



SOUTH JERSEY BUSINESS SURVEY

Third Quarter 2022

Regional economic indicators weakened in the third quarter, according to the firms responding to the *South Jersey Business Survey*. The survey's indicators for business activity at the company level and total sales declined from the second quarter but remained positive this quarter. Indicators for employment and prices paid increased this quarter, while the indicator for prices received remained unchanged. Surveyed firms continue to be optimistic about future business conditions at the company level, as the future activity indexes increased from last quarter.

Prices Paid Indicator Increase

The prices paid index rose to 64.7 from 54.3 last quarter (see Chart 5). Almost 65 percent of the respondents reported increases in prices for inputs, whereas none reported decreases. The prices received index remained unchanged from last quarter at 26.0. Over 51 percent of the responding firms reported steady prices received, 33 percent reported higher prices received, and 4 percent reported lower prices received for their own goods/services.

Firms Remain Optimistic

The firms continue to be optimistic about future activity, as all future company-level indicators increased from last quarter. The future company-level business activity indicator increased 7 points to 27.5. The future employment index rose 2 points to 20.9, suggesting that firms expect overall increases in employment over the next six months. The firms also anticipate continued increases in prices: The future prices paid index rose 5 points to 53.4, and the future prices received index rose 17 points to 40.1.

Current Indicators Moderate

The survey's current broad indicators moderated this quarter. The individual company activity index decreased from 19.9 in the second quarter to 9.1 (see Chart 1). More than 35 percent of the firms reported higher activity, while 27 percent reported lower activity. The current sales index fell from a reading of 10.7 to 1.2 this quarter (see Chart 3). The current indicator for regional business activity turned negative, falling 12 points from 3.4 to a reading of -8.2 (see Chart 2).

The responses also indicated overall increasing employment levels, as the employment index increased 5 points to 8.6 this quarter (Chart 4). The share of the firms reporting increases (25 percent) exceeded the share reporting decreases (13 percent). More than 54 percent of the respondents reported steady employment levels.

South Jersey Business Survey (Third 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?	3.4	32.4	41.9	20.0	-8.2
At your company?	19.9	26.7	35.2	35.2	9.1
Other company measures:					
Total sales	10.7	31.4	30.5	30.5	1.2
Total employees	4.1	13.3	54.3	24.8	8.6
Prices received	26.0	3.8	51.4	33.3	26.0
Prices paid (excluding energy)	54.3	0.0	21.9	64.8	64.7
2. Future Measures (expectations for the next six months)					
Business activity for the region	-3.5	28.6	40.0	26.7	-0.7
Business activity for your company	20.8	18.1	32.4	48.6	27.5
Total sales	16.6	19.0	31.4	43.8	21.4
Total employees	18.8	11.4	50.5	33.3	20.9
Prices received	23.2	1.0	48.6	41.9	40.1
Prices paid (excluding energy)	48.9	3.8	23.8	58.1	53.4

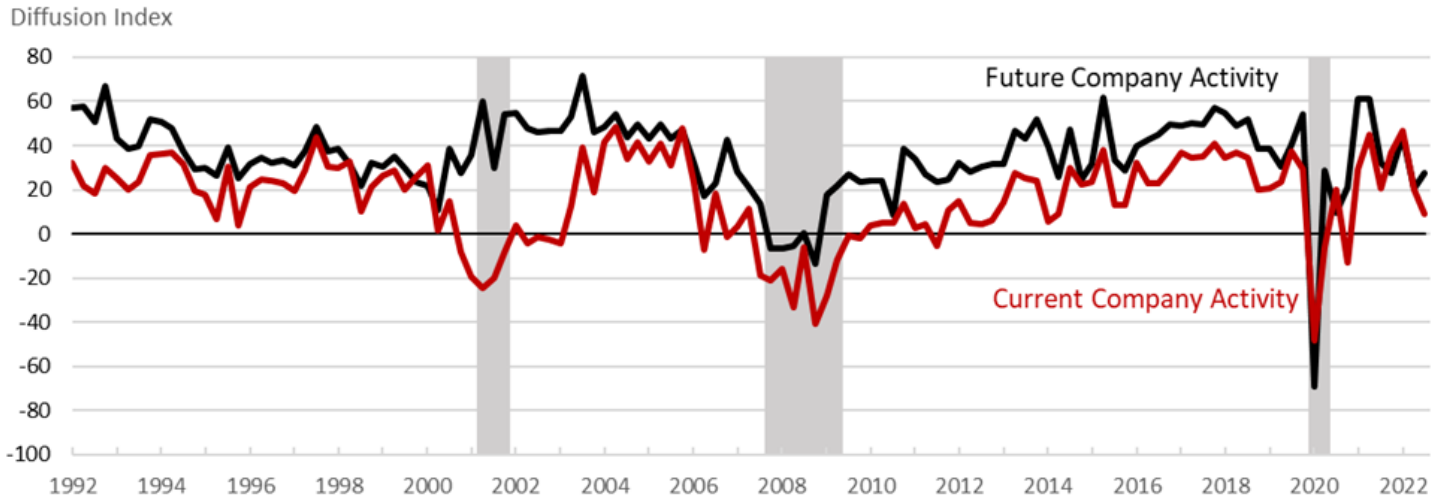
Released: October 13, 2022

The Fourth Quarter 2022 *South Jersey Business Survey* will be released on January 12, 2023.

