

15.Sep.2022

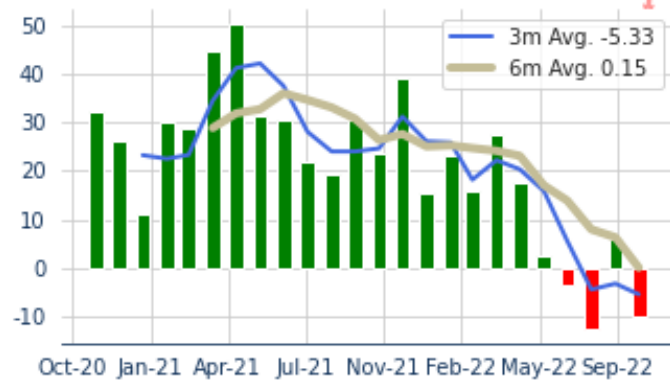
Philly Fed & Empire: Manufacturing Contraction

Bottom Line: The Philadelphia Fed's and the New York Fed's surveys of manufacturing activity showed a contraction in September. While The Empire survey was better than expected, Philly disappointed expectations. While new orders rose slightly in the Empire survey, both surveys showed a contraction in orders over the last three months. Price pressures, meanwhile, have eased very slowly and remain historically elevated. **Overall, the manufacturing sector held up better than expected as most businesses worked off order backlogs through the summer, but now activity is slowing after several months of slower order growth. This morning's Industrial Production report for August also confirmed this trend with still positive but decelerating activity.**

Philly Fed Current Activity Index September: -9.9, consensus: +2.3

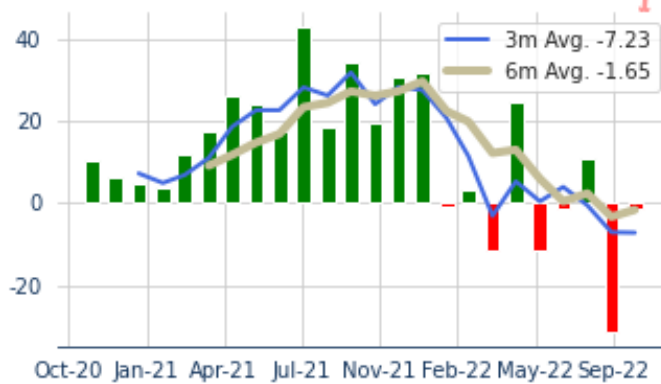


monthly levels



Contingent Macro Advisors 2022 source: Philadelphia Fed. Consensus from Bloomberg LP

New York Fed Empire Manufacturing Current General Business Conditions September: -1.5, consensus: -12.9



Contingent Macro Advisors 2022 source: New York Fed. Consensus from Bloomberg LP

The Philadelphia Fed Manufacturing Index FELL -16.1 points to -9.9, BELOW the 3-Month average of -5.33, BELOW the 6-Month average of 0.15 and -40.6 BELOW the year-ago level. On an ISM-weighted basis the index FELL -14 points to -3.9, BELOW the 3-Month average of 1.3, BELOW the 6-Month average of 9.27 and -26.4 BELOW the year-ago level.

- New Orders FELL -12.5 points to -17.6, BELOW the 3-Month average of -15.83, BELOW the 6-Month average of -3.33 and -33.5 BELOW the year-ago level.
- Shipments FELL -16 points to 8.8, BELOW the 3-Month average of 16.13, BELOW the 6-Month average of 18.93 and -21.1 BELOW the year-ago level.

Empire Survey General Business Conditions ROSE 29.8 points to -1.5, ABOVE the 3-Month average of -7.23, ABOVE the 6-Month average of -1.65 but 35.8 BELOW the year-ago level. **ISM-Weighted** ROSE 22.09 points to 9.18, ABOVE the

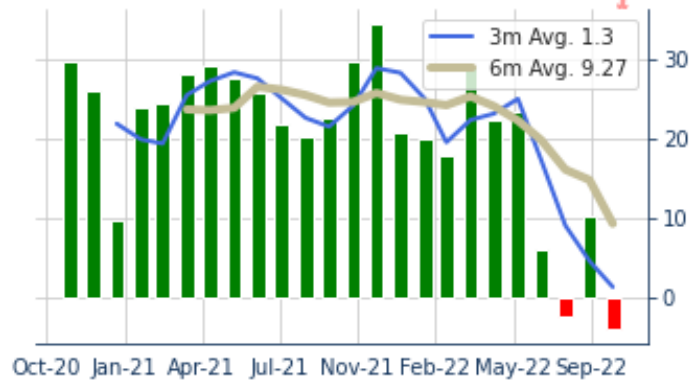
3-Month average of 3.61, ABOVE the 6-Month average of 7.25 but 18.37 BELOW the year-ago level.

