



SOUTH JERSEY BUSINESS SURVEY

First Quarter 2022

The region's economy experienced more widespread increases in activity in the first quarter, according to the firms responding to the *South Jersey Business Survey*. The survey's indicators for business activity at the company level, total sales, prices received, and prices paid increased this quarter from the fourth quarter, while the employment index decreased. Responses also indicate broader optimism about future business conditions, as the future activity indexes all increased.

Current Indicators Improve

The survey's current broad indicators all increased this quarter, except for the index for total employees, which declined. The individual company activity index increased from 35.5 in the fourth quarter to 45.9 (see Chart 1). Sixty percent of the firms reported increased activity, while 13 percent reported decreased activity. The current sales index increased from a reading of 22.9 in the previous quarter to 37.0 this quarter (see Chart 3), with nearly 51 percent of the firms reporting higher sales.

Responses also indicated overall employment increases; however, the employment index declined, edging down 3 points to 11.4 this quarter. More than 57 percent of the respondents reported steady employment levels, and the portion of the firms reporting increases (25 percent) exceeded the portion reporting decreases (12 percent).

Price Indicators Reach Historical Highs

The prices paid index rose to 69.8, its highest reading ever (see Chart 5). Nearly 71 percent of the firms reported increases in prices for inputs, whereas none reported decreases. The prices received index also increased, jumping 30 points from its fourth-quarter reading, to 47.9. Forty-eight percent of the responding firms reported higher prices received, 45 percent reported steady prices received, and none reported lower prices received for their own goods/services.

Firms Remain Optimistic

The firms' responses indicate continued optimism about future activity, and all future indicators increased this quarter. The future company-level business activity indicator increased 15 points to 38.6. The firms also anticipate continued increases in prices: The future prices paid index rose 10 points to 68.9, and the future prices received index rose 15 points to 52.7. The future employment index moved up 4 points to 27.9, suggesting that firms expect overall increases in employment over the next six months.

South Jersey Business Survey (First Quarter 2022)

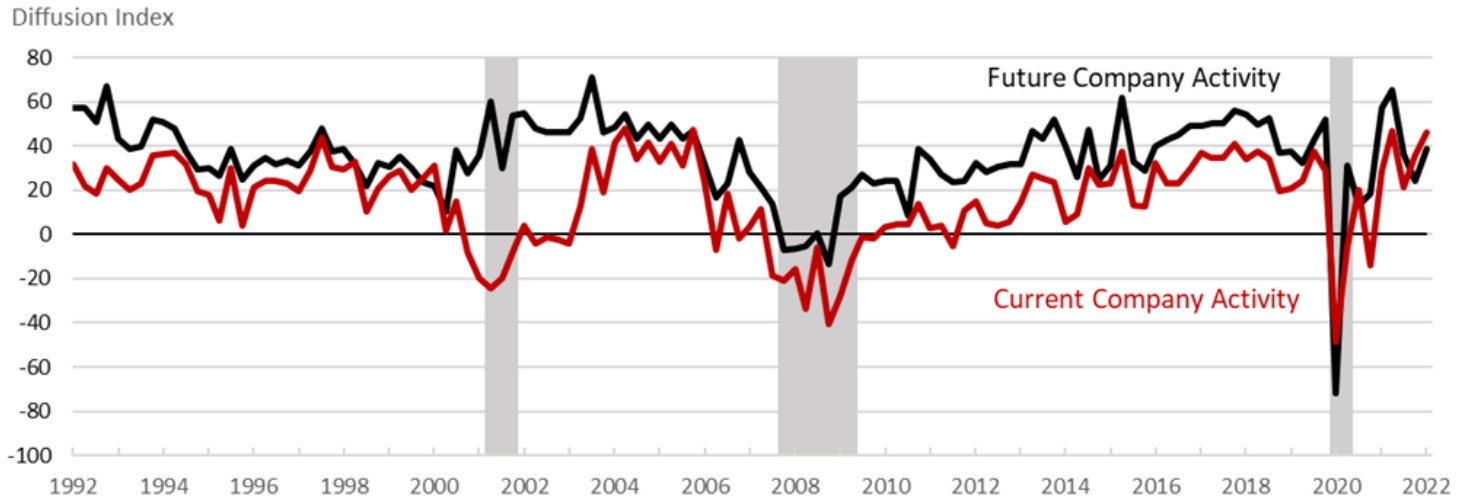
1. Current Measures (change from previous quarter)	Previous Diffusion Index (SA)*	Lower	Same	Higher	Diffusion Index (SA)
What is your assessment of the level of general business activity:					
In the region?	13.6	10.7	40.0	40.0	29.5
At your company?	35.5	13.3	24.0	60.0	45.9
Other company measures:					
Total sales	22.9	13.3	28.0	50.7	37.0
Total employees	14.2	12.0	57.3	25.3	11.4
Prices received	17.6	0.0	45.3	48.0	47.9
Prices paid (excluding energy)	56.3	0.0	13.3	70.7	69.8
2. Future Measures (expectations for the next six months)					
Business activity for the region	17.7	16.0	30.7	42.7	23.1
Business activity for your company	23.9	13.3	28.0	54.7	38.6
Total sales	22.3	9.3	32.0	49.3	38.8
Total employees	24.1	5.3	53.3	34.7	27.9
Prices received	37.8	1.3	36.0	53.3	52.7
Prices paid (excluding energy)	59.3	0.0	13.3	69.3	68.9
1. The <i>South Jersey Business Survey</i> is conducted each quarter and is based on responses from members of the Chamber of Commerce Southern New Jersey. Survey responses were collected from April 4 to April 11. 2. Diffusion indexes represent the percentage indicating an increase minus the percentage indicating a decrease. Percentages may not sum to 100 because of rounding, omission by respondents, or both. 3. The previous diffusion index may be different from last quarter's because of seasonal adjustment. * SA: Seasonally adjusted					

Released: April 14, 2022

The Second Quarter 2022 *South Jersey Business Survey* will be released on July 14, 2022.

