



February - 2015 (FOR RELEASE: March 4, 2015 - 6 am EST)

**The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 56.0 ↑**

**ISM-SEM Index:** In February the PMI bounced back from 50.0 back up to 56.0. Based on the prior scores for September through December, it appears January was most likely an exception. The three month average is essentially unchanged, at 56.7.

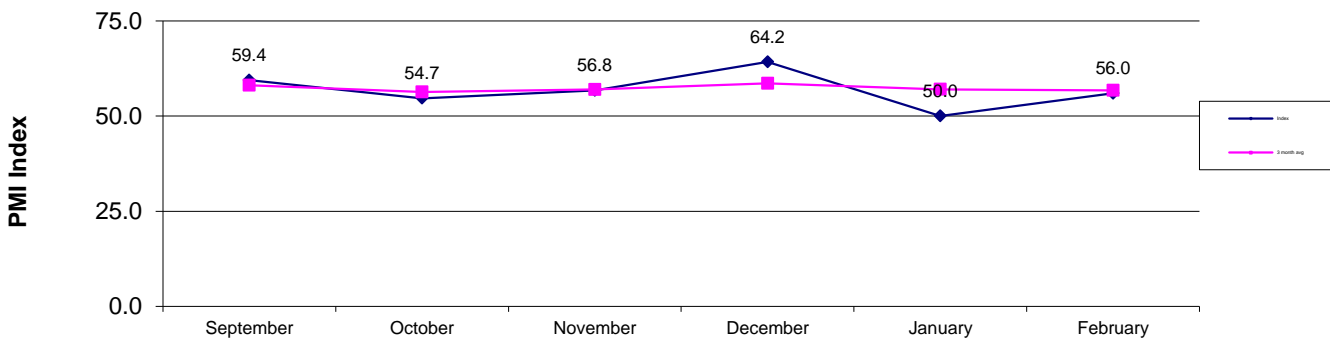
**Employment:** The Employment Index also shot back to pre-January numbers, rising from 51.7 to 71.1. Again, this suggests January was an anomaly. The three month average increased from 62.1 to 64.3.

**Commodity Prices:** The Commodity Price Index rose less dramatically, but is again above 50, rising from 46.6 in January to 52.5 in February. The three month average actually declined, from 54.2 to 51.1.

**Items up or down in price:** January shows items up in prices were petroleum and specialty steel. Resins were identified as down in price.

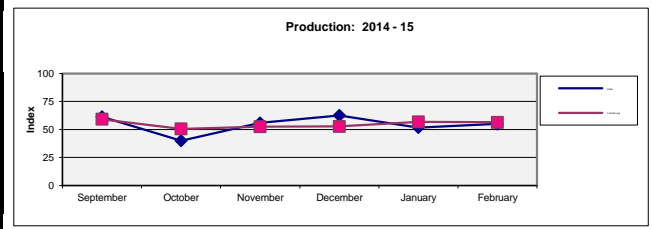
**Economic Issues:** The January survey shows that the Southeast Michigan Purchasing Managers Index (PMI) regained momentum by increasing from 50.0 in January to 56.0 in February. The three-month moving average PMI is virtually unchanged, at 56.7. Components of the PMI that led to the rebound include the Production Index, which increased from 51.7 to 55.0, and Employment, where the index value rose markedly from 51.7 to 71.1. The Finished Goods Inventory Index increased from 44.8 to 55.0, while the New Orders Index dropped slightly from 48.3 to 47.5. This is the second month in a row that the New Orders Index has been below 50.0. Respondents noted that commodities increasing in price were petroleum and specialty steel, while resins were falling in price. Respondents noted that orders were late, due to weather and the West Coast ports work stoppage, noting that the shipping back-up was "Quickly having a negative impact on our ability to maintain customer schedules." Respondents are, in general, optimistic about the next six months, with almost 95 percent anticipating that the economy will remain the same or become more stable.

