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For More Information Contact:
Ernie Goss, PhD
(402) 598-3198
ernieg@creighton.edu
Kristen Crawford
kcrawford@lukaspartners.com

Mid-America Manufacturing Job Gains Continue

Wholesale Inflation Remains Elevated with December Rate Hike Expected

October 2026 Survey Highlights

- The overall index moved above growth neutral for a ninth straight month.
- For the fifth straight month, the employment index rose above growth neutral.
    - For the nine Mid-American states, the manufacturing sector boosted job growth by 8,600 jobs over the past 12 months for a +0.6% gain, according to the U.S. Bureau of Labor Statistics.
    - Four states in the region – Iowa, Nebraska, Oklahoma and South Dakota, lost manufacturing jobs over the past 12 months, while the remaining five Mid-America states more than offset these losses.
    - Manufacturing GDP growth continues to exceed manufacturing job growth.
- The wholesale price gauge continues to indicate elevated inflationary pressures. On average, supply managers reported:
    - Transportation costs were up by 8.2% over the past three months.
    - Input prices are expected to grow 4.4% over the next six months.
- Due to elevated inflationary pressures, the Federal Reserve is very likely to raise short-term interest rates at its next meetings on December 8-9.

OMAHA, Neb. (November 2, 2026) — The Creighton University Mid-America Business Conditions Index, a leading economic indicator for the nine-state region stretching from Minnesota to Arkansas, moved above growth neutral for the ninth straight month, pointing to solid economic growth in regional manufacturing. This manufacturing expansion is likely to positively impact the broader regional economy in the months ahead.

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, rose to a solid 56.1 from 55.7 in September.

"Creighton's latest survey indicates that regional manufacturing growth continues at a solid pace but with job growth less than overall manufacturing economic growth. Manufacturing GDP growth is exceeding manufacturing job growth. This is the same relationship taking place for the overall U.S. economy," 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.

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

Employment: For the fifth straight month, the employment index rose above growth neutral. The index climbed to a sound 53.0 from September's 51.8.

"Much like the national ISM manufacturing job index, the regional manufacturing job market continues to improve, but at a slow pace," reported Goss.

For the nine Mid-American states, the manufacturing sector boosted job growth by 8,600 jobs over the past 12 months for a +0.6% gain, according to the U.S. Bureau of Labor Statistics. This compares to 40,000 manufacturing jobs added to the U.S. economy for a +0.3% gain over the same period-of-time. Four states in the region – Iowa, Nebraska, Oklahoma and South Dakota, lost manufacturing jobs over the past 12 months, while the remaining five Mid-America states more than offset these losses.

Other comments from supply managers in October:

- "There are plenty of ideas on how AI could improve the supply chain activities, but there is still a lack of implementing AI solutions."
- "Business remains exceptionally strong, driven by sustained investment in data center construction."
- "Major suppliers are attempting to raise prices significantly."
- "I predict significant downward corrections in the next 18 months (for input prices)."
- "Finding qualified individuals who want to work is becoming increasingly difficult."

Wholesale Prices: The October price gauge expanded to 75.3 from 69.9 in September.

"Even though Creighton's regional wholesale price gauge and the national ISM wholesale price index are moving sideways to slightly higher, they remain elevated and point to an interest rate hike at the Federal Reserve's December 8-9 meetings," said Goss.

Supply managers reported that transportation costs were up by 8.2% over the past three months. Survey participants expect input or wholesale prices to expand by 4.4% over the next six months.

Confidence: Looking ahead six months, economic optimism, as captured by the October Business Confidence Index, fell to 50.1 from 54.2 in September.

"The continuing Iran conflict is having a significant impact on economic confidence. Oil prices above $100 per barrel (WTI) and supply blockages at the Strait of Hormuz are dampening confidence," said Goss.

Inventories: The October regional inventory index, reflecting levels of raw materials and supplies, increased to 52.5 from 52.1 in September.

Trade: The regional export index sank below growth neutral for the 13th time in the past 14 months to 47.9 but was up from 47.6 in September. As a result of supply bottlenecks, higher input prices and rising transportation costs, supply managers have pulled back on purchasing from abroad for 16 straight months. The October import index fell to 43.3 from 44.5 in September.

Delivery Speed: The index for the speed of deliveries of raw materials and supplies was 61.8, up from September's 61.6. Lower readings indicate faster delivery speed and/or declining supply chain disruptions and delays.

