



November - 2013 (FOR RELEASE: December 2, 2013 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 58.3 ↓

ISM-SEM Index: In November, the PMI overall index dropped back into the 50's, from 63.1 down to 58.3. The three month average remains up in the 60's at 60.4.

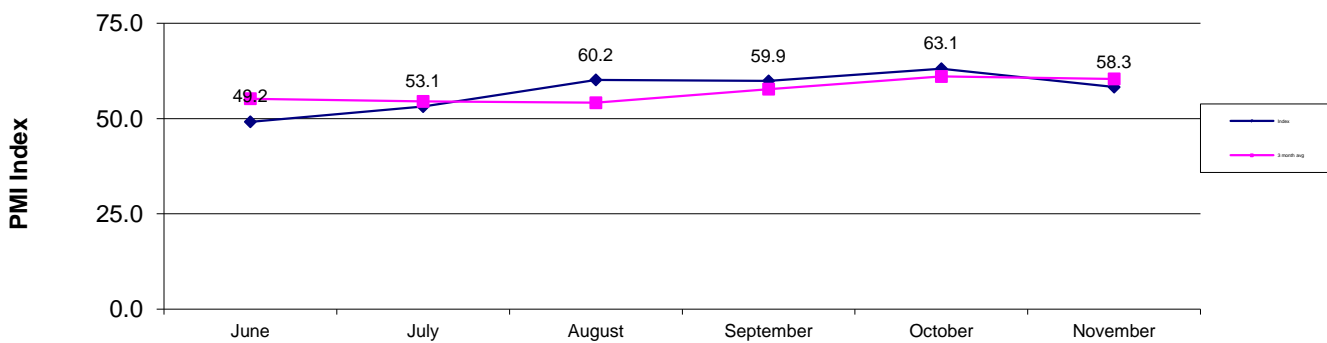
Employment: The Employment Index dropped down from October's 64.0 to 54.3, right where it was two months ago in September. The three month average is a very respectable 57.5.

Commodity Prices: The commodity price index also dropped, from 58.0 to 54.2. Again, this is right where the report came in during the month of September. Commodity prices continue to show relatively stable three month averages, and November's three month average is essentially unchanged at 55.4.

Items up or down in price: November shows that low density and high density polyethylene were up in price alongside plate steel and bar rod steel. Petroleum/oil/LNG were down in price.

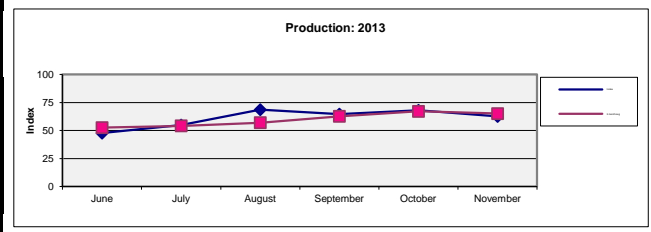
Economic Issues: The November survey shows the Southeast Michigan economy still growing, but at a slower rate, as the PMI dropped from 63.1 to 58.3. The slowdown in the growth rate of the economy is a result of Southeast Michigan purchasing managers' reporting weakness in several component indices of the PMI including production, new orders, employment, and commodity prices. All these sub-indices came in over 50, but were lower than in the previous month, indicating a slowing from the torrid growth rate. Overall, the Southeast Michigan PMI has remained above 50 for fourteen of the last fifteen months. A PMI index value over 50 represents an expanding economy. Seventy-nine percent of survey respondents report that they project the economy to remain stable or improve in the coming six months. Comments about the stability of the economy focused on concern over the Affordable Care Act, right sizing the government, government shutdowns and finance, and energy costs. Respondent comments included, "Airlines are merging and the economy is stable," "Next year's expectations appear stable, I think what we are seeing right now is cutting inventory for year end," "Concerned about government shutdowns. It would be better if government taxed appropriately to pay down debt," "General economy will be stable, but volatile customer orders are creating some difficulties," "Challenging suppliers for ideas and working to prioritize and implement them. Launching some new products which require development work," "Travel costs (hotel and air mostly) pushing upward as the economy improves," "Employment levels and the cost of energy," "Obamacare, Obamacare, Obamacare. We're at the point of dropping provided care to employees because of the costs. Employees are really complaining because of the high deductible this year. Bottom line, this has become a real burden on small companies."

Southeast Michigan Index: 2013



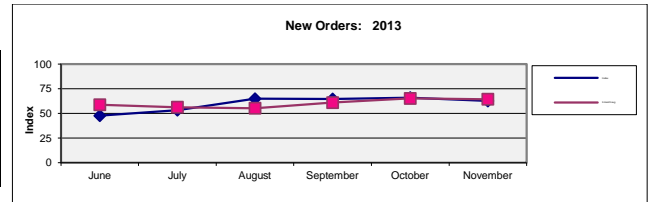
ISM-SEM Index		2013					
		June	July	August	September	October	November
Index		49.2	53.1	60.2	59.9	63.1	58.3
Index	3 month average	55.2	54.5	54.2	57.7	61.1	60.4
Production		2013					
		June	July	August	September	October	November
	Higher	19.0	35.5	44.4	41.7	48.0	41.7
	Same	57.1	38.7	48.1	45.8	40.0	41.7
	Lower	23.8	25.8	7.4	12.5	12.0	16.7
Index		47.6	54.8	68.5	64.6	68.0	62.5
Index	3 month average	52.5	54.2	57.0	62.6	67.0	65.0

Production dropped slightly to 62.5.