**Southeast Michigan Index: 2014-15**



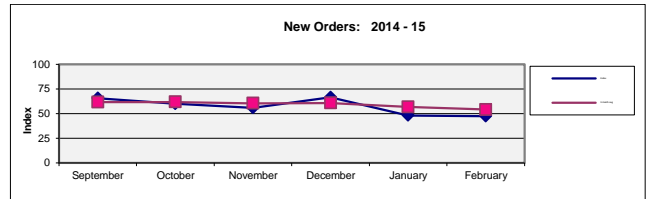
ISM-SEM Index		2014-15					
		September	October	November	December	January	February
Index		59.4	54.7	56.8	64.2	50.0	56.0
Index	3 month average	58.1	56.3	57.0	58.5	57.0	56.7
Production		2014-15					
		September	October	November	December	January	February
	Higher	37.1	6.7	35.3	41.7	27.6	25.0
	Same	48.6	66.7	41.2	41.7	48.3	60.0
	Lower	14.3	26.7	23.5	16.7	24.1	15.0
Index		61.4	40.0	55.9	62.5	51.7	55.0
Index	3 month average	59.1	50.5	52.4	52.8	56.7	56.4

Production rose modestly to 55.0.



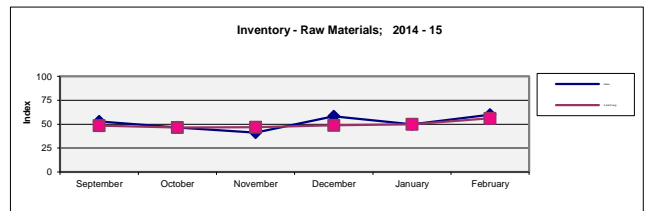
New Orders		2014-15					
		September	October	November	December	January	February
	Higher	42.9	33.3	35.3	41.7	24.1	20.0
	Same	45.7	53.3	41.2	50.0	48.3	55.0
	Lower	11.4	13.3	23.5	8.3	27.6	25.0
Index		65.7	60.0	55.9	66.7	48.3	47.5
Index	3 month average	61.6	61.9	60.5	60.8	56.9	54.1

New orders declined slightly for the second month in a row.



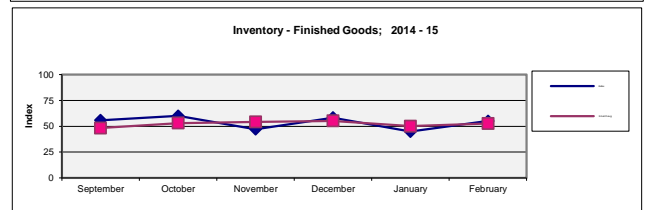
Inventory - Raw Materials		2014-15					
		September	October	November	December	January	February
	Higher	22.9	6.7	5.9	33.3	20.7	30.0
	Same	60.0	80.0	70.6	50.0	58.6	60.0
	Lower	17.1	13.3	23.5	16.7	20.7	10.0
Index		52.9	46.7	41.2	58.3	50.0	60.0
Index	3 month average	48.4	46.5	46.9	48.7	49.8	56.1

Raw materials inventories rebounded from 50.0 to 60.0.



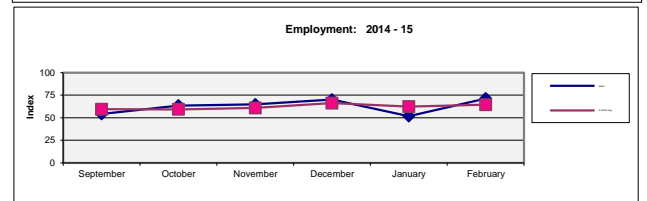
Inventory - Finished Goods		2014-15					
		September	October	November	December	January	February
	Higher	25.7	33.3	17.6	33.3	6.9	20.0
	Same	60.0	53.3	58.8	50.0	75.9	70.0
	Lower	14.3	13.3	23.5	16.7	17.2	10.0
Index		55.7	60.0	47.1	58.3	44.8	55.0
Index	3 month average	48.2	53.0	54.3	55.1	50.1	52.7

Finished goods inventories rebounded to above 50.0 at 55.0.



