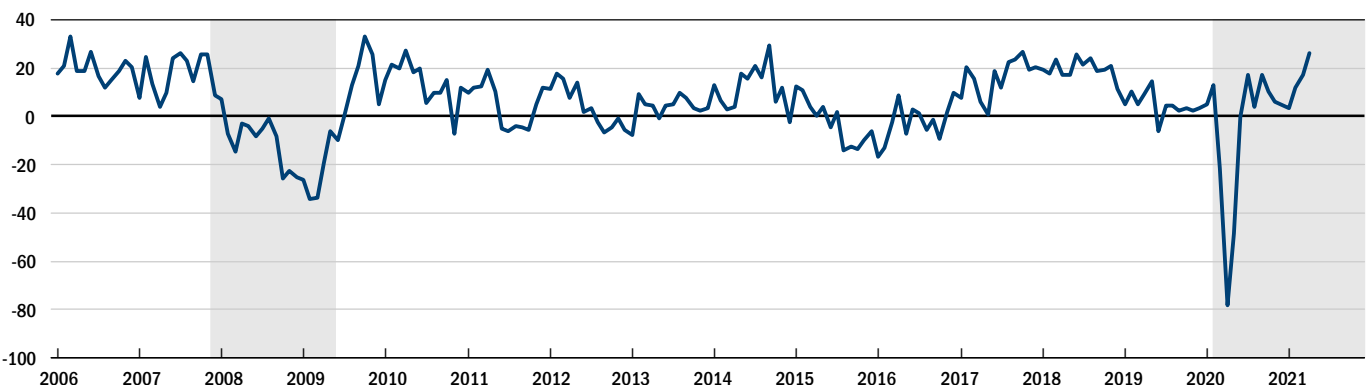
Further Price Increases and Strong Employment Growth Expected

The index for future business conditions rose three points to 39.8, suggesting that firms remained optimistic about future conditions. The indexes for future new orders and shipments both came in above 40. The indexes for future prices paid and future prices received continued to march upward. The index for future employment climbed to a record high, with close to half of firms expecting to increase employment in the months ahead. The capital expenditures index rose to 31.5, and the technology spending index came in at 21.9. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

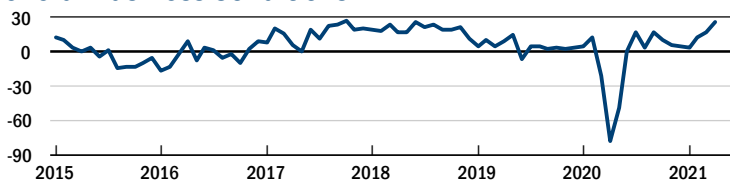


Note: The shaded areas indicate a period designated a recession by the National Bureau of Economic Research.

Current Indicators

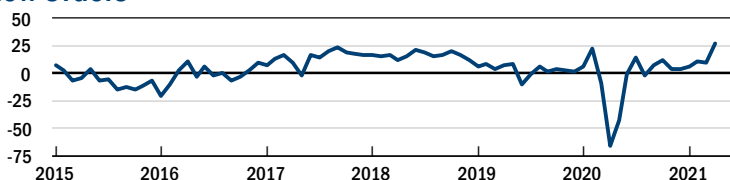
Change from Preceding Month

General Business Conditions



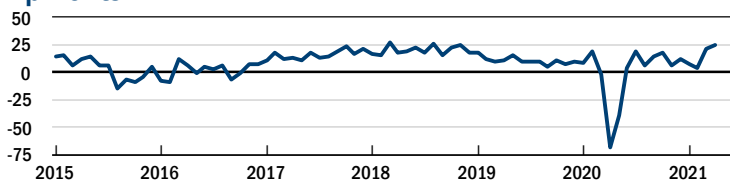
	Percent Reporting		Index
	Higher	Lower	
Mar	34.2	16.8	17.4
Apr	38.5	12.2	26.3
Change			8.9

