



August - 2015 (FOR RELEASE: September 1, 2015 - 6 am EST)

**The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 56.6 ↓**

**ISM-SEM Index:** In August the PMI dropped by just under a point, from 57.5 to 56.6. The 3 month average has remained above 60 since April, now at 61.1. Overall, the PMI indicates a fairly stable economic environment.

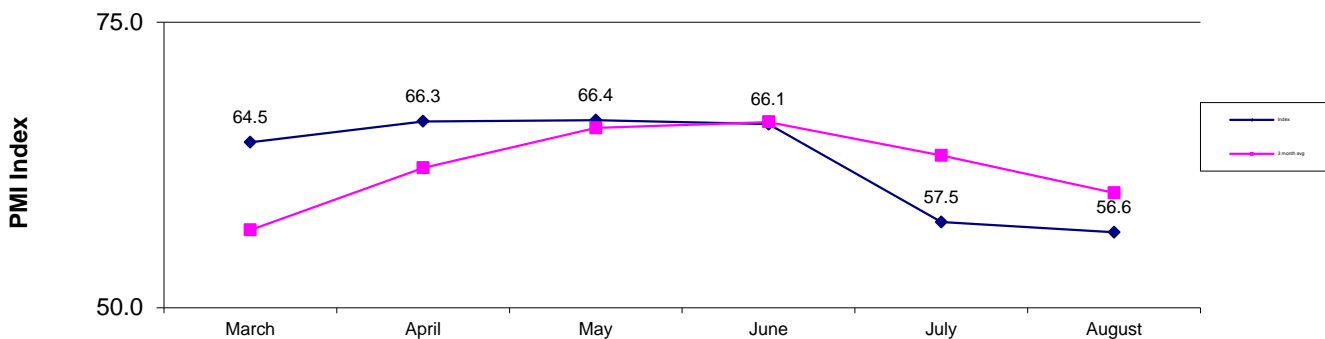
**Employment:** The Employment index also appears stable, increasing from 56.7 to 59.1. The 3 month Average dropped from 69.2 to 66.0, but overall appears to indicate a healthy employment environment.

**Commodity Prices:** Commodity price index dropped for the second straight month, from 56.7 to 50.0. The 3 month average also slipped, from 57.9 to 55.8.

**Items up or down in price:** August shows plastic resin, automotive fluids, and aluminum as commodities up in price. Carbon plate, petroleum, and propane were identified as commodities down in price.

**Economic Issues:** The August survey indicates continued, consistent moderate expansion of the Southeast Michigan economy. The Purchasing Managers Index dropped slightly from 57.5 to 56.6, Index values greater than 50 generally denotes expansion, while values less than 50 indicate retraction. Specific indexes that comprise the PMI score are Production, which fell almost 7 points to 50.0; New Orders which fell slightly to 58.3; Finished Goods Inventory increased slightly from 50.0 to 54.2; Employment rose slightly to 59.1; and Vendor Deliveries index increased sharply from 46.7 to 62.5. Other Indexes, such as Commodity Prices, fell moderately from 56.7 to 50.0, and Raw Materials Inventories rose slightly to 54.2. Respondents voiced concern about global markets and its impact on Southeast Michigan economy. Another respondent noted increase in capital equipment sales, noting the influence that can have on supply chain hiring. 16.7% of respondents expect less stability in the regional economy over the next six months. The remaining respondents were equally divided on whether the economy would become more stable or remain constant.

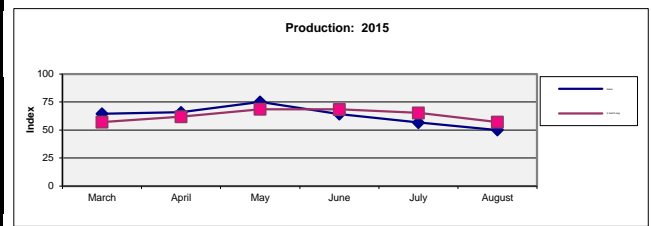
**Southeast Michigan Index: 2015**



ISM-SEM Index		2015					
		March	April	May	June	July	August
Index		64.5	66.3	66.4	66.1	57.5	56.6
Index	3 month average	56.8	62.3	65.7	66.3	63.3	60.1

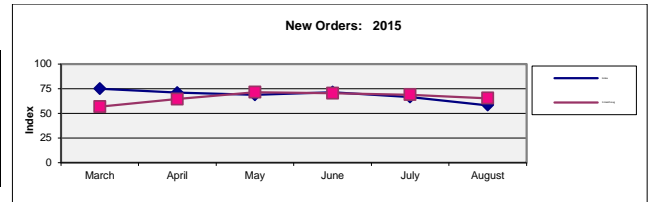
Production		2015					
		March	April	May	June	July	August
	Higher	37.5	47.4	56.3	42.9	33.3	25.0
	Same	54.2	36.8	37.5	42.9	46.7	50.0
	Lower	8.3	15.8	6.3	14.3	20.0	25.0
Index		64.6	65.8	75.0	64.3	56.7	50.0
Index	3 month average	57.1	61.8	68.5	68.4	65.3	57.0

Production ...



