

# Business Outlook Survey

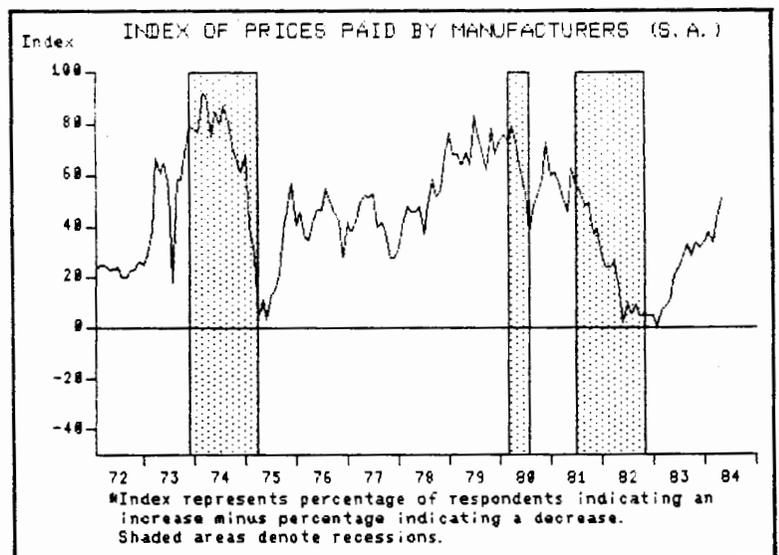
Research Department

April 1984

Area manufacturers continue to report good news in April, as the general level of activity has increased with the same vigor as in March. In this month's Business Outlook Survey, 53 percent of the respondents indicate a pickup in activity, while only 5 percent report a decline. Survey results show that both durables and nondurables producers are enjoying equally strong performances in April. Noteworthy in this month's report are increasingly widespread price increases and continuing plans for very healthy capital outlays over the next six months.

Most specific indicators remain strong this month. New orders and shipments continue to make significant, steady advances, and unfilled orders and delivery times are reported up for the second consecutive month. Inventory levels remain unchanged in April for the sixth straight month. Employment has made little progress this month, as both payroll size and length of the average workweek have improved just slightly over March levels.

The effect of the economic expansion is being felt in industrial prices. This month, 51 percent of respondents report paying higher prices, (see chart) and 23 percent indicate that they are being paid more for their output. April's price outlook



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marks the 12th consecutive month in which more than three-quarters of the respondents have forecast higher input prices. This month, 80 percent of those polled predict higher input costs by October, and 54 percent anticipate receiving higher prices for their final products.

The overall outlook for the next six months is positive, though to a slightly lesser degree than in March. Two-thirds of those surveyed foresee continued expansion in manufacturing activity until at least October. Additionally, a large portion of respondents (47%) once again forecasts a pickup in capital expenditures over the next two quarters.

### BUSINESS OUTLOOK SURVEY

#### SUMMARY OF RETURNS APRIL 1984

INDICATOR	April vs. March			Six Months from Now vs. April		
	Decrease	No Change	Increase	Decrease	No Change	Increase
<b>GENERAL BUSINESS CONDITIONS</b>						
What is your evaluation of the level of general business activity?	5.3	42.1	52.6	3.5	26.3	66.7
<b>COMPANY BUSINESS INDICATORS</b>						
New Orders	10.5	38.6	50.9	3.5	24.6	64.9
Shipments	10.5	40.4	45.6	3.5	28.1	61.4
Unfilled Orders	7.0	57.9	29.8	10.5	47.4	33.3
Delivery Time	3.5	71.9	19.3	8.8	66.7	15.8
Inventories	22.8	49.1	26.3	17.5	50.9	26.3
Prices Paid	1.8	47.4	50.9	0.0	17.5	78.9
Prices Received	0.0	73.7	22.8	0.0	38.6	54.4
Number of Employees	7.0	75.4	17.5	7.0	52.6	35.1
Average Employee Workweek	8.8	71.9	19.3	5.3	66.7	21.1
Capital Expenditures				3.5	42.1	47.4

Note: Items may not add to 100 percent because of omission by respondents.