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Mid-America Manufacturing Index Falls Below Growth Neutral

Wholesale Inflation Gauge Drops to 2025 Low

November 2025 Survey Highlights

- For the third time in the past five months, the Mid-America Business Conditions Index moved slightly below growth neutral.
- The regional manufacturing sector shed jobs for the eighth straight month.
- Approximately, 40% of supply managers indicated their wage growth over the past year had been less than the increase in the cost-of-living.
- The November wholesale price gauge declined to its lowest reading this year.
- Both imports and exports remained weak.
- For September and October of 2025, the average weekly number of workers in the nine-state region receiving unemployment compensation was 3.7% higher when compared to the same period in 2024.

OMAHA, Neb. (Dec. 1, 2025) — For the third time in the past five months, the Creighton University Mid-America Business Conditions Index, a leading economic indicator for the nine-state region stretching from Minnesota to Arkansas, moved slightly below growth neutral.

Overall Index: The Business Conditions Index, which uses the identical methodology as the national Institute for Supply Management (ISM) and ranges between 0 and 100 with 50.0 representing growth neutral, sank to 49.5 from 50.5 in October.

“Creighton’s latest survey indicates that the regional manufacturing economy continues to move sideways with the wholesale inflation gauge moving lower,” said Ernie Goss, PhD, Director of Creighton University’s Economic Forecasting Group and the Jack A. MacAllister Chair in Regional Economics in the Heider College of Business. “Supply managers reported weakness in both imports and exports.”

As reported by one supply manager, “Our business outlook has changed from positive to cautious.”

The Mid-America report is produced independently of the national ISM.

Employment: The November employment index increased to a frail 47.6 from 46.9 in October, marking the eighth consecutive month below the growth-neutral threshold of 50.0. “This month, supply managers were asked the extent to which they use AI in their job. Approximately, one-fourth reported that they used AI regularly in their job duties,” said Goss.

Approximately, 40% of supply managers indicated their wage growth over the past year had been less than the increase in the cost-of-living. Roughly, half reported that wage growth matched cost-of-living gains, with the remaining 10% indicating that wages and cost-of-living growth rates were equal.

While current data are not available from the U.S. Bureau of Labor Statistics, unemployment data based on workers receiving unemployment insurance at the state level were available. For September and October of 2025, the number of workers in the nine-state region receiving unemployment compensation was 3.7% higher when compared to the same period in 2024.

Other comments from supply managers in November:

- “We are a global company, and I am concerned that wages and cost of living are beyond that of other countries. That is going to lead to a correction as the gap widens. That will be very painful. Second, the Ag market is under ‘extreme’ pressure.”
- “Small farms are losing at a rate that is not sustainable due to high land costs, if they rent, and input costs that are not sustainable. With the decrease, the forecasting models for inventory are not working, and thus, we are going to have increased inventories for the next six months.”
- “I look forward to the day when politics become civil again and statesmanship becomes the norm! Until then, we remain hopeful we will survive the chaos and idiocy they have created to divert us from the truth. The day of reckoning is coming for them!”
- “While wage growth, personally, has matched my cost of living, I would not say that is the norm in society.”

Wholesale Prices: The November price gauge declined to 59.8, its lowest reading this year, and down from 62.9 in October. “The regional inflation yardstick has moved into a range indicating that inflationary pressures are moving lower at the wholesale level. Due to slowing regional and U.S. economies, I expect the Federal Reserve to cut interest rates at its next meetings, December 9-10, even though inflation remains above their target,” said Goss.

Confidence: Looking ahead six months, economic optimism as captured by the November Business Confidence Index, increased to a weak 47.4 from October’s frail 42.2. “Concerns regarding tariffs, inflation and slowing business activity restrained supply managers’ economic expectations. Only one in five supply managers expect rising economic conditions for their firm over the next six months,” said Goss.

Inventories: The regional inventory index, reflecting levels of raw materials and supplies, dipped to 50.1 from 50.3 in October. “After an initial surge in inventories in quarter one of this year due to impending tariffs, supply managers have essentially maintained flat inventory levels,” said Goss.

