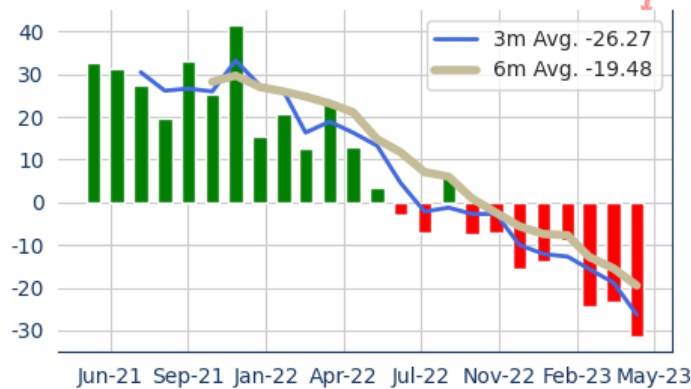


20.Apr.2023

Philly Fed: Continued Sharp Decline

Bottom Line: Countering the surprising strength in the New York Fed survey, the Philadelphia Fed's Manufacturing survey showed another sharp drop in activity. However, the details weren't quite as bad as the headline. New orders and shipments contracted at a slower pace, and inventories fell sharply. Prices paid rose only slightly, the slowest pace of gains in over two years. Employment was steady after declining in March. **Overall, manufacturing remains weak and was continuing to decline in the first half of April. However, given the pockets of strength like we saw in the NY survey, there are hints of bottoming.**

Philly Fed Current Activity Index April: -31.3, consensus: -19.3



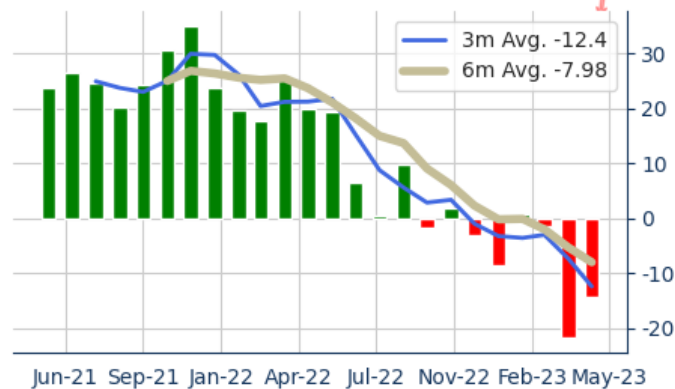
Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

The Philadelphia Fed Manufacturing Index FELL -8.1 points to -31.3, BELOW the 3-Month average of -26.27, BELOW the 6-Month average of -19.48, and -44.4 BELOW the year-ago level. On an ISM-weighted basis the index ROSE 7.4 points to -14.2, BELOW the 3-Month average of -12.4, BELOW the 6-Month average of -7.98, and -34.1 BELOW the year-ago level.

