

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

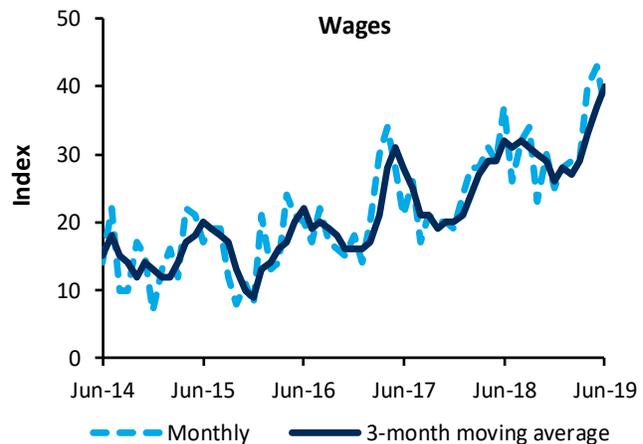
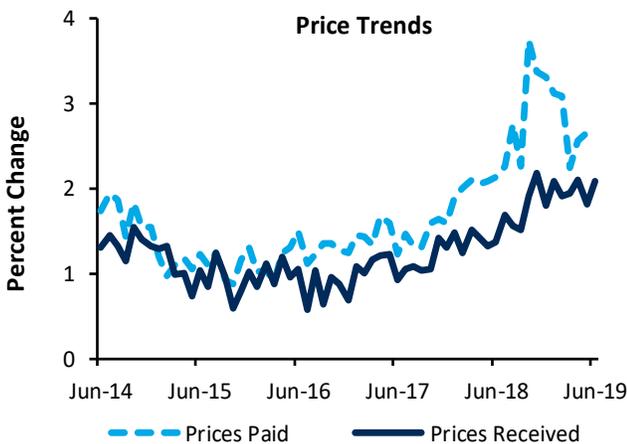
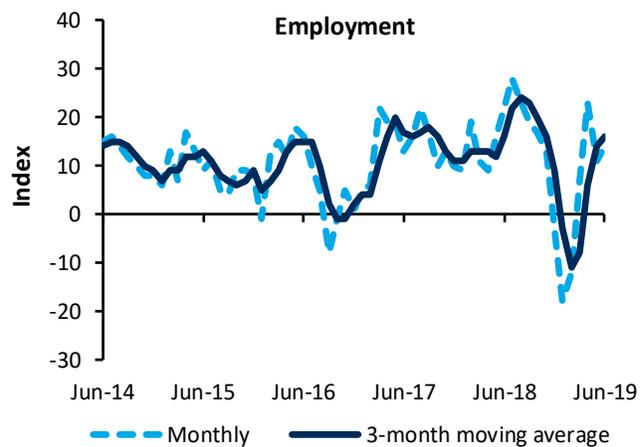
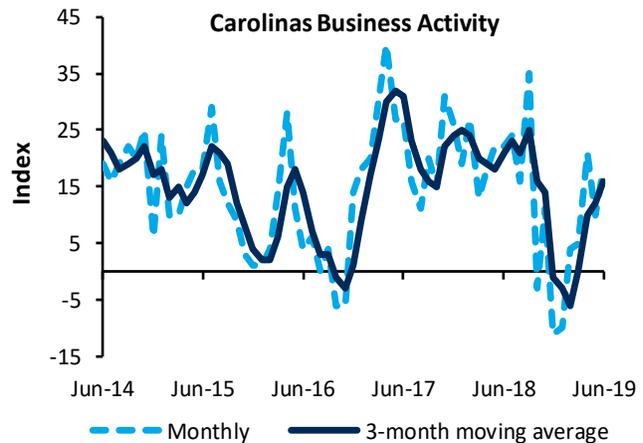
June 27, 2019

Business Conditions in the Carolinas Strengthened in June

Business conditions in the Carolinas strengthened in June, according to the results of the most recent survey from the Federal Reserve Bank of Richmond. The indexes for general conditions and sales both rose to 18 after May readings of 10 and seven, respectively. Indicators of spending growth remained positive and survey participants were optimistic that growth would continue in the coming months.

Survey results suggested positive growth in employment, wages, and the average workweek in June. Firms continued to struggle to find workers with the necessary skills, as this index came in at -25, its lowest reading on record. Respondents expected this difficulty to continue, along with employment and wage growth in the next six months.

Survey respondents reported a decrease in the growth rate of prices paid and an increase in that of prices received in June. However, growth in prices paid continued to outpace that of prices received. Firms expected growth of both prices paid and prices received to drop in the near future.



Regional Surveys of Business Activity

Carolinas Survey of Business Activity

June 27, 2019

Business Activity Indexes^{1,4}

Business Conditions in the Carolinas	Current Conditions			Expectations ²		
	Jun-19	May-19	Apr-19	Jun-19	May-19	Apr-19
General Business Conditions	18	10	21	7	31	29
Sales	18	7	27	21	36	44
Employment						
Number of Employees	14	11	23	14	22	27
Availability of Skills Needed	-25	-18	-14	-25	-13	-17
Average Workweek	24	-4	15	14	15	4
Wages	37	43	40	47	51	54
Spending						
Business Services Expenditures	9	15	8	12	11	11
Total Capital Expenditures	10	26	31	43	38	30
Equipment or Software Expenditures	19	7	17	30	23	27
Price Trends³						
Prices Paid for Inputs	2.62	2.66	2.57	2.15	2.06	2.20
Prices Received for Outputs	2.09	1.81	2.10	2.00	1.75	2.01

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 57 firms.
- ² Expectations refer to the time period six months out from the survey period.
- ³ Price changes are expressed as a percent change, annualized.
- ⁴ 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