

# Regional Surveys of Business Activity

## Maryland Survey of Business Activity

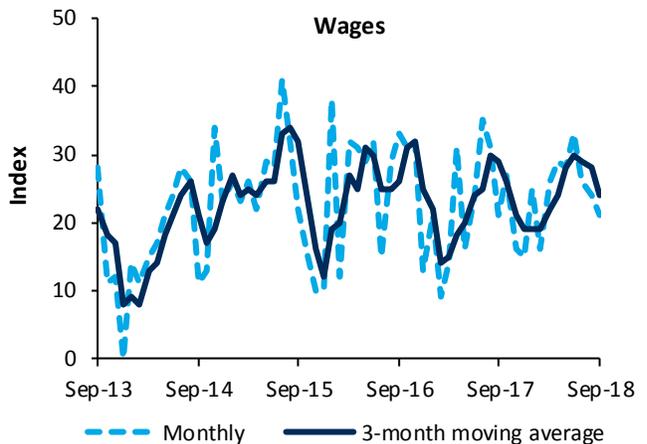
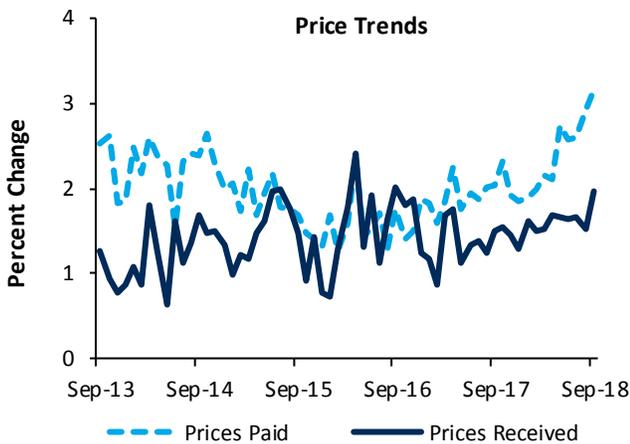
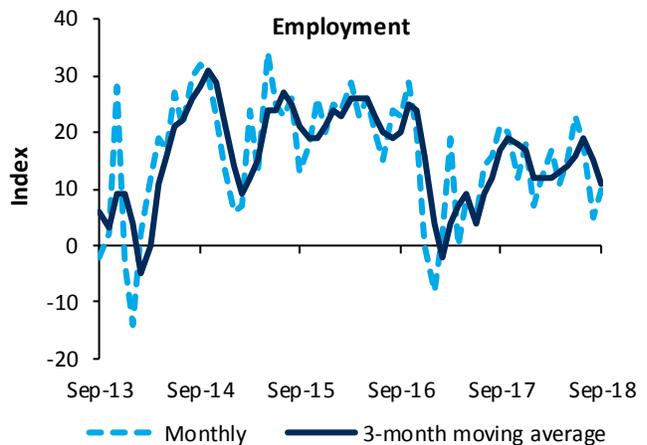
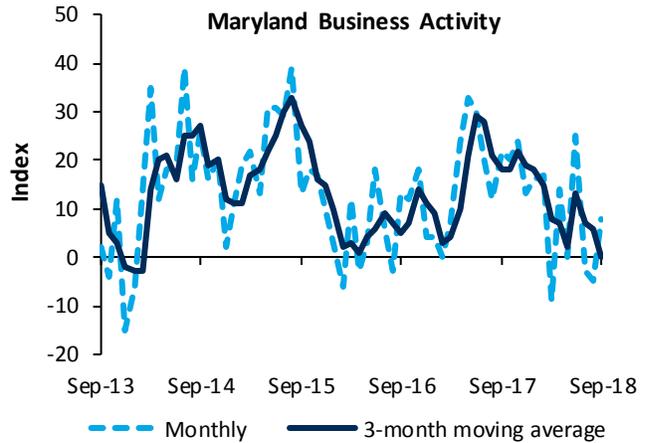
September 27, 2018

### Maryland Firms Reported Mixed Conditions in September

Maryland firms reported mixed conditions in September, according to the results of the latest survey by the Federal Reserve Bank of Richmond. The general business conditions index jumped from -5 in August to 8 in September. While the sales index remained unchanged at 0, firms anticipated growth in sales and improved conditions in the next several months.

Employment and wages continued to grow in September, but firms still struggled to find employees with the skills the needed, as the availability of skills index fell to -26, its lowest reading on record. Firms anticipate further employment growth and continued difficulty finding skills in the near future.

Both prices paid and prices received by Maryland firms grew at an accelerated pace in September, as growth in prices paid continued to outpace growth of prices received. Firms expect price growth to slow in the coming months, but believe that prices paid will continue to rise faster than prices received.



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Business Activity Indexes <sup>1</sup>						
Business Conditions in Maryland	Current Conditions			Expectations <sup>2</sup>		
	Sep-18	Aug-18	Jul-18	Sep-18	Aug-18	Jul-18
General Business Conditions	8	-5	-3	22	13	19
Sales	0	0	3	25	18	31
<b>Employment</b>						
Number of Employees	10	5	18	19	13	14
Availability of Skills Needed	-26	-14	-18	-22	-3	-8
Average Workweek	3	-5	5	0	2	-6
Wages	21	24	26	27	30	36
<b>Spending</b>						
Business Services Expenditures	0	2	8	-6	7	0
Total Capital Expenditures	11	5	24	3	25	17
Equipment or Software	16	8	22	14	22	6
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	3.17	2.93	2.61	2.38	2.81	2.98
Prices Received for Outputs	1.96	1.52	1.67	1.75	2.02	2.29

## Technical Notes:

- <sup>1</sup> 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 39 firms.
- <sup>2</sup> Expectations refer to the time period six months out from the survey period.
- <sup>3</sup> Price changes are expressed as a percent change, annualized.
- <sup>4</sup> All firms surveyed are located within the state of Maryland.

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