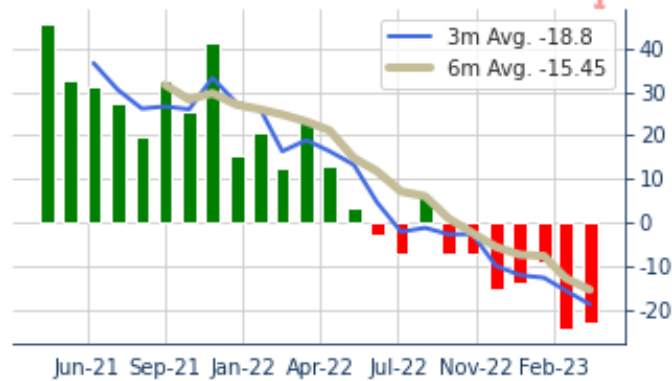


16.Mar.2023

## Philly Fed: Continued Sharp Decline

**Bottom Line:** The New York Fed's Empire Manufacturing Index remained deeply in contraction territory in February as new orders continued to decline. Shipments were sharply lower, as were unfilled orders. Employment, which had been holding up in this sector and across manufacturing more broadly, fell sharply. **Overall, manufacturing remains very weak and was continuing to decline in the first half of March. Increasingly the contraction in manufacturing suggests that US goods consumption has turned sharply lower.**

## Philly Fed Current Activity Index March: -23.2, consensus: -15



Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

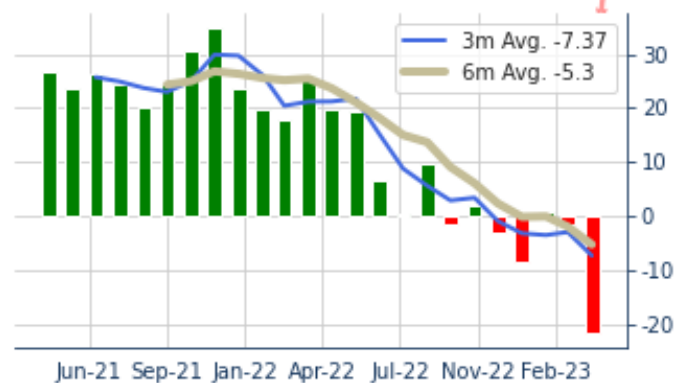
**The Philadelphia Fed Manufacturing Index** ROSE 1.1 points to -23.2, BELOW the 3-Month average of -18.8, BELOW the 6-Month average of -15.45, and -46.4 BELOW the year-ago level. On an ISM-weighted basis the index FELL -20.2 points to -21.6, BELOW the 3-Month average of -7.37, BELOW the 6-Month average of -5.3, and -47.6 BELOW the year-ago level.

- New Orders FELL -14.6 points to -28.2, BELOW the 3-Month average of -17.57, BELOW the 6-Month average of -17.62, and -50.5 BELOW the year-ago level.
- Shipments FELL -34.1 points to -25.4, BELOW the 3-Month average of -1.87, BELOW the 6-Month average of 1.03, and -51.4 BELOW the year-ago level.
- Unfilled Orders FELL -4.3 points to -21.3, BELOW the 3-Month average of -19.17, BELOW the 6-Month average of -18.4, and -37.5 BELOW the year-ago level.
- Delivery Time FELL -10.7 points to -24.3, BELOW the 3-Month average of

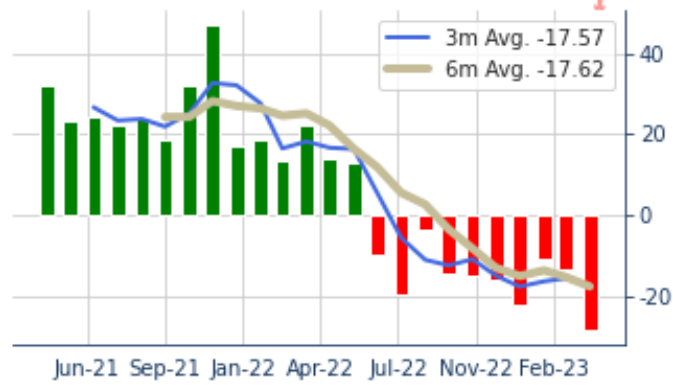
-14.5, BELOW the 6-Month average of -10.77, and -59.6 BELOW the year-ago level.

