



November - 2014 (FOR RELEASE: December 1, 2014 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 56.8 ↑

ISM-SEM Index: In November, the overall PMI increased slightly, from 54.7 to 56.8. Each of the last five months were near or above 55, and the three month average is now 57.0.

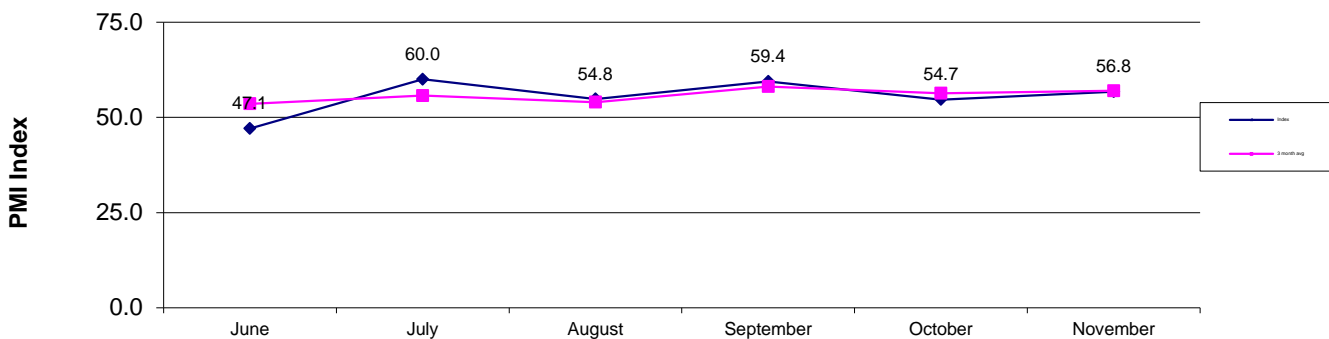
Employment: The Employment Index also increased from 63.3 to 64.7. The three month average remains strong at 60.8. The data from the last six months continues to suggest that employment is strong in the Southeast Michigan area.

Commodity Prices: The Commodity Price Index was up from 56.7 to 61.8. While there is some volatility, this Index has been between the mid 50s and the low 60s for all months shown. The three month average is at 58.0.

Items up or down in price: November shows natural gas, resins, airlines, and stainless steel were up in price. Crude oil was down in price.

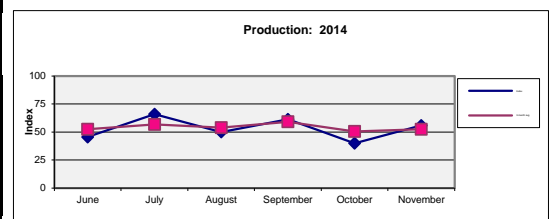
Economic Issues: The November survey shows continued growth in the Southeast Michigan economy. The Southeast Michigan Purchasing Managers Index (PMI) grew from 54.7 in October to 56.8, suggesting faster growth in the economy. A PMI value above 50 generally indicates an expanding economy while an index value below 50 indicates a contracting economy. Powering the PMI was a significant increase in the production component of the Index, rising to 55.9 from a low of 40 in October, and the employment component of the Index growing slightly at a faster pace from 63.3 to 64.7. This bodes well for the future of the Michigan economy in the upcoming months as the labor market continues to rebound smartly from the Great Recession. This is most likely as a result of record automobile sales. A slowing of the growth in new orders suggests a slight retreat from the torrid pace of the last few months. However, the New Orders Index has remained above 50 since July of this year, suggesting a contribution to the growth in the Southeast Michigan economy. Respondents indicated a variety of commodities up in price with crude oil being down in price. If this decline in crude oil and gasoline prices continues, it bodes very favorably for the automobile sector in Southeast Michigan and its concomitant spillover effects. Comments from survey respondents are extremely supportive of this growth with 100% indicating the economy to be stable or increase in stability over the next six months. Some respondents expressed concerns that include: "Waiting for lame duck session of congress to end. Hopefully defense spending will see an increase which could get us some very needed additional business." and "Though concerns are low now, the potential exists for Ebola related demand contraction."

Southeast Michigan Index: 2014



ISM-SEM Index		2014					
		June	July	August	September	October	November
Index		47.1	60.0	54.8	59.4	54.7	56.8
Index	3 month average	53.6	55.7	54.0	58.1	56.3	57.0
Production		2014					
		June	July	August	September	October	November
	Higher	17.4	36.4	26.7	37.1	6.7	35.3
	Same	56.5	59.1	46.7	48.6	66.7	41.2
	Lower	26.1	4.5	26.7	14.3	26.7	23.5
Index		45.7	65.9	50.0	61.4	40.0	55.9
Index	3 month average	52.4	56.9	53.9	59.1	50.5	52.4

Production grew sharply to 55.9.



New Orders		2014					
		June	July	August	September	October	November
	Higher	21.7	31.8	40.0	42.9	33.3	35.3
	Same	34.8	54.5	40.0	45.7	53.3	41.2
	Lower	43.5	13.6	20.0	11.4	13.3	23.5
Index		39.1	59.1	60.0	65.7	60.0	55.9
Index	3 month average	51.8	52.4	52.7	61.6	61.9	60.5

New orders dropped to 55.9.

