



THE CHAMBER OF COMMERCE FOR GREATER PHILADELPHIA

ECONOMIC OUTLOOK

20
21

LOOKING TOWARD RECOVERY

SURVEY RESULTS

TITLE SPONSOR

**FIRST TRUST
BANK**



ECONOMIC OUTLOOK SURVEY RESULTS

JANUARY 13, 2021

PATRICK T. HARKER*

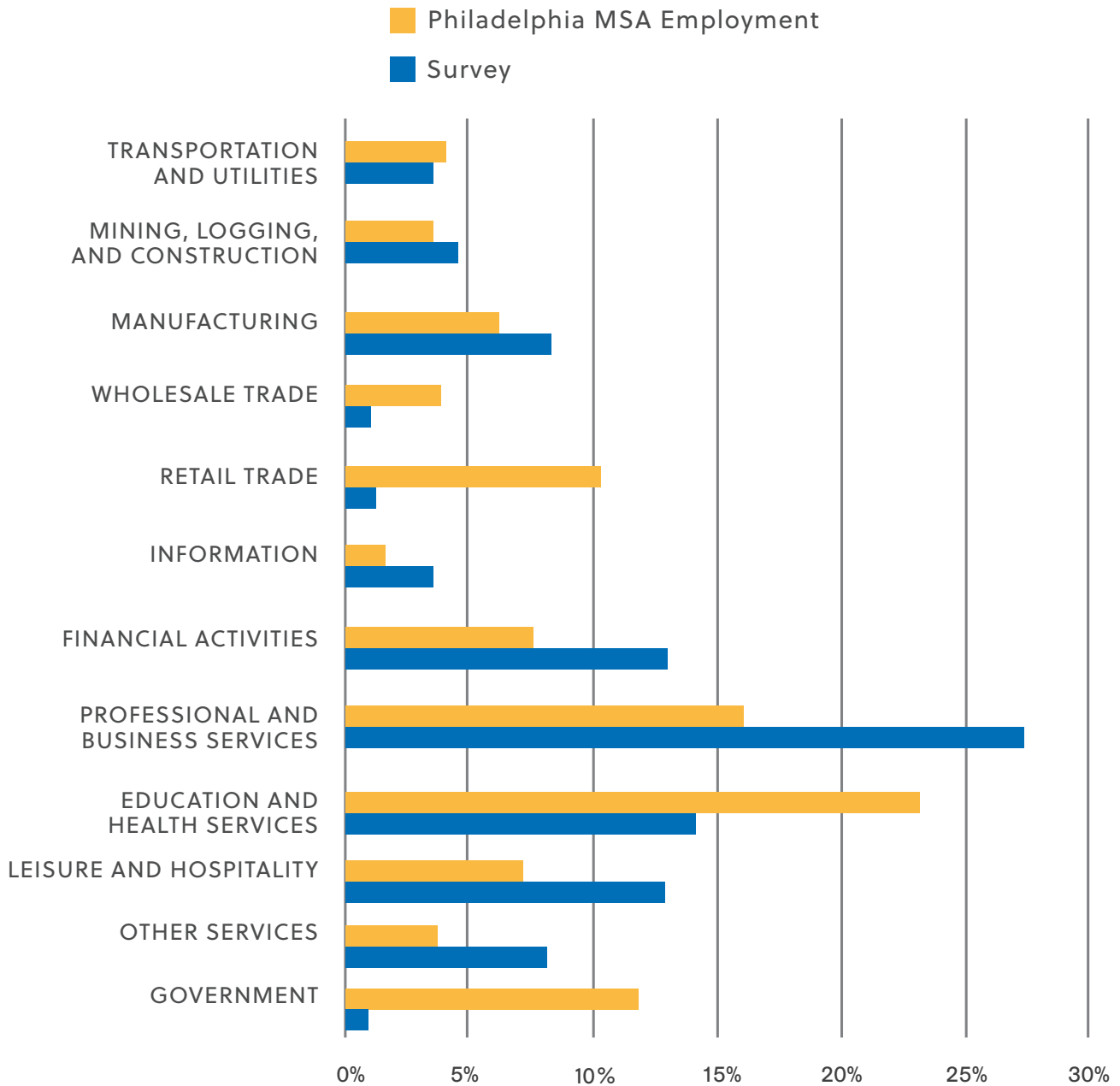


** The views expressed today are my own and not necessarily those of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.*



ECONOMIC OUTLOOK SURVEY

RESPONDENT DISTRIBUTION



- Conducted from DEC. 2 to Dec. 16, 2020.
- Other Services is an official BLS designation for any industry in NAICS code 81.
- Philadelphia MSA Employment, source: BLS VIS Haver Analytics.
- Responses received from 85 members.



