

# Regional Surveys of Business Activity

## Maryland Survey of Business Activity

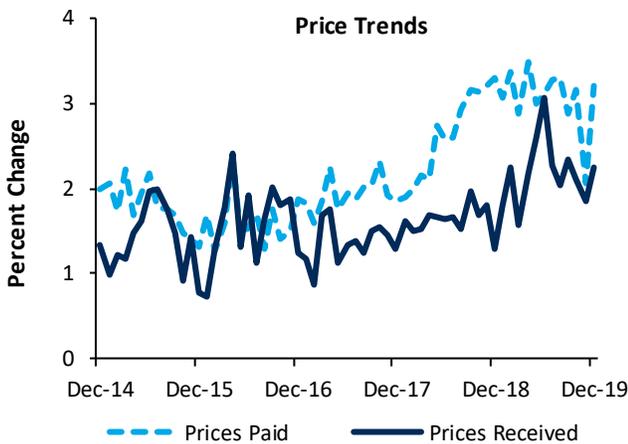
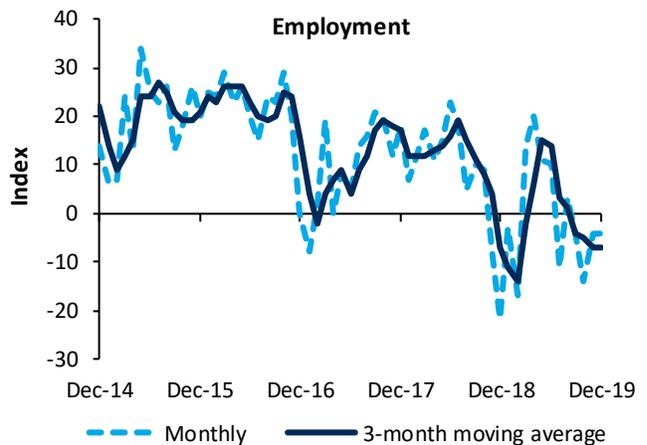
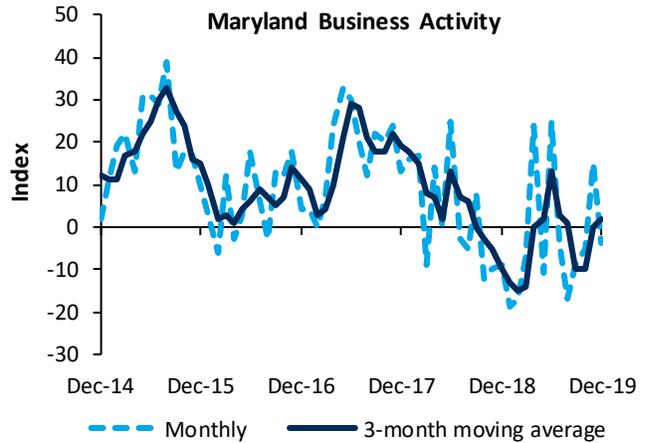
December 26, 2019

### *Business Conditions Weakened in December*

Business conditions in Maryland weakened in December, according to the results of the most recent survey by the Federal Reserve Bank of Richmond. The indexes for general business conditions and sales fell from 15 and 8 in November to -4 and -15 in December, respectively. Meanwhile, capital spending remained fairly flat. Firms expected business conditions to improve in the next six months.

Survey results indicated a decrease in employment and the average workweek but continued wage growth in December. Firms also struggled to find workers with the necessary skills. They expected that difficulty to continue but wages and employment to grow in the near future.

The growth rates of both prices paid and prices received by Maryland firms increased in August, while growth of prices paid continued to outpace that of prices received. Survey respondents expected the gap between the two to narrow in the coming months.



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Business Activity Indexes <sup>1</sup>						
Business Conditions in Maryland	Current Conditions			Expectations <sup>2</sup>		
	Dec-19	Nov-19	Oct-19	Dec-19	Nov-19	Oct-19
General Business Conditions	-4	15	-5	15	-8	-18
Sales	-15	8	-5	19	8	-9
<b>Employment</b>						
Number of Employees	-4	-4	-14	23	0	9
Availability of Skills Needed	-31	-27	-23	-8	-19	0
Average Workweek	-19	8	5	12	-8	-9
Wages	23	27	18	62	62	55
<b>Spending</b>						
Business Services Expenditures	0	4	0	0	-8	5
Total Capital Expenditures	0	0	0	15	0	14
Equipment or Software	4	4	14	23	-4	14
<b>Price Trends<sup>3</sup></b>						
Prices Paid for Inputs	3.20	2.07	3.17	2.43	2.52	3.08
Prices Received for Outputs	2.26	1.84	2.11	2.26	1.56	2.13

## 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 26 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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