



June - 2016 (FOR RELEASE: July 06, 2016 - 6 am EST)

**The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 58.8 ↓**

**ISM-SEM Index:** In June, the PMI slipped slightly, from 59.9 to 58.8. However, with four consecutive strong months, the three-month average of 60.5 appears very representative of the current business environment.

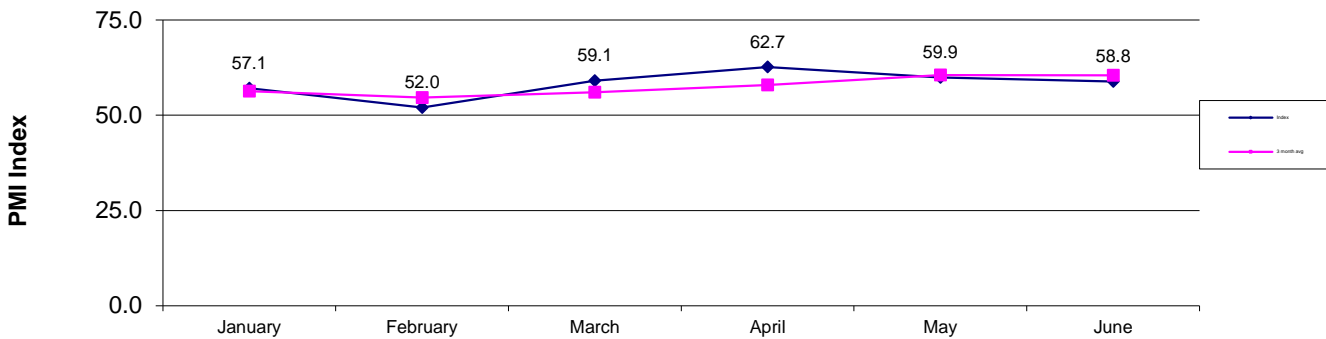
**Employment:** The Employment index cooled a bit, dropping from 75.0 to a still respectable 57.7. The three-month average remained almost unchanged, rising from 66.3 to 66.5.

**Commodity Prices:** The Commodity Price index dropped back down from 60.9 to 53.8, more in line with all other months shown besides May. The three-month average remains above 50 at 54.9.

**Items up or down in price:** June shows gasoline, diesel fuel, plastics, paper are up in price. No specific commodities were listed down in price.

**Economic Issues:** The June survey shows that the Southeast Michigan Purchasing Managers Index (PMI) portends a continued strong southeast Michigan economy. The PMI fell slightly, but remains strong at 58.8, and the three-month average remained at 60.5 - a very strong index value. A PMI greater than 50.0 generally indicates an expanding economy, while an index less than 50 signifies a retracting economy. The individual indices driving the strong PMI include New Orders, with an index value of 69.2; Production, with an index value of 61.5; and Employment, with an index value of 57.7 -- though Employment fell from 75.0 in May. The Finished Goods Inventory index dropped markedly in June from 52.2 to 42.3. Raw Materials Index, in contrast, remained virtually constant, falling only slightly from 56.5 in May to 53.8 in June. Commodity Prices dropped in June, from 60.9 to 53.8, with respondents reporting gasoline, diesel fuel, plastics, and paper up in price. Comments from respondents reflect minimal worries over the U.K.s "Brexit", yet the opposite is true for the presidential election, with a respondent stating, "November Election will impact economic outlook." The vast majority of respondents (92.8%) report that the economy will remain about the same over the next 6 months, with the remaining 7.7% anticipating even more stability.

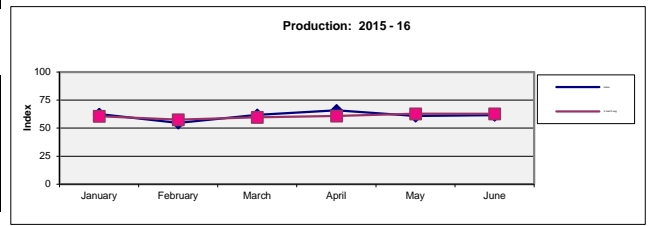
**Southeast Michigan Index: 2015 - 16**



ISM-SEM Index		2015 - 2016					
		January	February	March	April	May	June
Index		57.1	52.0	59.1	62.7	59.9	58.8
Index	3 month average	56.3	54.6	56.1	57.9	60.5	60.5

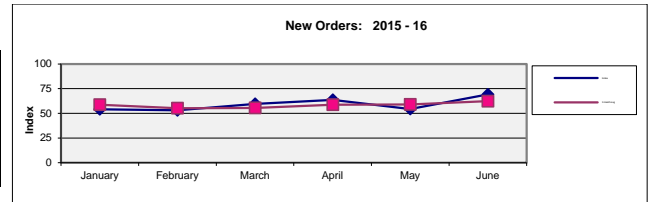
Production		2015 - 2016					
		January	February	March	April	May	June
	Higher	43.3	21.9	38.1	40.9	34.8	38.5
	Same	38.3	65.6	47.6	50.0	52.2	46.2
	Lower	18.3	12.5	14.3	9.1	13.0	15.4
Index		62.5	54.7	61.9	65.9	60.9	61.5
Index	3 month average	60.6	57.6	59.7	60.8	62.9	62.8

**Production improved slightly, from 60.9 to 61.5.**



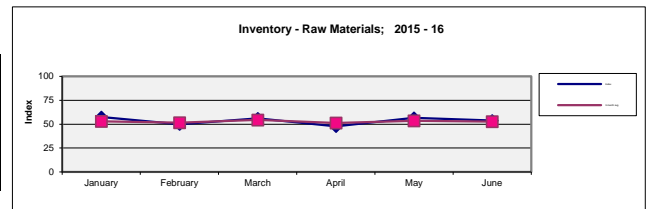
New Orders		2015 - 2016					
		January	February	March	April	May	June
	Higher	35.0	21.9	35.7	40.9	30.4	46.2
	Same	38.3	62.5	47.6	45.5	47.8	46.2
	Lower	26.7	15.6	16.7	13.6	21.7	7.7
Index		54.2	53.1	59.5	63.6	54.3	69.2
Index	3 month average	58.7	55.2	55.6	58.8	59.2	62.4

New orders improved sharply to 69.2.