Inventory - Raw Materials		2014					
		June	July	August	September	October	November
	Higher	4.3	22.7	13.3	22.9	6.7	5.9
	Same	60.9	59.1	53.3	60.0	80.0	70.6
	Lower	34.8	18.2	33.3	17.1	13.3	23.5
Index		34.8	52.3	40.0	52.9	46.7	41.2
Index	3 month average	46.5	45.7	42.4	48.4	46.5	46.9

Raw materials inventories declined to 41.2.

Inventory - Finished Goods		2014					
		June	July	August	September	October	November
	Higher	21.7	13.6	20.0	25.7	33.3	17.6
	Same	56.5	63.6	46.7	60.0	53.3	58.8
	Lower	21.7	22.7	33.3	14.3	13.3	23.5
Index		50.0	45.5	43.3	55.7	60.0	47.1
Index	3 month average	53.1	49.2	46.3	48.2	53.0	54.3

Finished goods inventories dropped to 47.1.

Employment		2014					
		June	July	August	September	October	November
	Higher	33.3	36.4	33.3	20.0	40.0	41.2
	Same	47.6	54.5	53.3	68.6	46.7	47.1
	Lower	19.0	9.1	13.3	11.4	13.3	11.8
Index		57.1	63.6	60.0	54.3	63.3	64.7
Index	3 month average	60.0	63.7	60.3	59.3	59.2	60.8

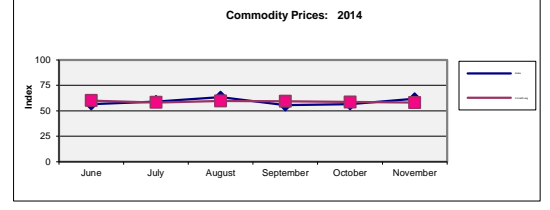
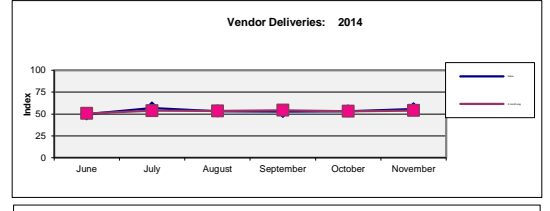
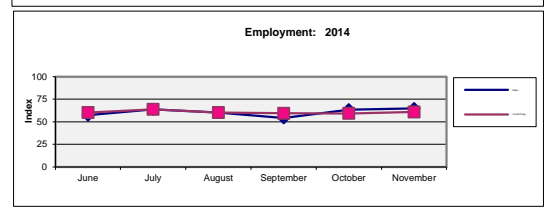
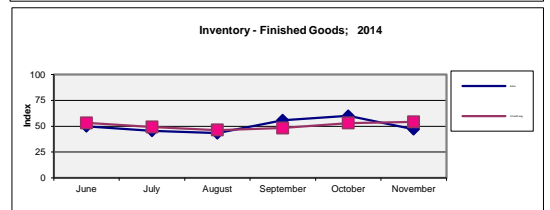
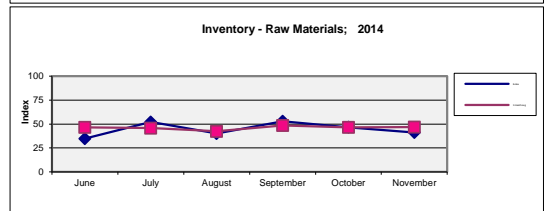
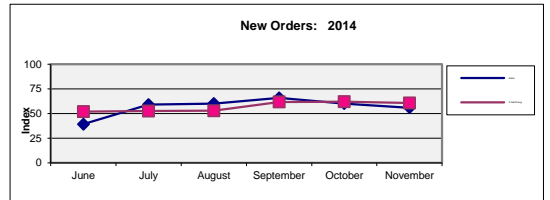
Employment grew to 64.7.

Vendor Deliveries		2014					
		June	July	August	September	October	November
	Faster	4.3	4.5	13.3	2.9	6.7	5.9
	Same	91.3	77.3	66.7	88.6	80.0	76.5
	Slower	4.3	18.2	20.0	8.6	13.3	17.6
Index		50.0	56.8	53.3	52.9	53.3	55.9
Index	3 month average	50.7	53.8	53.4	54.3	53.2	54.0

Deliveries increased to 55.9.

Commodity Prices		2014					
		June	July	August	September	October	November
	Higher	17.4	18.2	33.3	17.1	26.7	29.4
	Same	78.3	81.8	60.0	77.1	60.0	64.7
	Lower	4.3	0.0	6.7	5.7	13.3	5.9
Index		56.5	59.1	63.3	55.7	56.7	61.8
Index	3 month average	60.0	58.2	59.6	59.4	58.6	58.0

Commodity prices were up to 61.8.



Expectations of Business Environment - November 2014

6 months into the future:

Less Stable	0.0	percent
About the same	76.5	percent
More Stable	23.5	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"

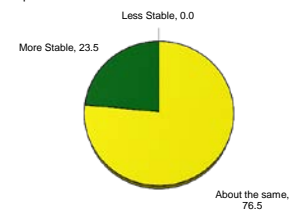
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Survey Results Production by:
Kenneth Doherty & Steve Welsh of ISM.

Next Release: **January 5, 2014**

Expectations of Business Environment - November 2014



For more information, contact

ISM - Southeast Michigan
Email: businessmanager@ism-sem.org
Tel: 313-881-0800

OR

Wayne State University
Timothy Butler
timothy.butler@wayne.edu
Tel: 313-577-9810

OR

Nitin Paranjpe
ai8668@wayne.edu
Tel: 248-292-0208