

# Regional Surveys of Business Activity

## Carolinas Survey of Business Activity

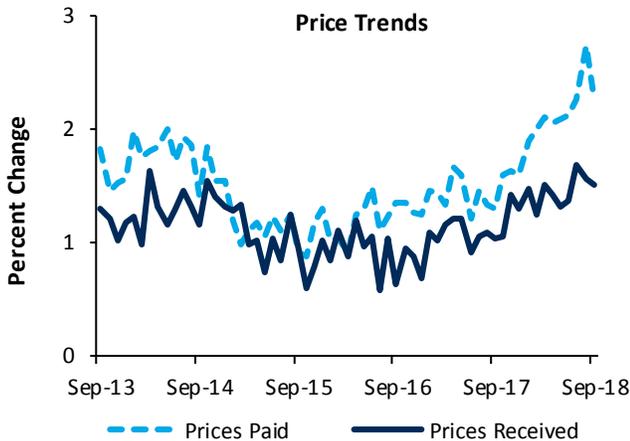
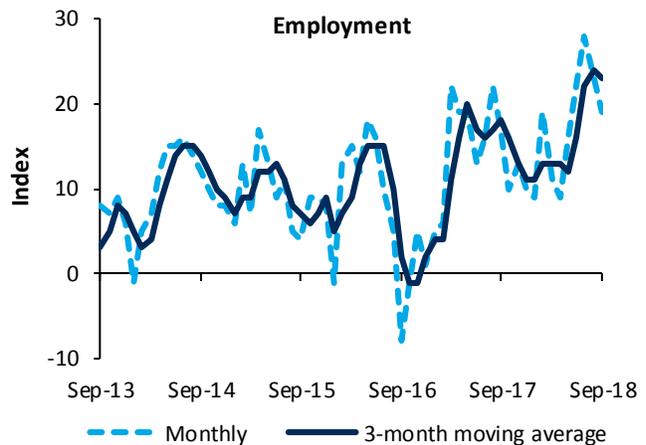
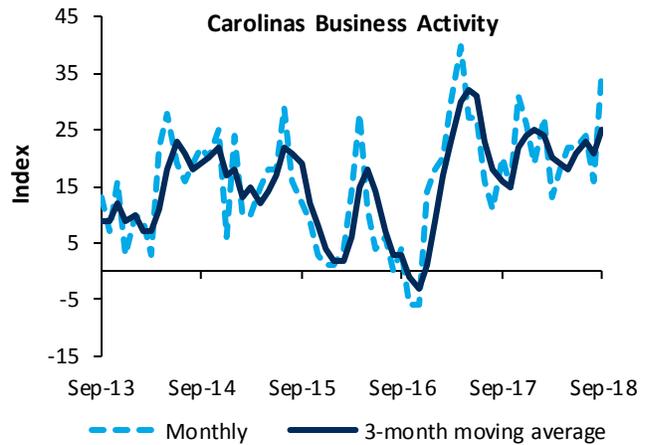
September 27, 2018

### Business Activity in the Carolinas Expanded in September

Business activity in the Carolinas expanded in September, according to the results of the most recent survey from the Federal Reserve Bank of Richmond. Indexes for general business conditions and for sales rose from 16 in August to 35 and 36, respectively, in September, their highest readings of the past year. Firms remained optimistic that growth would persist in the coming months.

Survey respondents indicated that growth in expenditures remained in expansionary territory in September, as did that of employment and wages. However, their struggle to find workers with necessary skills persisted, a problem they expect to continue to see in the near future.

Both prices paid and prices received by firms in the Carolinas continued to rise in September, although at a slower rate than in August. Prices paid continued to grow faster than prices received, a trend that firms expected to continue in the next six months.



# Regional Surveys of Business Activity

Carolinas Survey of Business Activity

September 27, 2018

## Business Activity Indexes<sup>1, 4</sup>

Business Conditions in the Carolinas	Current Conditions			Expectations <sup>2</sup>		
	Sep-18	Aug-18	Jul-18	Sep-18	Aug-18	Jul-18
General Business Conditions	35	16	24	30	19	22
Sales	36	16	28	41	30	36
<b>Employment</b>						
Number of Employees	19	23	28	22	18	24
Availability of Skills Needed	-15	-18	-11	-14	-7	-9
Average Workweek	21	16	18	13	4	11
Wages	34	32	26	41	32	34
<b>Spending</b>						
Business Services Expenditures	8	12	9	4	11	1
Total Capital Expenditures	27	28	22	23	38	30
Equipment or Software Expenditures	31	22	25	24	22	18
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	2.27	2.75	2.27	2.51	2.35	2.11
Prices Received for Outputs	1.51	1.56	1.69	2.06	2.07	1.67

### 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 80 firms.
- Expectations refer to the time period six months out from the survey period.
- Price changes are expressed as a percent change, annualized.
- All firms surveyed are located within the states of North Carolina and South Carolina.

For further information, contact **Roisin McCord** at **804.697.8702** or **Roisin.McCord@rich.frb.org**