

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

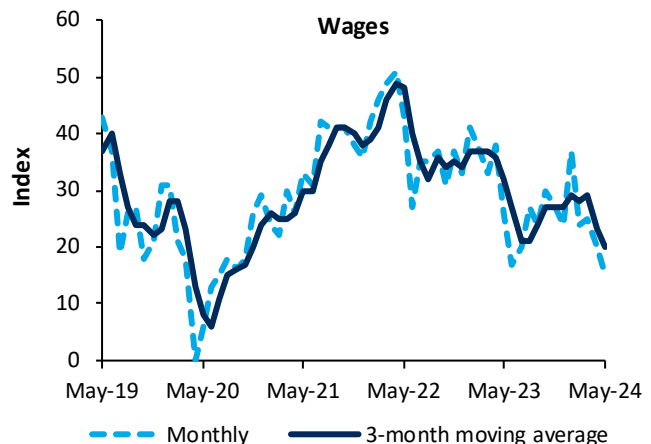
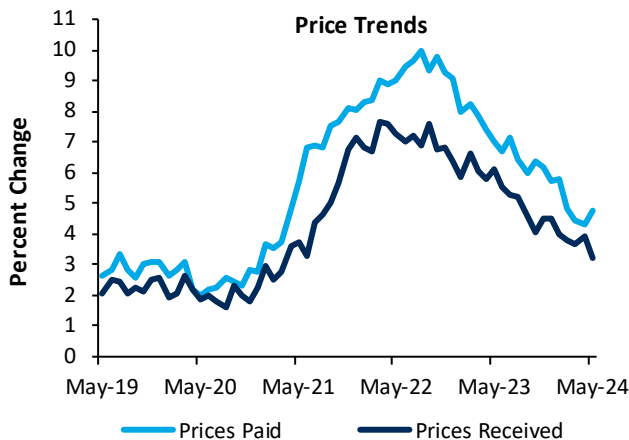
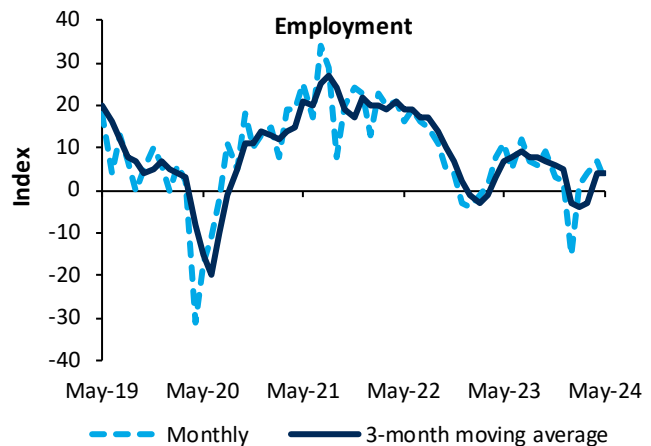
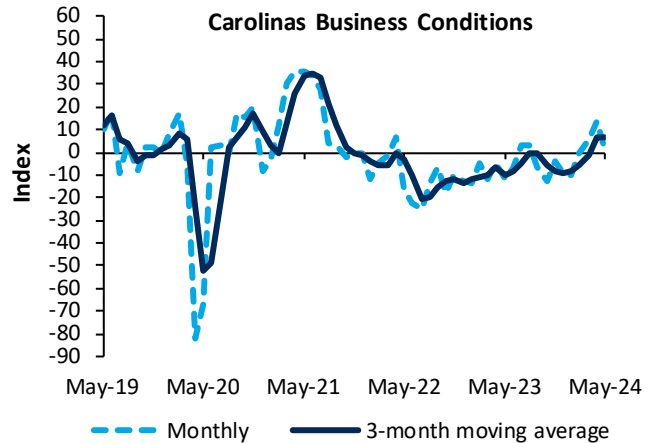
May 31, 2024

Business Activity in the Carolinas Slowed in May

Business activity in the Carolinas slowed in May, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index decreased from 14 in April to 1 in May, and the corresponding expectations index fell from 17 to 4. The sales index edged down from 13 in April to 11 in May; its corresponding expectations index also declined slightly but remained firmly in positive territory.

The employment index decreased from 7 in April to 2 in May while the wages index also decreased slightly, and firms reported some improvement in their ability to find 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.

Average year-over-year growth in prices paid increased slightly in May, while average growth in prices received decreased slightly. Firms expected price growth to be relatively steady or moderate somewhat over the next year.



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Business Activity Indexes ¹						
Business Conditions in the Carolinas	Current Conditions			Expectations ²		
	May-24	Apr-24	Mar-24	May-24	Apr-24	Mar-24
General Business Conditions	1	14	6	4	17	17
Sales	11	13	0	32	35	31
Employment						
Number of Employees	2	7	4	1	15	11
Availability of Skills Needed	5	1	-1	6	-1	-1
Wages	15	20	25	40	51	44
Spending						
Business Services Expenditures	-6	-6	-13	-10	-11	-14
Total Capital Expenditures	3	1	-1	-1	0	0
Equipment or Software Expenditures	7	4	0	-9	1	-2
Price Trends³						
Prices Paid for Inputs	4.76	4.30	4.44	3.45	3.69	3.73
Prices Received for Outputs	3.22	3.92	3.67	3.34	3.13	3.18

Technical Notes:

- ¹ 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 98-99 firms. All firms surveyed are located within the states of North Carolina and South Carolina.
- ² Expectations refer to the time period six months out from the survey period.
- ³ Current price changes are percentages over the last 12 months. Expected price changes are expected changes over the next 12 months.

For further information, contact Jason Kosakow at 571.287.0448 or Rich.RegionalSurveyTeam@rich.frb.org