

Regional Surveys of Business Activity

Maryland Survey of Business Activity

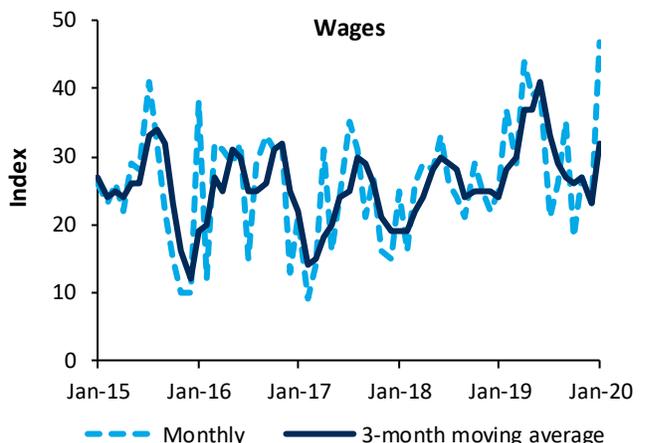
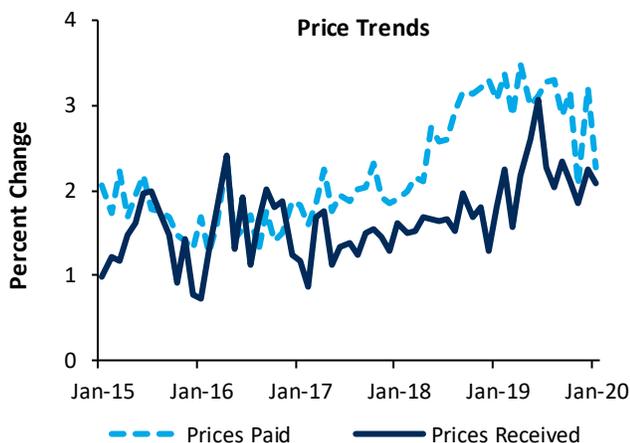
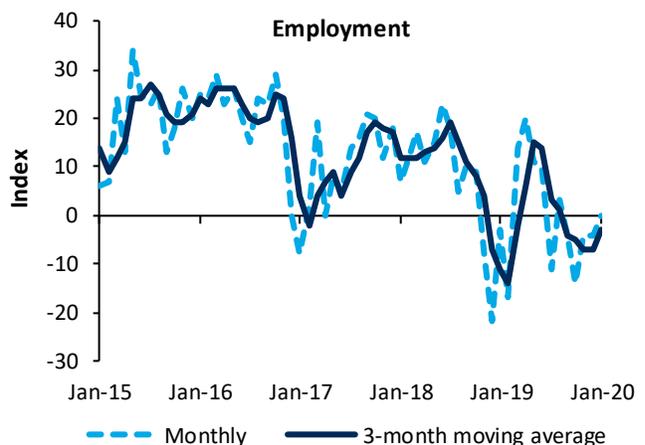
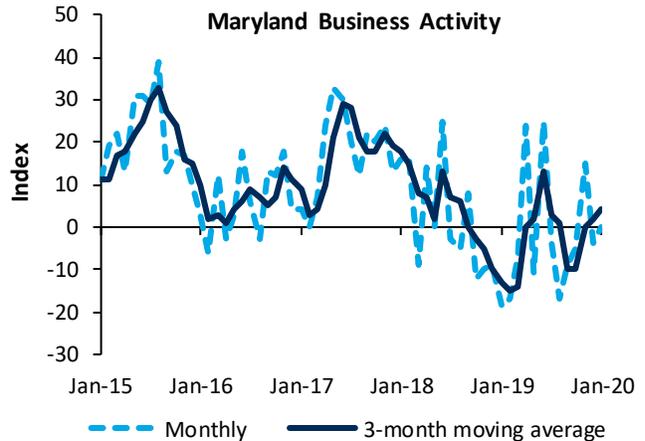
January 30, 2020

Business Conditions Improved Moderately in January

Business conditions in Maryland showed some signs of improvement in January, according to the results of the most recent survey by the Richmond Fed. The indexes for general business conditions and sales rose from -4 and -15 in December to 0 and 12 in January, respectively, suggesting growth in sales. Meanwhile, total capital expenditures were flat for the fourth month in a row. Firms were optimistic that conditions would strengthen in the coming months.

Survey results suggest widespread wage growth in Maryland in January, as this index rose to 47, its highest reading on record. Survey respondents reported flat employment and difficulty finding workers with the necessary skills. They expected this challenge to persist but wages and employment to grow in the near future.

The average growth rates of both prices paid and prices received by survey participants in Maryland fell in January, as growth of prices paid continued to outpace that of prices received. Firms expected both growth rates to continue to fall in the next six months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Jan-20	Dec-19	Nov-19	Jan-20	Dec-19	Nov-19
General Business Conditions	0	-4	15	24	15	-8
Sales	12	-15	8	35	19	8
Employment						
Number of Employees	0	-4	-4	47	23	0
Availability of Skills Needed	-12	-31	-27	-18	-8	-19
Average Workweek	12	-19	8	24	12	-8
Wages	47	23	27	82	62	62
Spending						
Business Services Expenditures	6	0	4	24	0	-8
Total Capital Expenditures	0	0	0	35	15	0
Equipment or Software	18	4	4	29	23	-4
Price Trends³						
Prices Paid for Inputs	2.27	3.20	2.07	2.18	2.43	2.52
Prices Received for Outputs	2.08	2.26	1.84	2.06	2.26	1.56

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 17 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.

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