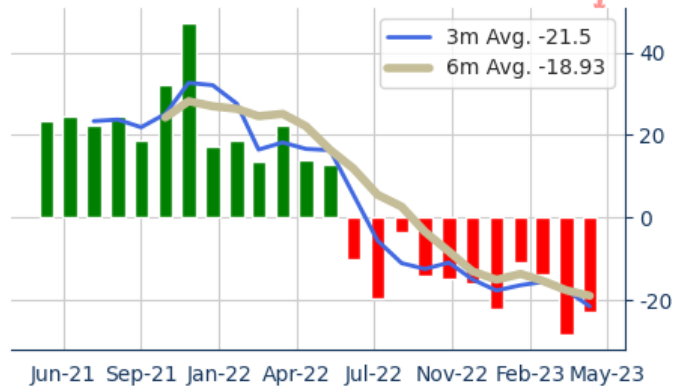
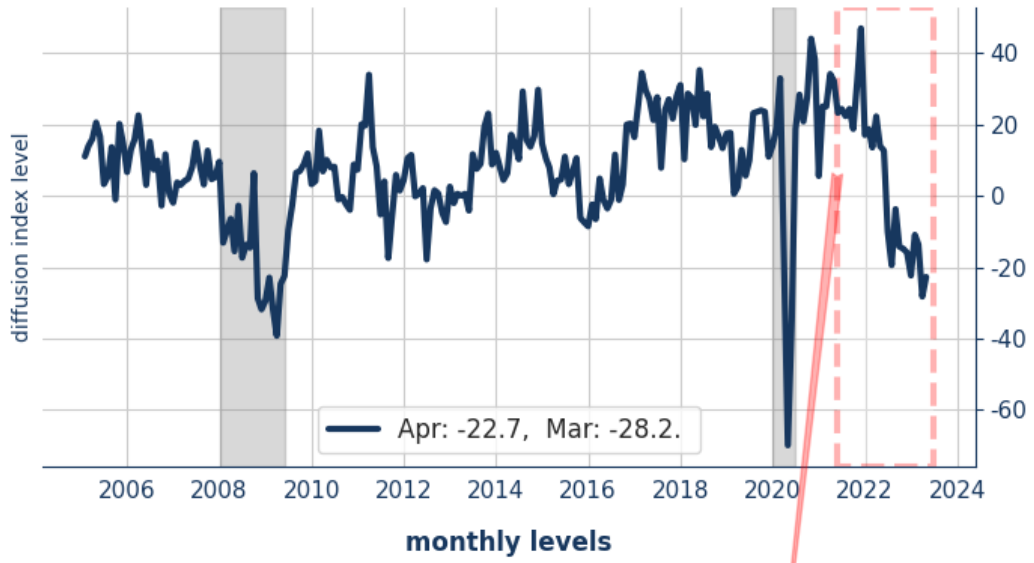
- New Orders ROSE 5.5 points to -22.7, BELOW the 3-Month average of -21.5, BELOW the 6-Month average of -18.93 and -36.7 BELOW the year-ago level.
- Shipments ROSE 18.1 points to -7.3, ABOVE the 3-Month average of -8, BELOW the 6-Month average of -1.62 but -26.7 BELOW the year-ago level.
- Unfilled Orders ROSE 10.2 points to -11.1, ABOVE the 3-Month average of -16.47, ABOVE the 6-Month average of -17.35 but -16.2 BELOW the year-ago level.
- Inventories FELL -6.7 points to -17.9, BELOW the 3-Month average of -4.6, BELOW the 6-Month average of -3.73 and -27.3 BELOW the year-ago level.

- Prices Paid FELL -15.3 points to 8.2, BELOW the 3-Month average of 19.4, BELOW the 6-Month average of 26.38 and -67.5 BELOW the year-ago level.
- Employment ROSE 10.1 points to -0.2, ABOVE the 3-Month average of -1.8, BELOW the 6-Month average of 2.47 but -38.6 BELOW the year-ago level.
- Future Activity Index ROSE 6.5 points to -1.5, ABOVE the 3-Month average of -2.6, ABOVE the 6-Month average of -1.82 but -8.8 BELOW the year-ago level.
- Future Capital Expenditures FELL -1.6 points to -5.4, BELOW the 3-Month average of -0.57, BELOW the 6-Month average of 5.55 and -24.3 BELOW the year-ago level.

