

# Regional Surveys of Business Activity

## Carolinas Survey of Business Activity

June 29, 2023

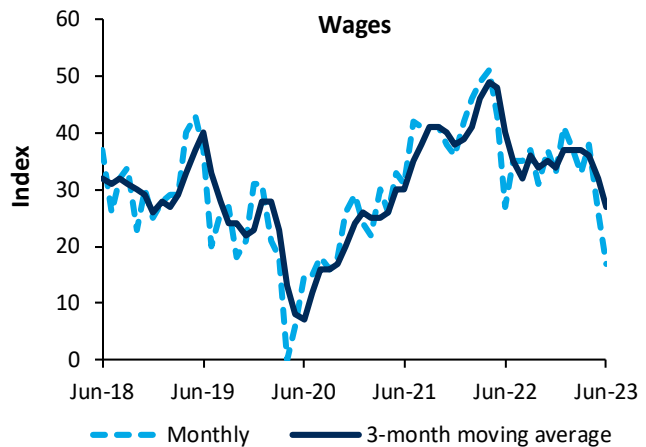
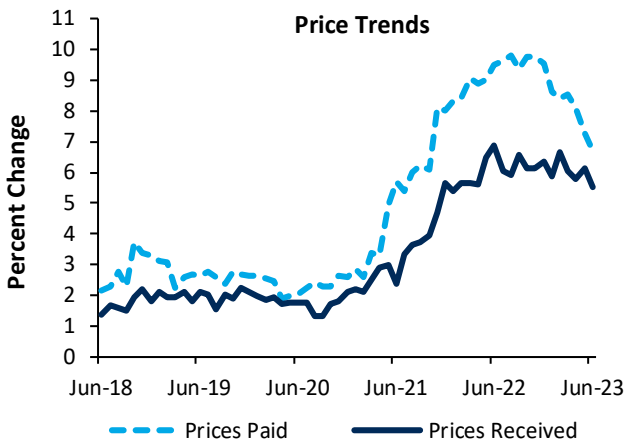
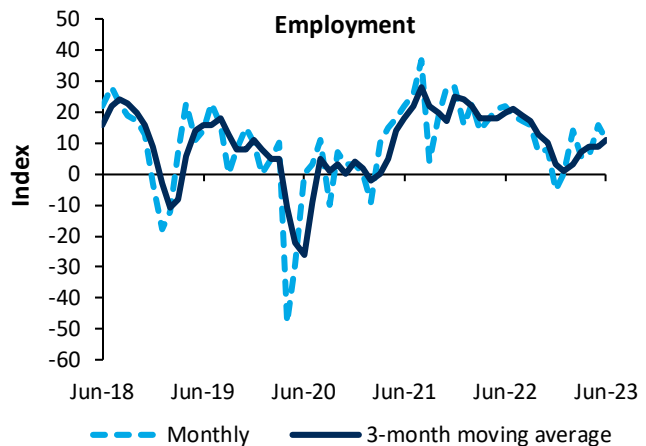
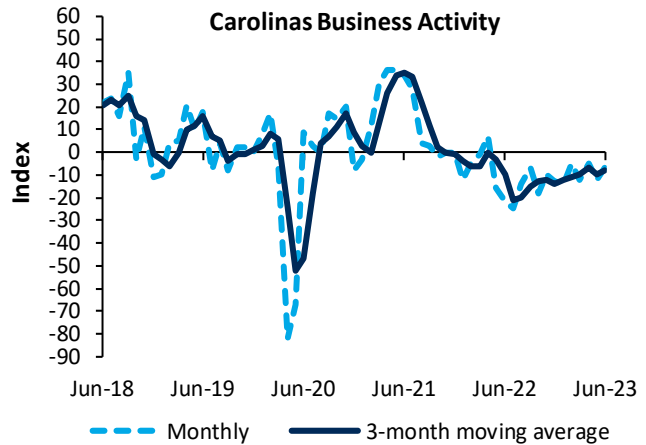
### Business Activity in the Carolinas Improved Modestly in June

Firms in the Carolinas reported modest improvement in business activity in June, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index rose from -12 in May to -7 in June. The corresponding expectations index rose from -16 to -8.

The sales index rose to 2, while the index measuring expected sales remained at 1. On the other hand, all three spending indexes declined, with the index for total capital expenditures falling the most, from 11 in May to -4 in June.

The employment and wages indexes decreased but remained positive in June, suggesting that many firms are still increasing employment and wages. Firms expected wages to continue increasing over the near-term and anticipated some improvement in their ability to find workers with the desired skills over the next six months.

The average year-over-year growth in prices paid and prices received decreased somewhat in June. Firms expect price growth to moderate over the next year.



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Business Activity Indexes <sup>1,4</sup>						
Business Conditions in the Carolinas	Current Conditions			Expectations <sup>2</sup>		
	Jun-23	May-23	Apr-23	Jun-23	May-23	Apr-23
General Business Conditions	-7	-12	-5	-8	-16	1
Sales	2	-6	14	1	1	20
<b>Employment</b>						
Number of Employees	11	16	6	15	13	20
Availability of Skills Needed	6	-2	1	6	8	6
Wages	17	26	38	37	48	44
<b>Spending</b>						
Business Services Expenditures	-2	1	-10	-6	-7	-7
Total Capital Expenditures	-4	11	4	-11	0	18
Equipment or Software Expenditures	3	15	3	7	8	6
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	6.69	7.29	8.10	3.86	4.42	4.47
Prices Received for Outputs	5.54	6.13	5.77	3.43	3.24	3.76

## Technical Notes:

- Each index equals the percentage of responding firms reporting increase minus the percentage reporting decrease. Data are not seasonally adjusted. Results are based on responses from 46-87 firms.
- Expectations refer to the time period six months out from the survey period.
- Current price changes are percentages over the last 12 months. Expected price changes are expected changes over the next 12 months.
- All firms surveyed are located within the states of North Carolina and South Carolina.

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