



August - 2014 (FOR RELEASE: September 2, 2014 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 54.8 ↓

ISM-SEM Index: In August the overall PMI dipped slightly, down to 54.8. The three month average is nearly the same as the current month at 54.0.

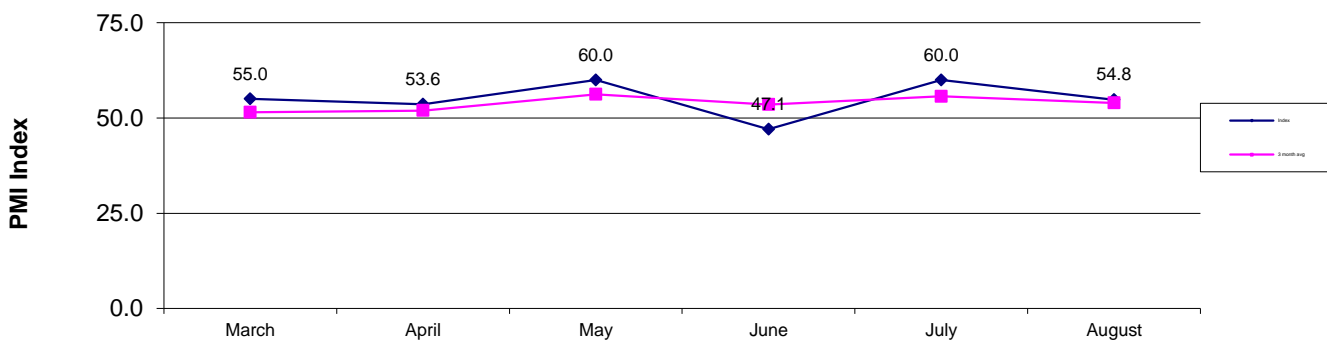
Employment: The Employment Index remained strong, dropping slightly from 63.6 to 60.0. The three month average also remained strong at 60.3. The data continues to suggest a robust growth of employment in the Southeast Michigan area.

Commodity Prices: The Commodity Price Index increased for the second month, from 59.1 to 63.3, the highest number since April. Commodity prices have not fallen under 50.0 since July 2012 indicating continually increasing prices.

Items up or down in price: August shows resins, waxes, electrical parts, welding gases, and airfare prices are up in price. Silver and petroleum are down in price.

Economic Issues: The August survey shows continued modest growth in the Southeast Michigan economy. The Southeast Michigan Purchasing Managers Index (PMI) dropped slightly from 60.0 in July to 54.8 in August. A PMI value above 50 generally indicates an expanding economy while an index value below 50 indicates a contracting economy. The New Orders Index (60.0) and Employment Index (60.0) were the primary factors behind the improving PMI Index. The Employment Index has been at 50.0 or above continuously since July, 2012, reflecting steady growth in Southeast Michigan jobs. Other contributing factors to the PMI were Production Index, which dropped substantially from 65.9 to 50.0 and the Finished Goods Inventory Index, which remained below 50.0 for the second consecutive month, at 43.3. Southeast Michigan Purchasing managers report optimism: More than 93 percent of respondents anticipate the Southeast Michigan economy to remain stable or become more stable over the next six months. Respondents reported resins, waxes, electrical parts, and welding gases up in price, while silver and petroleum are down in price. Respondents reported that there was increasing demand from some auto manufacturers and that there is a buildup in inventories, but also noted high variation in demand. One respondent noted that there is anticipated demand from defense industry manufacturers due to crisis around the world.

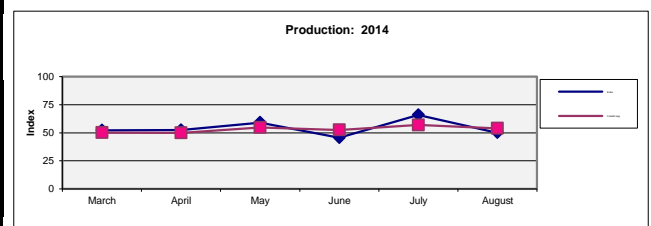
Southeast Michigan Index: 2014



ISM-SEM Index		2014					
		March	April	May	June	July	August
Index		55.0	53.6	60.0	47.1	60.0	54.8
Index	3 month average	51.5	52.0	56.2	53.6	55.7	54.0

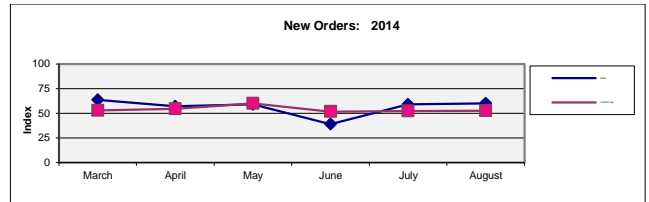
Production		2014					
		March	April	May	June	July	August
Higher		22.7	23.8	22.7	17.4	36.4	26.7
Same		59.1	57.1	72.7	56.5	59.1	46.7
Lower		18.2	19.0	4.5	26.1	4.5	26.7
Index		52.3	52.4	59.1	45.7	65.9	50.0
Index	3 month average	50.2	49.9	54.6	52.4	56.9	53.9

Production dropped considerably, from 65.9 to 50.0....



