

Regional Surveys of Business Activity

Maryland Survey of Business Activity

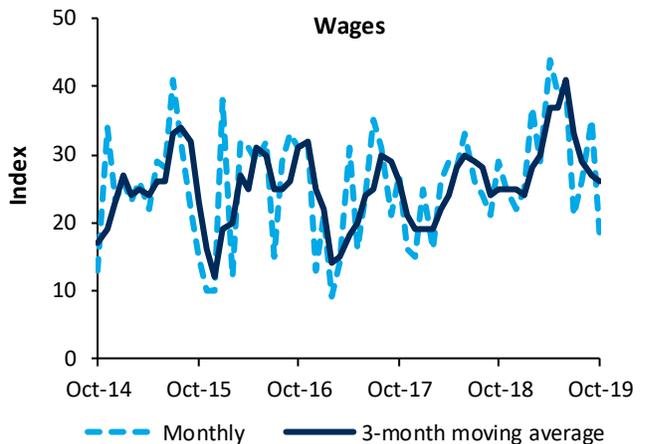
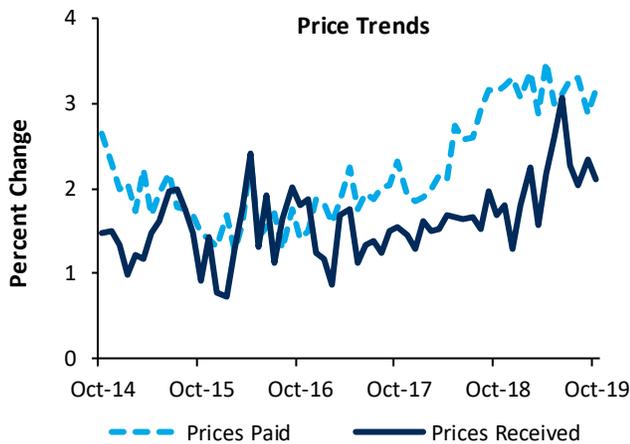
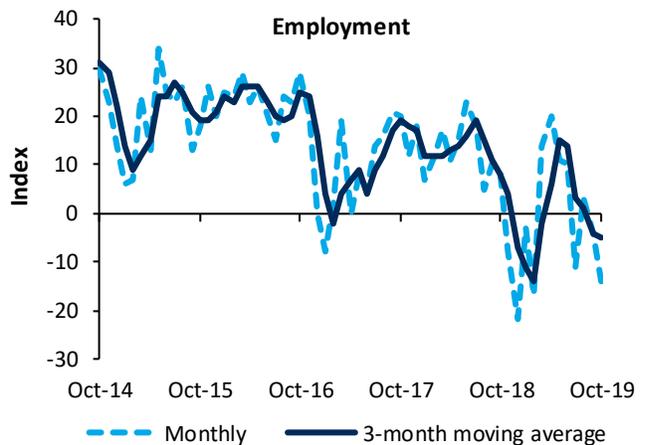
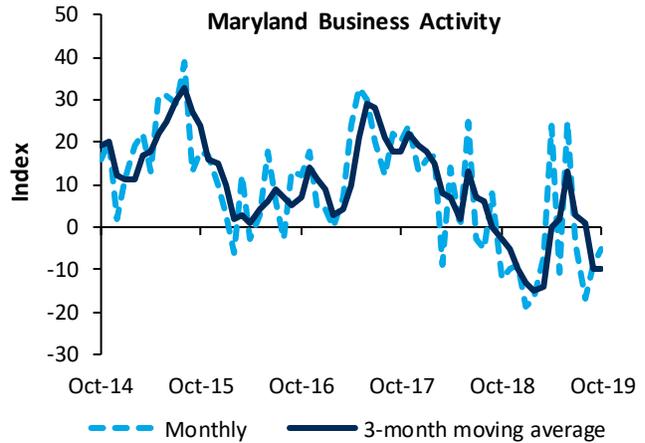
October 24, 2019

Business Conditions Were Soft in October

Business conditions in Maryland were soft in October, according to the results of the most recent survey by the Federal Reserve Bank of Richmond. The indexes for general business conditions and sales rose from -9 September to -5 in October, but remained in contractionary territory. Meanwhile, total capital spending was flat. Firms expected both business conditions and sales to continue to deteriorate in the coming months.

Survey results suggested decreased employment but continued wage growth among Maryland firms in October. Finding workers with the necessary skills remained a challenge; however, firms expected it to lessen and for employment to grow in the near future.

Growth of prices paid by survey participants moved higher in October, while that of prices received slowed, widening the gap between the two. However, firms expected to see a slight drop in growth of prices paid and fairly stable growth of prices received in the next six months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Oct-19	Sep-19	Aug-19	Oct-19	Sep-19	Aug-19
General Business Conditions	-5	-9	-17	-18	-13	-14
Sales	-5	-9	-20	-9	4	-3
Employment						
Number of Employees	-14	-4	3	9	17	11
Availability of Skills Needed	-23	-9	-20	0	0	-9
Average Workweek	5	9	17	-9	9	-3
Wages	18	35	26	55	70	49
Spending						
Business Services Expenditures	0	0	3	5	-4	0
Total Capital Expenditures	0	-4	6	14	0	17
Equipment or Software	14	9	14	14	9	17
Price Trends³						
Prices Paid for Inputs	3.17	2.87	3.31	3.08	2.28	2.42
Prices Received for Outputs	2.11	2.35	2.03	2.13	2.06	2.10

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 22 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**