



## Tenth District Services Activity Increased Modestly in April

by: Megan Williams and Chase Farha

April 25, 2025

Tenth District services activity increased modestly in April, and expectations for future activity are still positive. Prices for inputs and outputs both rose this month, with input price growth continuing to outpace selling price growth by a substantial margin.

---

### Business Activity Increased Slightly in April

The month-over-month services composite index was 3 in April, up from 0 in March and 2 in February (Tables 1 & 2). The composite index is a weighted average of the revenue/sales, employment, and inventory indexes. Activity in tourism and restaurants increased further this month, while healthcare, education, and real estate activity continued to fall. All month-over-month indexes were positive, except part-time/temporary employment and access to credit. General revenue/sales grew steadily at a reading of 4. Employment levels picked up from -5 to 2, and employee hours worked increased from a low of -10 to 2. Year-over-year growth accelerated, with the composite index rising from 2 to 11. Annual growth picked up in both the consumer and business services sectors (Chart 2). Sales growth accelerated, with the general revenues/sales index increasing from 1 to 14. Additionally, the employment and capital expenditures indexes both re-entered positive territory after declining last month. Expectations for future services activity remain expansionary, as firms' expectations for revenues and employment increased this month.

### Special Questions

This month contacts were asked special questions about uncertainty and expectations for demand. A strong majority of respondents reported more uncertainty about economic conditions since the beginning of the year, with 39% reporting much more uncertainty and 34% reporting more uncertainty. Another 24% reported no change in their level of uncertainty since the beginning of the year, while 1% each reported experiencing less uncertainty and much less uncertainty (Chart 3). Additionally, a slight majority of firms report lower expectations for demand for their products in 2025 compared to a few months ago, with 45% lowering their expectations slightly and 8% lowering them significantly. Another 25% of firms reported no change in expectations, while 19% reported slightly higher expectations and 3% reported significantly higher expectations (Chart 4).

### Selected Services Comments

“The uncertainty in our markets is causing chaos. It's difficult to make long term strategic decisions.”

“The lack of certainty is crippling.”

“While the tariffs do not impact our services from a cost perspective, they impact our customer base significantly and ultimately their demand for the services we provide.”

“Tremendous uncertainty rules all decisions right now, and not just for us, but also for our customers.”

“Lots of uncertain conditions, but feel positive about the changes.”

“We have received a tariff surcharge from our primary supplier and from most of our tertiary suppliers. These tariff surcharges are being passed on to our customer dollar-for-dollar, plus our normal profit markup.”

## Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About the Services 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

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.