New Orders



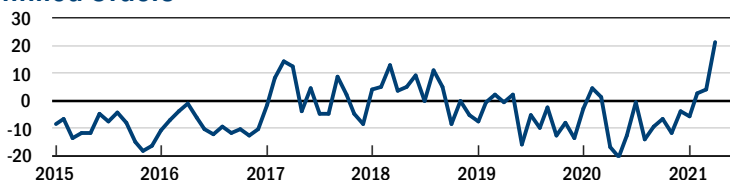
	Percent Reporting		Index
	Higher	Lower	
Mar	28.9	19.8	9.1
Apr	39.1	12.2	26.9
Change			17.8

Shipments



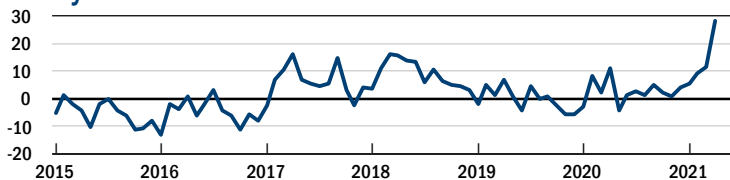
	Percent Reporting		Index
	Higher	Lower	
Mar	35.4	14.3	21.1
Apr	38.1	13.1	25.0
Change			3.9

Unfilled Orders



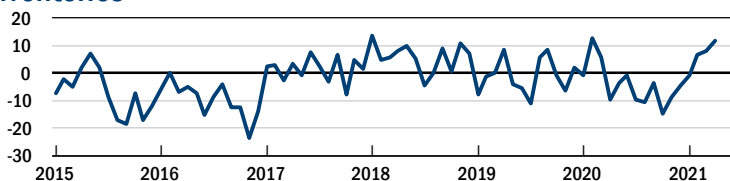
	Percent Reporting		Index
	Higher	Lower	
Mar	20.8	16.8	4.0
Apr	31.5	10.3	21.2
Change			17.2

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Mar	19.5	8.1	11.4
Apr	30.8	2.7	28.1
Change			16.7

Inventories

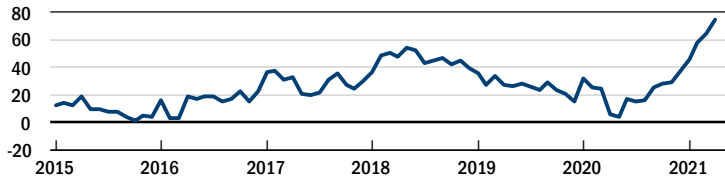


	Percent Reporting		Index
	Higher	Lower	
Mar	25.5	17.4	8.1
Apr	25.3	13.7	11.6
Change			3.5

Current Indicators, *continued*

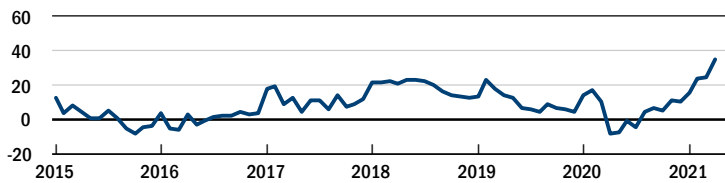
Change from Preceding Month

Prices Paid



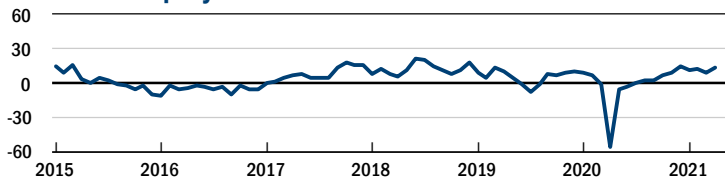
	Percent Reporting		Index
	Higher	Lower	
Mar	65.8	1.3	64.4
Apr	74.7	0.0	74.7
Change			10.3

