



## Services Survey

# Tenth District Services Activity Grew Moderately in April

by: Chad Wilkerson, Chase Farha and Jannety Mosley

April 28, 2023

Regional services activity grew moderately in April. Expectations for future activity increased after some slowing last month, and a majority of the firms that sought financing reported no difficulty obtaining it for short- or long-term uses.

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### Business Activity Grew Moderately

Tenth District services activity grew moderately in April and expectations for the next six months increased further (Chart 1 & Table 1). Price indexes in April were mixed. The monthly input prices index increased significantly, while the monthly selling prices index and both year-over-year prices indexes remained essentially flat. Looking forward, firms expect input price growth to ease slightly over the next six months, while they expect the pace of increases in selling prices to slow substantially.

The month-over-month services composite index was 7 in April, up from -4 in March and from 1 in February (Tables 1 & 2). The composite index is a weighted average of the revenue/sales, employment, and inventory indexes. The increase in revenue and sales was driven by growth in health services, tourism & hotels, and restaurant activity. In contrast, auto and retail activity declined in April. Month-over-month indexes were mixed. The general revenue/sales, employee hours worked, wages & benefits, and input price indexes increased, while the part-time/temporary employment, inventory, access to credit, capital expenditures, and selling price indexes decreased. The employment index stayed steady. The year-over-year composite index increased from -6 to -2 as the employment, employee hours worked, and capital expenditures indexes increased moderately. Expectations for future services activity grew further in April, with the composite index increasing from 2 to 14.

## Special Questions

This month contacts were asked special questions about job openings and financing. In April, 36% of firms reported no change in their number of job openings since the beginning of the year, while 8% reported a significant increase, 30% reported a slight increase, 13% reported a slight decrease, and 14% reported a significant decrease (Chart 2). District firms were also asked to what extent they are having difficulty obtaining financing for desired short-term uses—such as paying workers and acquiring inventories of material or supplies—and long-term uses—such as capital expenditures. A majority of the firms that sought financing reported no difficulty obtaining it for short- or long-term uses. A greater share of firms reported difficulty obtaining credit for long-term uses than short-term uses (Chart 3).

## Selected Services Comments

“Over the past few years, we have seen our business steadily decline in job orders; although, we have seen a slight increase over the past few months. It is a challenge to find workers still as many are still searching for remote work.”

“Worker demand is down because of lack of multifamily business at this time. There is lots of multifamily activity, but we are in a temporary gap waiting for some projects to start. Commodity prices are down but most manufactured products continue to take price increases - although more modest than the past couple of years.”

“Expenses are up, grosses are down...bottom line is down. High interest rates are hurting both selling vehicle, and flooring vehicles.”

“The high interest rates have slowed our business and caused inventories to grow. We are still having parts supply shortages in some areas.”

“Credit is available, but documentation requirements have increased.

## Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About the Services Survey](#)

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## Authors



### Chad Wilkerson

#### Senior Vice President and Oklahoma City Branch Executive

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.



### Chase Farha

#### Research Associate

Chase Farha is a Research Associate in the Regional Affairs department at the Oklahoma City branch of the Federal Reserve Bank of Kansas City. In this role, his responsibilities include contributing to the Oklahoma Economist and a variety of research projects. He holds a Bachelor of Science degree in Economics, with minors in mathematics and Arabic, from Tulane University.



## Jannety Mosley

### Senior Survey Analyst

Jannety Mosley is a Senior Survey Analyst in the Regional Affairs Department at the Oklahoma City Branch of the Federal Reserve Bank of Kansas City. In this role, she primarily supports the district economic surveys and reports. She also supports the recruitment and retention efforts of business participants in the economic surveys. She holds a B.S. degree in Agricultural Economics (Agribusiness) from North Carolina A&T State University and a M.S. degree in Rural Sociology from Pennsylvania State University.

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