

Regional Surveys of Business Activity

Fifth District Survey of Non-Manufacturing Activity

January 27, 2026

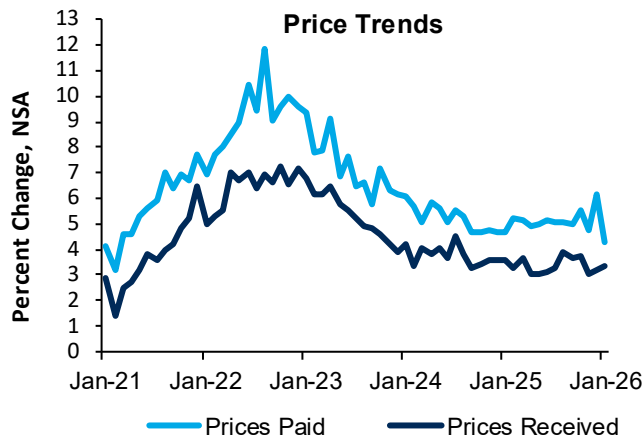
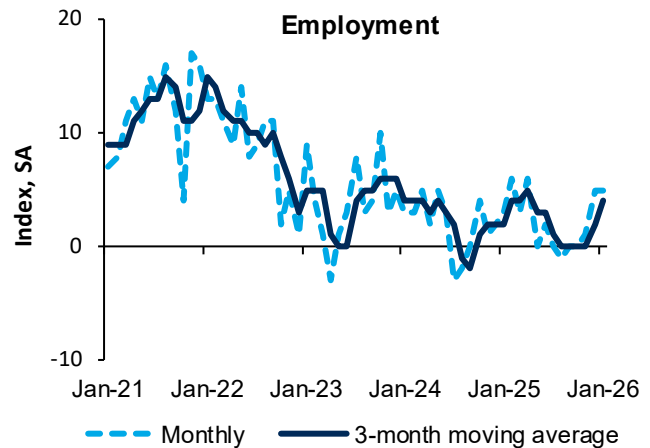
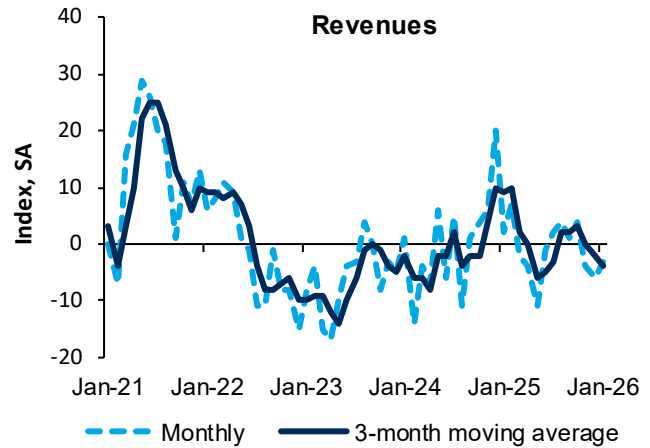
Fifth District Non-Manufacturing Activity Was Flat in January

Fifth District non-manufacturing activity was flat in January, according to the most recent survey by the Federal Reserve Bank of Richmond. In January, the revenues index inched up to -3 from -6 while the demand index increased to 2 from -3. Meanwhile, expectations were strong: the indexes for future revenues and demand increased further into positive territory.

The local business conditions index increased slightly to -6 in January from -11 in December. Meanwhile, the future local business conditions index was unchanged at 7.

The current employment index was unchanged at 5 in January, while the forward-looking employment index rose to 20 from 14. The wages index increased slightly to 20 from 17 and firms continued to expect to increase wages over the next six months.

The average growth rate of prices paid decreased notably in January, while average growth in prices received ticked up. Firms expected growth in prices to remain relatively steady over the next 12 months.



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Business Activity Indexes¹

Non-Manufacturing Indicators	Current Conditions			Expectations ²		
	Jan-26	Dec-25	Nov-25	Jan-26	Dec-25	Nov-25
Revenues	-3	-6	-4	34	30	40
Demand	2	-3	4	32	27	26
Local Business Conditions	-6	-11	-15	7	7	4
Capital Expenditures	-5	-9	-3	3	1	5
Equipment & Software Spending	2	0	4	6	3	7
Services Expenditures	-9	-11	-10	0	-6	0
Employment						
Number of Employees	5	5	1	20	14	24
Wages	20	17	12	51	49	43
Availability of Skills Needed	0	-1	2	3	2	7
Price Trends³						
Prices Paid	4.29	6.13	4.78	4.16	4.27	4.15
Prices Received	3.36	3.16	3.06	3.40	3.00	3.27

Technical Notes:

- ¹ Each index equals the percentage of responding firms reporting increase minus the percentage reporting decrease. Results are based on responses from 187-201 firms. All firms surveyed are located within the Fifth Federal Reserve District, which includes the District of Columbia, Maryland, North Carolina, South Carolina, Virginia, and most of West Virginia. Data, excluding price trends, are seasonally adjusted. Seasonal adjustment factors are recalculated every July and the entire series is revised to better reflect current economic trends.
- ² Expectations refer to the time period six months out from the survey period.
- ³ Current price changes are percentage changes over the last 12 months. Expected price changes are expected changes over the next 12 months.

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