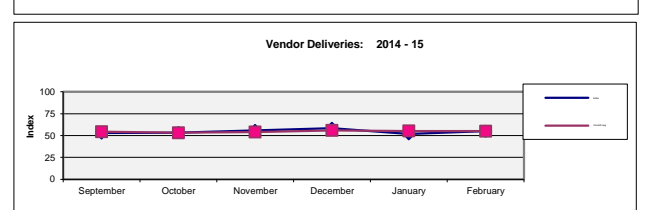
Employment		2014-15					
		September	October	November	December	January	February
	Higher	20.0	40.0	41.2	50.0	24.1	47.4
	Same	68.6	46.7	47.1	40.0	55.2	47.4
	Lower	11.4	13.3	11.8	10.0	20.7	5.3
Index		54.3	63.3	64.7	70.0	51.7	71.1
Index	3 month average	59.3	59.2	60.8	66.0	62.1	64.3

Employment shot up 20 points, to 71.1.



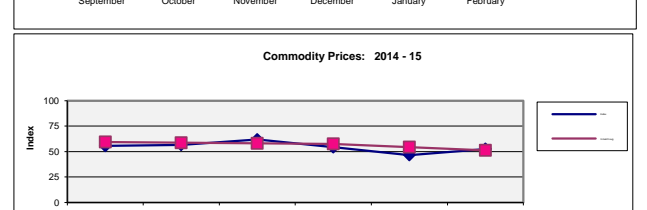
Vendor Deliveries		2014-15					
		September	October	November	December	January	February
	Faster	2.9	6.7	5.9	0.0	6.9	0.0
	Same	88.6	80.0	76.5	83.3	82.8	90.0
	Slower	8.6	13.3	17.6	16.7	10.3	10.0
Index		52.9	53.3	55.9	58.3	51.7	55.0
Index	3 month average	54.3	53.2	54.0	55.8	55.3	55.0

Deliveries increased to 55.0.



Commodity Prices		2014-15					
		September	October	November	December	January	February
	Higher	17.1	26.7	29.4	25.0	10.3	10.0
	Same	77.1	60.0	64.7	58.3	72.4	85.0
	Lower	5.7	13.3	5.9	16.7	17.2	5.0
Index		55.7	56.7	61.8	54.2	46.6	52.5
Index	3 month average	59.4	58.6	58.0	57.5	54.2	51.1

Commodity prices increased to above 50.0, at 52.5.

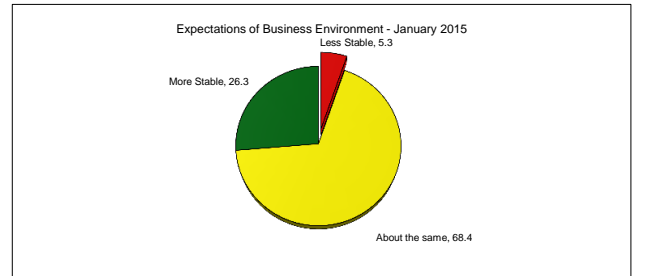


#### Expectations of Business Environment - January 2015

6 months into the future:

Less Stable	5.3	percent
About the same	68.4	percent
More Stable	26.3	percent

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



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Survey Results Production by:  
Kenneth Doherty & Steve Welsh of ISM.

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#### For more information, contact

ISM - Southeast Michigan  
Email: [businessmanager@ism-sem.org](mailto:businessmanager@ism-sem.org)  
Tel: 313-881-0800

OR  
Wayne State University  
Timothy Butler  
[timothy.butler@wayne.edu](mailto:timothy.butler@wayne.edu)  
Tel: 313-577-9810

OR  
Nitin Paranjpe  
[ai8668@wayne.edu](mailto:ai8668@wayne.edu)  
Tel: 248-292-0208