- Inventories FELL -26.5 points to -11.2, BELOW the 3-Month average of 1.67, BELOW the 6-Month average of -1.08, and -13.8 BELOW the year-ago level.
- Prices Paid FELL -3 points to 23.5, BELOW the 3-Month average of 24.83, BELOW the 6-Month average of 32.35, and -49.9 BELOW the year-ago level.
- Employment FELL -15.4 points to -10.3, BELOW the 3-Month average of 1.9, BELOW the 6-Month average of 7.33, and -46.8 BELOW the year-ago level.
- Future Activity Index FELL -9.7 points to -8, BELOW the 3-Month average of -0.47, BELOW the 6-Month average of -3.77, and -27.5 BELOW the year-ago level.
- Future Capital Expenditures FELL -11.3 points to -3.8, BELOW the 3-Month average of 4.73, BELOW the 6-Month average of 7.48, and -27.4 BELOW the year-ago level.

### Philly Fed recalculated by ISM Weightings



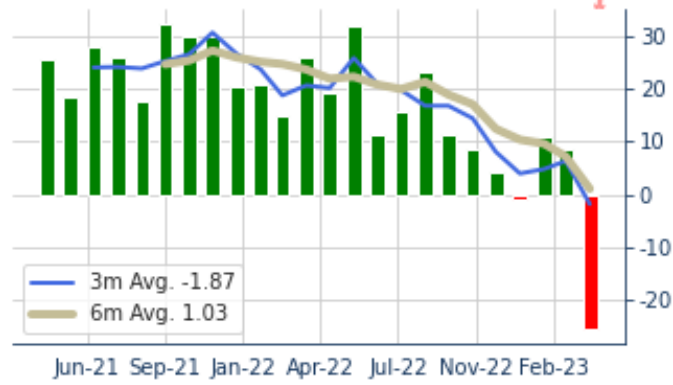
# Current New Orders



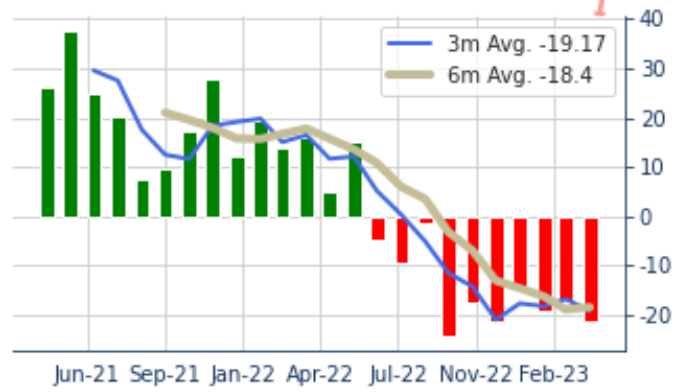
# Current Shipments



## monthly levels



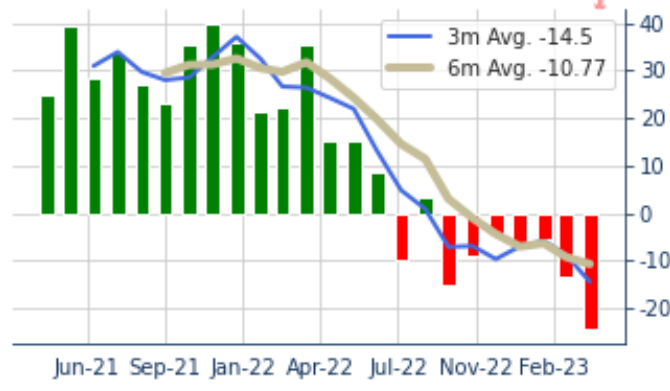
# Current Unfilled Orders



# Current Delivery Time



## monthly levels

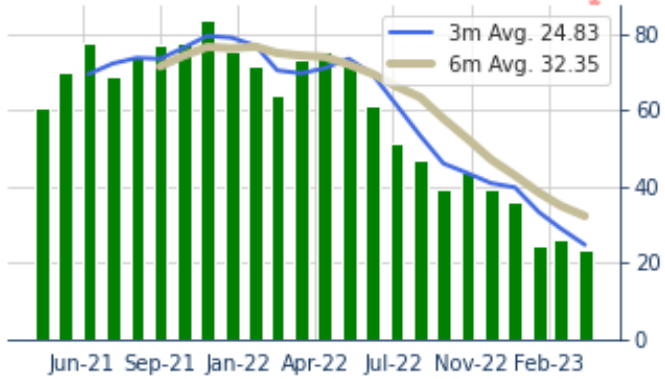


# Current Inventories



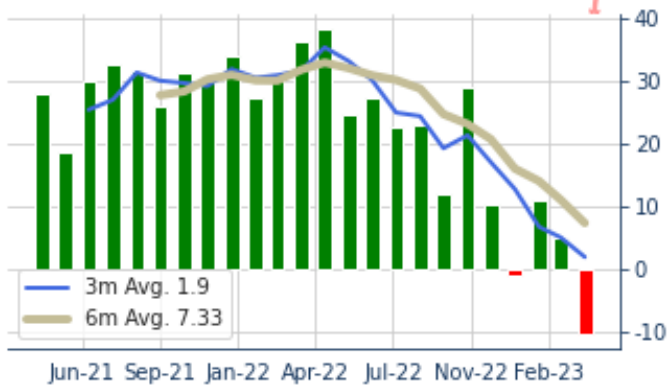


# Current Prices Paid



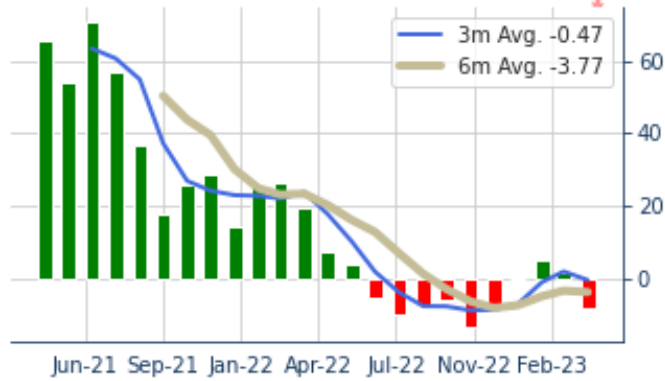
Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

# Current Employment



Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

## Future Activity Index



Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

Philly Fed Manufacturing Current Indicators	Mar-23	Feb-23	Jan-23	3m. avg.	6m. avg.	12m. avg.	2022	5y
<b>Current Activity Index</b>	<b>-23.20</b>	<b>-24.30</b>	<b>-8.90</b>	<b>-18.80</b>	<b>-15.40</b>	<b>-7.30</b>	<b>2.17</b>	<b>12.20</b>
<b>Current ISM-Weighted</b>	<b>-21.60</b>	<b>-1.40</b>	<b>0.90</b>	<b>-7.40</b>	<b>-5.30</b>	<b>1.90</b>	<b>9.03</b>	<b>13.50</b>
