

Regional Surveys of Business Activity

Maryland Survey of Business Activity

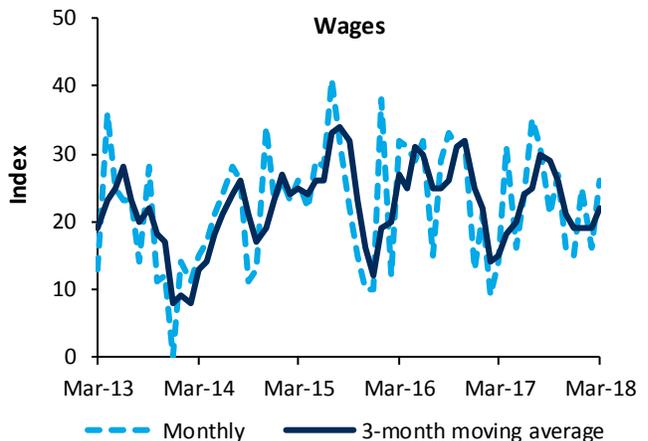
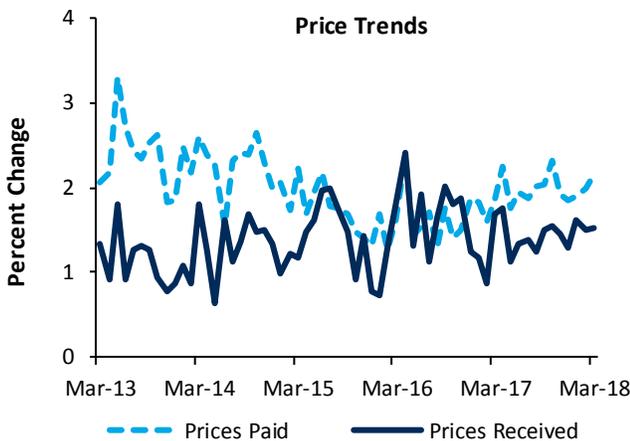
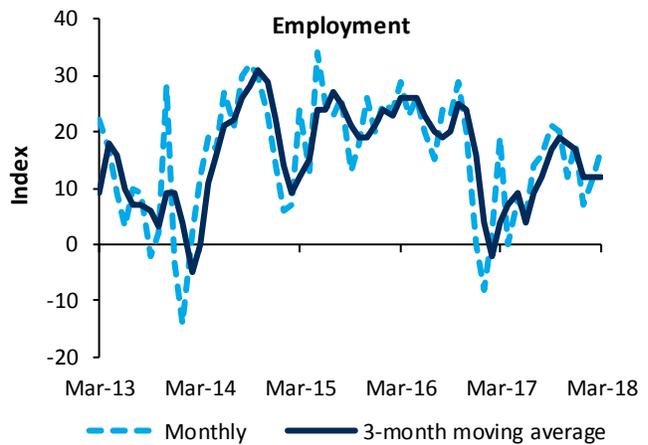
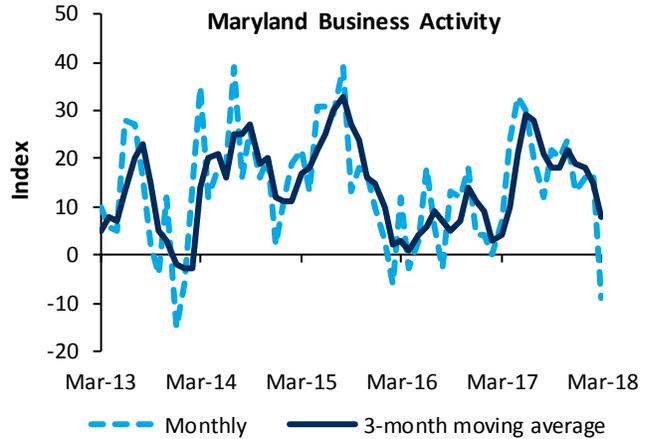
March 29, 2018

Firms in Maryland Reported Weakening Business Conditions in March

Firms in Maryland reported weakening business conditions in March, according to results from the most recent survey by the Federal Reserve Bank of Richmond. The general business conditions indicator fell sharply from 17 in February to -9 in March, its first negative reading since August 2016. Survey results also suggested softer sales growth, but firms were optimistic that both sales and overall business conditions would improve in the next six months.

Maryland firms continued to see employment growth but struggled to find necessary skills in March. Expenditure growth slowed across all categories, with the index for equipment and software spending dropping into negative territory for the first time since September 2010.

Maryland firms observed higher growth in prices paid in March. They also reported raising prices of outputs at a faster pace and expected price growth to continue in the coming months.



Regional Surveys of Business Activity

Maryland Survey of Business Activity

March 29, 2018

Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Mar-18	Feb-18	Jan-18	Mar-18	Feb-18	Jan-18
General Business Conditions	-9	17	16	33	24	38
Sales	3	7	7	36	32	38
Employment						
Number of Employees	17	12	7	9	34	29
Availability of Skills Needed	-9	-12	-14	-3	-5	-12
Average Workweek	0	5	5	9	20	7
Wages	26	16	25	42	44	43
Spending						
Business Services Expenditures	6	7	12	6	7	19
Total Capital Expenditures	9	12	14	22	27	29
Equipment or Software	-3	19	12	24	17	31
Price Trends³						
Prices Paid for Inputs	2.15	1.99	1.89	2.37	2.19	2.35
Prices Received for Outputs	1.53	1.49	1.61	1.93	1.97	2.17

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 35 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 state of Maryland.

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