

Regional Surveys of Business Activity

Maryland Survey of Business Activity

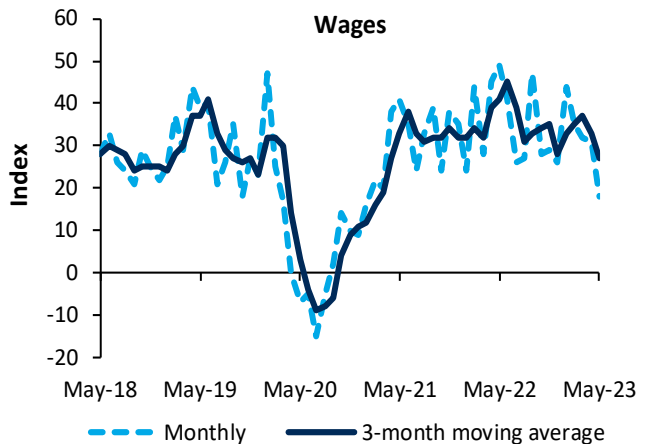
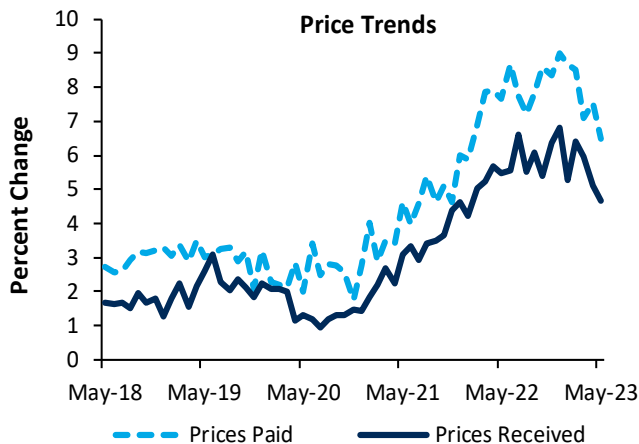
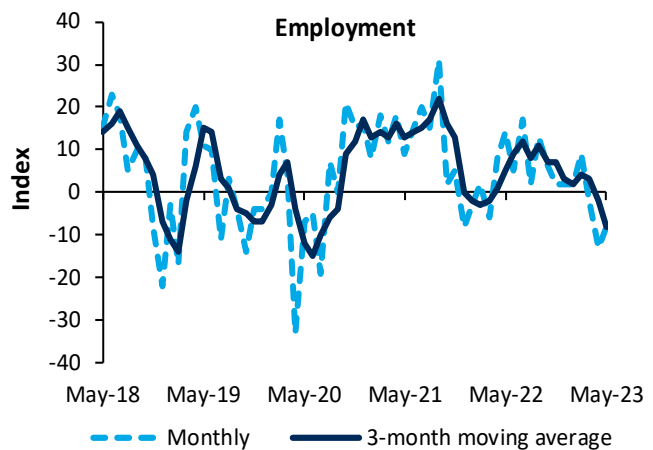
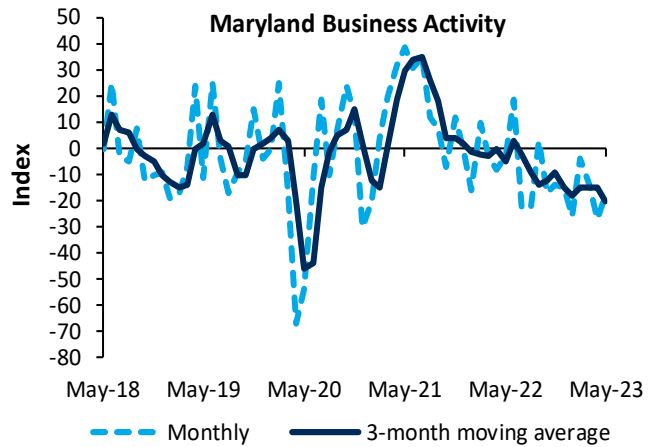
May 25, 2023

Maryland Firms Reported Soft Business Conditions in May

Maryland firms reported soft business conditions in May, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index rose to -18 in May but remained well in negative territory. Meanwhile, the index for expected business conditions fell to -29 in May from -21 in April. Further, the current and expected sales indexes continued to indicate declining sales for most firms.

The index for spending on business services increased slightly from May but stayed in negative territory. The indexes for total capital expenditures and equipment & software expenditures fell notably into negative territory in May. The employment index increased slightly to -8, and firms reported an improved ability to find workers with the desired skills. Meanwhile, the wage index decreased notably, but remained solidly in positive territory in May.

On average, year-over-year growth in prices paid and prices received decreased somewhat in May. Firms continued to expect growth in prices to moderate over the next 12 months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	May-23	Apr-23	Mar-23	May-23	Apr-23	Mar-23
General Business Conditions	-18	-27	-14	-29	-21	-2
Sales	-21	-25	-4	-8	-10	18
Employment						
Number of Employees	-8	-13	-2	-11	2	2
Availability of Skills Needed	0	-10	2	11	-4	-4
Wages	18	31	32	37	29	38
Spending						
Business Services Expenditures	-3	-4	-6	0	-2	2
Total Capital Expenditures	-13	2	2	-5	8	8
Equipment or Software	-16	6	-6	0	15	16
Price Trends³						
Prices Paid for Inputs	6.47	7.53	7.08	4.39	5.49	4.99
Prices Received for Outputs	4.66	5.10	5.96	3.15	3.27	3.17

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 38 firms.
- 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.
- ⁴ All firms surveyed are located within the state of Maryland.

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