SURVEY METHODOLOGY

WE ASKED CHAMBER MEMBERS:

WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

LOOKING BACK ON 2020 COMPARED WITH 2019 AND LOOKING AHEAD TO 2021 COMPARED WITH 2020.

In the following areas:

- The Region
- Your Company
- New Orders
- Sales or Revenues
- Prices Paid
- Prices Received
- Number of Employees
- Wage and Benefits Costs
- Capital Expenditures
- COVID-19 Impact

Respondents indicated their assessment by ranking change as Higher, Same, or Lower based on results comparing 2020 to 2019 and their projections comparing 2021 to 2020.

The following presents the findings from the survey administered Wednesday, December 2, 2020 – Wednesday, December 16, 2020.

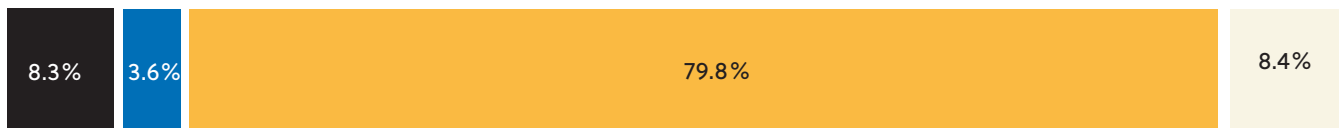


SURVEY RESPONSE

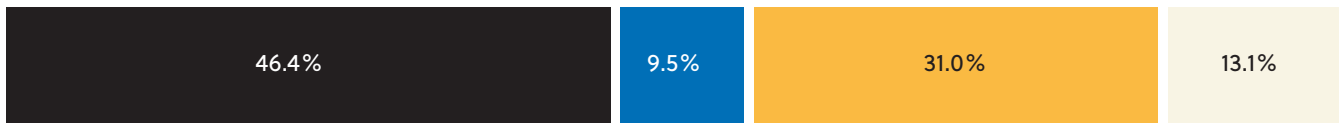
WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

For the Region

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

For your Company

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

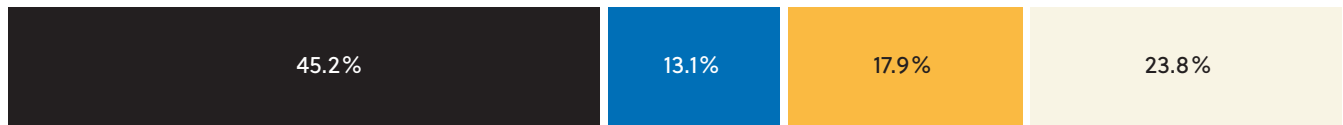
WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

