

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

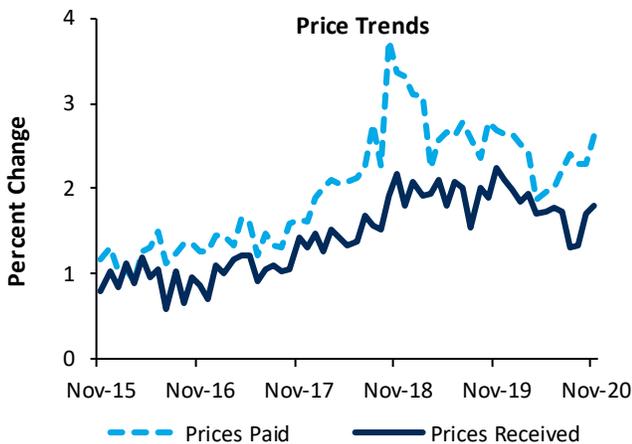
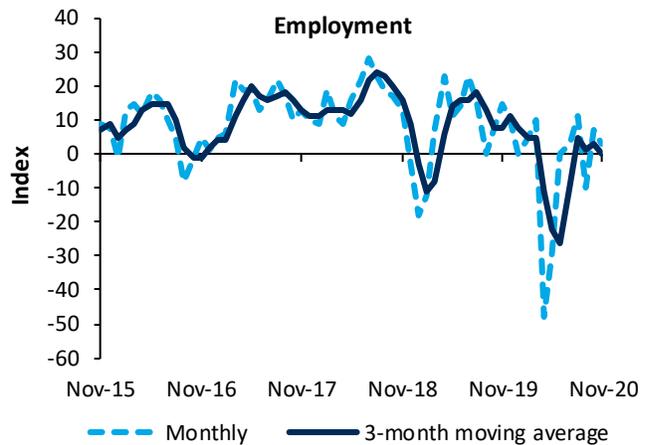
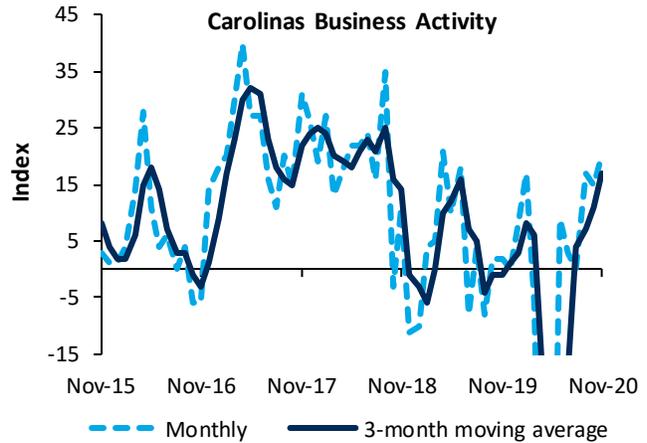
November 25, 2020

Firms in the Carolinas Reported Growth in November

Firms in the Carolinas generally reported growth in November, according to the most recent survey from the Federal Reserve Bank of Richmond. The indexes for general business conditions and sales increased from 15 and 12 in October to 20 and 25 in November, respectively, their highest readings since April 2019. Survey participants also reported increased capital spending and were optimistic that growth would continue in the coming months.

Survey results indicated that employment and wages increased for many firms in the Carolinas, but workers with the necessary skills were difficult to find. Respondents expected these trends to continue in the near future.

The average growth rates of both prices paid and prices received by survey participants increased in November, as growth of prices paid continued to outpace that of prices received. Firms expected price growth to slow in the next six months.



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Business Activity Indexes ^{1,4}						
Business Conditions in the Carolinas	Current Conditions			Expectations ²		
	Nov-20	Oct-20	Sep-20	Nov-20	Oct-20	Sep-20
General Business Conditions	20	15	17	29	22	36
Sales	25	12	18	23	25	38
Employment						
Number of Employees	3	7	-10	23	17	10
Availability of Skills Needed	-17	-25	-1	-14	-22	0
Average Workweek	10	-10	0	0	0	15
Wages	26	18	16	46	43	46
Spending						
Business Services Expenditures	7	7	-1	7	1	0
Total Capital Expenditures	10	-3	0	29	38	30
Equipment or Software Expenditures	22	6	11	22	9	21
Price Trends³						
Prices Paid for Inputs	2.62	2.30	2.28	2.38	2.38	2.05
Prices Received for Outputs	1.79	1.71	1.32	1.70	1.68	1.33

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 69 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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