

Regional Surveys of Business Activity

Maryland Survey of Business Activity

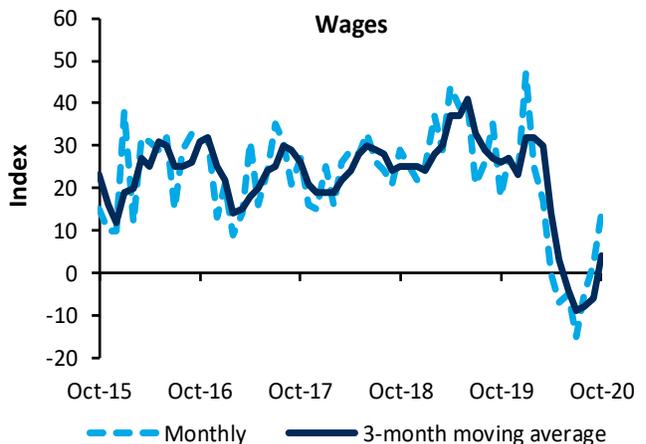
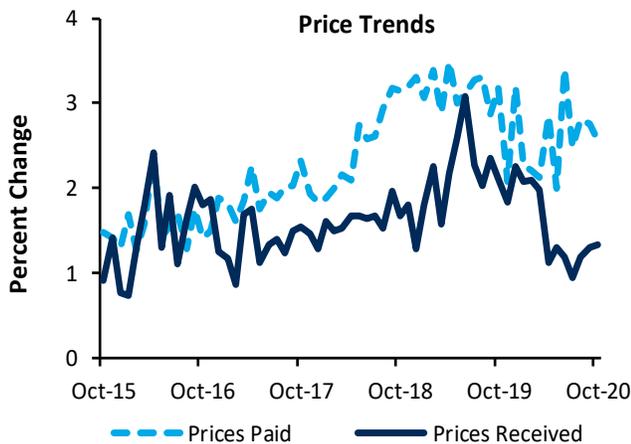
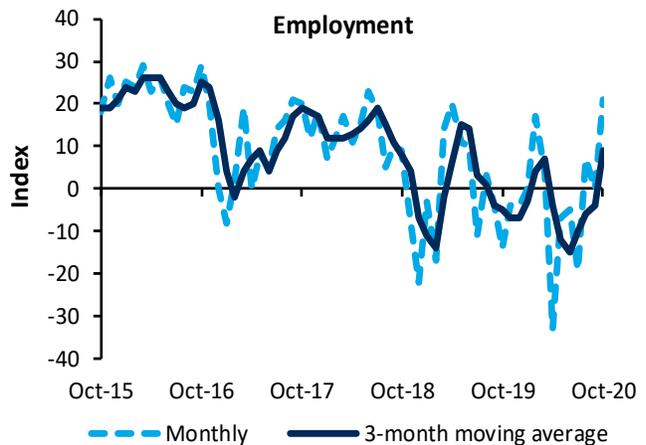
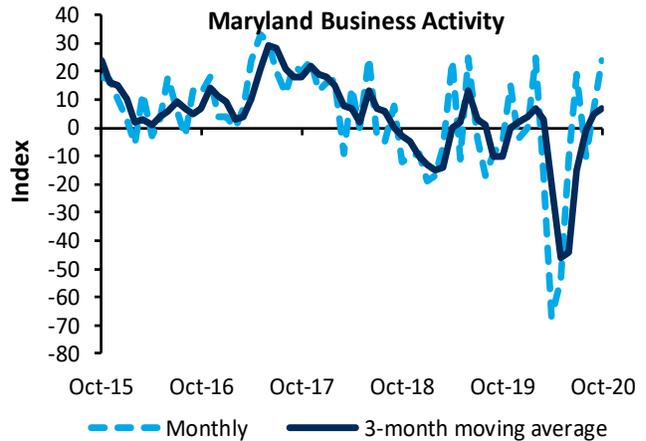
October 29, 2020

Firms Reported Strengthening Activity in October

Firms in Maryland reported strengthening business activity in October, according to the latest survey from the Richmond Fed. The indexes for general business conditions and sales rose from 7 and 5 in September to 24 and 29, respectively, in October. This was the highest reading for general business conditions since February 2020 and the highest reading for sales since June 2018. Meanwhile, more contacts increased than decreased capital expenditures for the first time this year. Contacts were optimistic that conditions would continue to improve in the coming months.

Survey results suggest that many firms increased employment, wages, and the average workweek in October. Contacts expected these trends to continue in the near future.

Average growth of prices paid by Maryland survey respondents slowed in October, while that of prices received crept up slightly. Contacts expected growth of both prices paid and prices received to accelerate in the next six months.



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Business Activity Indexes ¹						
Business Conditions in Maryland	Current Conditions			Expectations ²		
	Oct-20	Sep-20	Aug-20	Oct-20	Sep-20	Aug-20
General Business Conditions	24	7	-10	24	12	7
Sales	29	5	-10	21	26	-2
Employment						
Number of Employees	21	0	7	31	12	2
Availability of Skills Needed	2	-7	-2	10	-2	14
Average Workweek	21	14	0	12	-2	-2
Wages	14	2	-5	38	21	14
Spending						
Business Services Expenditures	-2	0	-15	-10	10	-17
Total Capital Expenditures	5	-2	-17	12	2	0
Equipment or Software	12	7	-2	21	14	5
Price Trends³						
Prices Paid for Inputs	2.56	2.75	2.81	2.90	2.96	2.60
Prices Received for Outputs	1.33	1.30	1.19	1.76	1.78	1.30

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 42 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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