New Orders

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Sales or Revenues

2020 compared to 2019



2021 compared to 2020



■ Higher ■ Same ■ Lower ■ Not Applicable or No Response

Source: Survey Results

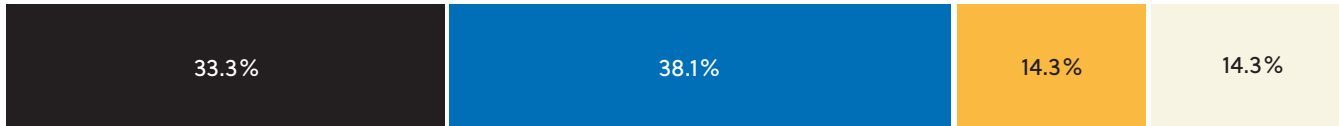


SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Prices Paid

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results

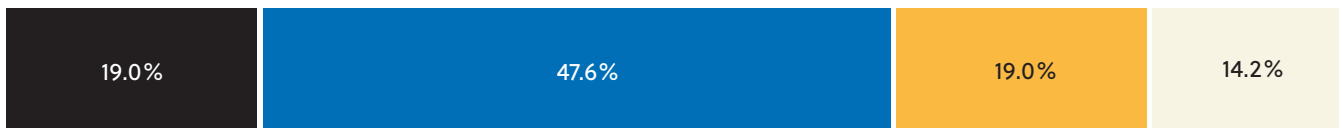


SURVEY RESPONSE

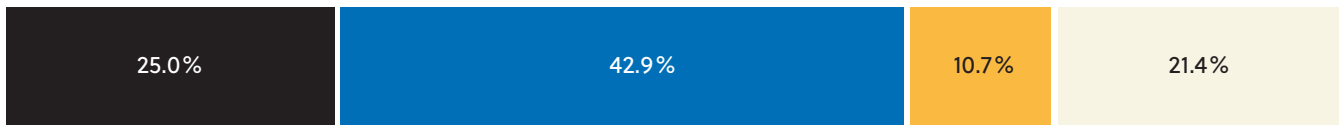
WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Prices Received

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results

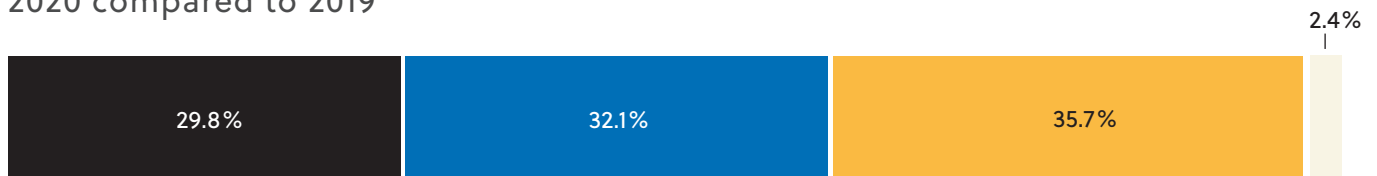


SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Number of Employees – Full-time Permanent

2020 compared to 2019



2021 compared to 2020



■ Higher ■ Same ■ Lower ■ Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

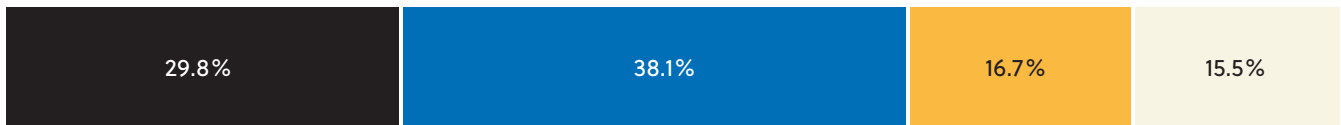
WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Number of Employees – Part-time, Temporary, and Contract

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Wages and Benefits Cost

2020 compared to 2019



2021 compared to 2020



■ Higher ■ Same ■ Lower ■ Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Capital Expenditures - Physical Plant

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results

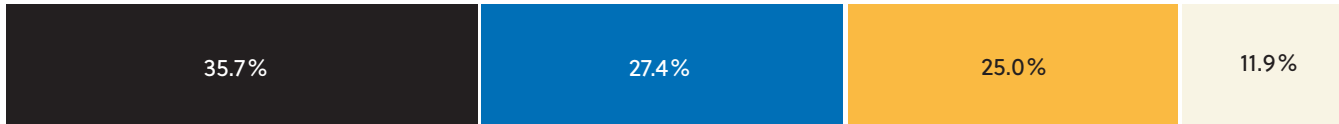


SURVEY RESPONSE

WE ASKED CHAMBER MEMBERS:
WHAT IS YOUR ASSESSMENT OF CHANGES IN BUSINESS CONDITIONS?

