

Regional Surveys of Business Activity

Maryland Survey of Business Activity

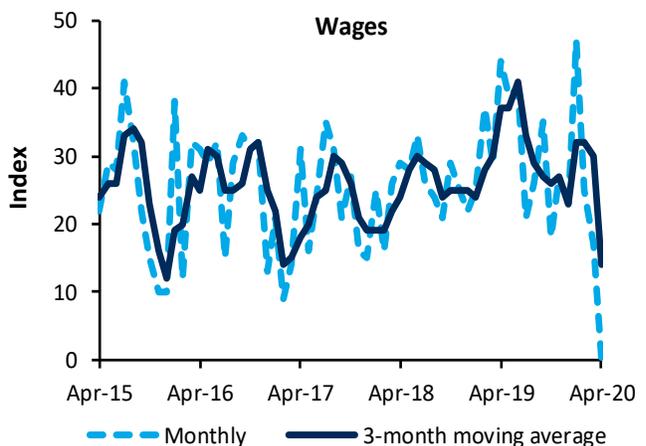
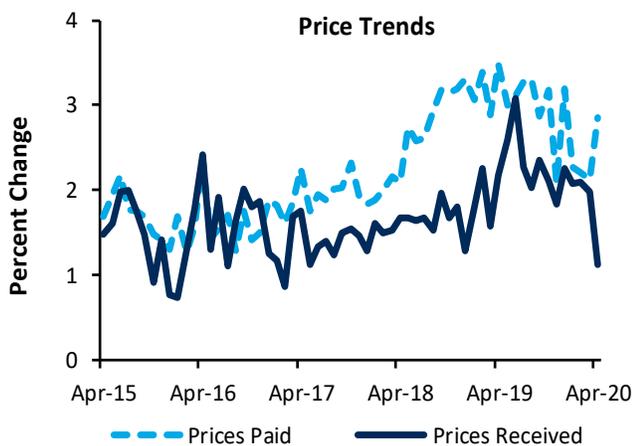
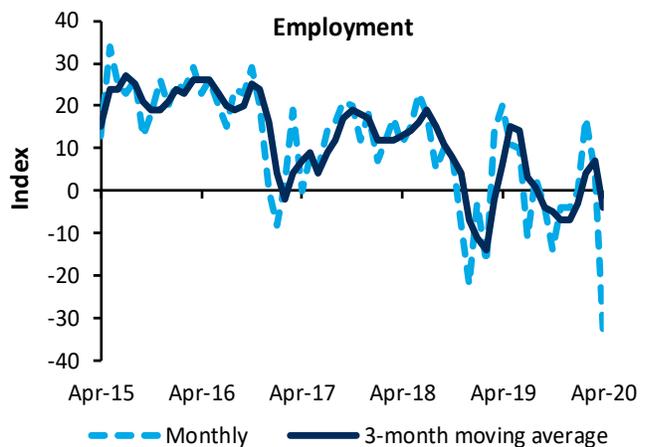
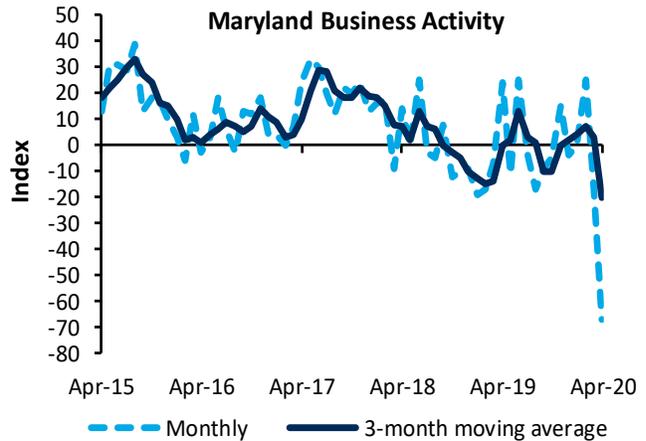
April 30, 2020

Firms Reported Slowing Business Activity in April

Maryland firms reported a severe slowing of business activity in April, 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 -17 and 9 in March to -67 and -56 in April, respectively, as general business conditions reached a series low. More survey participants also reported a drop in capital spending in April, and expected conditions to remain soft in the next six months.

Survey results reflected a drop in employment and the average workweek in April, while the wage index remained flat, overall. Firms continued to struggle to find workers with the necessary skills but expected this difficulty to lessen and employment to grow in the coming months.

The average growth rate of prices paid by Maryland survey respondents rose in April while that of prices received decreased. Growth of prices paid outpaced that of prices received, but firms expected this gap to narrow in the near future.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Apr-20	Mar-20	Feb-20	Apr-20	Mar-20	Feb-20
General Business Conditions	-67	-17	25	-50	-39	17
Sales	-56	9	17	-44	4	33
Employment						
Number of Employees	-33	4	17	6	9	33
Availability of Skills Needed	-6	-9	-50	11	-4	-17
Average Workweek	-28	-13	-17	0	26	25
Wages	0	17	25	6	39	50
Spending						
Business Services Expenditures	-39	-9	8	-28	9	25
Total Capital Expenditures	-22	-4	-8	-28	22	25
Equipment or Software	0	0	8	6	17	25
Price Trends³						
Prices Paid for Inputs	2.86	2.12	2.20	1.96	2.37	2.30
Prices Received for Outputs	1.13	1.98	2.09	1.23	1.71	1.77

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 18 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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