

# Regional Surveys of Business Activity

## Maryland Survey of Business Activity

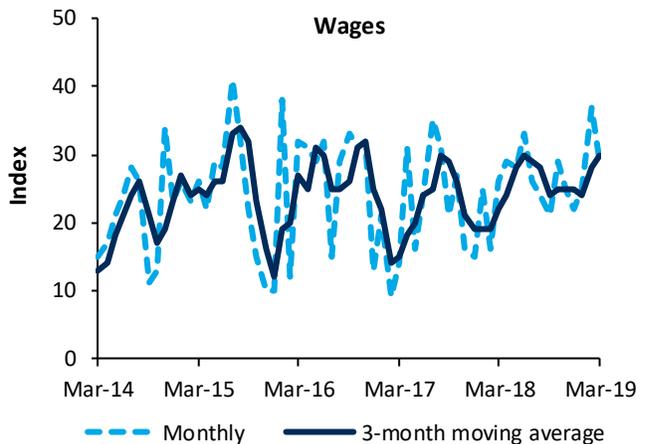
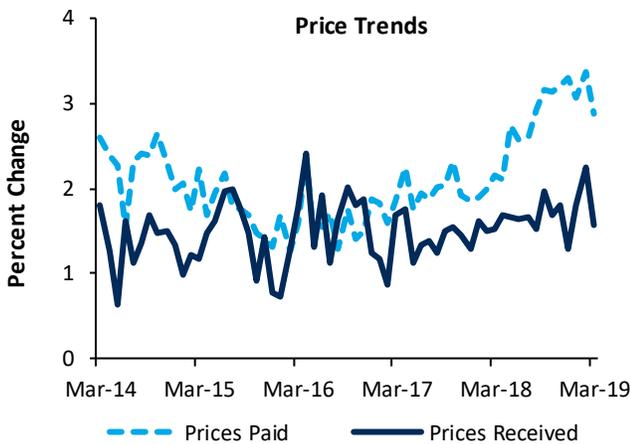
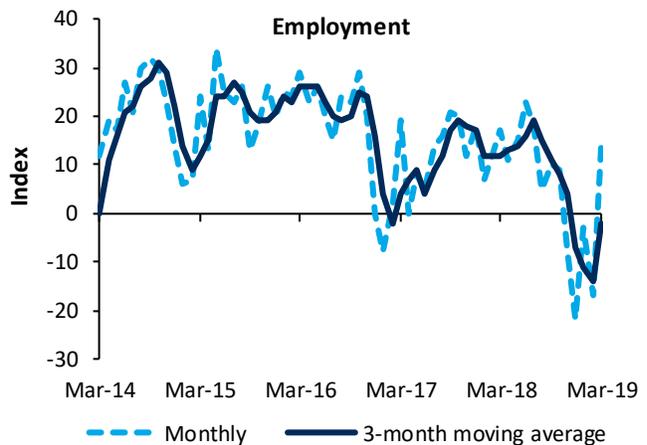
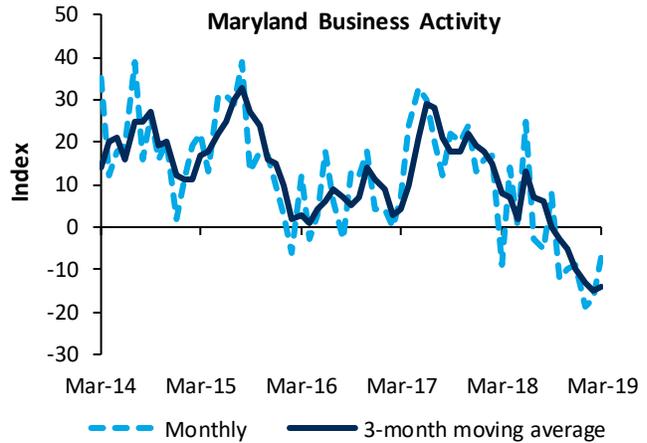
March 28, 2019

### Maryland Business Conditions Were Sluggish in March

Business conditions were sluggish among Maryland firms in March, according to the latest survey by the Federal Reserve Bank of Richmond. The indexes for general business conditions and sales rose slightly but remained in contractionary territory, at -7 and -4, respectively. However, firms were optimistic, expecting conditions to improve in the coming months.

Survey results suggested a recovery in employment growth in March, as this index rose to 14, after four months of negative readings. Maryland firms also reported growth in wages but continued to struggle to find workers with the skills they needed. Firms expected this issue to persist but employment and wages to continue to grow in the near future.

Growth in prices paid and prices received by respondents in Maryland fell in March, with growth of prices paid continuing to exceed that of prices received. Firms expected the gap between the two to narrow in the next six months, with a further decline in growth of prices paid and an increase in growth of prices received.



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Business Activity Indexes <sup>1</sup>						
Business Conditions in Maryland	Current Conditions			Expectations <sup>2</sup>		
	Mar-19	Feb-19	Jan-19	Mar-19	Feb-19	Jan-19
General Business Conditions	-7	-17	-19	18	13	6
Sales	-4	-10	-8	29	30	19
<b>Employment</b>						
Number of Employees	14	-17	-3	18	27	22
Availability of Skills Needed	-21	-17	-22	-18	-17	-6
Average Workweek	4	-23	0	11	10	6
Wages	29	37	25	54	67	61
<b>Spending</b>						
Business Services Expenditures	-11	-13	0	7	-3	3
Total Capital Expenditures	4	-7	-3	14	13	25
Equipment or Software	0	10	11	14	10	19
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	2.88	3.38	3.06	2.50	3.04	2.71
Prices Received for Outputs	1.57	2.25	1.81	2.22	2.96	2.35

## 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 28 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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