



SOUTH JERSEY BUSINESS SURVEY

Fourth Quarter 2021

According to the firms responding to the *South Jersey Business Survey*, the region's economy continued to expand in the fourth quarter. The survey's indicator for business activity at the company level increased from the third quarter, while the indicators for total sales edged up this quarter, and the employment index decreased. Responses indicated continued but somewhat less widespread optimism about future business conditions, as the future activity indexes remained positive but declined.

Current Indicators Remain Positive

The survey's current broad indicators remained positive but moved in different directions this quarter. The individual company activity index increased from 19.0 in the third quarter to 35.0 (see Chart 1). More than 49 percent of the firms reported increased activity, while 14 percent reported decreases. The current sales index edged up from a reading of 22.4 in the previous quarter to 23.2 this quarter (see Chart 3), with over 44 percent of the firms reporting a rise in sales.

Responses also indicated overall employment increases. The employment index fell 3 points but remained positive at 13.6 this quarter. Nearly 55 percent of the respondents reported steady employment levels, and the portion of firms reporting increases (27 percent) exceeded the portion reporting decreases (14 percent).

Price Indicators Remain Elevated

The prices paid index edged up to 56.5, its highest reading ever (see Chart 5). Nearly 55 percent of the firms reported increases in prices for inputs, whereas none reported decreases. However, the prices received index fell 7 points from its third quarter reading, to 17.5. A quarter of the responding firms reported higher prices received, while 7 percent reported lower prices received. Most of the responding firms (55 percent) reported steady prices for their own goods/services.

Firms Remain Optimistic

The firms' responses indicate continued optimism about future activity, as all future indicators remained positive this quarter, though mostly at lower levels than in the third quarter. The future company indicator fell 8 points to 26.3. The firms also anticipate continued increases in input prices, and the future prices paid index rose 5 points to 59.4. The future employment index declined 6 points to 25.8 but continues to suggest that firms expect overall increases in employment.

South Jersey Business Survey (Fourth Quarter 2021)

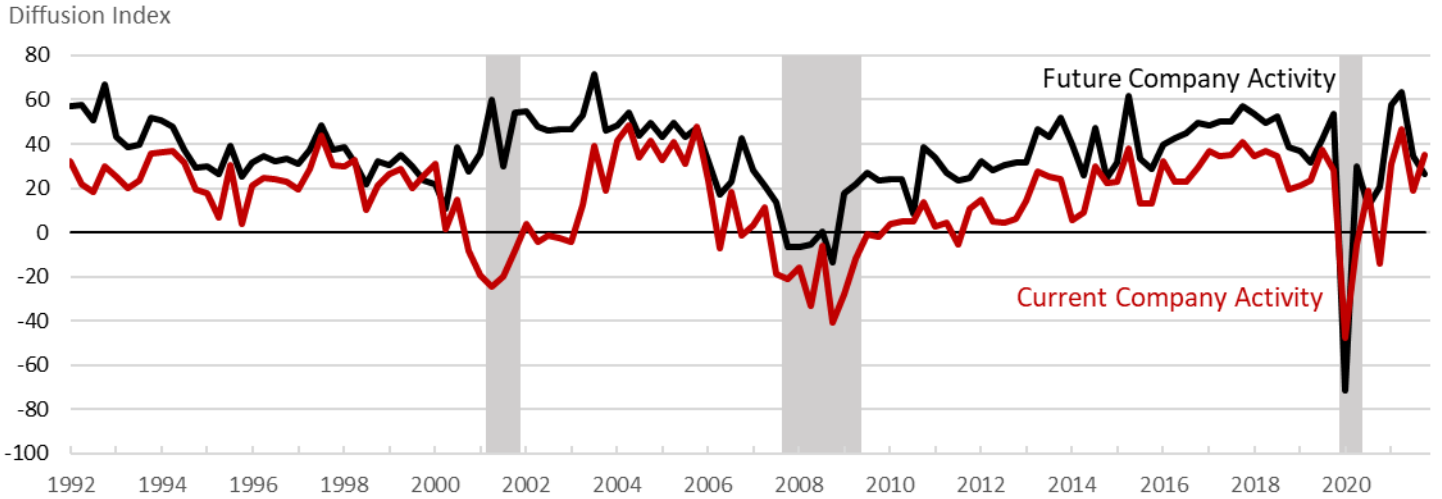
1. Current Measures (change from previous quarter)	Previous Diffusion Index (SA)*	Lower	Same	Higher	Diffusion Index (SA)
What is your assessment of the level of general business activity:					
In the region?	19.7	16.9	43.7	31.0	13.6
At your company?	19.0	14.1	35.2	49.3	35.0
Other company measures:					
Total sales	22.4	18.3	32.4	43.7	23.2
Total employees	16.5	14.1	54.9	26.8	13.6
Prices received	24.5	7.0	54.9	25.4	17.5
Prices paid (excluding energy)	56.3	0.0	18.3	54.9	56.5
2. Future Measures (expectations for the next six months)					
Business activity for the region	26.9	12.7	46.5	32.4	16.1
Business activity for your company	34.6	12.7	45.1	40.8	26.3
Total sales	36.2	14.1	40.8	38.0	22.4
Total employees	31.5	9.9	49.3	36.6	25.8
Prices received	40.7	4.2	43.7	43.7	37.6
Prices paid (excluding energy)	54.5	0.0	19.7	59.2	59.4
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 January 3 to January 10. 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: January 13, 2022

The First Quarter 2022 *South Jersey Business Survey* will be released on April 14, 2022.