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

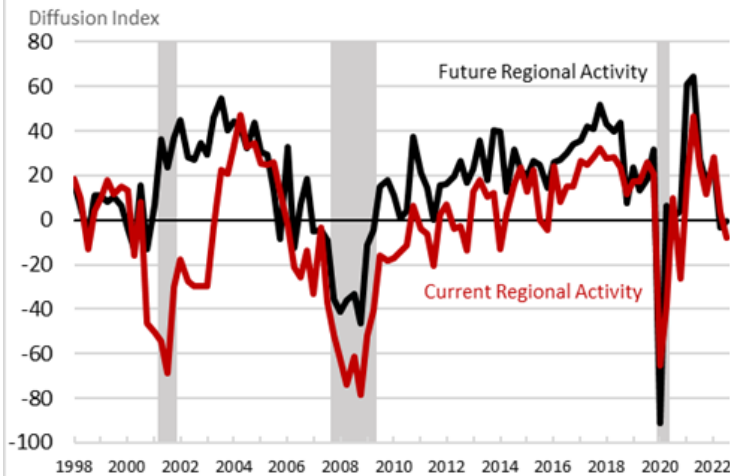
1. The *South Jersey Business Survey* is conducted each quarter and is based on responses from members of the Chamber of Commerce Southern New Jersey. Survey responses were collected from October 3 to October 10.
 2. The diffusion indexes shown in the table were seasonally adjusted after the difference between the percentage indicating an increase and the percentage indicating a decrease was calculated. The percentages for lower, same, and higher were not seasonally adjusted.
 3. The previous diffusion indexes were seasonally adjusted and, therefore, may differ from last quarter's published results.
 * SA: Seasonally adjusted

Chart 1. Current and Future Company General Activity Indexes
1st Quarter 1992 to 3rd Quarter 2022



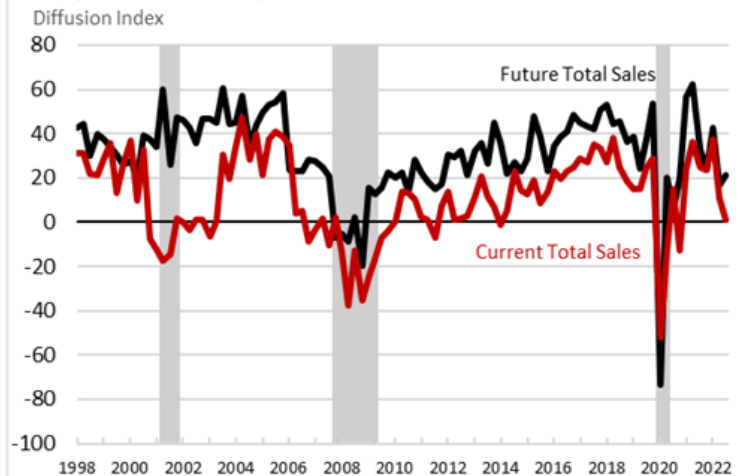
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 2. Current and Future Regional General Activity Indexes
1st Quarter 1998 to 3rd Quarter 2022



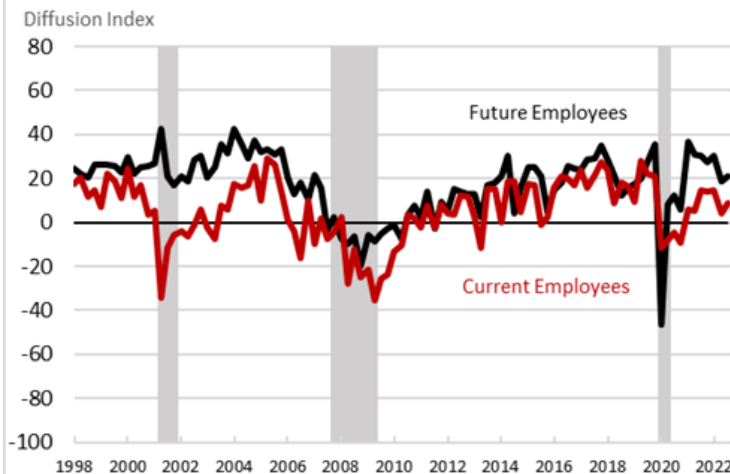
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

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



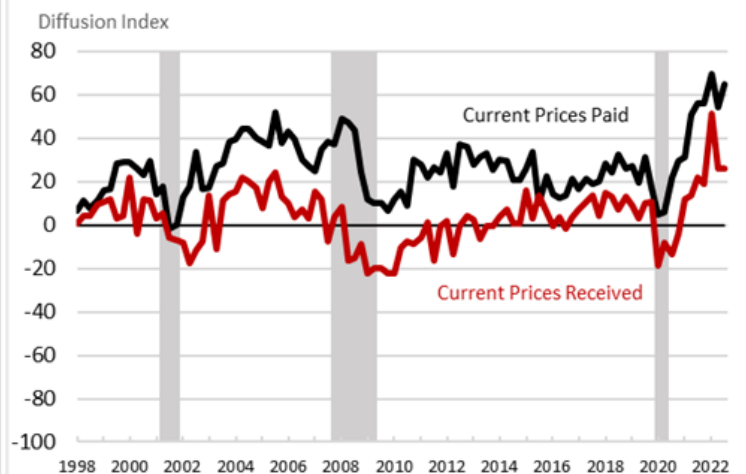
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 4. Current and Future Employees Indexes
1st Quarter 1998 to 3rd 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 3rd 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.