

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

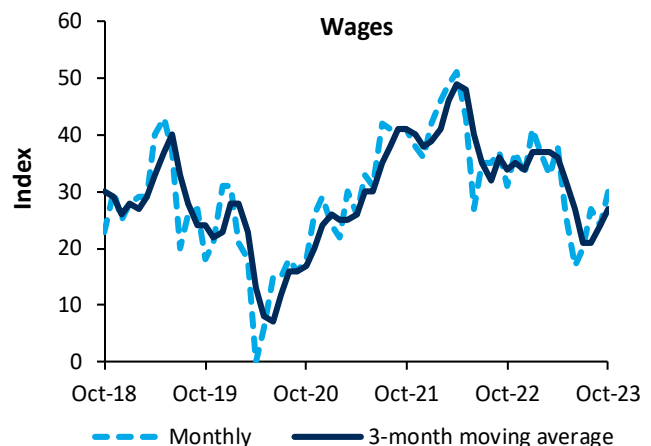
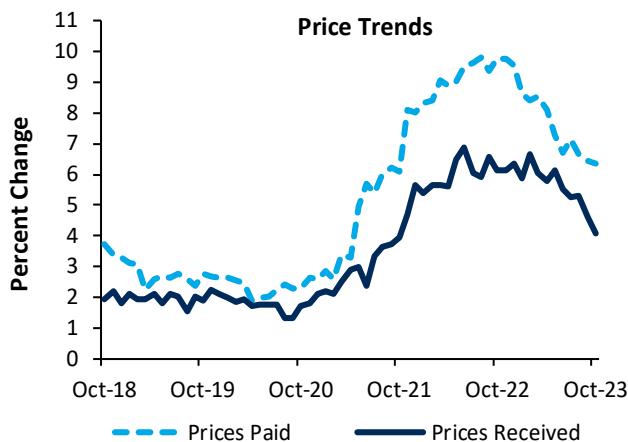
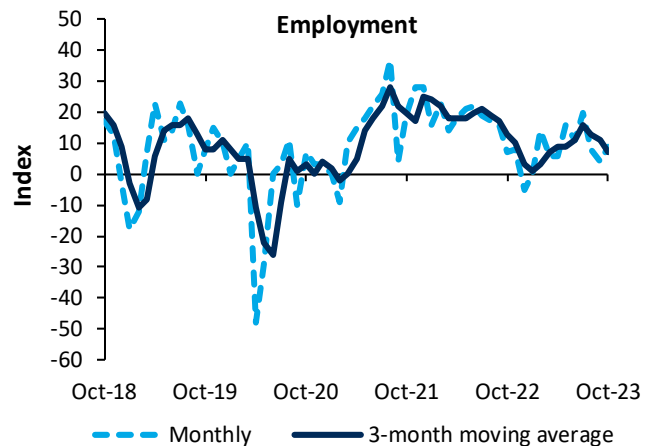
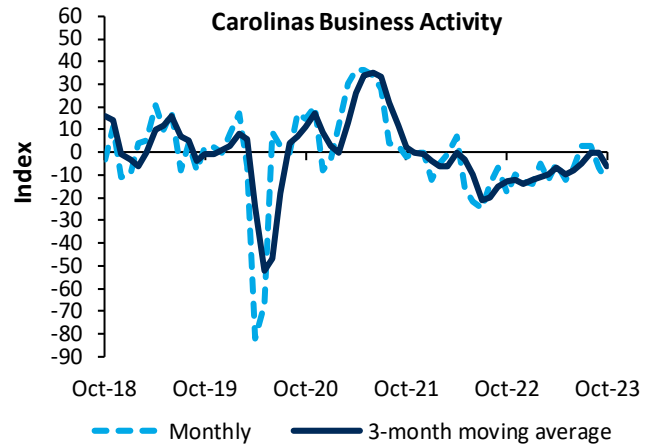
October 26, 2023

Business Activity in the Carolinas Worsened Somewhat in October

Business activity in the Carolinas worsened somewhat in October, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index fell from -7 in September to -13 in October, and the expectations index dropped from -2 to -22. The sales index edged down from 1 in September to -2 in October, but its corresponding expectations index remained positive. Two of the three spending indexes fell.

The employment index rose slightly, from 4 in September to 9 in October while the wages index remained elevated, and firms reported increased difficulty finding workers with the necessary skills. Most 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 decreased very slightly in October, while growth in prices received declined somewhat more. Firms expected 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		
	Oct-23	Sep-23	Aug-23	Oct-23	Sep-23	Aug-23
General Business Conditions	-13	-7	3	-22	-2	2
Sales	-2	1	0	7	14	14
Employment						
Number of Employees	9	4	8	9	15	8
Availability of Skills Needed	-3	4	-7	3	8	4
Wages	30	24	27	53	46	53
Spending						
Business Services Expenditures	-9	-2	-2	-9	-6	-7
Total Capital Expenditures	7	6	8	6	8	17
Equipment or Software Expenditures	4	7	4	6	14	8
Price Trends³						
Prices Paid for Inputs	6.34	6.44	6.65	4.12	4.05	4.30
Prices Received for Outputs	4.07	4.60	5.32	3.06	3.18	3.09

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 53-102 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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