

# Economics Group

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## Empire State Manufacturing Remains Weak

**The August Empire State Manufacturing index came in weaker than expected. The index continues to show expansion, but a July and August soft patch is evident. The employment component strengthened, however.**

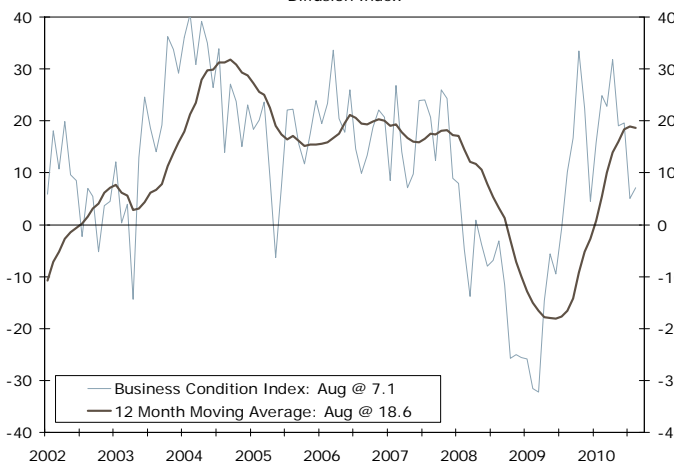
### New Orders Slip in August

- Weaker demand was clearly evident in the August Empire Manufacturing release. Both new orders and prices received contracted in August, continuing a loss in momentum that began in May.
- Profit margins continue to be squeezed as prices paid continue to increase at a rapid clip.

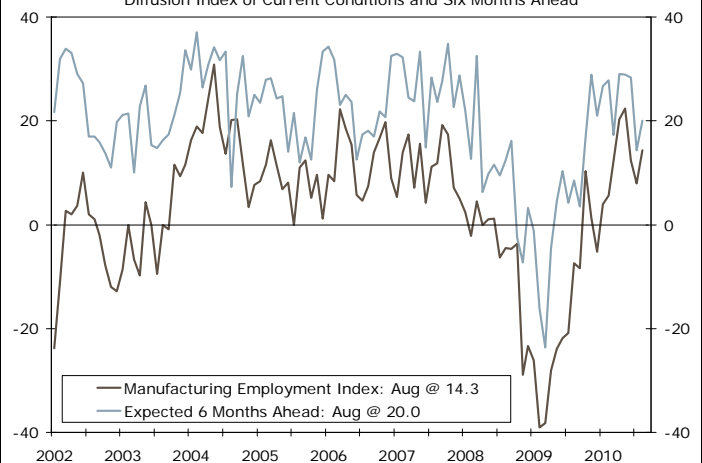
### Employment Strengthens in August

- The employment component improved to 14.29 from 7.94 in July, though this is still below the readings for April and May.
- The outlook for the next six months continues to slide from its April high. New orders, capital expenditure, and technology spending plans for the next six months have all deteriorated since April as well.

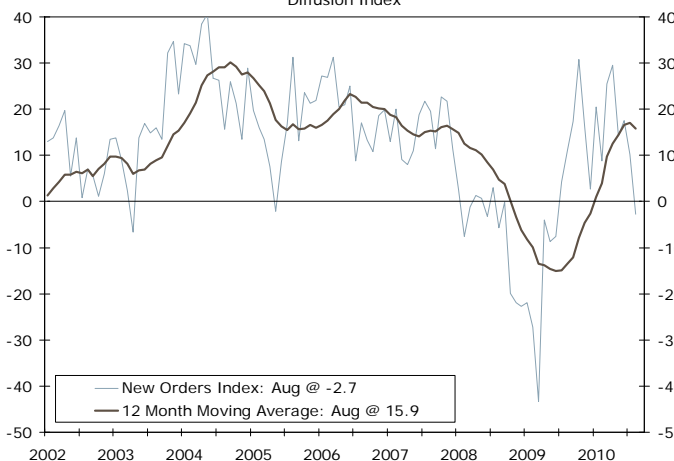
New York Mfg. General Business Conditions  
 Diffusion Index



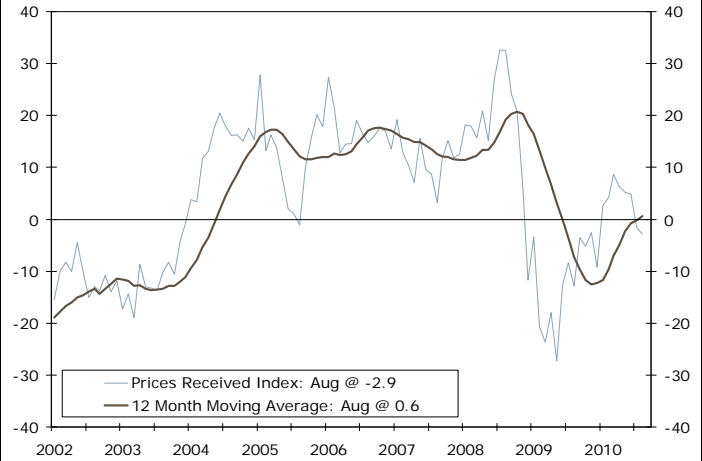
New York Manufacturing Employment  
 Diffusion Index of Current Conditions and Six Months Ahead



New York Mfg. New Orders Index  
 Diffusion Index



New York Manufacturing Prices Received  
 Diffusion Index



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