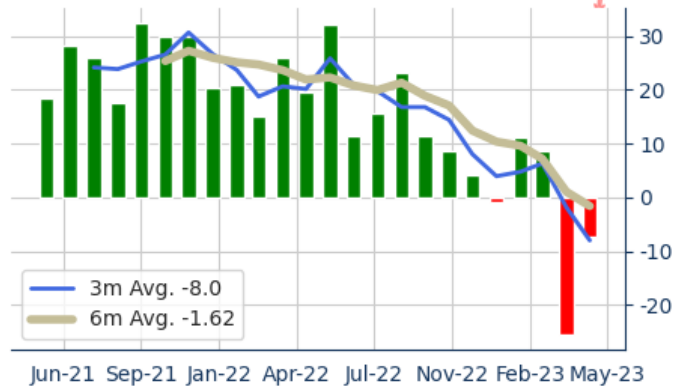
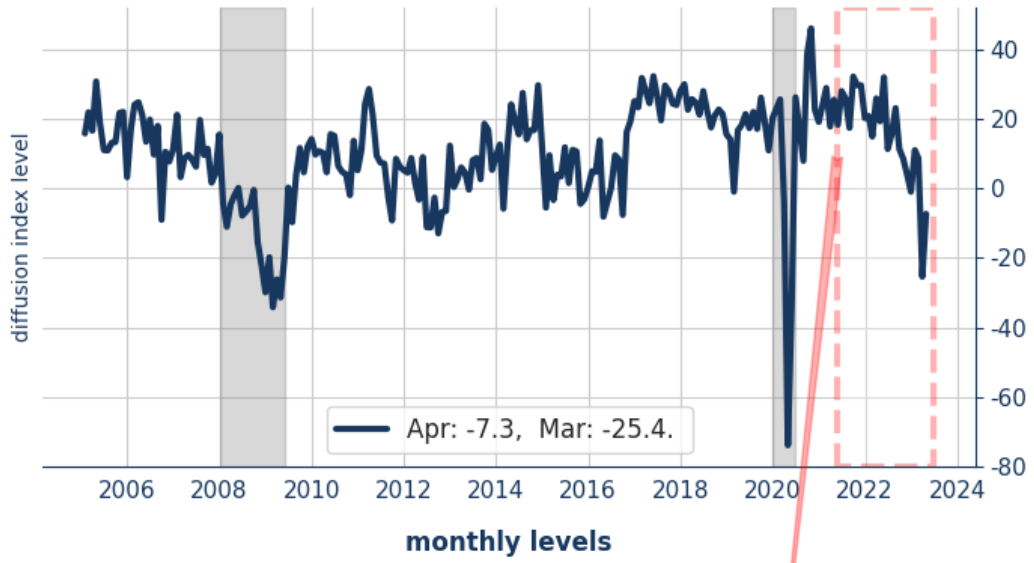
Philly Fed recalculated by ISM Weightings



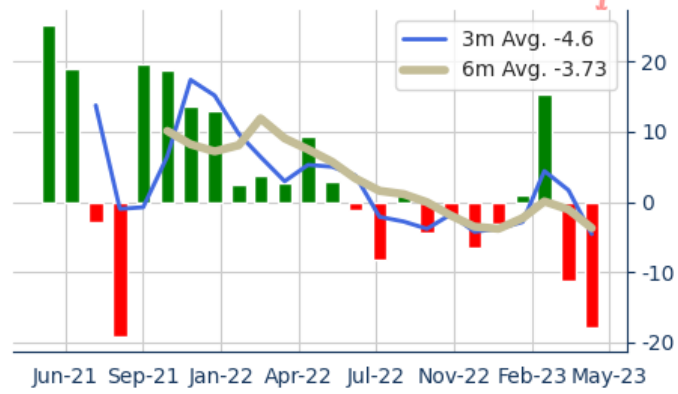
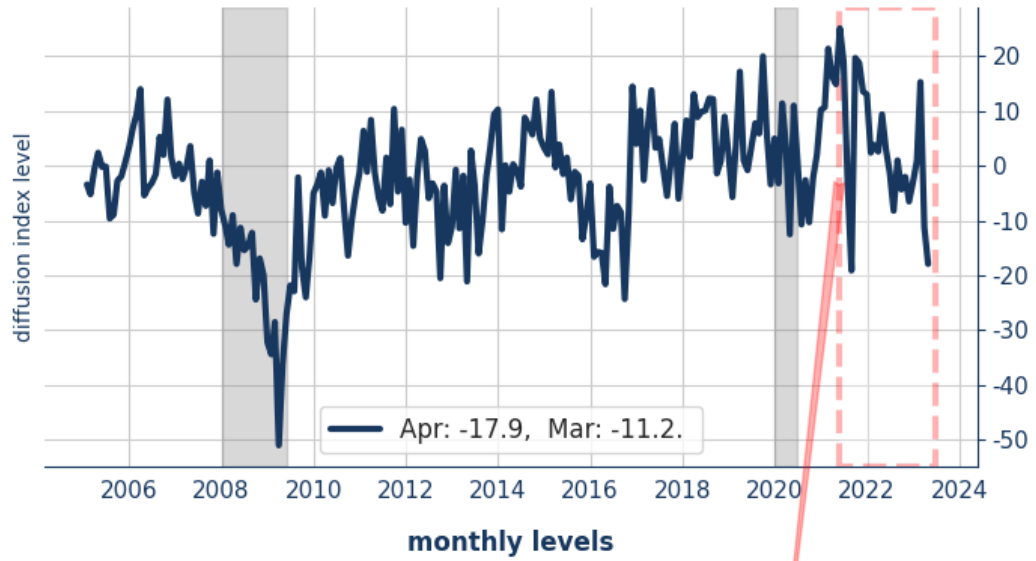
Current New Orders



