

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

August 24, 2023

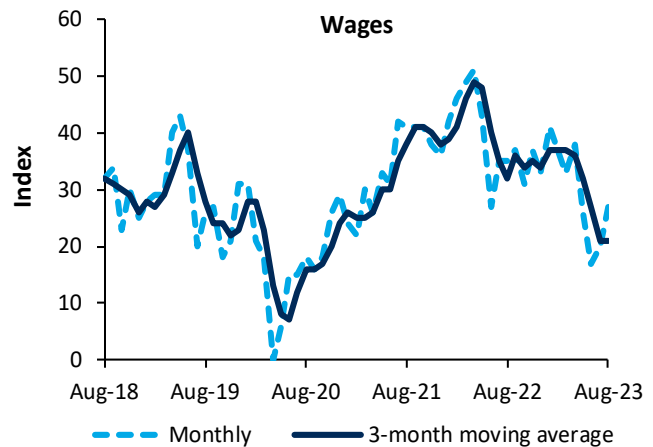
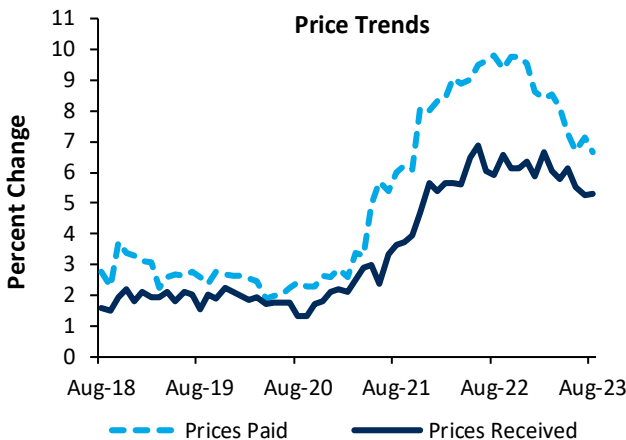
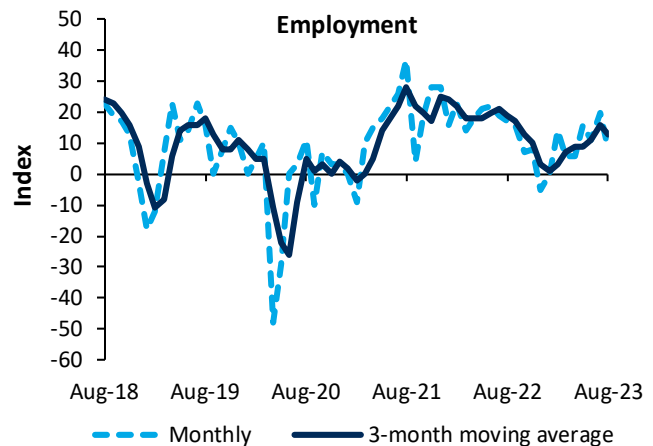
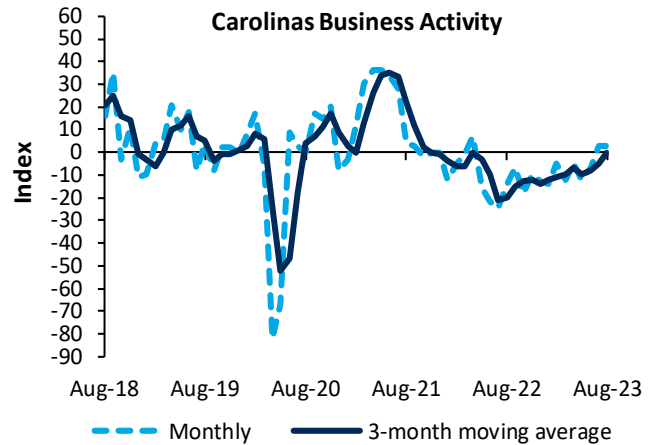
Business Activity in the Carolinas Was Flat in August

Business activity in the Carolinas was flat in August, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index remained unchanged at 3 in August. The corresponding expectations index edged up from 1 to 2.

The sales index fell slightly to 0, while the index measuring expected sales increased to 14. Furthermore, two of the three spending indexes decreased, with the index for business services expenditures falling the most, from 6 in July to -2 in August.

The employment index fell notably to 8 in August, while the wages index increased to 27. Firms expected wages to continue increasing over the near term and anticipated little 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 decreased somewhat, while growth in prices received increased slightly in August. Firms expect price growth to moderate over the next year.



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| Business Activity Indexes ^{1,4} | | | | | | |
|--|--------------------|--------|--------|---------------------------|--------|--------|
| Business Conditions in the Carolinas | Current Conditions | | | Expectations ² | | |
| | Aug-23 | Jul-23 | Jun-23 | Aug-23 | Jul-23 | Jun-23 |
| General Business Conditions | 3 | 3 | -7 | 2 | 1 | -8 |
| Sales | 0 | 5 | 2 | 14 | 11 | 1 |
| Employment | | | | | | |
| Number of Employees | 8 | 20 | 11 | 8 | 10 | 15 |
| Availability of Skills Needed | -7 | -3 | 6 | 4 | 8 | 6 |
| Wages | 27 | 20 | 17 | 53 | 39 | 37 |
| Spending | | | | | | |
| Business Services Expenditures | -2 | 6 | -2 | -7 | 2 | -6 |
| Total Capital Expenditures | 8 | -4 | -4 | 17 | 14 | -11 |
| Equipment or Software Expenditures | 4 | 8 | 3 | 8 | 16 | 7 |
| Price Trends³ | | | | | | |
| Prices Paid for Inputs | 6.65 | 7.13 | 6.69 | 4.30 | 4.19 | 3.86 |
| Prices Received for Outputs | 5.32 | 5.27 | 5.54 | 3.09 | 3.25 | 3.43 |

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 48-92 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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