Capital Expenditures - Equipment and Software

2020 compared to 2019



2021 compared to 2020



Higher Same Lower Not Applicable or No Response

Source: Survey Results



SURVEY RESPONSE

IMPACTS OF COVID-19 PANDEMIC AND ASSOCIATED EFFECTS ON SALES OR REVENUES

2020 compared to 2019



2021 compared to 2020

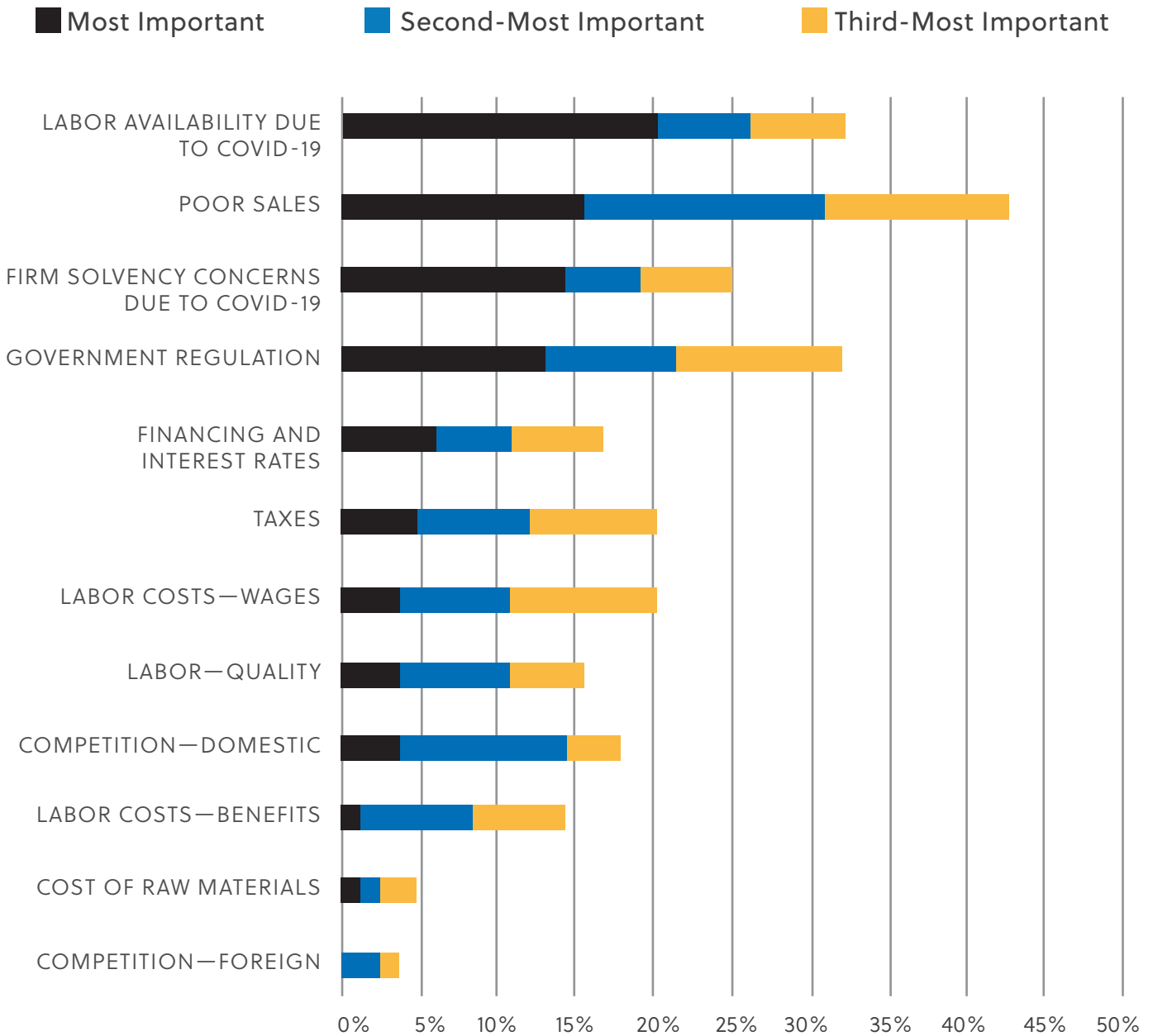


Higher Same Lower Not Applicable or No Response

Source: Survey Results



BIGGEST PROBLEMS FACING CHAMBER MEMBERS FOR 2021?