Prices Received



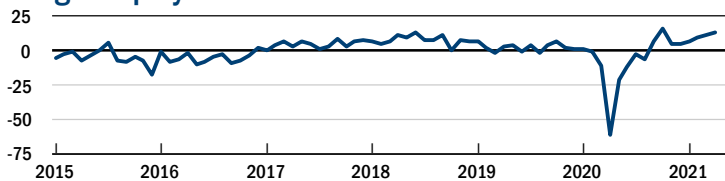
	Percent Reporting		Index
	Higher	Lower	
Mar	27.5	3.4	24.2
Apr	37.7	2.7	34.9
Change			10.7

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Mar	20.8	11.4	9.4
Apr	20.7	6.8	13.9
Change			4.5

Average Employee Workweek



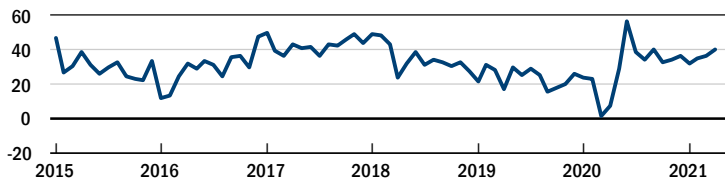
	Percent Reporting		Index
	Higher	Lower	
Mar	18.9	7.9	10.9
Apr	18.5	5.8	12.7
Change			1.8

Note: Data are seasonally adjusted.

Forward-Looking Indicators

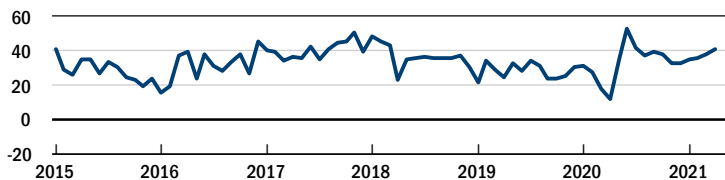
Expectations Six Months Ahead

General Business Conditions



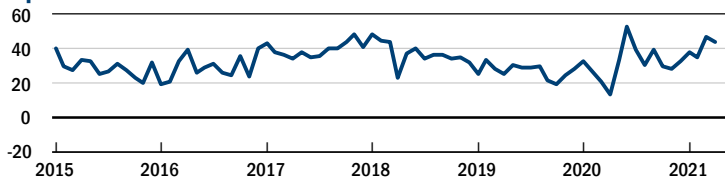
	Percent Reporting		Index
	Higher	Lower	
Mar	52.5	16.1	36.4
Apr	56.2	16.4	39.8
Change			3.4

New Orders



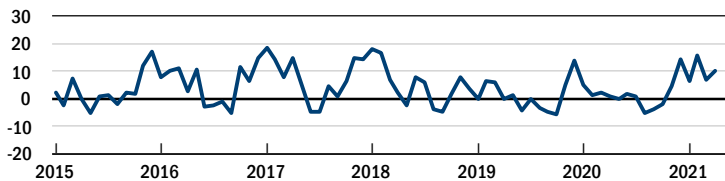
	Percent Reporting		Index
	Higher	Lower	
Mar	51.0	13.1	37.9
Apr	57.8	16.7	41.1
Change			3.2

Shipments



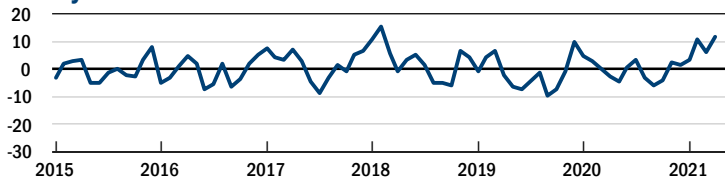
	Percent Reporting		Index
	Higher	Lower	
Mar	54.8	8.3	46.5
Apr	58.4	14.9	43.5
Change			-3.0

Unfilled Orders



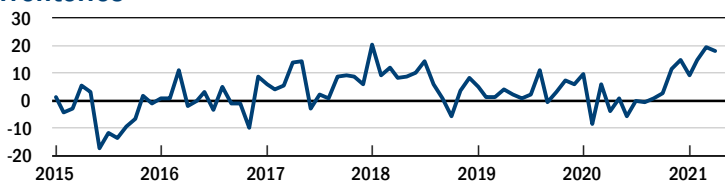
	Percent Reporting		Index
	Higher	Lower	
Mar	22.1	15.4	6.7
Apr	26.7	16.4	10.3
Change			3.6

