



Tenth District Manufacturing Activity Was Unchanged in January

by: Cortney Cowley and Megan Williams

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Tenth District manufacturing activity was unchanged, and expectations for future activity cooled but remained expansionary. Prices paid for raw materials increased further this month, while finished product prices growth cooled.

Factory Activity Was Unchanged

The month-over-month composite index was 0 in January, unchanged from 0 in December and down from 7 in November (Tables 1 & 2). The composite index is an average of the production, new orders, employment, supplier delivery time, and raw materials inventory indexes. Nondurable manufacturing activity declined, while durable manufacturing activity grew slightly driven by nonmetallic mineral and metal manufacturing. The month-over-month indexes were mostly positive. The volume of new orders and employment indexes were unchanged from last month at 0. The year-over-year indexes remained mixed. Production grew slightly, but capital expenditures decreased from 14 to 4 and employment fell from -7 to -11. Expectations for future activity cooled but remained expansionary with the composite decreasing from 10 to 7. However, expectations for production and shipments increased from last month's readings.

Special Questions

This month, contacts were asked special questions about labor demand and factors negatively impacting business. Over half (57%) of firms reported there were little to no changes in labor demand in the past year, while 7% shifted demand towards different roles, 14% reduced labor demand, 17% of firms increased overall labor demand, and 6% of firms are still evaluating impacts (Chart 2). Firms were also asked about concerns they have in 2026. Over a third (39%) of firms reported they are concerned about domestic demand for goods/services negatively impacting their business, 8% reported they are concerned about availability of inputs, 3% reported they are concerned about credit access, and 2% are concerned about the borrowing rate. Approximately a quarter (24%) of firms reported they are concerned about geopolitical uncertainty, 21% are concerned about worker availability, and 3% are concerned about the tax rate (Chart 3).

Selected Manufacturing Comments

"We are very concerned about demand for our product."

"January is typically a slow month for us over the past 17 years of business."

“Past six months have been strong, and the near future appears to be headed in the same direction. Steady, sustainable growth.”

“Demand is lower.”

“Planning is very difficult with the constant changes.”

“Seeing stagnant to down results so far.”

“Our quote activity is up nicely, which indicates orders should soon be rising as well.”

“Uncertainty.”

Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About Manufacturing 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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