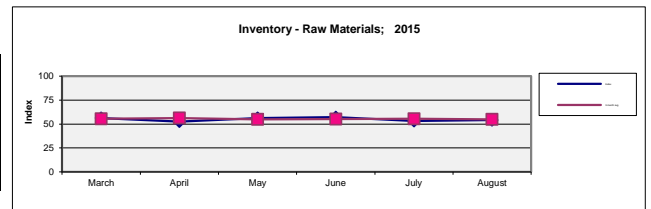
New Orders		2015					
		March	April	May	June	July	August
	Higher	54.2	52.6	56.3	50.0	46.7	33.3
	Same	41.7	36.8	25.0	42.9	40.0	50.0
	Lower	4.2	10.5	18.8	7.1	13.3	16.7
Index		75.0	71.1	68.8	71.4	66.7	58.3
Index	3 month average	56.9	64.5	71.6	70.4	68.9	65.5

New orders ...



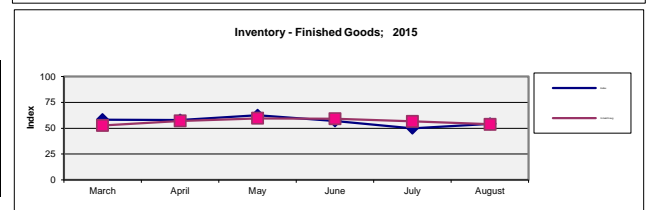
Inventory - Raw Materials		2015					
		March	April	May	June	July	August
	Higher	20.8	21.1	25.0	28.6	20.0	16.7
	Same	70.8	63.2	62.5	57.1	66.7	75.0
	Lower	8.3	15.8	12.5	14.3	13.3	8.3
Index		56.3	52.6	56.3	57.1	53.3	54.2
Index	3 month average	55.4	56.3	55.0	55.3	55.6	54.9

Raw materials inventories increase slightly, maintaining consistent expansion.



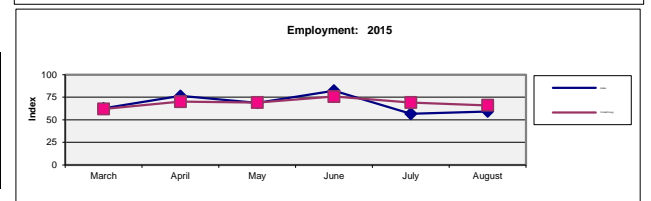
Inventory - Finished Goods		2015					
		March	April	May	June	July	August
	Higher	29.2	26.3	31.3	28.6	13.3	8.3
	Same	58.3	63.2	62.5	57.1	73.3	91.7
	Lower	12.5	10.5	6.3	14.3	13.3	0.0
Index		58.3	57.9	62.5	57.1	50.0	54.2
Index	3 month average	52.7	57.1	59.6	59.2	56.5	53.8

Finished goods inventories continued consistent expansion.



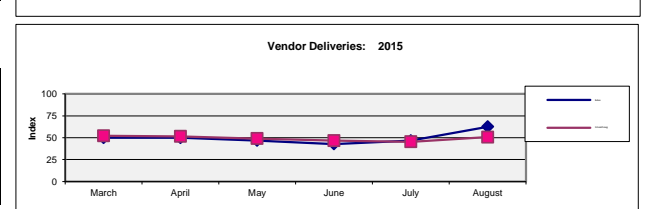
Employment		2015					
		March	April	May	June	July	August
	Higher	41.7	63.2	50.0	64.3	33.3	27.3
	Same	41.7	26.3	37.5	35.7	46.7	63.6
	Lower	16.7	10.5	12.5	0.0	20.0	9.1
Index		62.5	76.3	68.8	82.1	56.7	59.1
Index	3 month average	61.8	70.0	69.2	75.7	69.2	66.0

Employment continued consistent expansion.



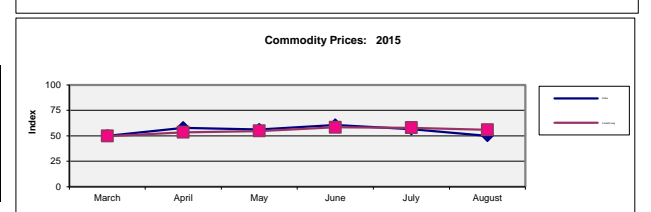
Vendor Deliveries		2015					
		March	April	May	June	July	August
	Faster	0.0	5.3	12.5	21.4	6.7	0.0
	Same	100.0	89.5	81.3	71.4	93.3	75.0
	Slower	0.0	5.3	6.3	7.1	0.0	25.0
Index		50.0	50.0	46.9	42.9	46.7	62.5
Index	3 month average	52.2	51.7	49.0	46.6	45.5	50.7

Deliveries increased to above 50.0 for the first time in 4 months.



Commodity Prices		2015					
		March	April	May	June	July	August
	Higher	0.0	21.1	18.8	21.4	13.3	25.0
	Same	100.0	73.7	75.0	78.6	86.7	50.0
	Lower	0.0	5.3	6.3	0.0	0.0	25.0
Index		50.0	57.9	56.3	60.7	56.7	50.0
Index	3 month average	49.7	53.5	54.7	58.3	57.9	55.8

Commodity prices dropped to 50.0 for after 4 months of expansion.



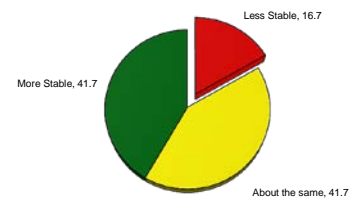
#### Expectations of Business Environment - August 2015

6 months into the future:

Less Stable	16.7	percent
About the same	41.7	percent
More Stable	41.7	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"

Expectations of Business Environment - August 2015



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