- New Orders ROSE 33.3 points to 3.7, ABOVE the 3-Month average of 6.57, ABOVE the 6-Month average of 0.32 but 30 BELOW the year-ago level.
- Shipments ROSE 43.7 points to 19.6, ABOVE the 3-Month average of 6.93, ABOVE the 6-Month average of 7.32 but 7.3 BELOW the year-ago level.

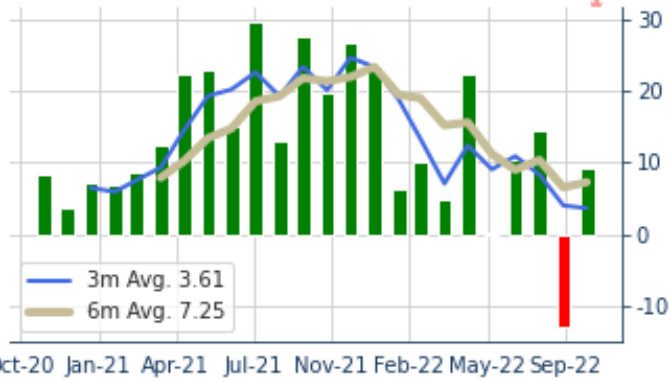
Philly Fed recalculated by ISM Weightings



monthly levels



Empire Index ISM-Weighted



Contingent Macro Advisors 2022 source: New York Fed. Consensus from Bloomberg LP

Philly Fed Manufacturing Current Indicators	Sep-22	Aug-22	Jul-22	3m. avg.	6m. avg.	12m. avg.	2021	5y
Current Activity Index	-9.9	6.2	-12.3	-5.3	0.2	12.1	30.5	16.3
Current ISM- Weighted	-3.9	10.1	-2.3	1.3	9.3	17.3	25.7	16.0
Current New Orders	-17.6	-5.1	-24.8	-15.8	-3.3	10.8	27.2	16.1
Current Shipments	8.8	24.8	14.8	16.1	18.9	21.3	24.9	19.1
Current Unfilled Orders	-28.5	-1.8	-10.4	-13.6	-4.0	7.3	19.1	8.2
Current Delivery Time	-18.2	2.7	-10.2	-8.6	3.3	17.2	29.3	13.3

Current Inventories	-4.8	2.3	-9.3	-3.9	0.2	4.5	12.6	5.1
Current Prices Paid	29.8	43.6	52.2	41.9	58.9	66.1	68.9	41.6
Current Prices Received	29.6	23.3	30.3	27.7	39.8	46.2	44.0	27.1
Current Employment	12.0	24.1	19.4	18.5	25.1	28.3	28.2	19.6
Current Average Workweek	-3.8	6.1	6.4	2.9	9.6	15.7	27.8	14.1

Source: Federal Reserve Bank of Philadelphia - Manufacturing Business Outlook Survey

NY Fed Empire Manufacturing Current Indicators	Sep-22	Aug-22	Jul-22	3m. avg.	6m. avg.	12m. avg.	2021	5y
Current General Business Conditions	-1.5	-31.3	11.1	-7.2	-1.6	5.3	23.3	9.1
Current ISM-Weighted	9.2	-12.9	14.6	3.6	7.2	11.2	19.1	9.1
Current New Orders	3.7	-29.6	6.2	-6.6	0.3	5.6	21.7	8.1
Current Shipments	19.6	-24.1	25.3	6.9	7.3	8.7	20.1	11.8
Current Unfilled Orders	-7.5	-12.7	-5.2	-8.5	-1.6	6.7	12.5	0.8
Current Delivery Time	1.9	-0.9	8.7	3.2	11.0	19.6	23.8	9.5
Current Inventories	9.4	6.4	14.8	10.2	11.5	11.9	7.8	3.6
Current Prices Paid	39.6	55.5	64.3	53.1	66.4	72.3	73.0	45.1
Current Prices Received	23.6	32.7	31.3	29.2	37.6	42.7	36.7	20.9
Current Number of Employees	9.7	7.4	18.0	11.7	12.6	16.1	15.9	9.4
Current Average Employee Workweek	-0.1	-13.1	4.3	-3.0	3.2	7.9	14.2	4.5

Source: Federal Reserve Bank of New York - Empire Manufacturing Survey