

# ISM-NEW YORK REPORT ON BUSINESS

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## NEW YORK CITY REPORT ON BUSINESS

### *Escaping Velocity?*

In October, New York City purchasing managers reported growth level numbers in every index except Current Revenues, according to the survey taken by the Institute for Supply Management-New York.

#### **New York Metro**

**Current Business Conditions** increased for the second consecutive month to reach an 18-month high of 65.1 in October (referencing the 77.3 reported in April 2019).

The **Six-Month Outlook** rose 14 points to 62.9 in October, up from 48.9 in September. This is a 4-month high (referencing the 67.1 reported in June 2020) and a 6 month continuation of the oscillation between the 40s and the 60s. The six-month outlook has been a reliable short run guide for current business conditions over time.

#### **Company Specific**

**Employment**, a seasonally adjusted index, increased substantially from 40.2 in September to a 9-month high of 58.4 in October. With an 18.2-point increase, Employment is the biggest mover in this month's report and represents the largest month over month gain in this index since August 2017 (+ 18.6).

**Quantity of Purchases** rose to 56.7 in October, up from 46.7 in September. This is an 18-month high (referencing the 63.6 reported in April 2019).

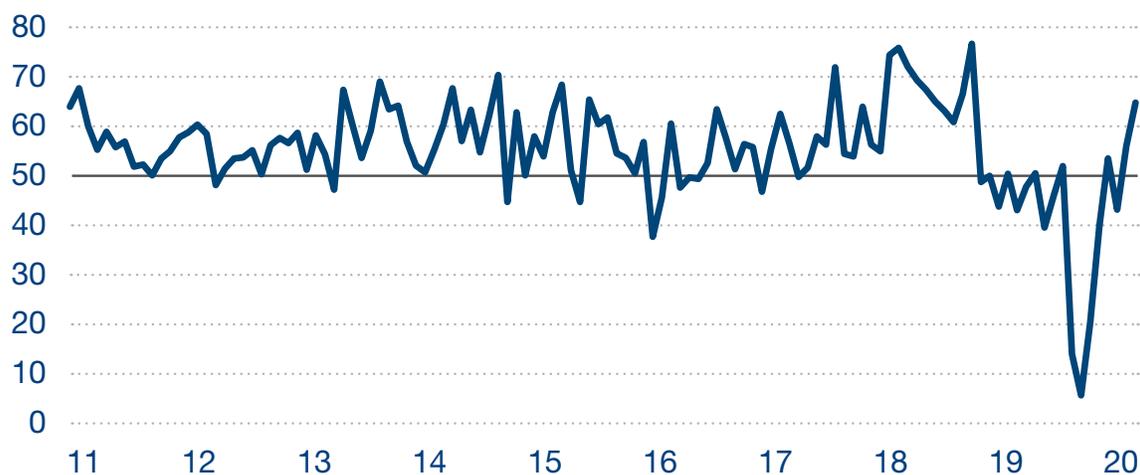
Top line and forward revenue guidance moved in opposite directions with the advantage going to the future. **Current Revenues** fell back below the breakeven point of 50.0 reported in September to come in at 46.7 in October. This reduced finding is still the second highest level of Revenues reported in 8 months. **Expected Revenues** rose 17.1 points to 60.0 in October, returning to growth territory for the first time since February 2020 and reaching a 9-month high (referencing the 64.3 referenced in January of 2020).

**Prices Paid** decreased for the second month in a row, falling to a 6-month low of 53.3, down from 65.4 in September.

#### **ABOUT THE SURVEY:**

The purpose of the survey is to quickly assess business conditions among firms in the New York City area. The survey results are compiled as diffusion indices - the percent of positive responses plus one-half of those responding the same (considered positive). A reading of 50% means no change from the prior month, greater than 50% indicates a faster pace of activity, and less than 50% a slower rate. The Current Business Conditions index, Six-Month Outlook index, the NY-BCI, and the Employment index are seasonally adjusted. All other measures are not seasonally adjusted. -r is revised.

