



**NEW YORK CITY REPORT ON BUSINESS**  
*Buy More, Hire More*

The New York City recovery appears to be transitioning to a new phase – and for the better. Sustained gains in business activity and future optimism have led to higher purchasing volumes and higher staffing, according to the survey taken by the Institute for Supply Management-New York (ISM-NY).

The Current Business Conditions index expanded for a fourth consecutive month, improving to 62.9 in November from 60.8 in October.

It has been three years since purchasing and supply management executives were this optimistic about the future. The Six-Month Outlook index rose to 74.4 in November from 68.9 in October.

Both purchasing volumes and employment advanced into expansion territory. The Quantity of Purchases index rose to a two-year high of 55.9 in November from 46.7 in October. The Employment index vaulted to 54.8 in November from 45.7 in October.

Cost pressures remained contained. The Prices Paid index fell to 34.6 in November from 39.4 in October.

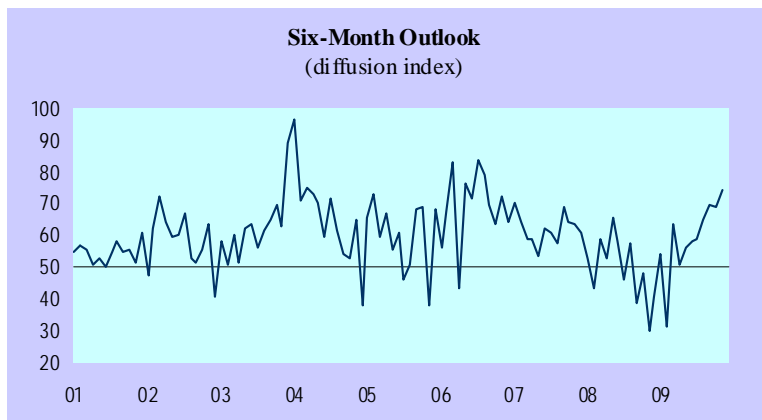
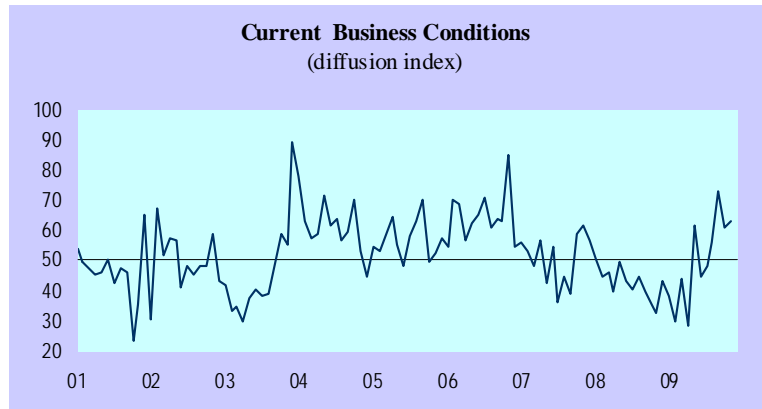
**Business Impediments:** Working capital shortages have become less and less of a concern, declining for a third straight month.

	Nov	Oct	Sep
Skilled labor shortage	13%	11%	3%
Unskilled labor shortage	6%	0%	3%
Working capital shortage	23%	28%	32%
Raw material shortage	4%	9%	5%
Security concerns	10%	13%	21%
Abnormal weather	4%	2%	3%
“Other” difficulties	23%	23%	21%
No difficulties	21%	23%	16%
	*	*	*

**November’s Question of the Month:** Just one-quarter of the total funds in the Federal government’s \$787B American Recovery and Reinvestment Act have been paid out by the end of October. Will your organization benefit, as you understand it, from the American Recovery and Reinvestment Act?