Trade: Recent retaliation from higher U.S. tariffs and trade restrictions pushed new export orders, or purchases from abroad, lower for the last six months. New export orders increased to 42.7 from October’s 40.8. As a result of record imports for the first two months of 2025 and higher import prices, supply managers pulled back on purchasing from abroad in the last nine months. The November import index rose to 37.2 from 34.0 in October.

Other survey components of the November Business Conditions Index were: new orders slipped to 48.3 from 48.4 in October; the production index declined to 46.2 from October’s 49.8; and the speed of deliveries of raw materials and supplies fell to 55.1 from 57.9 in October. Lower readings indicate speedier deliveries and/or declining supply chain disruptions or delays.

The Creighton Economic Forecasting Group has conducted the monthly survey of supply managers in nine states since 1994 to produce leading economic indicators of the Mid-America economy. States included in the survey are Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma and South Dakota.

Below are the state reports:

Arkansas: The state's November Business Conditions Index fell to 49.1 from 54.2 in October. Components from the November survey of supply managers were: new orders at 48.0; production at 45.8; delivery lead time at 54.8; inventories at 49.8; and employment at 47.3. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 5.1% lower when compared to the same period in 2024.

Iowa: The state's Business Conditions Index for November climbed to a regional high of 52.1 from October's 46.7. Components of the overall November index were: new orders at 48.8; production at 50.9; delivery lead time at 57.7; employment at 50.2; and inventories at 52.7. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 22.3% lower when compared to the same period in 2024.

Kansas: The Kansas Business Conditions Index for November advanced to 50.6 from 46.4 in October. Components of the leading economic indicators from the monthly survey of supply managers for November were: new orders at 49.4; production at 47.3; delivery lead time at 56.3; employment at 48.8; and inventories at 51.3. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 10.2% higher when compared to the same period in 2024.

Minnesota: The November Business Conditions Index for Minnesota increased to 49.4 from 48.8 in October. Components of the overall November index were: new orders at 50.1; production or sales at 47.6; delivery lead time at 55.1; inventories at 48.3; and employment at 46.1. For September and October of 2025, the number of workers in the state receiving unemployment compensation was 3.7% higher when compared to the same period in 2024.

Missouri: The state's November Business Conditions Index plummeted to 48.6 from October's regional high of 62.7. Components of the overall index from the survey of supply managers for November were: new orders at 47.4; production at 45.3; delivery lead time at 54.3; inventories at 49.3; and employment at 46.8. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 13.1% higher when compared to the same period in 2024.

Nebraska: The state's November Business Conditions Index dropped to 50.3 from October's 52.9. Components of the index from the monthly survey of supply managers for November were: new orders at 49.1; production at 47.0; delivery lead time at 56.0; inventories at 51.0; and employment at 48.5. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 3.0% higher when compared to the same period in 2024.

North Dakota: For a second straight month, the state's Business Conditions Index sank below the 50.0 growth neutral threshold at 49.9 from 46.9 in October. Components of the overall index for November were: new orders at 48.8; production at 46.6; delivery lead time at 55.6; employment at 48.1; and inventories at 50.6. For September and October of 2025, the number of workers in the state receiving unemployment compensation was 1.3% higher when compared to the same period in 2024.

Oklahoma: The state's Business Conditions Index for November sank to 48.8 from 52.2 in October. Components of the overall November index were: new orders at 47.7; production at 45.5; delivery lead time at 54.5; inventories at 49.5; and employment at 47.0. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 17.4% higher when compared to the same period in 2024.

South Dakota: The November Business Conditions Index for South Dakota declined to 49.1 from October's 51.2. Components of the overall November index were: new orders at 47.9; production at 45.8; delivery lead time at 54.8; inventories at 49.8; and employment at 47.3. For September and October of 2025, the average weekly number of workers in the state receiving unemployment compensation was 5.1% higher when compared to the same period in 2024.

Survey results for the month of December will be released on the first business day of 2026.

For historical data and forecasts visit our website <https://www.creighton.edu/economicoutlook/> or <https://gossandassociates.com/>.