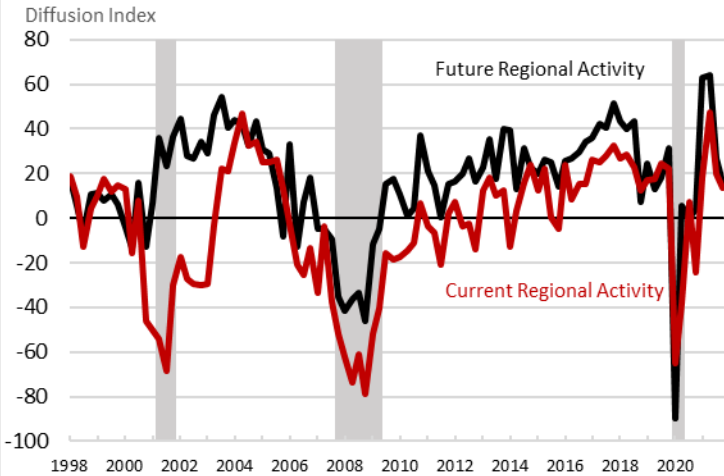
Note: The quarterly diffusion indexes for the 12 questions are available for as far back as 1991 on [our website](#).

Chart 1. Current and Future Company General Activity Indexes
1st Quarter 1992 to 4th Quarter 2021



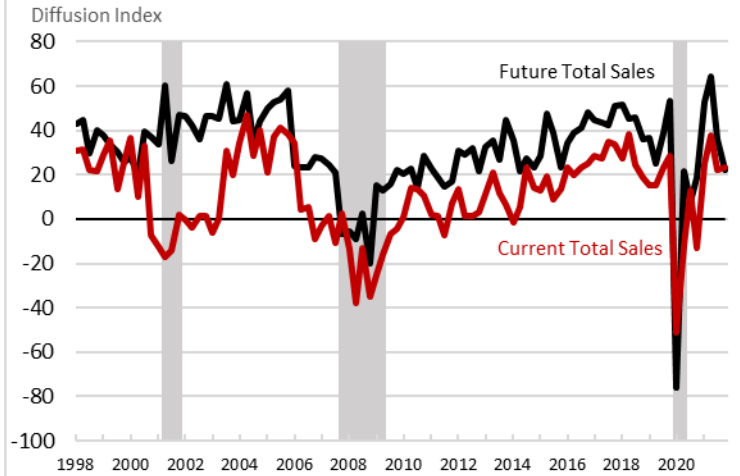
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 2. Current and Future Regional General Activity Indexes
1st Quarter 1998 to 4th Quarter 2021



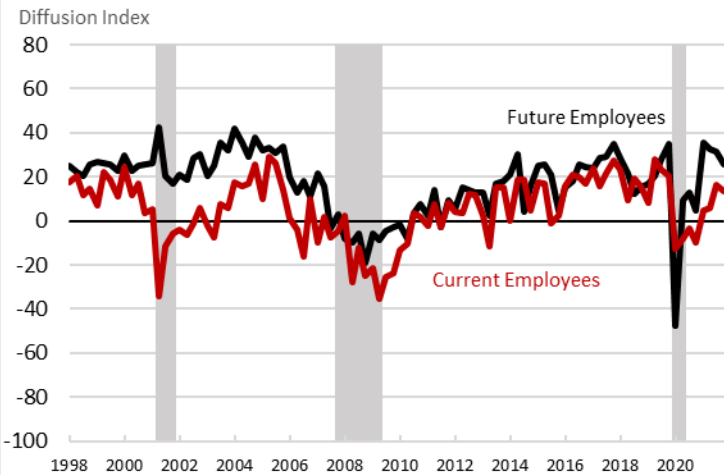
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 3. Current and Future Total Sales Indexes
1st Quarter 1998 to 4th Quarter 2021



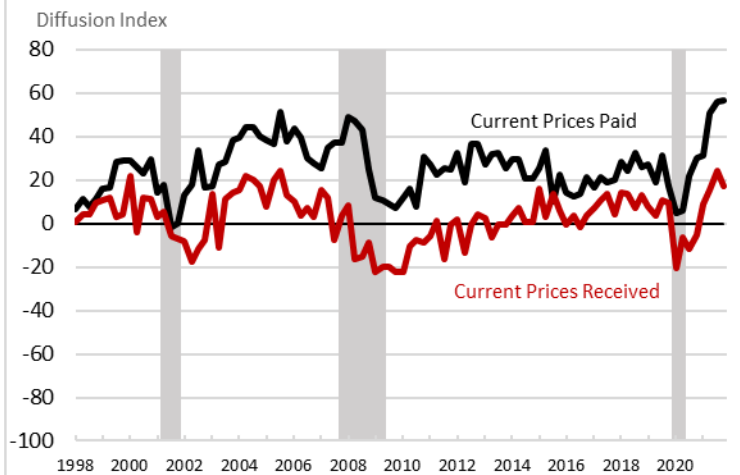
Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Chart 4. Current and Future Employees Indexes
1st Quarter 1998 to 4th Quarter 2021



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 4th Quarter 2021



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.