

Regional Surveys of Business Activity

Carolinas Survey of Business Activity

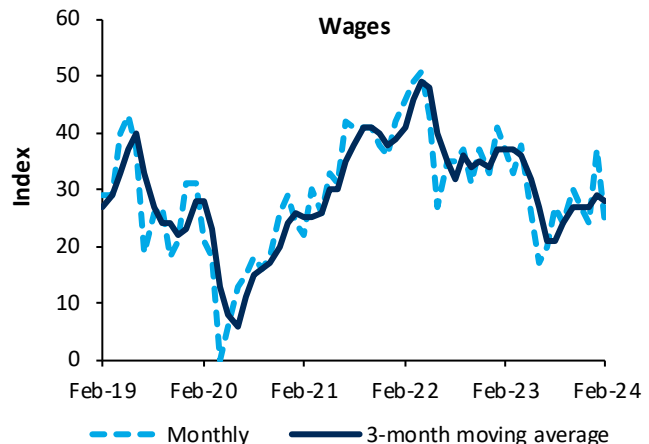
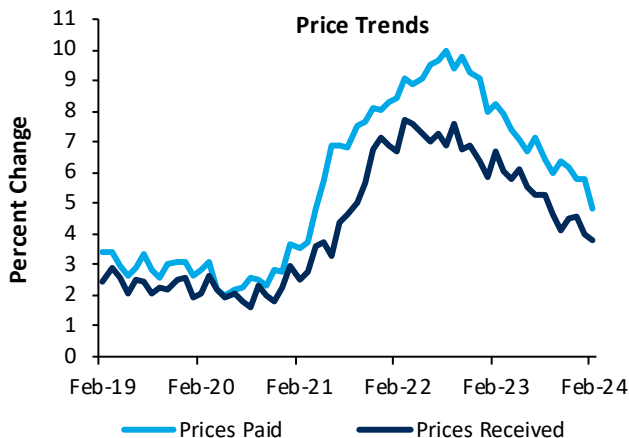
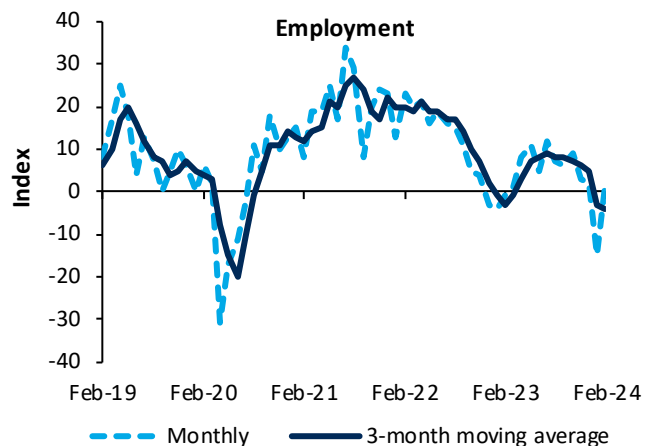
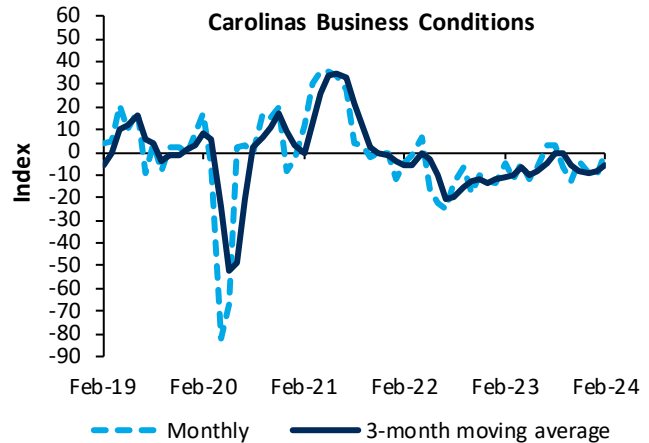
February 29, 2024

Business Activity in the Carolinas Was Sluggish in February

Business activity in the Carolinas was sluggish in February, according to the most recent survey from the Federal Reserve Bank of Richmond. The general business conditions index increased from -10 in January to 0 in February, and the expectations index increased notably from -1 to 17. The sales index edged up from -18 in January to -14 in February, while its corresponding expectations index rose notably from 18 to 36.

The employment index increased from -15 in January to 1 in February while the wages index remained elevated, and firms reported little improvement in their ability to find workers with the necessary skills. Most firms expected wages to continue increasing over the near-term and anticipated some improvement in their ability to find workers with the desired skills over the next six months.

The average year-over-year growth in prices paid decreased moderately in February, while growth in prices received decreased only slightly. Firms expected price growth to moderate over the next year.



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Business Activity Indexes ^{1, 4, 5}						
Business Conditions in the Carolinas	Current Conditions			Expectations ²		
	Feb-24	Jan-24	Dec-23	Feb-24	Jan-24	Dec-23
General Business Conditions	0	-10	-9	17	-1	3
Sales	-14	-18	-19	36	18	22
Employment						
Number of Employees	1	-15	2	20	12	13
Availability of Skills Needed	-2	4	0	6	10	0
Wages	24	37	24	50	53	49
Spending						
Business Services Expenditures	-5	-10	-2	-6	-2	1
Total Capital Expenditures	-3	2	0	2	13	13
Equipment or Software Expenditures	3	10	7	4	14	23
Price Trends³						
Prices Paid for Inputs	4.80	5.78	5.76	3.94	3.61	3.85
Prices Received for Outputs	3.77	3.96	4.53	3.40	3.11	3.29

Technical Notes:

- 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 107-109 firms.
- Expectations refer to the time period six months out from the survey period.
- Current price changes are percentages over the last 12 months. Expected price changes are expected changes over the next 12 months.
- All firms surveyed are located within the states of North Carolina and South Carolina.
- In light of our continuing efforts to improve our data product and ensure accuracy in the historical data, we have updated select Carolinas index values from February 2017 through January 2024. Revised historical data supersede and are not directly comparable to previously published data.

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