

ISM-NEW YORK REPORT ON BUSINESS

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NEW YORK CITY REPORT ON BUSINESS

Starting 2021 with Lofty Expectations

In December, New York City purchasing managers reported increased activity in every index for the first time since May's report began the slow climb back from the peak of the pandemic's impact, according to the survey taken by the Institute for Supply Management-New York.

New York Metro

Current Business Conditions increased by 17.1 points to 61.3, gaining back most of the loss seen in the 20.9 point drop to 44.2 reported in November.

The **Six Month Outlook** recovered from the fall seen in November - and then some. December's outlook reached a 16-month high of 70.7, referencing 71.4 in August 2019. This may represent an end to the 7-month oscillation between the 40s and the 60s in this index or an expansion of it. January's finding will make the determination. The six-month outlook has been a reliable short-run guide for current business conditions over time.

Company Specific

Employment, a seasonally adjusted index, was the largest mover in the report for the second month in a row. Employment increased 26.6 points to 61.2 in December, up from the 5-month low of 34.6 in November. This is also a 16-month high, referencing 69.0 in August 2019.

Quantity of Purchases rose to a 20-month high of 61.5 in December, up from a 6-month low of 40.0 in November (referencing 63.6 in April 2019). This goes hand in hand with the increase seen in the Employment index, as most of the survey respondents work in service industries.

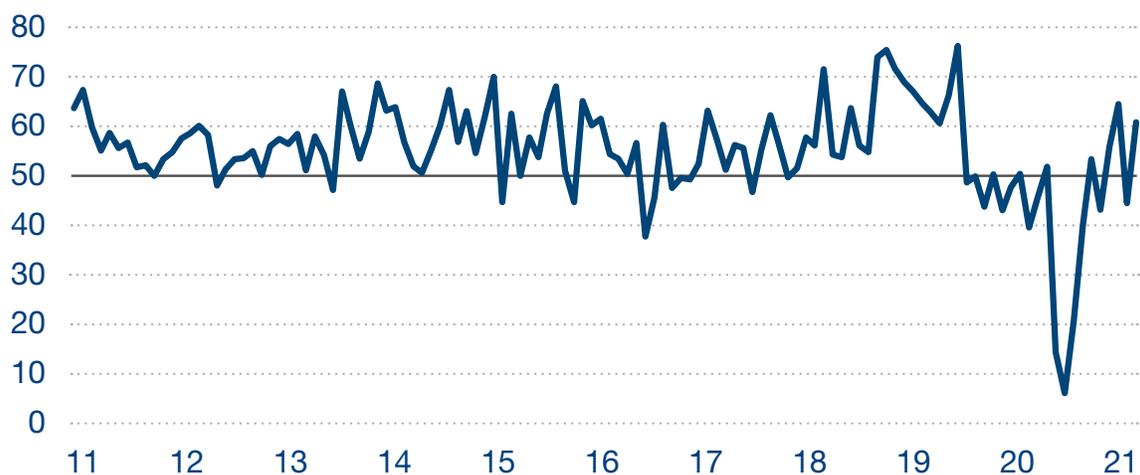
Top line and forward revenue guidance increased in December. **Current Revenues** rose to 57.7, reaching a 10-month high. **Expected Revenues** increased to 58.3, a 10.8-point gain over November's finding.

Prices Paid made a small adjustment from 65.0 in November to 65.4 in December.

ABOUT THE SURVEY:

The purpose of the survey is to quickly assess business conditions among firms in the New York City area. The survey results are compiled as diffusion indices - the percent of positive responses plus one-half of those responding the same (considered positive). A reading of 50% means no change from the prior month, greater than 50% indicates a faster pace of activity, and less than 50% a slower rate. The Current Business Conditions index, Six-Month Outlook index, the NY-BCI, and the Employment index are seasonally adjusted. All other measures are not seasonally adjusted. -r is revised.

CURRENT BUSINESS CONDITIONS *(seasonally adjusted)*



SIX-MONTH OUTLOOK *(seasonally adjusted)*



BUSINESS CONDITIONS IN NEW YORK CITY METRO AREA *(seasonally adjusted)*

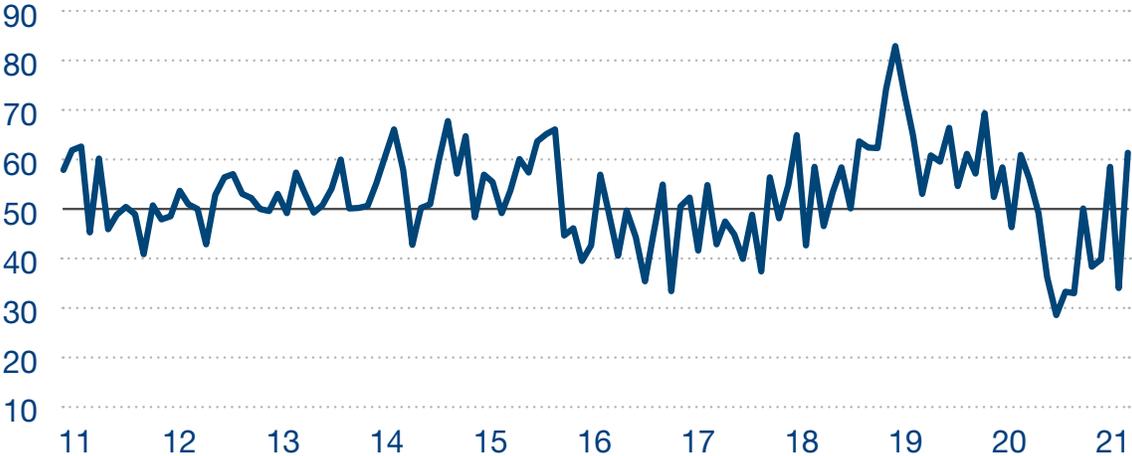
	Current Business Conditions	Six-Month Outlook	NY-BCI*
December 2019	39.1	64.2	869.0
January	45.8	57.3	866.9
February	51.9	53.8	867.9
March	12.9	37.9	849.3
April	4.3	26.4	826.5
May	19.5	48.0	811.3
June	39.5	67.1	806.0
July	53.5	49.6	807.8
August	42.9	61.7	804.2
September	56.1	48.9	807.3
October	65.1	62.9	814.8
November	44.2	48.6	811.9
December 2020	61.3	70.7	817.6