Source: Survey Results



To participate in our surveys:

EMAIL US AT phil.surveys@philadelphiafed.org

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APPENDIX

SURVEY RESULTS

	SIGNIFICANTLY LOWER	SLIGHTLY LOWER	SAME	SLIGHTLY HIGHER	SIGNIFICANTLY HIGHER	NOT APPLICABLE	NO RESPONSE
A: What is the assessment of changes in business conditions? (General Activity)							
1. For the REGION							
2020 compared with 2019	61.9%	17.9%	3.6%	7.1%	1.2%	3.6%	4.8%
2021 compared with 2020	11.9%	19.0%	9.5%	41.7%	4.8%	7.1%	6.0%
2. For your COMPANY							
2020 compared with 2019	34.5%	22.6%	6.0%	22.6%	11.9%	1.2%	1.2%
2021 compared with 2020	11.9%	13.1%	6.0%	45.2%	13.1%	4.8%	6.0%
B. Specific Company Performance Measures							
1. New Orders							
2020 compared with 2019	26.2%	19.0%	11.9%	14.3%	9.5%	13.1%	6.0%
2021 compared with 2020	11.9%	6.0%	13.1%	34.5%	10.7%	14.3%	9.5%
2. Sales or Revenues							
2020 compared with 2019	32.1%	25.0%	9.5%	20.2%	7.1%	2.4%	3.6%
2021 compared with 2020	13.1%	13.1%	10.7%	40.5%	13.1%	3.6%	6.0%
3. Prices Paid							
2020 compared with 2019	2.4%	11.9%	38.1%	27.4%	6.0%	8.3%	6.0%
2021 compared with 2020	3.6%	3.6%	35.7%	32.1%	4.8%	11.9%	8.3%
4. Prices Received							
2020 compared with 2019	8.3%	10.7%	47.6%	15.5%	3.6%	7.1%	7.1%
2021 compared with 2020	4.8%	6.0%	42.9%	22.6%	2.4%	9.5%	11.9%
5. Number of Employees — Full-time Permanent							
2020 compared with 2019	15.5%	20.2%	32.1%	27.4%	2.4%	1.2%	1.2%
2021 compared with 2020	4.8%	9.5%	40.5%	33.3%	3.6%	3.6%	4.8%
6. Number of Employees – Part-time, Temporary, and Contract							
2020 compared with 2019	20.2%	16.7%	36.9%	14.3%	2.4%	7.1%	2.4%
2021 compared with 2020	7.1%	9.5%	38.1%	27.4%	2.4%	10.7%	4.8%
7. Wage and Benefit Costs							
2020 compared with 2019	7.1%	13.1%	32.1%	41.7%	3.6%	1.2%	1.2%
2021 compared with 2020	2.4%	9.5%	31.0%	44.0%	4.8%	3.6%	4.8%
8. Capital Expenditures — Physical Plant							
2020 compared with 2019	13.1%	22.6%	28.6%	14.3%	4.8%	9.5%	7.1%
2021 compared with 2020	7.1%	17.9%	23.8%	25.0%	3.6%	11.9%	10.7%



APPENDIX

SURVEY RESULTS

9. Capital Expenditures — Equipment and Software							
2020 compared with 2019	11.9%	13.1%	27.4%	29.8%	6.0%	4.8%	7.1%
2021 compared with 2020	6.0%	7.1%	28.6%	40.5%	3.6%	7.1%	7.1%
C. Impacts of COVID-19 Pandemic and Associated Effects on Sales or Revenues							
2020 compared with 2019	26.2%	19.0%	11.9%	14.3%	9.5%	13.1%	6.0%
2021 compared with 2020	33.3%	28.6%	13.1%	13.1%	8.3%		3.6%

	MOST IMPORTANT PROBLEM	SECOND-MOST IMPORTANT PROBLEM	THIRD-MOST IMPORTANT PROBLEM
D: What are the three most important problems your business is facing at this time?			
Labor Availability Due to COVID-19	20.2%	6.0%	6.0%
Poor Sales	15.5%	15.5%	11.9%
Firm Solvency Concerns Due to COVID-19	14.3%	4.8%	6.0%
Government Regulation	13.1%	8.3%	10.7%
No Response	8.3%	14.3%	20.2%
Financing and Interest Rates	6.0%	4.8%	6.0%
Taxes	4.8%	7.1%	8.3%
Other (Write-in)	4.8%	3.6%	3.6%
Labor Costs—Wages	3.6%	7.1%	9.5%
Labor—Quality	3.6%	7.1%	4.8%
Competition—Domestic	3.6%	10.7%	3.6%
Labor Costs—Benefits	1.2%	7.1%	6.0%
Cost of Raw Materials	1.2%	1.2%	2.4%
Competition—Foreign	0.0%	2.4%	1.2%