Approximately 36% of supply managers, down from 58% in September, reported that the Iran conflict has made the supply chain less reliable.

Other survey components of the October Business Conditions Index were: new orders rose to a strong 59.6 from 54.6 in September, and the production index climbed to 59.1 from 58.3 in September.

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 October Business Conditions Index rose to a healthy 57.2 from 55.0 in September. Components from the October survey of supply managers were: new orders at 59.5; production at 59.5; delivery lead time at 60.3; inventories at 52.8; and employment at 54.7. According to U.S. Bureau of Labor Statistics (BLS), the Arkansas manufacturing economy added 1,000 jobs over the past 12 months for a +0.6% gain. This compares to a +0.5% job gain for the remainder of the state economy for the same 12 months.

Iowa: The state's Business Conditions Index for October climbed to 56.9 from September's 54.1. Components of the overall October index were: new orders at 59.5; production at 58.5; delivery lead time at 59.9; employment at 54.3; and inventories at 52.4. According to U.S. BLS data, the Iowa manufacturing economy shed 700 jobs over the past 12 months for a -0.3% loss. This compares to a +0.3% job gain for the remainder of the state economy for the same 12 months.

Kansas: The Kansas Business Conditions Index for October climbed to 57.5 from 57.1 in September. Components of the leading economic indicators from the monthly survey of supply managers for October were: new orders at 60.0; production at 59.5; delivery lead time at 60.3; employment at 54.7; and inventories at 52.8. According to U.S. BLS data, the Kansas manufacturing economy added 1,200 jobs over the past 12 months for a +0.7% gain. This compares to a +0.3% job gain for the remainder of the state economy for the same 12 months.

Minnesota: The October Business Conditions Index for Minnesota sank to a regional high of 58.9 from September's 60.0, also a regional high. Components of the overall October index were: new orders at 61.4; production or sales at 60.9; delivery lead time at 61.8; inventories at 54.3; and employment at 56.2. According to U.S. BLS data, the Minnesota manufacturing economy added 12,400 jobs over the past 12 months for a +4.0% gain. This compares to a +1.2% job gain for the remainder of the state economy for the same 12 months.

Missouri: The state's October Business Conditions Index improved to 57.6 from 56.2 in September. Components of the overall index from the survey of supply managers for October were: new orders at 60.2; production at 59.6; delivery lead time at 60.5; inventories at 53.0; and employment at 54.9. According to U.S. Bureau of Labor Statistics (BLS), the Missouri manufacturing economy added 400 jobs over the past 12 months for a +0.01% gain. This compares to a +1.0% job gain for the remainder of the state economy for the same 12 months.

Nebraska: The state's October Business Conditions Index climbed to a regional low of 55.5 from 52.2 in September, also a regional low. Components of the index from the monthly survey of supply managers for October were: new orders at 55.2; production at 58.1; delivery lead time at 59.0; inventories at 51.5; and employment at 53,4. According to U.S. BLS data, the Nebraska manufacturing economy shed 4,600 jobs over the past 12 months for a -4.5% loss. This compares to a +0.4% job gain for the remainder of the state economy for the same 12 months.

North Dakota: The state's Business Conditions Index for October expanded to 57.7 from September's 53.0. Components of the overall index for October were: new orders at 60.2; production

at 59.7; delivery lead time at 60.5; employment at 54.9; and inventories at 53.1. According to U.S. BLS data, the North Dakota manufacturing economy added 500 jobs over the past 12 months for a +1.8% addition. This compares to a +0.2% job gain for the remainder of the state economy for the same 12 months.

Oklahoma: The state's Business Conditions Index for October increased to 56.7 from 55.4 in September. Components of the overall October index were: new orders at 57.3; production at 59.2; delivery lead time at 60.1; inventories at 52.6; and employment at 54.5. According to U.S. BLS data, the Oklahoma manufacturing economy shed 800 jobs over the past 12 months for a -0.6% loss. This compares to a +0.8% job gain for the remainder of the state economy for the same 12 months.

South Dakota: The October Business Conditions Index for South Dakota improved to 57.7 from September's 56.0. Components of the overall October index were: new orders at 60.2; production at 59.6; delivery lead time at 60.5; inventories at 53.0; and employment at 54.9. According to U.S. BLS data, the South Dakota manufacturing economy shed 300 jobs over the past 12 months for a -0.7% loss. This compares to a +0.4% job gain for the remainder of the state economy for the same 12 months.

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

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