



January - 2014 (FOR RELEASE: February 3, 2014 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 52.3↑

ISM-SEM Index: In January the PMI index inched back up, from 50.6 to 52.3, overall. The three month moving average dropped from 57.3 to 53.7. However, the prior month's low scores in both Production and New Orders, rebounded back into the 50s.

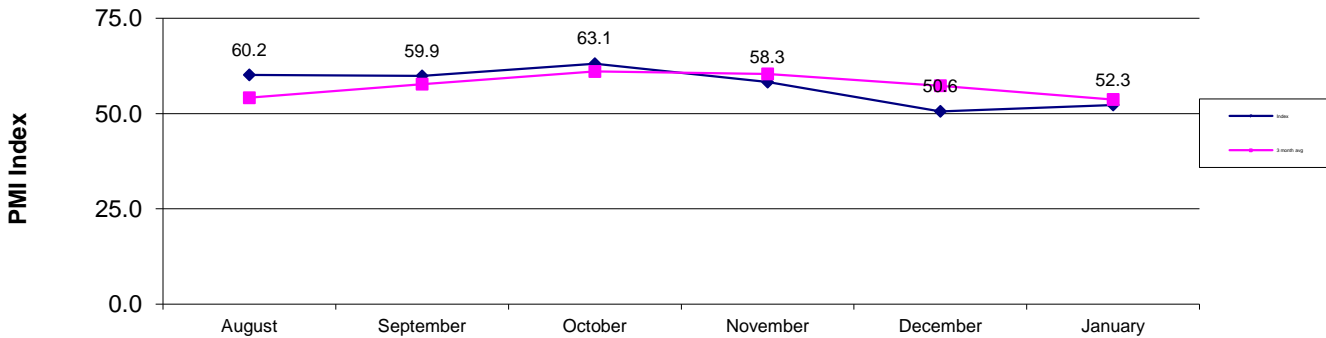
Employment: The Employment sub-index also dropped, down from 56.8 in December to 53.4 in January. The three month average is now at 54.9, the lowest number of the six months' shown.

Commodity Prices: The Commodity Price Index rose, from December's 52.3 to 56.7. January's three month moving average is stable at 54.3.

Items up or down in price: January shows plastic, polystyrene, wire rod, aluminum, brass items, contingent labor in information technology all up in price. No specific items were mentioned as being down in price.

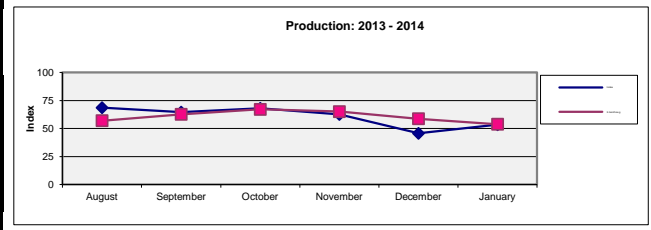
Economic Issues: The January survey shows the southeastern Michigan economy rebounding nicely from the December seasonal slowdown. Contributing to this slight acceleration in the economy were production and new orders rebounding from their lows. The Employment Index, while dropping slightly, is still higher than 50, indicating employment growth in the economy. Commodity Prices have stayed within a tight range, remaining below 60 for the last six months. Nearly 84 percent of survey respondents indicated that the economy in the next six months would be about stable or become more stable. Only about 17 percent of respondents indicated less stability in the economy. Comments from survey respondents are indicative of basically an economy going sideways, with concerns over "Health care reform," "Increasing automotive sales," "CAFE regulations," and "Telecom providers will release budget this month." Additional responses include "Economy seems to be headed in the right direction. However, on our side of the business we are in a slow cycle. Not much going on in the area for engineering products. Perhaps after the auto show automotive may begin looking at outside sources to help move their business forward," "Outsourcing of design, engineering and prototype vehicles. At this point this market is very slow. We have picked up a couple of smaller programs, but these will not enable us to hold on to as many people as we now have on staff," "Sales of capital equipment have been very soft over the past quarter. Customers have delayed purchases, which is impacting our business. We are hoping for customers to loosen funds for capital expenditures soon," and "Orders and employment starting the new year seem to be slower than 2013."

Southeast Michigan Index: 2013 - 2014



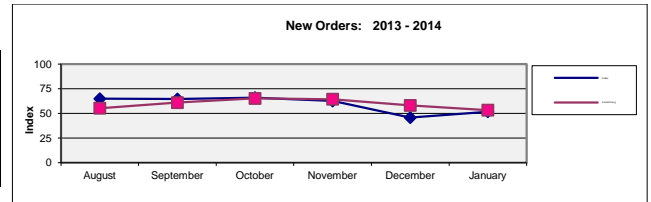
ISM-SEM Index		2013 - 2014					
		August	September	October	November	December	January
Index		60.2	59.9	63.1	58.3	50.6	52.3
Index	3 month average	54.2	57.7	61.1	60.4	57.3	53.7
Production		2013 - 2014					
		August	September	October	November	December	January
	Higher	44.4	41.7	48.0	41.7	26.1	36.7
	Same	48.1	45.8	40.0	41.7	39.1	33.3
	Lower	7.4	12.5	12.0	16.7	34.8	30.0
Index		68.5	64.6	68.0	62.5	45.7	53.3
Index	3 month average	57.0	62.6	67.0	65.0	58.7	53.8

Production rebounded smartly to 53.3



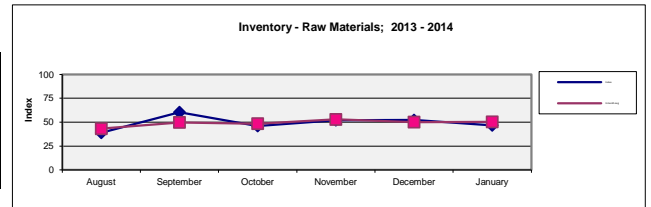
New Orders		2013 - 2014					
		August	September	October	November	December	January
	Higher	44.4	45.8	36.0	33.3	30.4	30.0
	Same	40.7	37.5	60.0	58.3	30.4	43.3
	Lower	14.8	16.7	4.0	8.3	39.1	26.7
Index		64.8	64.6	66.0	62.5	45.7	51.7
Index	3 month average	55.2	60.9	65.1	64.4	58.1	53.3

New orders also rebounded smartly to 51.7.