## CURRENT BUSINESS CONDITIONS *(seasonally adjusted)*



## SIX-MONTH OUTLOOK *(seasonally adjusted)*



## BUSINESS CONDITIONS IN NEW YORK CITY METRO AREA *(seasonally adjusted)*

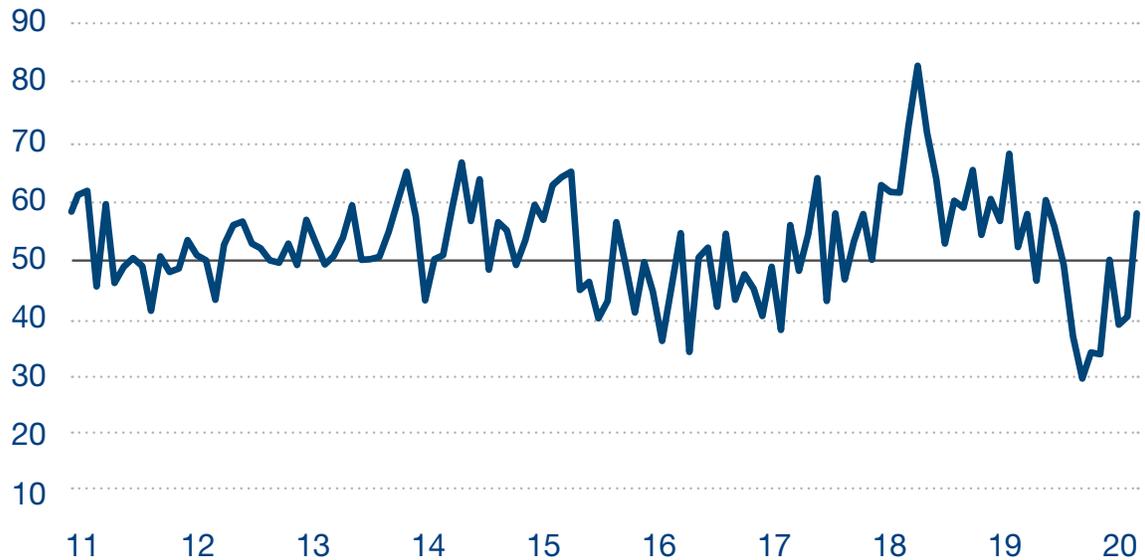
	Current Business Conditions	Six-Month Outlook	NY-BCI*
October 2019	47.7	53.6	874.3
November	50.4	62.8	874.5
December	39.1	64.2	869.0
January	45.8	57.3	866.9
February	51.9	53.8	867.9
March	12.9	37.9	849.3
April	4.3	26.4	826.5
May	19.5	48.0	811.3
June	39.5	67.1	806.0
July	53.5	49.6	807.8
August	42.9	61.7	804.2
September	56.1	48.9	807.3
<b>October 2020</b>	<b>65.1</b>	<b>62.9</b>	<b>814.8</b>

\*The NY-BCI is a cumulative diffusion index constructed from the diffusion index of Current Business Conditions for businesses in the New York City metro area. -r is revised.

## EMPLOYMENT *(seasonally adjusted)*

The current month's number of employees compared to the previous month.