Current New Orders	-28.20	-13.60	-10.90	-17.60	-17.60	-10.50	-1.58	12.00
Current Shipments	-25.40	8.70	11.10	-1.90	1.00	9.90	15.58	16.60
Current Unfilled Orders	-21.30	-17.00	-19.20	-19.20	-18.40	-10.80	-1.88	5.10
Current Delivery Time	-24.30	-13.60	-5.60	-14.50	-10.80	-3.90	6.30	11.00

Current Inventories	-11.20	15.30	0.90	1.70	-1.10	-0.60	-0.25	4.60
Current Prices Paid	23.50	26.50	24.50	24.80	32.40	45.10	56.35	41.00
Current Prices Received	7.90	14.90	29.90	17.60	25.40	32.70	40.02	27.90
Current Employment	-10.30	5.10	10.90	1.90	7.30	16.00	23.50	18.00
Current Average Workweek	-22.00	-3.20	4.00	-7.10	-2.80	3.20	8.61	12.20

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

<b>Philly Fed Manufacturing Future Indicators</b>	<b>Feb-23</b>	<b>Jan-23</b>	<b>Dec-22</b>	<b>3m. avg.</b>	<b>6m. avg.</b>	<b>12m. avg.</b>	<b>2022</b>	<b>5y</b>
<b>Future Activity Index</b>	<b>1.70</b>	<b>4.90</b>	<b>-0.90</b>	<b>1.90</b>	<b>-3.40</b>	<b>-1.10</b>	<b>2.70</b>	<b>30.20</b>
Future New Orders	9.20	2.40	8.50	6.70	0.90	2.20	5.47	32.90
Future Shipments	4.60	9.10	20.40	11.40	12.00	16.40	22.43	38.00
Future Unfilled Orders	-12.40	-0.60	-18.10	-10.40	-16.00	-19.70	-20.71	2.80
Future Delivery Time	-24.00	-9.10	-27.00	-20.00	-18.30	-20.80	-20.12	-1.60
Future Inventories	-4.90	-3.20	-13.00	-7.00	-5.60	0.90	2.92	7.90
Future Prices Paid	17.90	25.70	42.70	28.80	32.00	44.20	51.59	48.80
Future Prices Received	19.10	21.30	35.20	25.20	28.10	39.30	45.40	42.20
Future Employment	8.10	-1.90	18.90	8.40	13.10	19.60	25.08	31.60
Future Average Workweek	-2.10	-6.90	-0.10	-3.00	-2.10	1.90	3.68	12.90
Future Capital Expenditures	7.50	10.50	16.20	11.40	9.20	11.90	14.14	25.30

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