



Tenth District Manufacturing Activity Fell Slightly in November

by: Megan Williams and Chase Farha

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Regional factory activity decreased modestly this month, although it is down substantially from this time last year. However, employment stayed steady, and firms expect increases in production, new orders, and employment in the next six months.

Tenth District manufacturing activity fell slightly in November, while expectations for future activity rose. Price increases cooled from last month, but finished product price growth increased at a faster pace on a year-over-year basis. (Chart 1, Tables 1 & 2)

The month-over-month composite index was -2 in November, up from -4 in October and -8 in September (Tables 1 & 2). The composite index is an average of the production, new orders, employment, supplier delivery time, and raw materials inventory indexes. Nondurable goods manufacturing declined modestly, driven by paper and petroleum products, while durable goods activity was flat, with increases in electrical and transportation and decreases in wood and primary metal manufacturing. The month-over-month indexes were mixed, with half slightly negative and half slightly positive. The production index fell from 0 to -4 and new orders fell from -5 to -9, while employment stayed steady at 1. Backlog of orders continues to have the lowest reading at -14. The year-over-year composite index for factory activity fell from -14 to -18, as employment, supplier delivery time, and raw material inventories all fell further. Production stayed at -14 while new orders increased from -18 to -10 and capital expenditures grew with a reading of 7. The future composite index increased from 7 to 11, driven by high expectations for future production and new orders. Employment and capital expenditures are also expected to grow in the next six months.

Special Questions

This month contacts were asked about employment expectations. About half of firms (52%) expect to leave employment levels unchanged over the next 12 months, while 37% plan to increase employment and only 11% plan to decrease (Chart 2). Firms were also asked if they have been raising starting wages for new hires. About a quarter of firms (23%) have raised new hires' wages for most job categories, while 35% have raised new hires' wages only for select job categories, another 24% have not raised new hires' wages, and 18% of firms are not actively hiring (Chart 3).

Selected Manufacturing Comments

“The most significant challenge we face is finding people for our manufacturing positions that will show up on time, do a quality job and be consistent in the previous two areas.”

“This has been our best year on record for both sales and profitability. The future is a bit cloudy but should maintain a modicum of profitability even if we do not meet the same sales as this past year.”

“October was the worst revenue producing month in the 3 years I have owned the company.”

“The training of a skilled workforce for technical skilled artisans (sheet metal, electronic wiring) remains a challenge.”

“Hopefully 2025 will see an uptick in demand for our products. The last 2 years have been very slow due to the diminished orders from our customers in the trucking sector.”

“We are in a holding pattern waiting for orders.”

“We laid off 5% of our workforce in October. May have to do another if orders don't increase soon.”

Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About Manufacturing Survey](#)

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