



Tenth District Services Activity Rose Somewhat in August

by: Cortney Cowley and Megan Williams

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Tenth District services activity rose somewhat in August, and expectations for future activity remained positive. Input prices accelerated from last month, while growth in selling prices cooled slightly.

Business Activity Rose Somewhat in August

The month-over-month services composite index was 4 in August, up from -5 in July, and 3 in June (Tables 1 & 2). The composite index is a weighted average of the revenue/sales, employment, and inventory indexes. Activity in real estate, wholesale trade, and health services sectors grew, while growth in tourism cooled. Most month-over-month indexes were positive, except access to credit, employee hours worked, and part-time/temporary employment. General revenue/sales jumped from -8 to 5, and employment grew from -6 to 2. Year-over-year growth increased from 1 to 12, and revenues rose from -2 to 16 (Chart 2). Capital expenditures inched higher from 6 to 8. Expectations for future services activity remained positive, as firms anticipate increasing revenue.

Special Questions

This month, contacts were asked special questions about changes in purchasing activity and product demand expectations. Over a third (36%) of firms reported customers' purchase volumes decreased slightly compared to last quarter, 8% reported a significant decrease, 32% reported no change, 23% reported a slight increase, and 1% reported a significant increase in purchase volumes. Compared to last quarter, approximately 33% of firms reported the count of customer purchases decreased slightly, 8% reported a significant decrease, 34% reported no change, 23% reported a slight increase, 1% reported they increased significantly (Chart 2). Approximately 37% of firms expect demand for their products to be slightly higher than the prior quarter for the remainder of 2025 and 2% expect it will be significantly higher, 28% expect no change, while 23% expect it will be slightly lower, and 10% expect it will be significantly lower (Chart 3).

Selected Services Comments

“We are seeing higher transaction counts and lower average check. Clearly customers are more price conscious the past couple months.”

“AI is helping us be more efficient with fewer employees - we are cutting costs dramatically (10%+) - more customers are saying they want to wait and see - lower budgets.”

“We anticipate a slight hiring increase over the next month.” “Lots of uncertainty in buyers.”

“Jan- Apr we saw incredible fear and lack of buying. Now we are seeing some light but still awful sales.”

“Lower income consumers not spending dollars at restaurants and eating at home more. Breakfast sales are not as strong as in past quarters. Will be lowering value meal pricing starting in September to work on value component with consumers.”

“The lower-income consumer does seem to be more stressed.”

Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About the Services Survey](#)

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Cortney Cowley serves as **Oklahoma City** Branch Executive and Assistant Vice President for the Federal Reserve Bank of Kansas City. Cowley joined the Bank in 2015 as an economist and was promoted to senior economist in 2021. In 2025, Cowley began her role as Branch Executive. As Oklahoma City Branch Executive, Cowley is the Bank's lead officer and economist in Oklahoma. She recruits and works closely with the Oklahoma City Branch Board of Directors and is responsible for briefing Kansas City Fed President Jeff Schmid, a member of the Federal Open Market Committee, on economic trends in the state. She also serves as a special advisor on agriculture to Vice Chair for Supervision Miki Bowman at the Federal Reserve Board of Governors. Cowley's team conducts research and surveys on key regional issues such as energy, manufacturing and migration. Cowley holds a Ph.D. in Agricultural Economics from Oklahoma State University, as well as a master's degree in Civil Engineering from Colorado State University and a bachelor's degree in Biosystems Engineering from Oklahoma State University, where she was named a Harry S. Truman Scholar. She is a member of the Economic Club of Oklahoma, Downtown Club of Oklahoma City, the Agricultural and Applied Economics Association and serves as an economic advisor on the campaign cabinet of the United Way of Central Oklahoma. Cowley, along with her husband and eight-year-old twins, lives on a small farm northwest of Oklahoma City.



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