



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

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 57.5 ↓

ISM-SEM Index: In July the PMI dropped almost 10 points as compared to June, down from 66.1 to 57.5. This may reflect a typical mid-summer slow down in economic activity, causing some volatility in the index. The 3 month average fell less noticeably, from 66.3 to 63.3.

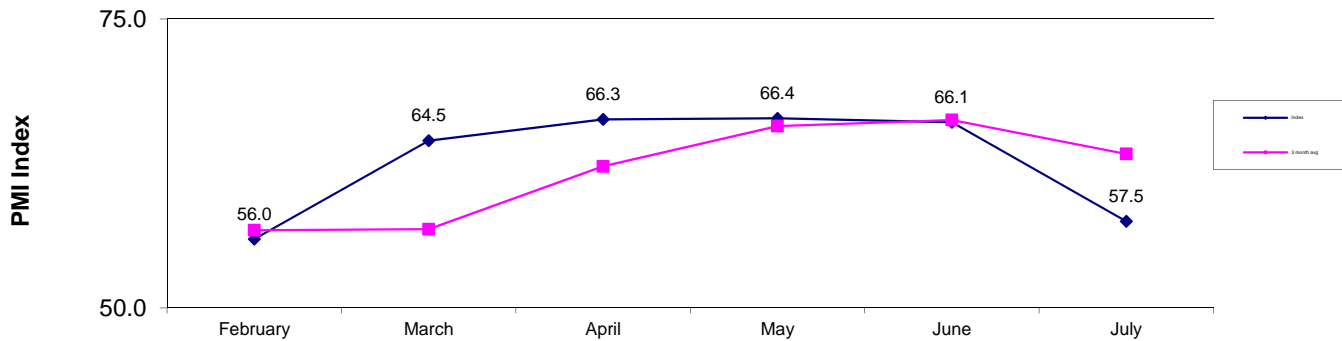
Employment: The Employment index dropped significantly, to 56.7 from 82.1 in June. The 3 month Average however remains near 70, at 69.2. Like the overall index, however, the Employment index continues to indicate favorable conditions as we cross over the summer months.

Commodity Prices: The Commodity price index dropped somewhat, down from 60.7 to 56.7. The 3 month average is essentially the same at 57.9.

Items up or down in price: While respondents did not specifically indicate which items were up or down in price, aluminum housings were indicated to be in short supply.

Economic Issues: The July survey while showing continued strength within the Southeast Michigan economy, saw the Purchasing Managers Index dropping to 57.5, indicated a slowdown in economic activity. However, it must be emphasized that the economy is still expanding! Index values above 50 generally indicate a expanding or growing economy, while index values below 50 represent a contraction in economic activity. Key sub components of the purchasing managers index contributing to the drop were Production, which fell from 64.3 to 56.7, New Orders falling from 71.4 to 66.7, the Employment index falling from 82.1 to 56.7, and Finished Goods Inventory falling from 57.1 to 50. As mentioned above, this may reflect the general slowdown in economic activity seen in summer, primarily in the automotive sector. Commodity prices fell alongside the slowdown in economic activity, with the index value dropping to 56.7. Respondents did not specifically indicate which items were either up or down in price. In terms of the next six months, respondents were quite optimistic, with 85.7% expecting the business environment to be the same or more stable, and only 14.3% expecting less stability in the economy. Responses from survey participants were of the following nature: "Although we have received a contract for the military it falls more on engineering rather than production, thus we are still down in shop work. They say more funds are coming, the question is when", "As customers continue to transition from their Chinese suppliers, our business continues to grow", "Finally the government has let loose of some funds".

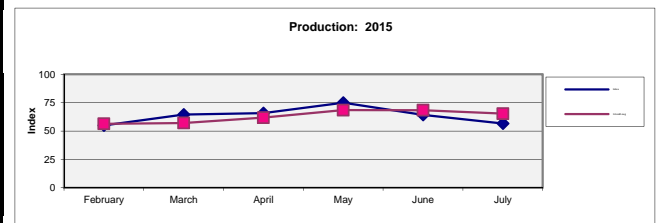
Southeast Michigan Index: 2015



ISM-SEM Index		2015					
		February	March	April	May	June	July
Index		56.0	64.5	66.3	66.4	66.1	57.5
Index	3 month average	56.7	56.8	62.3	65.7	66.3	63.3

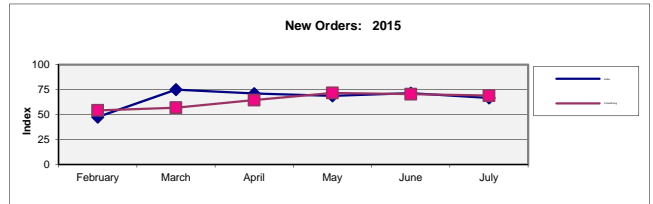
Production		2015					
		February	March	April	May	June	July
	Higher	25.0	37.5	47.4	56.3	42.9	33.3
	Same	60.0	54.2	36.8	37.5	42.9	46.7
	Lower	15.0	8.3	15.8	6.3	14.3	20.0
Index		55.0	64.6	65.8	75.0	64.3	56.7
Index	3 month average	56.4	57.1	61.8	68.5	68.4	65.3

Production dropped to 56.7.



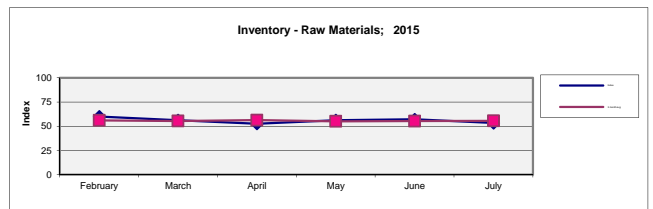
New Orders		2015					
		February	March	April	May	June	July
	Higher	20.0	54.2	52.6	56.3	50.0	46.7
	Same	55.0	41.7	36.8	25.0	42.9	40.0
	Lower	25.0	4.2	10.5	18.8	7.1	13.3
Index		47.5	75.0	71.1	68.8	71.4	66.7
Index	3 month average	54.1	56.9	64.5	71.6	70.4	68.9

New orders fell to 66.7.



