



Services Survey

Tenth District Services Activity Grew Again in March

by: Chad Wilkerson, Chase Farha and Jannety Mosley

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District services activity increased moderately in March, and expectations for future activity were steady. Sales growth cooled this month, but employment accelerated.

Business Activity Grew Again

Tenth District services grew again in March, and expectations for the next six months were flat (Chart 1 & Table 1). Input price growth continued to outpace increases in selling prices, but the spread between the two has narrowed.

The month-over-month services composite index was 7 in March, down from 12 in February and up from -2 in January (Tables 1 & 2). The composite index is a weighted average of the revenue/sales, employment, and inventory indexes. The growth was driven primarily by increased revenues in professional services, restaurants, and auto dealers. All month-over-month indexes were positive, except for part-time employment and access to credit. General revenue/sales cooled from 20 to 4, but employment increased from 0 to 10 and inventories grew somewhat. The year-over-year composite index was essentially flat at -2. Capital expenditures expanded modestly and access to credit continued to decrease. Expectations for services activity picked up to 1 from -3, as firms anticipate employment to stay steady and sales to grow slightly.

Special Questions

This month contacts were asked special questions about labor-saving technology and mid-year wage increases. About half of firms have invested or plan to invest in labor-saving/productivity-enhancing technology. 27% have invested at a similar pace to the past, while 18% have invested at a faster pace, 4% at a slower pace, and 51% have not invested (Chart 2). Contacts were also asked about plans to give mid-year wage increases. While 51% have given a mid-year increase within the past year, only 32% plan to give a mid-year increase this year (Chart 3).

Selected Services Comments

“We are still attempting to recoup business that was lost over the last several years. So far it appears that less of our previous clients are outsourcing their staffing needs.”

“Business is slowing down and inventories are growing. We have started turning down product.”

“We have experienced an increase in sales. Our overall loan portfolio is in great shape and defaults are at lower levels than we experienced in the 3rd quarter of our fiscal year.”

Survey Data

[Current Release](#)

[Historical Monthly Data](#)

[About the Services Survey](#)

Authors



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Chad Wilkerson serves as Oklahoma City Branch Executive and Senior Vice President of Community Development for the Federal Reserve Bank of Kansas City. Wilkerson has been with the Federal Reserve since 1998, starting in Kansas City's research department. Appointed in 2006 as Oklahoma City Branch Executive, Wilkerson is the Bank's lead officer and regional economist in Oklahoma. He recruits and works closely with the Oklahoma City Branch Board of Directors and is responsible for briefing the Kansas City Fed president, a member of the Federal Open Market Committee, on economic trends in the state. His team conducts research and surveys on key regional issues such as energy, manufacturing and migration. Wilkerson was appointed Senior Vice President in 2022, and supports a Community Development team located across the Kansas City Fed's seven-state region. This group works to understand and address issues affecting the ability of underserved communities and small businesses to access credit. Community development focus areas include financial resiliency, affordable housing, community investments, workforce development, rural development and digital inclusion. Wilkerson holds a master's degree in public policy from the University of Chicago, as well as a master's degree from Southwestern Seminary and bachelor's degree from William Jewell College. He serves on the boards of the Economic Club of Oklahoma, the United Way of Central Oklahoma and City Rescue Mission. He lives in Edmond, Oklahoma, with his wife and children.



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Jannety Mosley is a Senior Survey Analyst in the Regional Affairs Department at the Oklahoma City Branch of the Federal Reserve Bank of Kansas City. In this role, she primarily supports the district economic surveys and reports. She also supports the recruitment and retention efforts of business participants in the economic surveys. She holds a B.S. degree in Agricultural Economics (Agribusiness) from North Carolina A&T State University and a M.S. degree in Rural Sociology from Pennsylvania State University.
