

# Regional Surveys of Business Activity

## Carolinas Survey of Business Activity

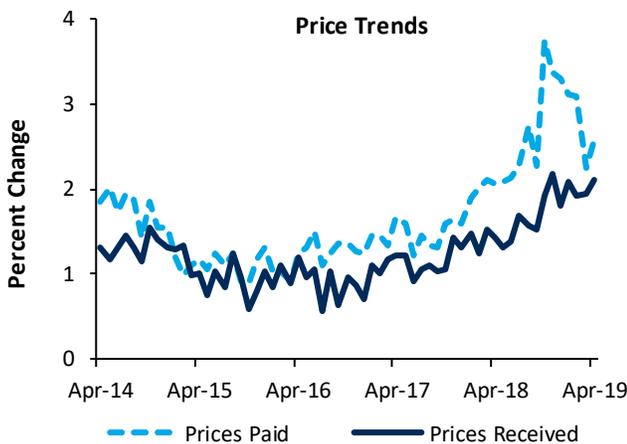
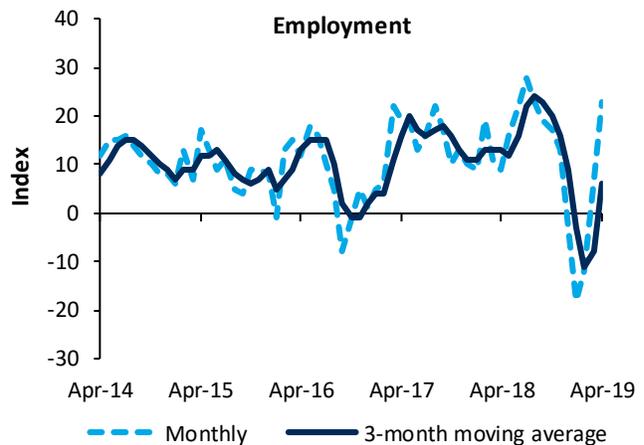
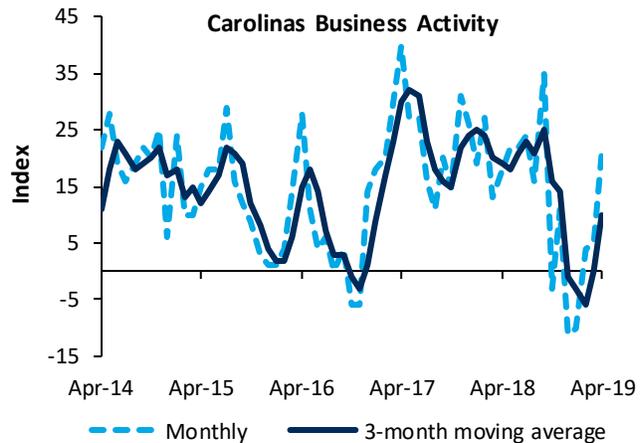
April 25, 2019

### *Business Conditions in the Carolinas Strengthened in April*

Business conditions in the Carolinas strengthened in April, according to the results of the most recent survey from the Federal Reserve Bank of Richmond. The indexes for both sales and business conditions rose from 6 and 5 in March to 27 and 21 in April, respectively, both hitting seven-month highs. Firms also reported the expectation of continued spending increases and strong conditions in the next six months.

Survey results indicated growth in employment and wages in April, as the wage index rose from 29 to 40, its highest reading on record. Firms continued to struggle to find workers with the necessary skills and expected that difficulty to persist in the coming months, but they anticipated continued employment growth as well.

The growth rates of both prices paid and prices received by respondents in the Carolinas increased in April, as growth of prices paid continued to outpace that of prices received. However, firms anticipated a slight slowing of growth in both price measures in the near future.



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

Business Conditions in the Carolinas	Current Conditions			Expectations <sup>2</sup>		
	Apr-19	Mar-19	Feb-19	Apr-19	Mar-19	Feb-19
General Business Conditions	21	5	4	29	30	28
Sales	27	6	17	44	46	52
<b>Employment</b>						
Number of Employees	23	7	-12	27	30	22
Availability of Skills Needed	-14	-16	-11	-17	-24	-16
Average Workweek	15	4	-6	4	15	19
Wages	40	29	29	54	46	53
<b>Spending</b>						
Business Services Expenditures	8	3	0	11	8	4
Total Capital Expenditures	31	15	13	15	38	30
Equipment or Software Expenditures	17	5	16	27	24	23
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	2.57	2.25	3.09	2.20	2.03	2.42
Prices Received for Outputs	2.10	1.95	1.92	2.01	2.13	1.92

### 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 63 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.

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