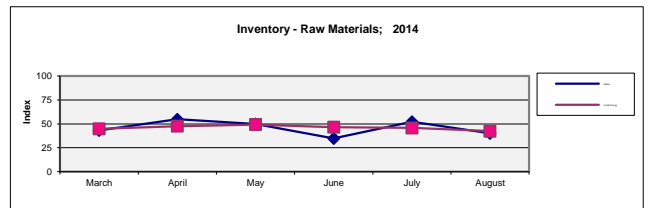
New Orders		2014					
		March	April	May	June	July	August
	Higher	40.9	28.6	27.3	21.7	31.8	40.0
	Same	45.5	57.1	63.6	34.8	54.5	40.0
	Lower	13.6	14.3	9.1	43.5	13.6	20.0
Index		63.6	57.1	59.1	39.1	59.1	60.0
Index	3 month average	52.9	54.7	60.0	51.8	52.4	52.7

New orders remained strong, rising slightly from 59.1 to 60.0.



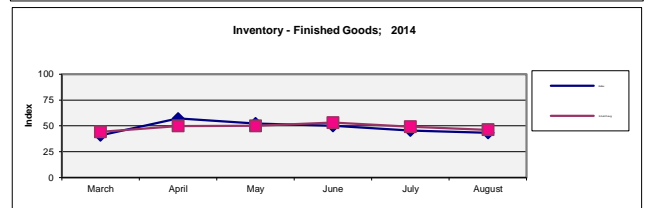
Inventory - Raw Materials		2014					
		March	April	May	June	July	August
	Higher	9.1	19.0	13.6	4.3	22.7	13.3
	Same	68.2	71.4	72.7	60.9	59.1	53.3
	Lower	22.7	9.5	13.6	34.8	18.2	33.3
Index		43.2	54.8	50.0	34.8	52.3	40.0
Index	3 month average	44.9	47.6	49.3	46.5	45.7	42.4

Raw materials inventories dropped sharply, from 52.3 to 40.0.



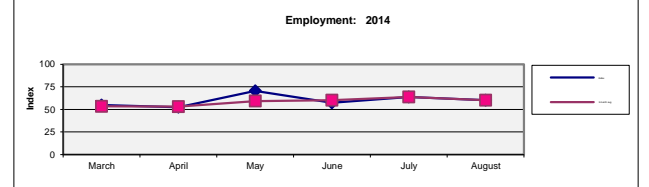
Inventory - Finished Goods		2014					
		March	April	May	June	July	August
	Higher	18.2	23.8	18.2	21.7	13.6	20.0
	Same	45.5	66.7	68.2	56.5	63.6	46.7
	Lower	36.4	9.5	13.6	21.7	22.7	33.3
Index		40.9	57.1	52.3	50.0	45.5	43.3
Index	3 month average	44.2	49.9	50.1	53.1	49.2	46.3

Finished goods inventories declined for the 2nd consecutive month.



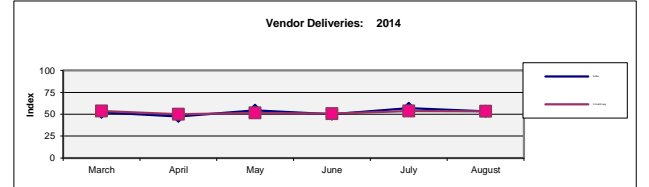
Employment		2014					
		March	April	May	June	July	August
	Higher	19.0	20.0	45.5	33.3	36.4	33.3
	Same	71.4	65.0	50.0	47.6	54.5	53.3
	Lower	9.5	15.0	4.5	19.0	9.1	13.3
Index		54.8	52.5	70.5	57.1	63.6	60.0
Index	3 month average	53.3	53.0	59.2	60.0	63.7	60.3

Employment improvement continued, dropping slightly to 60.0



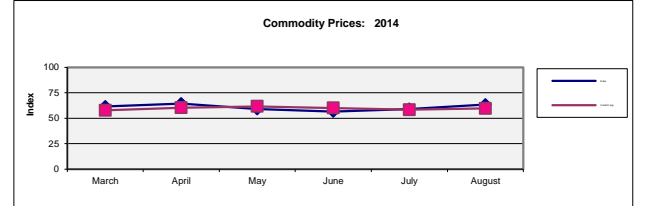
Vendor Deliveries		2014					
		March	April	May	June	July	August
	Faster	0.0	9.5	4.5	4.3	4.5	13.3
	Same	95.5	85.7	81.8	91.3	77.3	66.7
	Slower	4.5	4.8	13.6	4.3	18.2	20.0
Index		52.3	47.6	54.5	50.0	56.8	53.3
Index	3 month average	53.5	50.0	51.5	50.7	53.8	53.4

Deliveries dropped slightly from 56.8 to 53.3.



Commodity Prices		2014					
		March	April	May	June	July	August
	Higher	27.3	28.6	18.2	17.4	18.2	33.3
	Same	68.2	71.4	81.8	78.3	81.8	60.0
	Lower	4.5	0.0	0.0	4.3	0.0	6.7
Index		61.4	64.3	59.1	56.5	59.1	63.3
Index	3 month average	57.7	60.2	61.6	60.0	58.2	59.6

Commodity prices index continued at, or above 50.0 since July, 2012.



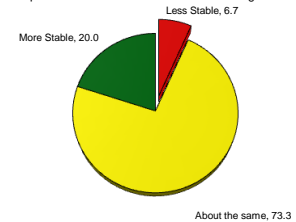
Expectations of Business Environment - August 2014

6 months into the future:

Less Stable	6.7	percent
About the same	73.3	percent
More Stable	20.0	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"

Expectations of Business Environment - August 2014



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