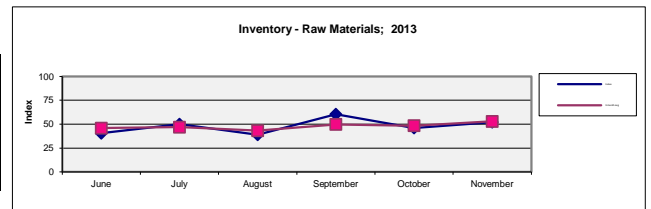
New Orders		2013					
		June	July	August	September	October	November
	Higher	19.0	29.0	44.4	45.8	36.0	33.3
	Same	57.1	48.4	40.7	37.5	60.0	58.3
	Lower	23.8	22.6	14.8	16.7	4.0	8.3
Index		47.6	53.2	64.8	64.6	66.0	62.5
Index	3 month average	58.7	56.3	55.2	60.9	65.1	64.4

New orders dropped slightly to 62.5. ...



Inventory - Raw Materials		2013					
		June	July	August	September	October	November
	Higher	9.5	22.6	11.1	33.3	16.0	29.2
	Same	61.9	54.8	55.6	54.2	60.0	45.8
	Lower	28.6	22.6	33.3	12.5	24.0	25.0
Index		40.5	50.0	38.9	60.4	46.0	52.1
Index	3 month average	45.8	46.8	43.1	49.8	48.4	52.8

Raw materials inventories were up to 52.1.



Inventory - Finished Goods		2013					
		June	July	August	September	October	November
	Higher	0.0	12.9	7.4	16.7	24.0	20.8
	Same	66.7	61.3	63.0	75.0	60.0	62.5
	Lower	33.3	25.8	29.6	8.3	16.0	16.7
Index		33.3	43.5	38.9	54.2	54.0	52.1
Index	3 month average	40.9	40.3	38.6	45.5	49.0	53.4

Finished goods inventories fell slightly to 52.1.



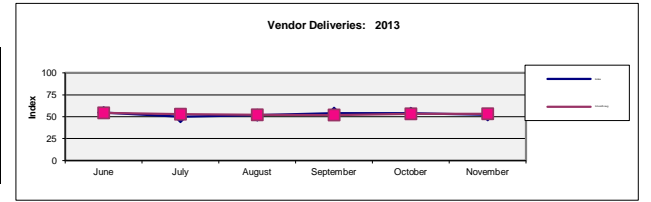
Employment		2013					
		June	July	August	September	October	November
	Higher	33.3	32.3	30.8	20.8	40.0	26.1
	Same	47.6	51.6	57.7	66.7	48.0	56.5
	Lower	19.0	16.1	11.5	12.5	12.0	17.4
Index		57.1	58.1	59.6	54.2	64.0	54.3
Index	3 month average	61.1	60.6	58.3	57.3	59.3	57.5

Employment dropped to 54.3.



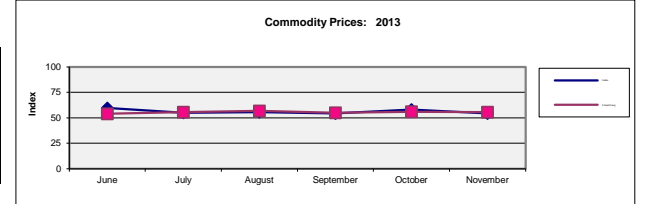
Vendor Deliveries		2013					
		June	July	August	September	October	November
	Faster	9.5	3.2	3.7	0.0	8.0	4.2
	Same	71.4	93.5	88.9	91.7	76.0	87.5
	Slower	19.0	3.2	7.4	8.3	16.0	8.3
Index		54.8	50.0	51.9	54.2	54.0	52.1
Index	3 month average	54.4	52.9	52.2	52.0	53.3	53.4

Deliveries dropped slightly to 52.1.



Commodity Prices		2013					
		June	July	August	September	October	November
	Higher	23.8	16.1	18.5	16.7	20.0	8.3
	Same	71.4	77.4	74.1	75.0	76.0	91.7
	Lower	4.8	6.5	7.4	8.3	4.0	0.0
Index		59.5	54.8	55.6	54.2	58.0	54.2
Index	3 month average	53.8	55.5	56.6	54.9	55.9	55.4

Commodity prices dropped slightly to 52.1.



Expectations of Business Environment - November 2013

6 months into the future:

Less Stable	20.8	percent
About the same	54.2	percent
More Stable	25.0	percent

For more information about the Survey or to obtain copies of previous surveys, visit our website at www.ism-sem.org and click on "Economic Surveys"

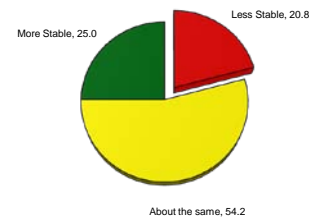
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Next Release: **January 2, 2013**

Expectations of Business Environment - November 2013



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