



July - 2014 (FOR RELEASE: August 1, 2014 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 60.0 ↑

ISM-SEM Index: In July the overall PMI shot back up from 47.1, to 60.0. However, a score of 60 is more consistent with the months of March, April and May, suggesting that June's low score was a fluke. The three month average rose less significantly, from 53.6 to 55.7

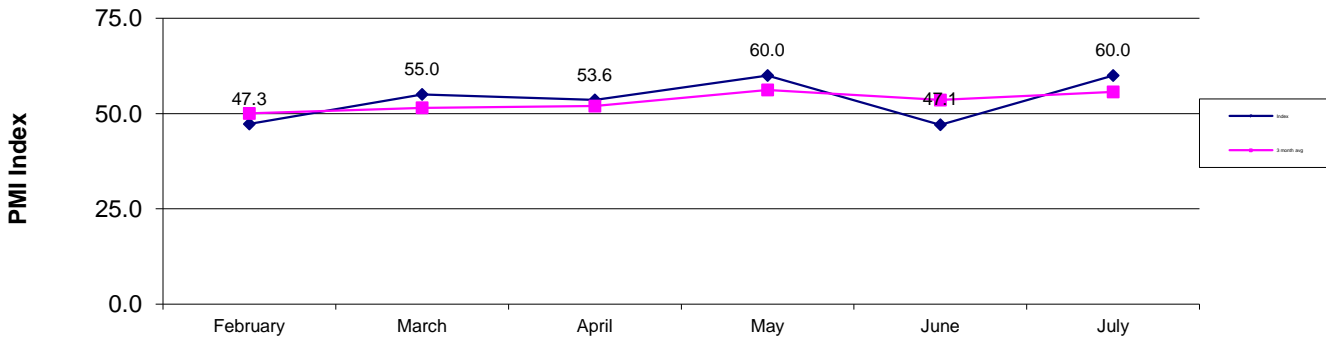
Employment: The Employment Index also rose, from 57.1 to 63.6. The three month average is also beginning to rise, from 60.0 to 63.7. The data suggests that employment is strong in the Southeast Michigan area.

Commodity Prices: The Commodity Price Index increased from 56.5 to 59.1, the same number as in May. Commodity prices appear to have scored in the high 50's or low 60's for all months shown. July's three month average is 58.2.

Items up or down in price: July shows that packaging supplies, lumber, resins, waxes, and steel were up in price. Petroleum was down in price.

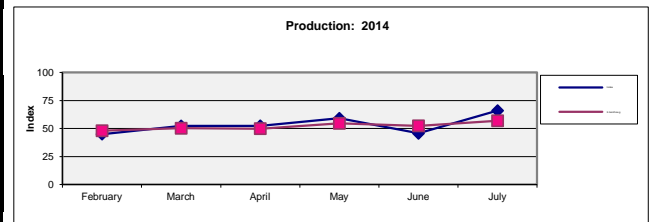
Economic Issues: The July survey shows the Southeast Michigan Purchasing Managers Index up from 47.1 to 60. The Production Index jumped from 45.7 to 65.9, the New Orders Index jumped sharply from 39.1 to 59.1, and the Employment Index increased from 57.1 to 63.6, all signs of an expanding economy, shaking of the effects of the prior months' slowdown. The Finished Goods Index also supported this expanding economy by dropping from 50.0 to 45.5. The Commodity Price Index component increased sharply from 56.5 to 59.1 and has now come in over 50 for the last six months, portraying some upward pressure on prices. Specific commodities increasing in price are packaging supplies, lumber, resins, waxes, and steel. Comments from survey respondents are indicative of the volatility seen in the index, and are reflective of some risk and uncertainty such as: "Received some small jobs that will keep people working. Also have had an increase in requirements for spare parts for field operations," "My industry will not stabilize until funds for road repair have been put in place," "The Michigan House of Representatives needs to get their act together with regard to funding road repair. It is critical not only for the safety of drivers but is important to increasing employment in Michigan." In spite of this uncertainty and risk, slightly more than 87 percent of respondents see the economy as stable or more stable, with less than 20 percent seeing less stability!

Southeast Michigan Index: 2014



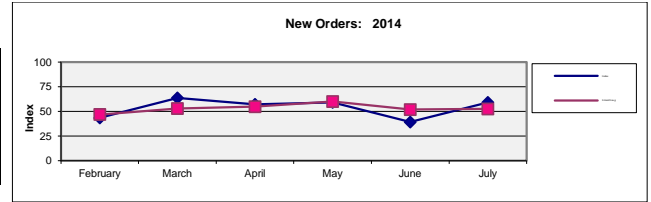
ISM-SEM Index		2014					
		February	March	April	May	June	July
Index		47.3	55.0	53.6	60.0	47.1	60.0
Index	3 month average	50.0	51.5	52.0	56.2	53.6	55.7
Production		2014					
		February	March	April	May	June	July
	Higher	16.7	22.7	23.8	22.7	17.4	36.4
	Same	56.7	59.1	57.1	72.7	56.5	59.1
	Lower	26.7	18.2	19.0	4.5	26.1	4.5
Index		45.0	52.3	52.4	59.1	45.7	65.9
Index	3 month average	48.0	50.2	49.9	54.6	52.4	56.9

Production increased strongly to 65.9.



