



## Tenth District Manufacturing Activity Expanded At a Slower Pace in April 2017

by: Chad Wilkerson

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Manufacturing activity expanded at a slower pace but expectations remain solid.

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Tenth District manufacturing activity expanded at a somewhat slower pace in April, and expectations for future activity eased but remained at solid levels. Price indexes were mixed, but recorded little change overall.

The month-over-month composite index was 7 in April, down from the very strong readings of 20 in March and 14 in February (See latest data for Tables 1 & 2, Chart). The composite index is an average of the production, new orders, employment, supplier delivery time, and raw materials inventory indexes. Activity in both durable and nondurable goods plants eased slightly, particularly for metals, machinery, food, and plastic products. Most month-over-month indexes expanded at a slower pace in April. The production, shipments, and new orders indexes fell but remained positive, and the employment index edged lower from 13 to 9. In contrast, the new orders for exports index increased from 2 to 4. Both inventory indexes fell moderately after rising the past two months.

Most year-over-year factory indexes recorded little change from the previous month's readings. The composite yearover-year index was basically unchanged at 13, and the production, shipments, and order backlog indexes also remained stable. The employment index eased from 17 to 14, and the new orders index fell moderately. The capital expenditures index edged lower from 12 to 5, while the new orders for exports index posted its highest reading in over five years. The raw materials inventory index increased from 1 to 3, while the finished goods inventory index decreased.

Expectations for future factory activity moderated slightly after posting historical highs last month. The future composite index fell from 32 to 17, and the future production, shipments, new orders, and order backlog indexes also decreased somewhat from their high readings last month. The future employment index dropped from 43 to 26, and the future capital expenditures index also fell moderately. The future raw materials inventory index decreased from 8 to 4, while the future finished goods index increased modestly.

Price indexes were mixed in April. The month-over-month finished goods price index eased from 9 to 5, while the raw materials price index edged higher. The year-over-year finished goods price index inched up from 26 to 29, and the raw materials price index also increased mildly. The future raw materials price index fell from 59 to 45, and the future finished goods price index also eased slightly.

## Survey Data

[Current Survey](#)

[Historical Monthly Data](#)

[Historical Quarterly Data](#)

[About Manufacturing Survey](#)

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## Author



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Chad Wilkerson serves as Oklahoma City Branch Executive and Senior Vice President of Community Development for the Federal Reserve Bank of Kansas City. Wilkerson has been with the Federal Reserve since 1998, starting in Kansas City's research department. Appointed in 2006 as Oklahoma City Branch Executive, Wilkerson is the Bank's lead officer and regional economist in Oklahoma. He recruits and works closely with the Oklahoma City Branch Board of Directors and is responsible for briefing the Kansas City Fed president, a member of the Federal Open Market Committee, on economic trends in the state. His team conducts research and surveys on key regional issues such as energy, manufacturing and migration. Wilkerson was appointed Senior Vice President in 2022, and supports a Community Development team located across the Kansas City Fed's seven-state region. This group works to understand and address issues affecting the ability of underserved communities and small businesses to access credit. Community development focus areas include financial resiliency, affordable housing, community investments, workforce development, rural development and digital inclusion. Wilkerson holds a master's degree in public policy from the University of Chicago, as well as a master's degree from Southwestern Seminary and bachelor's degree from William Jewell College. He serves on the boards of the Economic Club of Oklahoma, the United Way of Central Oklahoma and City Rescue Mission. He lives in Edmond, Oklahoma, with his wife and children.