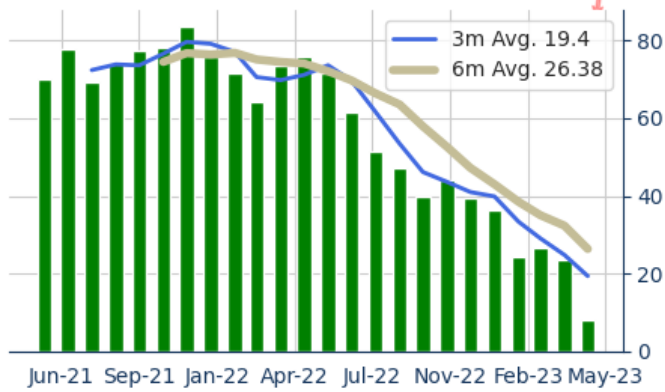
Current Shipments



Current Inventories

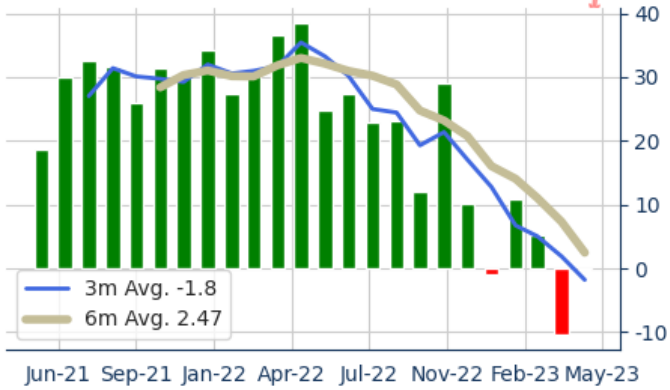


Current Prices Paid



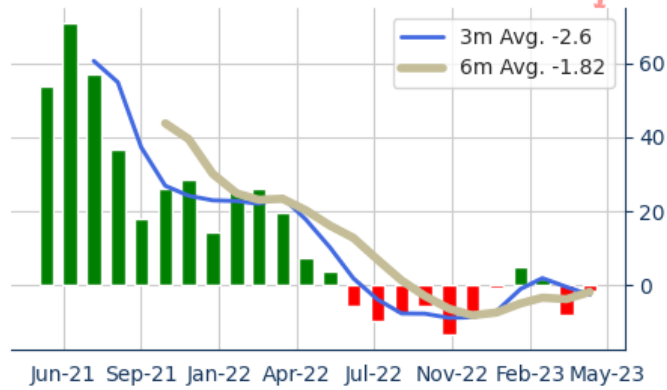
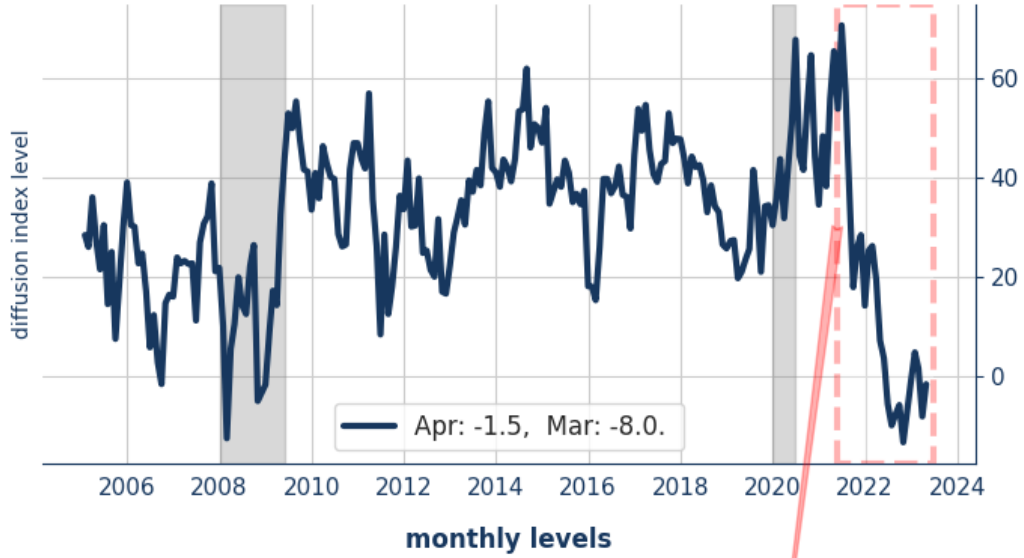
Contingent Macro Advisors 2023 source: Philadelphia Fed. Consensus from Bloomberg LP

