

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

November 23, 2022

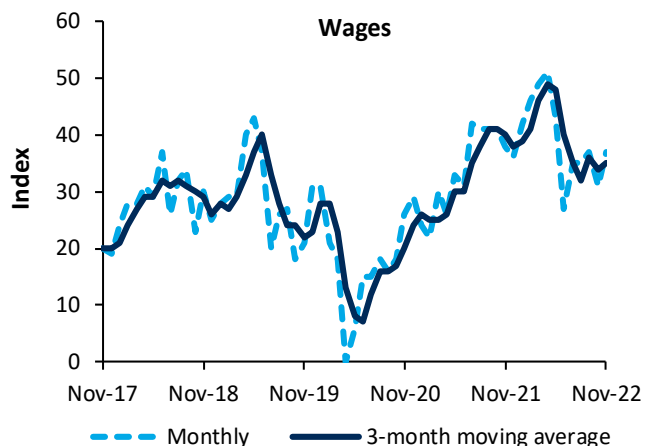
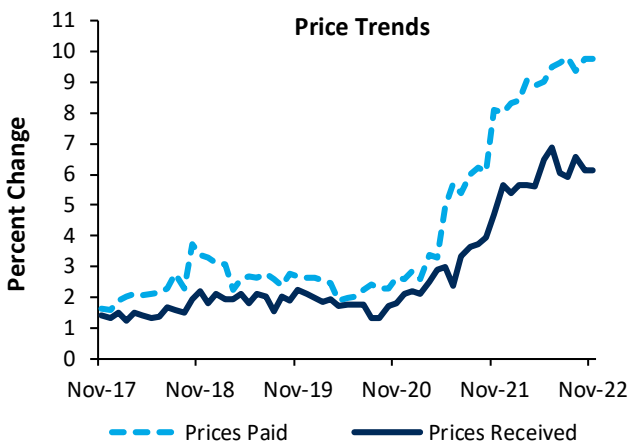
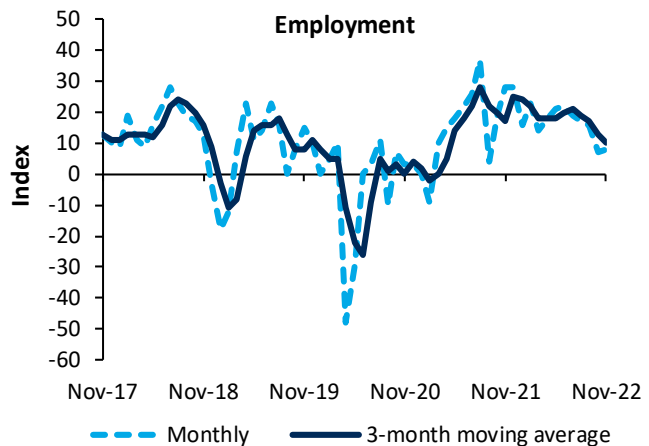
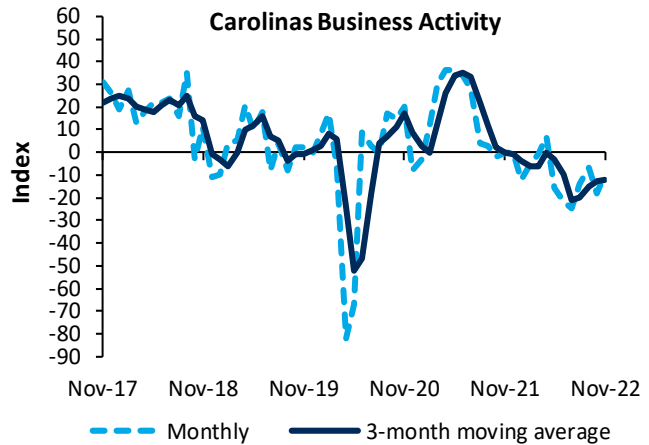
Business Activity in the Carolinas Remained Relatively Soft in November

Firms in the Carolinas continued to report relatively soft economic activity in November, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index rose from -18 in October to -10 in November and firms were even more pessimistic about conditions over the next six months — the general business conditions expectations index remained solidly negative.

The sales index increased notably, from -8 in October to 0 in November. The index measuring expected sales also improved to -1 in November. Although the business services expenditures and equipment/software expenditures indexes increased, the total capital expenditures index decreased notably in November.

Survey results suggested that the pace of employment increases increased slightly in November, as the employment index edged up to 8 from 7 in October. The wage index also increased somewhat and remained high. Most firms expected wages to continue increasing over the near-term. Firms continued to report difficulty finding skilled labor in November but have grown more optimistic that hiring conditions will improve over the next six months.

The average year-over-year growth in prices paid and prices received remained virtually the same. Firms continued to 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		
	Nov-22	Oct-22	Sep-22	Nov-22	Oct-22	Sep-22
General Business Conditions	-10	-18	-7	-27	-30	-17
Sales	0	-8	6	-1	-7	6
Employment						
Number of Employees	8	7	16	21	7	15
Availability of Skills Needed	-8	-9	-7	5	-8	4
Wages	37	31	37	66	58	63
Spending						
Business Services Expenditures	7	0	8	5	-11	2
Total Capital Expenditures	5	17	7	13	14	16
Equipment or Software Expenditures	15	11	21	10	9	24
Price Trends³						
Prices Paid for Inputs	9.77	9.78	9.37	5.65	5.67	5.95
Prices Received for Outputs	6.15	6.15	6.55	5.00	4.73	4.58

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 38-73 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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