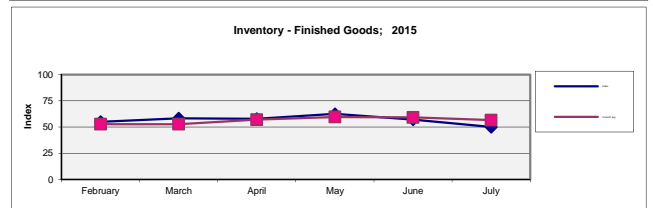
Inventory - Raw Materials		2015					
		February	March	April	May	June	July
	Higher	30.0	20.8	21.1	25.0	28.6	20.0
	Same	60.0	70.8	63.2	62.5	57.1	66.7
	Lower	10.0	8.3	15.8	12.5	14.3	13.3
Index		60.0	56.3	52.6	56.3	57.1	53.3
Index	3 month average	56.1	55.4	56.3	55.0	55.3	55.6

Raw materials inventories fell slightly to 53.3.



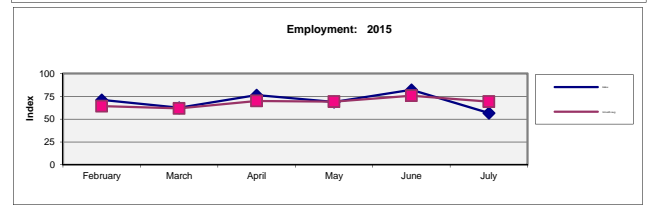
Inventory - Finished Goods		2015					
		February	March	April	May	June	July
	Higher	20.0	29.2	26.3	31.3	28.6	13.3
	Same	70.0	58.3	63.2	62.5	57.1	73.3
	Lower	10.0	12.5	10.5	6.3	14.3	13.3
Index		55.0	58.3	57.9	62.5	57.1	50.0
Index	3 month average	52.7	52.7	57.1	59.6	59.2	56.5

Finished goods inventories came in at 50.



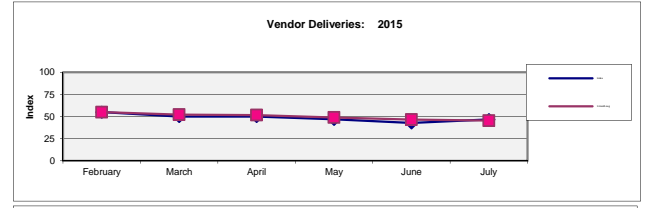
Employment		2015					
		February	March	April	May	June	July
	Higher	47.4	41.7	63.2	50.0	64.3	33.3
	Same	47.4	41.7	26.3	37.5	35.7	46.7
	Lower	5.3	16.7	10.5	12.5	0.0	20.0
Index		71.1	62.5	76.3	68.8	82.1	56.7
Index	3 month average	64.3	61.8	70.0	69.2	75.7	69.2

Employment dropped substantially to 56.7.



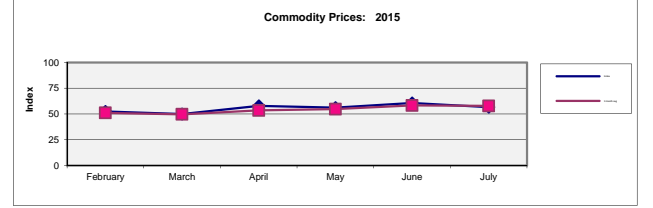
Vendor Deliveries		2015					
		February	March	April	May	June	July
	Faster	0.0	0.0	5.3	12.5	21.4	6.7
	Same	90.0	100.0	89.5	81.3	71.4	93.3
	Slower	10.0	0.0	5.3	6.3	7.1	0.0
Index		55.0	50.0	50.0	46.9	42.9	46.7
Index	3 month average	55.0	52.2	51.7	49.0	46.6	45.5

Deliveries rose to 46.7.



Commodity Prices		2015					
		February	March	April	May	June	July
	Higher	10.0	0.0	21.1	18.8	21.4	13.3
	Same	85.0	100.0	73.7	75.0	78.6	86.7
	Lower	5.0	0.0	5.3	6.3	0.0	0.0
Index		52.5	50.0	57.9	56.3	60.7	56.7
Index	3 month average	51.1	49.7	53.5	54.7	58.3	57.9

Commodity prices dropped to 56.7.



Expectations of Business Environment - July 2015

6 months into the future:

Less Stable	14.3	percent
About the same	57.1	percent
More Stable	28.6	percent

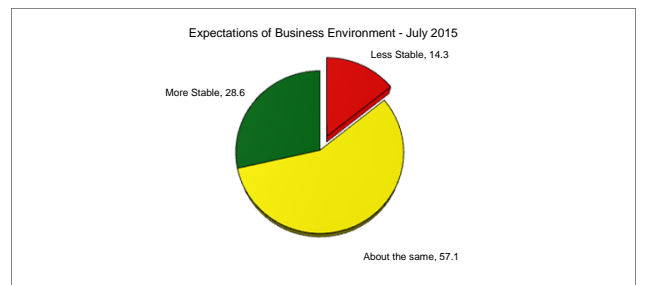
For more information about the Survey or to obtain copies of previous surveys, visit our website at www.ism-sem.org and click on "Economic Surveys"

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Survey Results Production by:
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