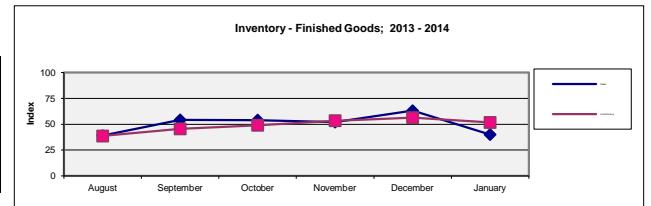
Inventory - Raw Materials		2013 - 2014					
		August	September	October	November	December	January
	Higher	11.1	33.3	16.0	29.2	26.1	20.0
	Same	55.6	54.2	60.0	45.8	52.2	53.3
	Lower	33.3	12.5	24.0	25.0	21.7	26.7
Index		38.9	60.4	46.0	52.1	52.2	46.7
Index	3 month average	43.1	49.8	48.4	52.8	50.1	50.3

Raw materials inventories dropped to 46.7.



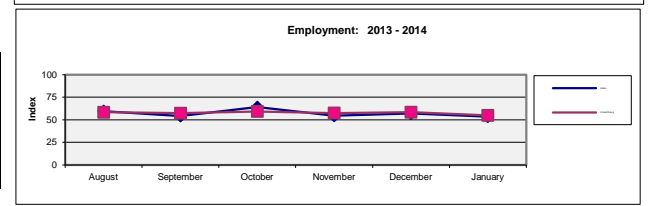
Inventory - Finished Goods		2013 - 2014					
		August	September	October	November	December	January
	Higher	7.4	16.7	24.0	20.8	39.1	20.0
	Same	63.0	75.0	60.0	62.5	47.8	40.0
	Lower	29.6	8.3	16.0	16.7	13.0	40.0
Index		38.9	54.2	54.0	52.1	63.0	40.0
Index	3 month average	38.6	45.5	49.0	53.4	56.4	51.7

Finished goods inventories dropped sharply to 40.



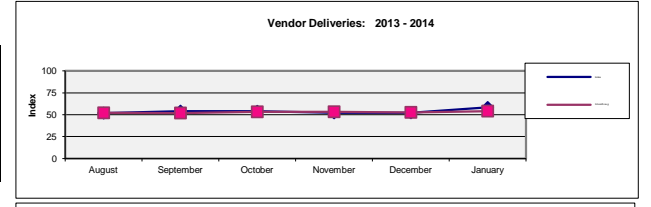
Employment		2013 - 2014					
		August	September	October	November	December	January
	Higher	30.8	20.8	40.0	26.1	27.3	24.1
	Same	57.7	66.7	48.0	56.5	59.1	58.6
	Lower	11.5	12.5	12.0	17.4	13.6	17.2
Index		59.6	54.2	64.0	54.3	56.8	53.4
Index	3 month average	58.3	57.3	59.3	57.5	58.4	54.9

Employment dropped a little to 53.4.



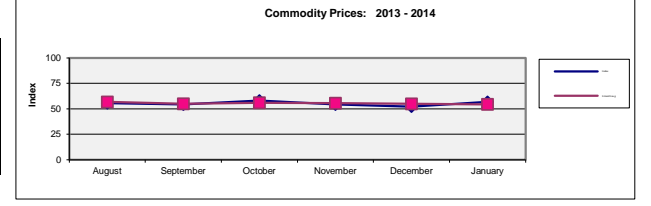
Vendor Deliveries		2013 - 2014					
		August	September	October	November	December	January
	Faster	3.7	0.0	8.0	4.2	8.7	3.3
	Same	88.9	91.7	76.0	87.5	78.3	76.7
	Slower	7.4	8.3	16.0	8.3	13.0	20.0
Index		51.9	54.2	54.0	52.1	52.2	58.3
Index	3 month average	52.2	52.0	53.3	53.4	52.8	54.2

Deliveries rose nicely to 58.3.



Commodity Prices		2013 - 2014					
		August	September	October	November	December	January
	Higher	18.5	16.7	20.0	8.3	8.7	13.3
	Same	74.1	75.0	76.0	91.7	87.0	86.7
	Lower	7.4	8.3	4.0	0.0	4.3	0.0
Index		55.6	54.2	58.0	54.2	52.2	56.7
Index	3 month average	56.6	54.9	55.9	55.4	54.8	54.3

Commodity prices accelerated a bit to 56.7.

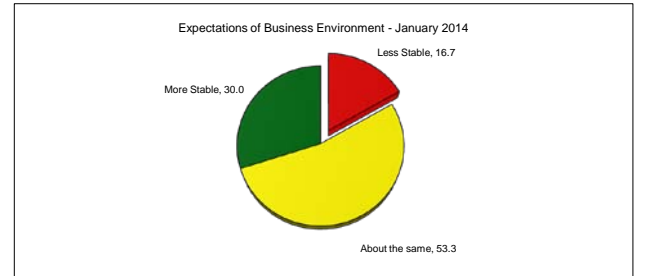


Expectations of Business Environment - January 2014

6 months into the future:

Less Stable	16.7	percent
About the same	53.3	percent
More Stable	30.0	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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