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	Apr-23	Mar-23	Feb-23	3m. avg.	6m. avg.	12m. avg.	2022	5y
Current Activity Index	-31.30	-23.20	-24.30	-26.30	-19.50	-11.00	2.17	11.30
Current ISM-Weighted	-14.20	-21.60	-1.40	-12.40	-8.00	-1.00	9.03	12.90
Current New Orders	-22.70	-28.20	-13.60	-21.50	-18.90	-13.60	-1.58	11.30
Current Shipments	-7.30	-25.40	8.70	-8.00	-1.60	7.70	15.58	16.10
Current Unfilled Orders	-11.10	-21.30	-17.00	-16.50	-17.30	-12.10	-1.88	4.80
Current Delivery Time	-25.00	-24.30	-13.60	-21.00	-13.40	-7.30	6.30	10.30

Current Inventories	-17.90	-11.20	15.30	-4.60	-3.70	-2.80	-0.25	4.10
Current Prices Paid	8.20	23.50	26.50	19.40	26.40	39.50	56.35	40.30
Current Prices Received	-3.30	7.90	14.90	6.50	19.20	28.30	40.02	27.40
Current Employment	-0.20	-10.30	5.10	-1.80	2.50	12.80	23.50	17.60
Current Average Workweek	-8.40	-22.00	-3.20	-11.20	-5.70	0.90	8.61	11.70

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

Philly Fed Manufacturing Future Indicators	Apr-23	Mar-23	Feb-23	3m. avg.	6m. avg.	12m. avg.	2022	5y
Future Activity Index	-1.50	-8.00	1.70	-2.60	-1.80	-4.10	2.70	28.60
Future New Orders	9.80	4.60	9.20	7.90	5.30	1.20	5.47	31.60
Future Shipments	13.30	7.80	4.60	8.60	11.10	13.30	22.43	36.80
Future Unfilled Orders	-16.20	-13.10	-12.40	-13.90	-13.00	-19.90	-20.71	2.00
Future Delivery Time	-28.10	-24.00	-24.00	-25.40	-21.70	-23.10	-20.12	-2.80
Future Inventories	-5.70	-12.90	-4.90	-7.80	-7.90	-4.20	2.92	7.00
Future Prices Paid	20.00	26.80	17.90	21.60	26.60	37.30	51.59	47.50
Future Prices Received	11.20	7.90	19.10	12.70	19.70	30.80	45.40	40.90
Future Employment	3.80	6.90	8.10	6.30	8.40	14.50	25.08	30.70
Future Average Workweek	-0.10	7.80	-2.10	1.90	-1.80	1.40	3.68	12.50
Future Capital Expenditures	-5.40	-3.80	7.50	-0.60	5.60	7.60	14.14	24.10

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