*The NY-BCI is a cumulative diffusion index constructed from the diffusion index of Current Business Conditions for businesses in the New York City metro area. -r is revised.

EMPLOYMENT *(seasonally adjusted)*

The current month's number of employees compared to the previous month.

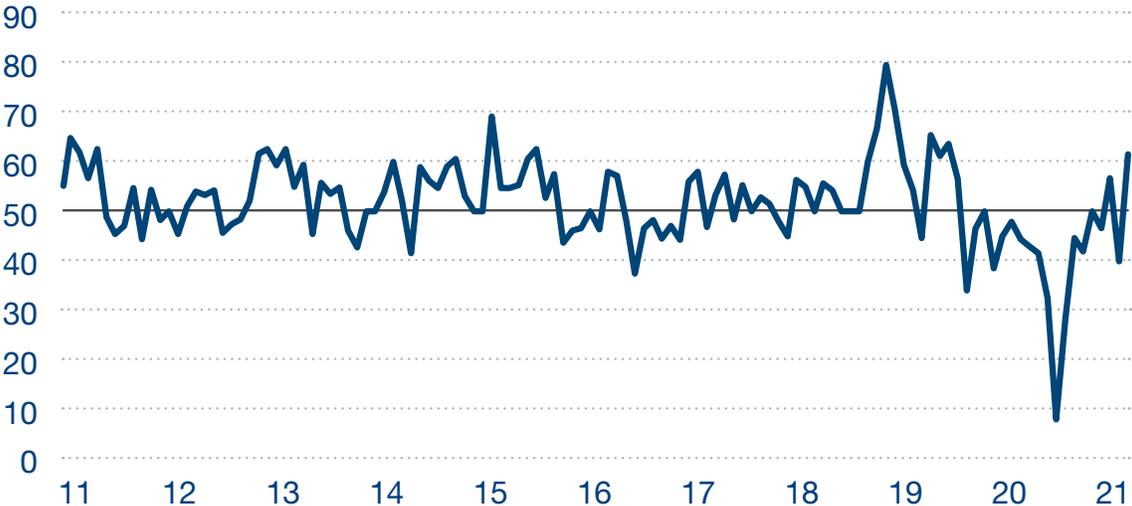
Dec	Nov	Oct	Sept	Aug	July	Year Ago Dec
61.2	34.6	58.4	40.2	38.8	50.3	60.8



QUANTITY OF PURCHASES

The current month's number of units purchased from suppliers compared to the previous month.

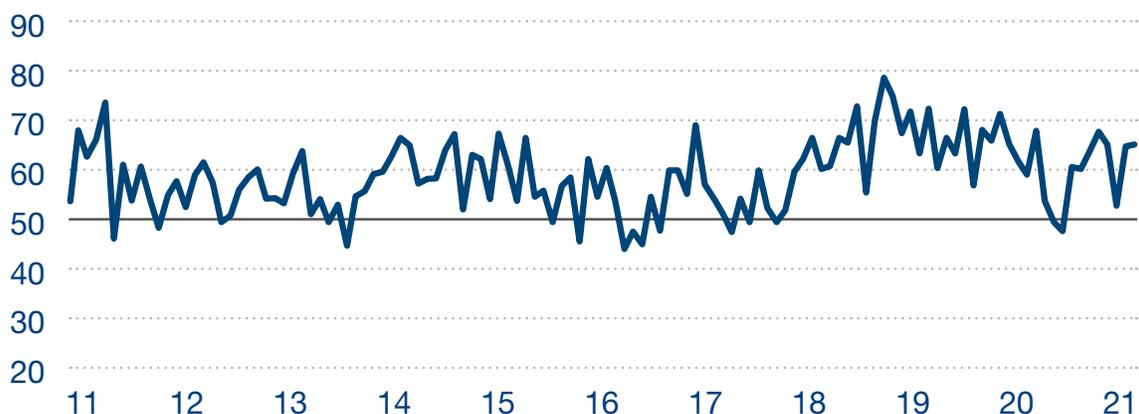
Dec	Nov	Oct	Sept	Aug	July	Year Ago Dec
61.5	40.0	56.7	46.7	50.0	42.0	44.4



PRICES PAID

The current month's price levels paid for goods and services purchased from suppliers vs. the previous month.

Dec	Nov	Oct	Sept	Aug	July	Year Ago Dec
65.4	65.0	53.3	65.4	67.9	64.0	59.4



CURRENT REVENUES

The current month's level of revenues (in dollars) compared to the previous month.

Dec	Nov	Oct	Sept	Aug	July	Year Ago Dec
57.7	42.9	46.7	50.0	40.0	43.8	52.8

EXPECTED REVENUES

The expected level of revenues (in dollars) in the next six months.

Dec	Nov	Oct	Sept	Aug	July	Year Ago Dec
58.3	47.5	60.0	42.9	43.3	39.6	50.0