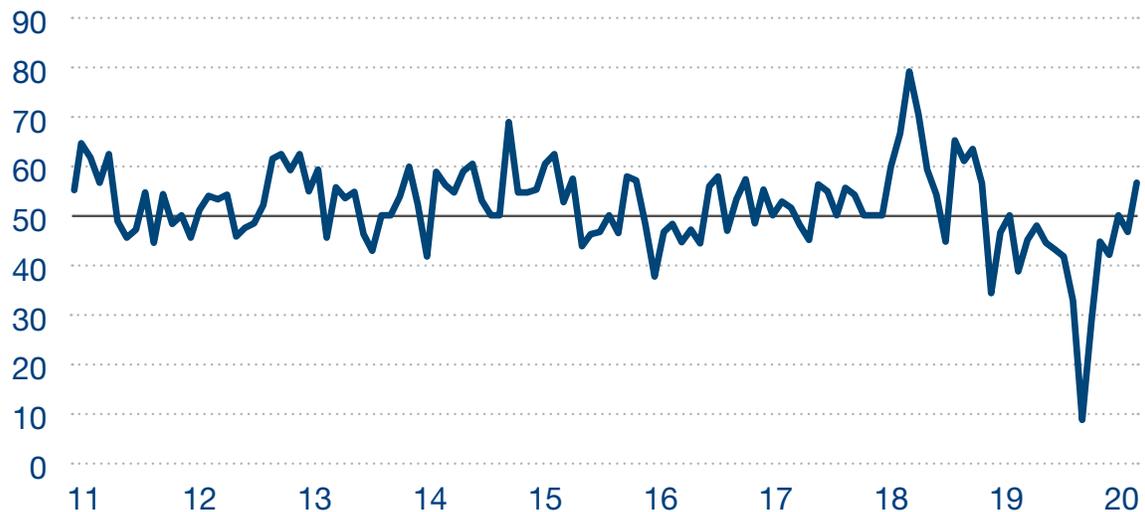
Oct	Sept	Aug	July	June	May	Year Ago Oct
58.4	40.2	38.8	50.3	33.5	33.9	58.3



## QUANTITY OF PURCHASES

The current month's number of units purchased from suppliers compared to the previous month.

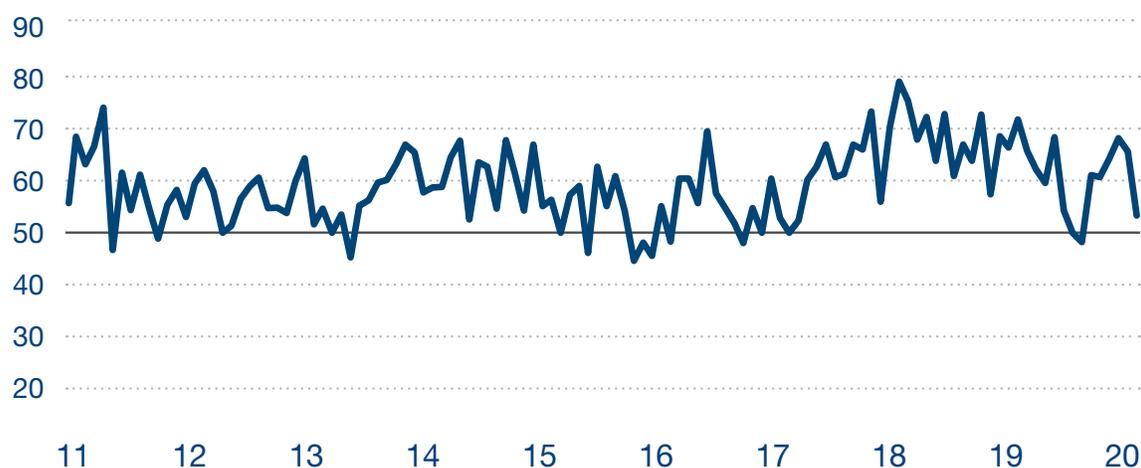
Oct	Sept	Aug	July	June	May	Year Ago Oct
56.7	46.7	50.0	42.0	44.7	28.3	45.0



## PRICES PAID

The current month's price levels paid for goods and services purchased from suppliers vs. the previous month.

Oct	Sept	Aug	July	June	May	Year Ago Oct
53.3	65.4	67.9	64.0	60.5	60.9	65.5



## CURRENT REVENUES

The current month's level of revenues (in dollars) compared to the previous month.

Oct	Sept	Aug	July	June	May	Year Ago Oct
46.7	50.0	40.0	43.8	30.6	29.2	53.6

## EXPECTED REVENUES

The expected level of revenues (in dollars) in the next six months.

Oct	Sept	Aug	July	June	May	Year Ago Oct
60.0	42.9	43.3	39.6	32.4	34.1	57.1