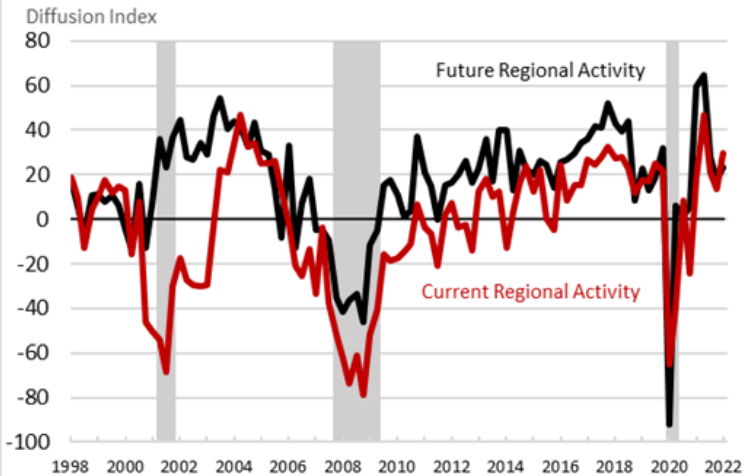
Note: The quarterly diffusion indexes for the 12 questions are available for as far back as 1991 on [our website](#).

Chart 1. Current and Future Company General Activity Indexes
1st Quarter 1992 to 1st Quarter 2022



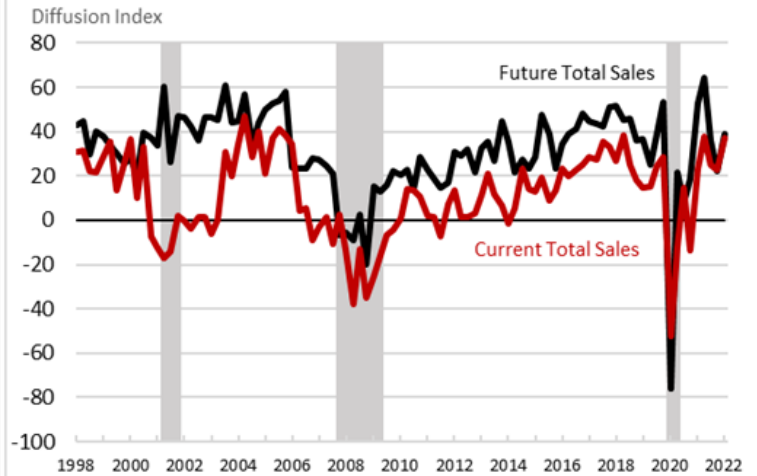
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 2. Current and Future Regional General Activity Indexes
1st Quarter 1998 to 1st Quarter 2022



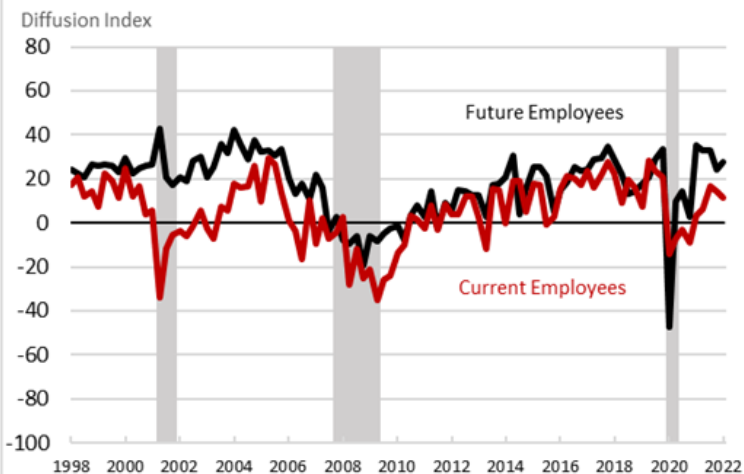
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 3. Current and Future Total Sales Indexes
1st Quarter 1998 to 1st Quarter 2022



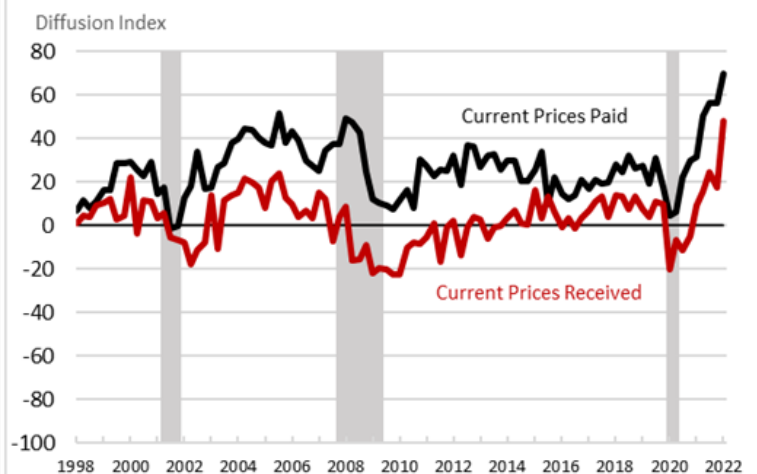
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 4. Current and Future Employees Indexes
1st Quarter 1998 to 1st Quarter 2022



Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 5. Current Prices Received and Prices Paid Indexes
1st Quarter 1998 to 1st Quarter 2022



Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.