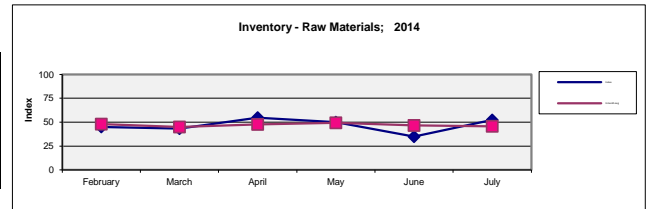
New Orders		2014					
		February	March	April	May	June	July
	Higher	13.3	40.9	28.6	27.3	21.7	31.8
	Same	60.0	45.5	57.1	63.6	34.8	54.5
	Lower	26.7	13.6	14.3	9.1	43.5	13.6
Index		43.3	63.6	57.1	59.1	39.1	59.1
Index	3 month average	46.9	52.9	54.7	60.0	51.8	52.4

New orders were also up strongly to 59.1.



Inventory - Raw Materials		2014					
		February	March	April	May	June	July
	Higher	13.3	9.1	19.0	13.6	4.3	22.7
	Same	63.3	68.2	71.4	72.7	60.9	59.1
	Lower	23.3	22.7	9.5	13.6	34.8	18.2
Index		45.0	43.2	54.8	50.0	34.8	52.3
Index	3 month average	47.9	44.9	47.6	49.3	46.5	45.7

Raw materials inventories increased to 52.3.



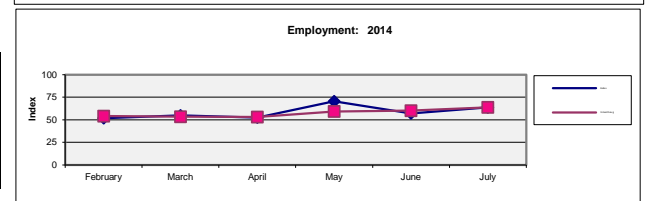
Inventory - Finished Goods		2014					
		February	March	April	May	June	July
	Higher	20.0	18.2	23.8	18.2	21.7	13.6
	Same	63.3	45.5	66.7	68.2	56.5	63.6
	Lower	16.7	36.4	9.5	13.6	21.7	22.7
Index		51.7	40.9	57.1	52.3	50.0	45.5
Index	3 month average	51.6	44.2	49.9	50.1	53.1	49.2

Finished goods inventories dropped to 49.2.



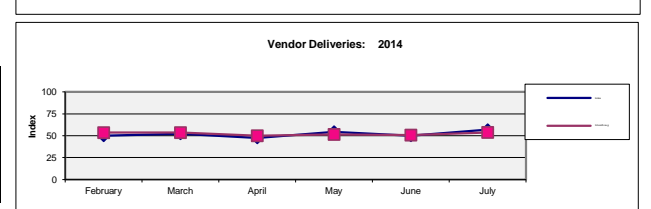
Employment		2014					
		February	March	April	May	June	July
	Higher	21.4	19.0	20.0	45.5	33.3	36.4
	Same	60.7	71.4	65.0	50.0	47.6	54.5
	Lower	17.9	9.5	15.0	4.5	19.0	9.1
Index		51.8	54.8	52.5	70.5	57.1	63.6
Index	3 month average	54.0	53.3	53.0	59.2	60.0	63.7

Employment increased to 63.6.



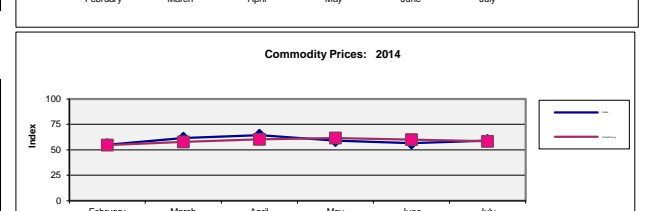
Vendor Deliveries		2014					
		February	March	April	May	June	July
	Faster	13.3	0.0	9.5	4.5	4.3	4.5
	Same	73.3	95.5	85.7	81.8	91.3	77.3
	Slower	13.3	4.5	4.8	13.6	4.3	18.2
Index		50.0	52.3	47.6	54.5	50.0	56.8
Index	3 month average	53.5	53.5	50.0	51.5	50.7	53.8

Deliveries were up to 56.8.



Commodity Prices		2014					
		February	March	April	May	June	July
	Higher	13.3	27.3	28.6	18.2	17.4	18.2
	Same	83.3	68.2	71.4	81.8	78.3	81.8
	Lower	3.3	4.5	0.0	0.0	4.3	0.0
Index		55.0	61.4	64.3	59.1	56.5	59.1
Index	3 month average	54.6	57.7	60.2	61.6	60.0	58.2

Commodity prices were also up to 59.1.

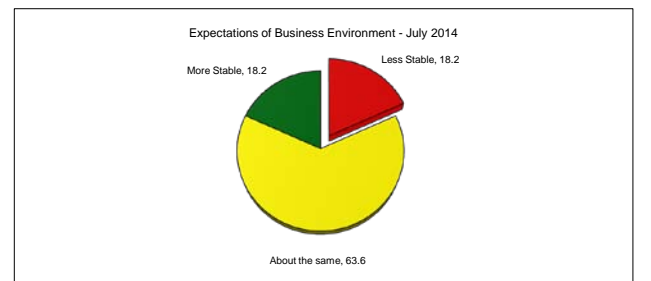


Expectations of Business Environment - July 2014

6 months into the future:

Less Stable	18.2	percent
About the same	63.6	percent
More Stable	18.2	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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