

Regional Surveys of Business Activity

Maryland Survey of Business Activity

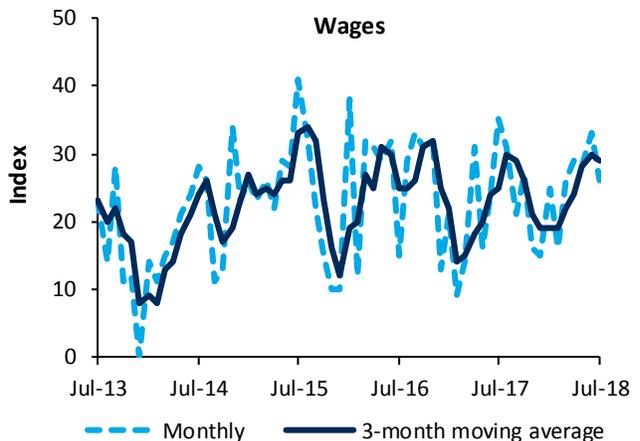
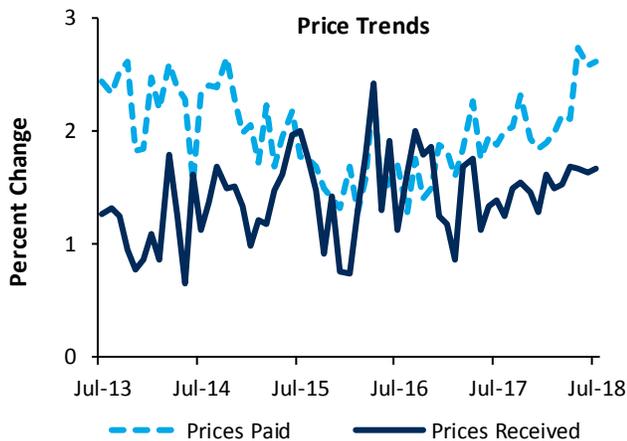
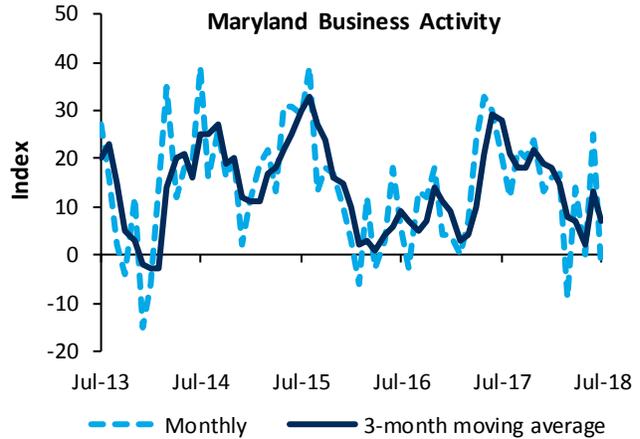
July 26, 2018

Maryland Firms Reported Weakening Conditions in July

According to the results of the most recent survey by the Federal Reserve Bank of Richmond, Maryland business activity dampened in July. The survey's general business conditions indicator dropped from 25 in June to -3 in July. Firms saw slowing growth in sales and in business expenditures. However, respondents were optimistic that conditions will improve in the coming months.

Survey results suggest slightly slower employment growth in July, and firms continued to struggle to find workers with the skills they required. They expect this difficulty to persist in the next six months, and a larger portion of firms also expect to see a decrease in the workweek than an increase.

Growth of both prices paid and prices received increased slightly among Maryland firms in July, and growth in prices paid continued to outpace growth of prices received. Respondents expect this trend to continue in the coming months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Jul-18	Jun-18	May-18	Jul-18	Jun-18	May-18
General Business Conditions	-3	25	0	19	28	5
Sales	3	33	5	31	29	14
Employment						
Number of Employees	18	23	15	14	37	24
Availability of Skills Needed	-18	-17	-18	-8	-10	-22
Average Workweek	5	10	10	-6	8	5
Wages	26	33	28	36	50	22
Spending						
Business Services Expenditures	8	12	0	0	15	-3
Total Capital Expenditures	24	30	8	17	26	11
Equipment or Software	22	30	13	6	26	5
Price Trends³						
Prices Paid for Inputs	2.61	2.58	2.74	2.98	2.74	2.17
Prices Received for Outputs	1.67	1.64	1.67	2.29	2.11	1.66

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 38 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.

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