

Regional Surveys of Business Activity

Maryland Survey of Business Activity

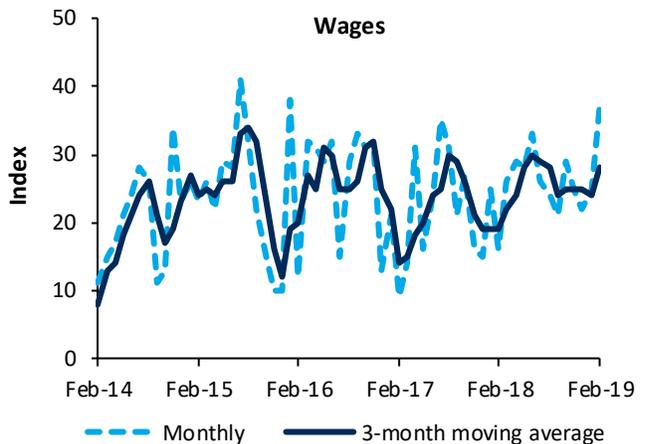
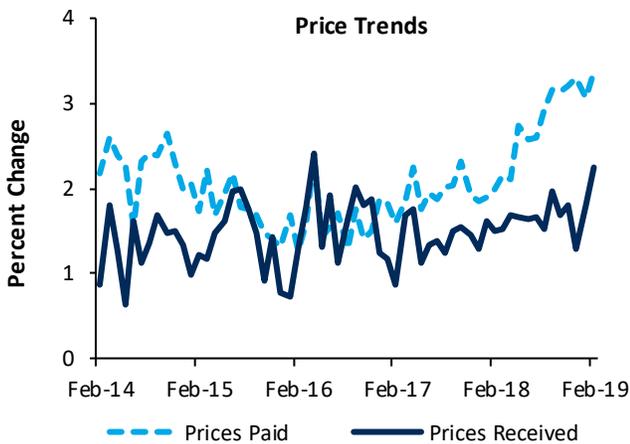
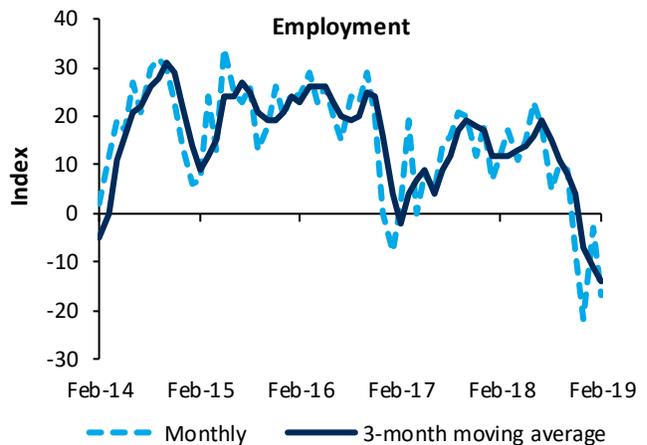
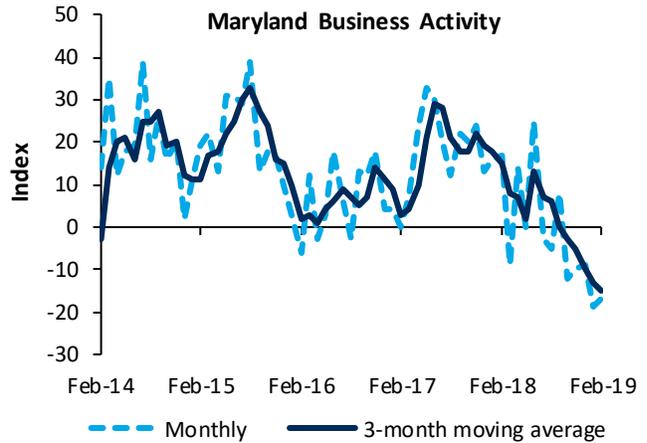
February 28, 2019

Maryland Business Conditions Remained Weak in February

Business conditions in Maryland remained weak in February according to the latest survey by the Richmond Fed. The indexes for both general business conditions and sales remained in contractionary territory, at -17 and -10, respectively. Respondents also reported a decrease in capital expenditures. However, firms were optimistic that business conditions would improve in the coming months.

Survey results suggested that employment growth was weak in Maryland in February, as firms continued to struggle to find workers with the skills they needed. The indicator for average workweek also fell, coming in at -23, its lowest reading since May 2009. Respondents expected the difficulty finding workers with necessary skills to persist but employment to rise in the next six months.

Growth in both prices paid and prices received by Maryland participants rose in February. The growth rate of prices paid remained higher than that of prices received, but firms expected the gap to narrow in the near future.



Regional Surveys of Business Activity

Maryland Survey of Business Activity

February 28, 2019

Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Feb-19	Jan-19	Dec-18	Feb-19	Jan-19	Dec-18
General Business Conditions	-17	-19	-9	13	6	-3
Sales	-10	-8	-9	30	19	0
Employment						
Number of Employees	-17	-3	-22	27	22	9
Availability of Skills Needed	-17	-22	-28	-17	-6	-25
Average Workweek	-23	0	-3	10	6	13
Wages	37	25	22	67	61	59
Spending						
Business Services Expenditures	-13	0	3	-3	3	0
Total Capital Expenditures	-7	-3	13	13	25	13
Equipment or Software	10	11	16	10	19	34
Price Trends³						
Prices Paid for Inputs	3.38	3.06	3.30	3.04	2.71	2.98
Prices Received for Outputs	2.25	1.81	1.29	2.96	2.35	1.98

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 30 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**