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Mar	18.8	12.8	6.0
Apr	26.0	14.4	11.6
Change			5.6

Inventories

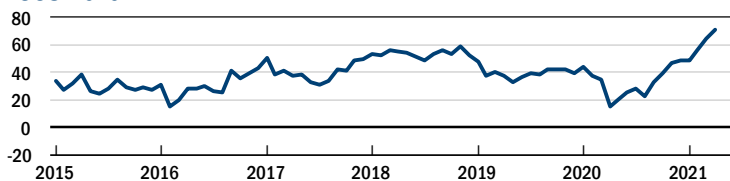


	Percent Reporting		Index
	Higher	Lower	
Mar	35.6	16.1	19.5
Apr	29.5	11.6	17.8
Change			-1.7

Forward-Looking Indicators, *continued*

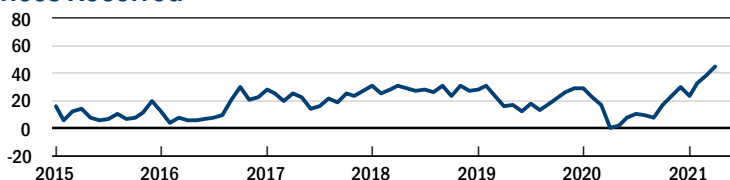
Expectations Six Months Ahead

Prices Paid



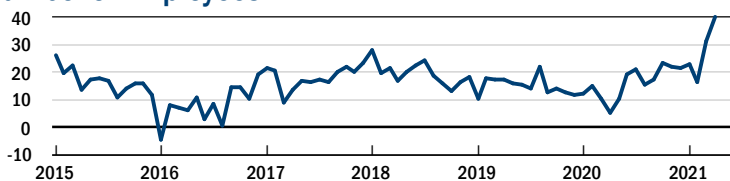
	Percent Reporting		Index
	Higher	Lower	
Mar	66.4	2.0	64.4
Apr	75.3	4.1	71.2
Change			6.8

Prices Received



	Percent Reporting		Index
	Higher	Lower	
Mar	43.0	4.7	38.3
Apr	49.3	4.1	45.2
Change			6.9

Number of Employees



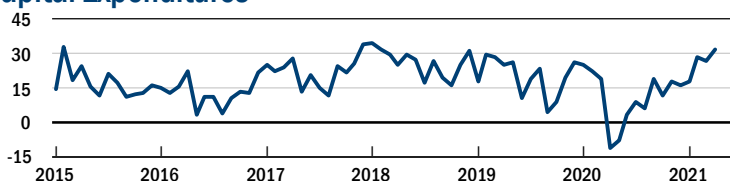
	Percent Reporting		Index
	Higher	Lower	
Mar	37.1	5.8	31.4
Apr	46.1	6.0	40.1
Change			8.7

Average Employee Workweek



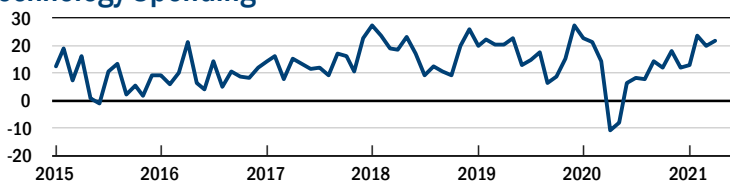
	Percent Reporting		Index
	Higher	Lower	
Mar	26.8	6.7	20.1
Apr	23.3	11.6	11.6
Change			-8.5

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Mar	34.2	7.4	26.8
Apr	39.0	7.5	31.5
Change			4.7

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Mar	26.2	6.0	20.1
Apr	27.4	5.5	21.9
Change			1.8

Note: Data are seasonally adjusted.