

Regional Surveys of Business Activity

Maryland Survey of Business Activity

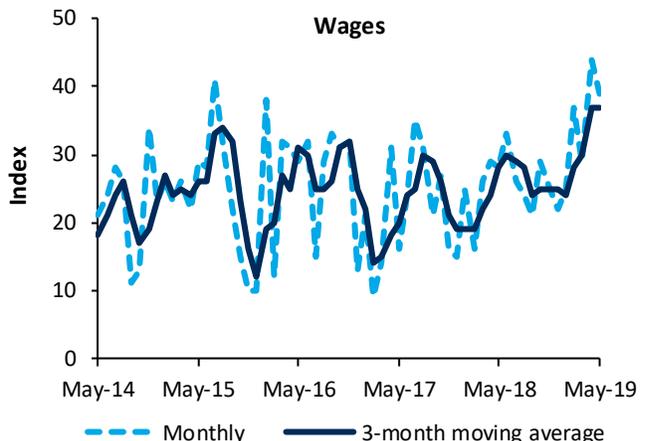
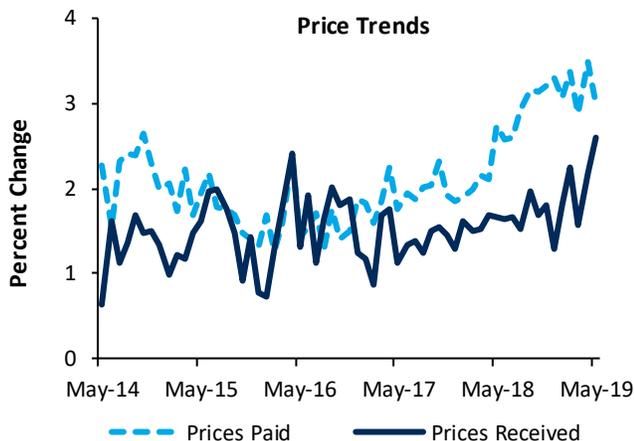
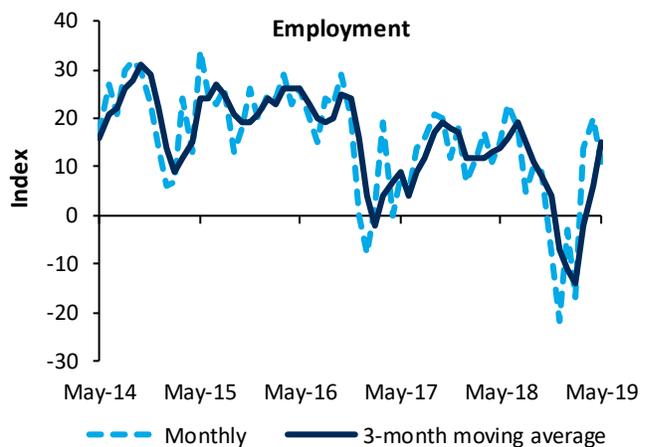
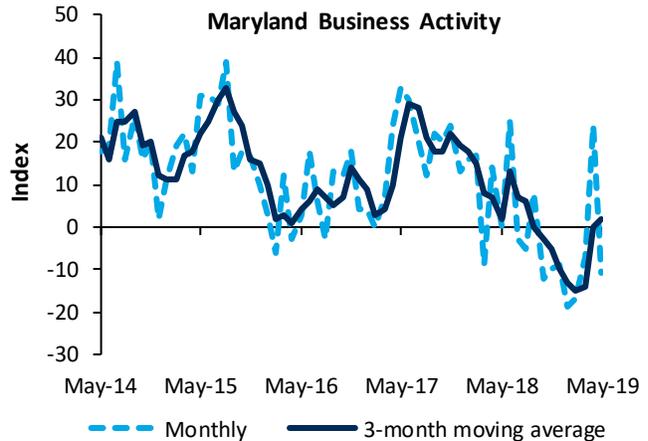
May 30, 2019

Maryland Business Activity Slowed in May

Business activity slowed in Maryland in May, according to the latest survey by the Federal Reserve Bank of Richmond. The index for general business conditions fell from 24 in April to -11 in May—its largest one-month drop on record. The sales index also fell into negative territory, after a strong reading last month. Spending indicators fell in May, particularly for business services expenditures, which dropped from 12 to -11, its largest one-month drop on record. However, respondents were optimistic that conditions would improve in the near future.

Survey results indicated positive growth in employment and wages among Maryland firms in May. Respondents continued to struggle to find workers with the skills they needed and expected this difficulty to continue in the next six months.

The growth rate of prices paid by survey participants fell in May, while the growth rate of prices received increased, narrowing the gap between the two. However, firms expected growth of prices paid to continue to outpace growth of prices received in the coming months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	May-19	Apr-19	Mar-19	May-19	Apr-19	Mar-19
General Business Conditions	-11	24	-7	18	4	18
Sales	-4	28	-4	11	32	29
Employment						
Number of Employees	11	20	14	4	28	18
Availability of Skills Needed	-32	-12	-21	-25	-24	-18
Average Workweek	25	12	4	7	20	11
Wages	39	44	29	46	40	54
Spending						
Business Services Expenditures	-11	12	-11	11	8	7
Total Capital Expenditures	11	20	4	18	4	14
Equipment or Software	14	16	0	32	12	14
Price Trends³						
Prices Paid for Inputs	3.00	3.48	2.88	3.15	2.96	2.50
Prices Received for Outputs	2.59	2.18	1.57	2.48	1.91	2.22

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 28 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**