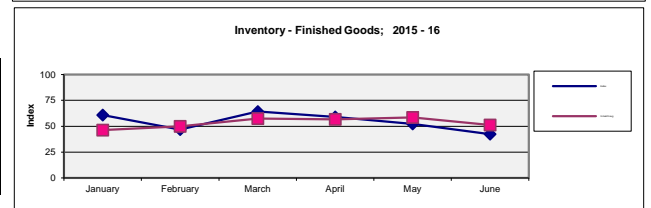
Inventory - Raw Materials		2015 - 2016					
		January	February	March	April	May	June
	Higher	35.0	21.9	28.6	13.6	21.7	23.1
	Same	45.0	56.3	54.8	68.2	69.6	61.5
	Lower	20.0	21.9	16.7	18.2	8.7	15.4
Index		57.5	50.0	56.0	47.7	56.5	53.8
Index	3 month average	53.1	51.6	54.5	51.2	53.4	52.7

Raw materials inventories dropped slightly, to 53.8.



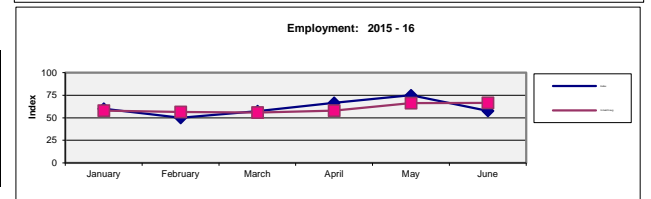
Inventory - Finished Goods		2015 - 2016					
		January	February	March	April	May	June
	Higher	33.3	9.4	42.9	22.7	13.0	7.7
	Same	55.0	75.0	42.9	72.7	78.3	69.2
	Lower	11.7	15.6	14.3	4.5	8.7	23.1
Index		60.8	46.9	64.3	59.1	52.2	42.3
Index	3 month average	46.3	49.8	57.3	56.8	58.5	51.2

Finished goods inventories dropped sharply, from 52.2 to 42.3.



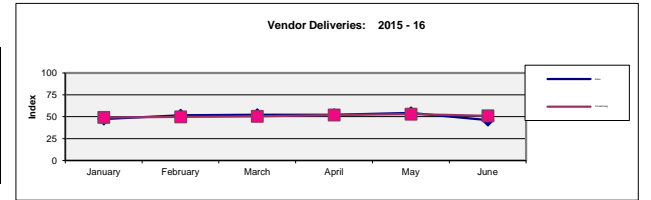
Employment		2015 - 2016					
		January	February	March	April	May	June
	Higher	30.0	16.1	29.3	42.9	50.0	23.1
	Same	60.0	67.7	56.1	47.6	50.0	69.2
	Lower	10.0	16.1	14.6	9.5	0.0	7.7
Index		60.0	50.0	57.3	66.7	75.0	57.7
Index	3 month average	57.9	56.3	55.8	58.0	66.3	66.5

Employment dropped sharply to 57.7.



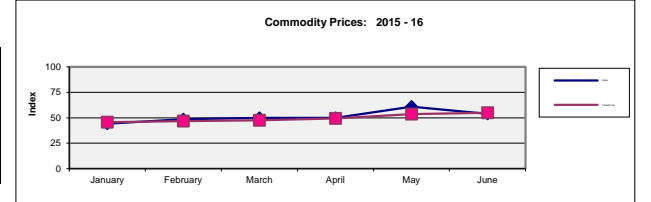
Vendor Deliveries		2015 - 2016					
		January	February	March	April	May	June
	Faster	13.3	6.3	11.9	9.1	4.3	7.7
	Same	78.3	84.4	71.4	77.3	82.6	92.3
	Slower	8.3	9.4	16.7	13.6	13.0	0.0
Index		47.5	51.6	52.4	52.3	54.3	46.2
Index	3 month average	49.2	49.7	50.5	52.1	53.0	50.9

Deliveries dropped sharply to 46.2.



Commodity Prices		2015 - 2016					
		January	February	March	April	May	June
	Higher	11.7	6.3	14.3	13.6	21.7	7.7
	Same	65.0	84.4	71.4	72.7	78.3	92.3
	Lower	23.3	9.4	14.3	13.6	0.0	0.0
Index		44.2	48.4	50.0	50.0	60.9	53.8
Index	3 month average	45.6	46.6	47.5	49.5	53.6	54.9

Commodity prices declined to 53.8.



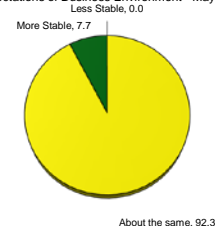
#### Expectations of Business Environment - May 2016

6 months into the future:

Less Stable	0.0	percent
About the same	92.3	percent
More Stable	7.7	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 - May 2016



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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