Yes 27%  
No 73%

If Yes, when? Already benefiting 92%  
1 to 3 months 8%  
3 to 6 months 0%  
6 to 12 months 0%



<b>Business Conditions in New York City</b> (seasonally adjusted)			
	<b>Current Business Conditions</b>	<b>Six-Month Outlook</b>	<b>NY-BCI*</b>
November 2008	32.7	30.2	389.3
December	43.1	40.7	385.9
January 2009	38.4	54.2	380.1
February	29.6	31.8	369.9
March	43.9	63.8	366.9
April	28.3	51.2	356.0
May	61.3	56.1	361.6
June	44.8	58.3	359.0
July	48.3	59.3	358.2
August	55.7	65.1	361.0
September	72.9	69.5	372.5
October	60.8	68.9	377.9
<b>November</b>	<b>62.9</b>	<b>74.4</b>	<b>384.4</b>

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

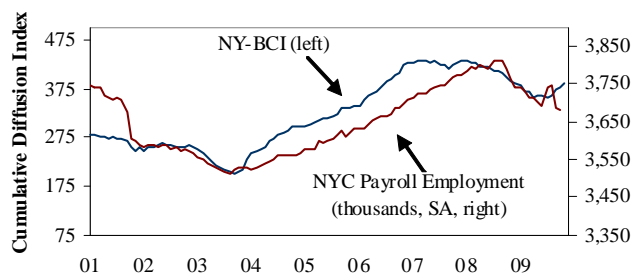
## New York City Labor Market

### Employment

Current employment trends compared to the previous month.

	Nov	Oct	Sep	Aug	Jul	Year ago Nov
Diffusion Index	54.8	45.7	47.3	39.3	37.5	16.2

### NY-BCI vs. NYC Employment



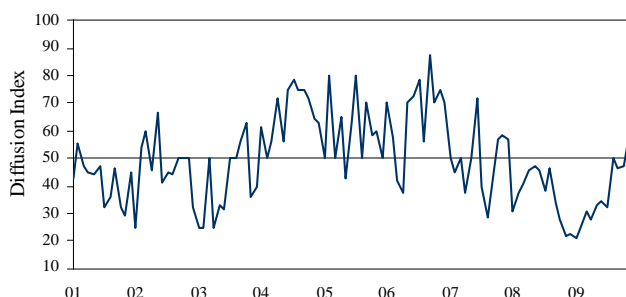
NYC employment data from the Bureau of Labor Statistics. SA = seasonally adjusted. The NY-BCI offers advance information about forthcoming labor market conditions because the local job count is not available for one or two months.

### Quantity of Purchases

The current month's level of expenditures (units, not dollars) compared to the previous month.

	Nov	Oct	Sep	Aug	Jul	Year ago Nov
Diffusion Index	55.9	46.7	46.1	50.0	31.8	21.4

### Quantity of Purchases

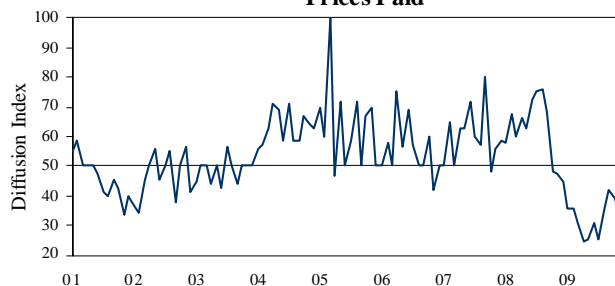


### Prices Paid

The current month's overall change in prices paid for goods and services compared to the previous month.

	Nov	Oct	Sep	Aug	Jul	Year ago Nov
Diffusion Index	34.6	39.4	41.9	35.7	25.0	47.1

### Prices Paid

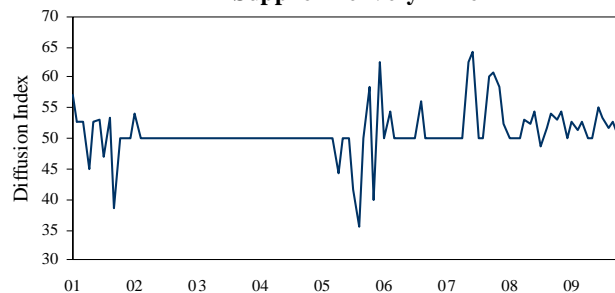


### Supplier Delivery Time

The current month's overall delivery performance compared to the previous month.

	Nov	Oct	Sep	Aug	Jul	Year ago Nov
Diffusion Index	53.8	50.0	52.8	51.8	53.4	54.4

### Supplier Delivery Time



## About the Survey

The purpose of the survey is to quickly assess business conditions among non-manufacturing firms/organizations 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 and NY-BCI are seasonally adjusted. All other measures are not seasonally adjusted.