



Tenth District Manufacturing Declined Modestly in April

by: Megan Williams and Chase Farha

April 24, 2025

Tenth District manufacturing activity declined modestly, and expectations for future activity eased somewhat but remained positive. Prices paid for raw materials remained at high levels this month while finished product prices continued to increase.

Tenth District manufacturing activity fell modestly, and expectations for future activity cooled but remained expansionary (Chart 1, Tables 1 & 2). Prices paid for raw materials increased this month while finished product prices ticked down, further constraining profit margins.

The month-over-month composite index was -4 in April, down from -2 in March and up from -5 in February (Tables 1 & 2). The composite index is an average of the production, new orders, employment, supplier delivery time, and raw materials inventory indexes. The nondurable manufacturing sector continued to drive the declines, particularly food and print manufacturing. Most month-over-month indexes were negative, but a few improved from last month's readings. The production index ticked down from 1 to -5 while the new orders index was mostly unchanged. Most year-over-year indexes were negative, with the exception of the supplier delivery time and inventory indexes. The capital expenditures index fell into negative territory after increasing slightly last month. The future composite index eased from 10 to 6 in April as expectations for production, shipments, and new orders all decreased.

Special Questions

This month contacts were asked special questions about business uncertainty and demand expectations. Almost half of firms reported much more uncertainty about economic conditions compared to the beginning of this year. Approximately 42% of firms reported that there is more uncertainty, with 11% of firms reporting no change. Around 2% of firms shared that they are less uncertain, with 1% reporting there is much less uncertainty (Chart 2). Firms were also asked how their product demand expectations changed for 2025 compared to a few months ago. 18% of firms reported that their product demand expectations were significantly lower than they were a few months ago, while 35% of firms stated that their expectations were slightly lower. Another 23% of firms reported their expectations for demand were unchanged compared to a few months ago, with approximately 23% anticipating slightly higher demand and only 1% expecting a significant increase (Chart 3).

Selected Manufacturing Comments

“We have seen the domestic steel mills increase prices in anticipation of tariffs on imported steel. Increases are greater than 20% so far.”

“We have furloughed employees and reduced production hours to help minimize loss. Significant effort being made to gain business and increase revenue.”

“We will reduce workforce as tariffs take hold. We will also increase prices and pass through to the consumer. It will be a fight to remain open under the present terms and conditions of the current administration.”

“Many suppliers are raising prices and announcing increases in the next 2 months. Proprietary parts and cost for maintenance parts continues to be where we see the highest increases.”

“We have found suppliers are taking advantage of the tariffs to get a higher price increase. This has caused us to move business to other suppliers.”

“Lots of supply chain uncertainty. Placing an order with 2 month lead time means we have no idea what tariffs will be in place when the goods arrive in port. It makes business planning and pricing almost impossible.”

“We believe there is a lot of pent up demand but lack of clarity on interest rates and policy impacts are delaying buyers from acting on growth plans.”

Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About Manufacturing Survey](#)

Authors



Megan Williams

Associate Economist and Senior Manager

Megan Williams is Associate Economist and Senior Manager in the Regional Affairs department at the Kansas City Fed's Oklahoma City Branch office. In this role, she is responsible for current monetary policy research, district economic surveys, and a variety of economic research projects. She also serves as Secretary for the Oklahoma City Branch Board of Directors. Williams joined the Federal Reserve Bank in 2000 as an Analyst in the Retail Payments Support department, and assumed her current role in March 2006. She holds a bachelor's degree in Finance from Oklahoma State University and a MBA degree from the University of Oklahoma. Williams serves on the Board of Directors of the Oklahoma Council on Economic Education and is a former Board Chair. She lives in Choctaw, Oklahoma, with her husband and two children.



Chase Farha

Research Associate II

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.