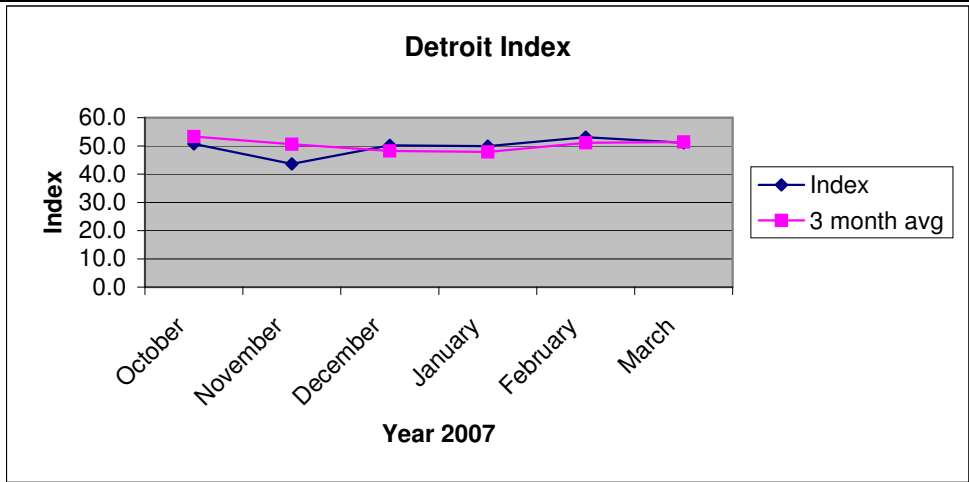


THE DETROIT REPORT

National Association of Purchasing Management - Metro Detroit

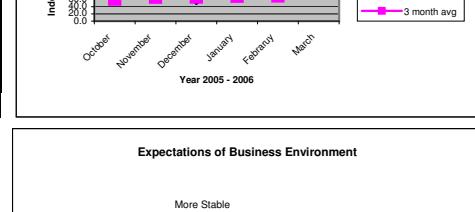
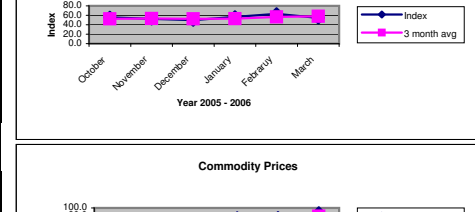
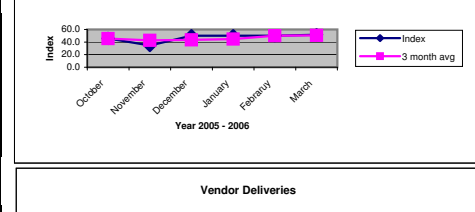
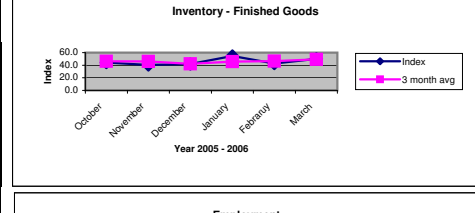
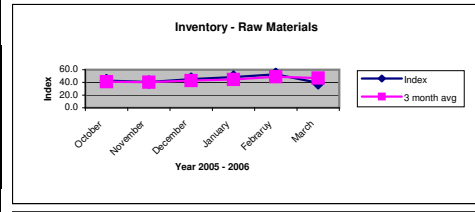
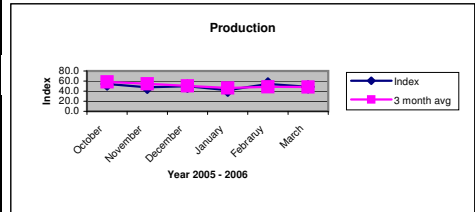
The NAPM – Metro Detroit Purchasing Managers Index 51.1

Detroit Index: March reports reveal that the NAPM-DM composite index fell 2.0 points to 51.1.
Employment: Employment rose to 51.6.
Prices: Prices rose strongly to 86.4.
Items up or down in price: Respondents noted a significant surge in input prices for the month of March. Items cited include: steel products, cobalt, copy and printing paper, copper, aluminum, brass, chemical prices, polyester film, adhesives, solder, resins, pigments, fuel, toluene, xylene, base oils, hardware, molded plastic parts, phthalic anhydride, electric power and fasteners. Even road salt was noted to be up in price. A longer list of items in short supply was also noted, to include: steel for castings, recycled resins, 410 stainless steel, carbon graphite, and engineered fasteners.
Economic Issues: Respondents noted concern over the state of the economy, especially in the automotive sector. One respondent noted that lower volumes and higher raw material prices are making it increasingly difficult for firms to meet profit and cost reduction goals. Customers are expressing concern about the short and long term economic outlook. The price of oil, downturn in housing and automotive sectors concerns, rising prices, and the weak value of the dollar are major areas of focus. A large number of bankruptcies is also causing market concerns. One firm noted it has closed 3 U.S. plants and 2 in Mexico. One firm noted their international orders were benefiting due to the low dollar. Another firm in the non-automotive sector noted new orders has raised their production to almost capacity levels.
When asked their opinion about the business environment in the future, the March survey reveals a movement away from the "More Stable" toward "About the Same" and "Less Stable". Currently about 55 percent of the respondents believe conditions in the next six months will be "About the Same". A total of 30 percent believe conditions will be "Less Stable" and 15 percent are anticipating "More Stability". Clearly, the high and rising prices in March have contributed to the increased level of concern.



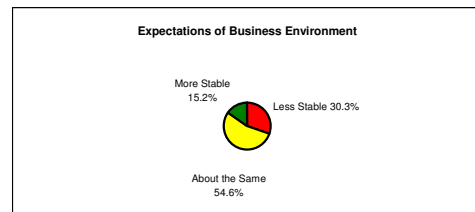
Next Release
1 May 2008

Detroit Index		2007			2008		
		October	November	December	January	February	March
Index		50.7	43.6	50.2	49.9	53.1	51.1
Index	3 month average	53.3	50.6	48.2	47.9	51.1	51.4
Production		2007			2008		
		October	November	December	January	February	March
Higher		34.3	21.4	22.6	22.6	37.1	27.3
Same		40.0	52.4	54.8	38.7	34.3	42.4
Lower		25.7	26.2	22.6	38.7	28.6	30.3
Index		54.3	47.6	50.0	41.9	54.3	48.5
Index	3 month average	58.5	54.7	50.6	46.5	48.7	48.2
Production falls in March							
New Orders		2007			2008		
		October	November	December	January	February	March
Higher		28.6	21.4	35.5	41.9	40.0	30.3
Same		40.0	42.9	35.5	19.4	25.7	42.4
Lower		31.4	35.7	29.0	38.7	34.3	27.3
Index		48.6	42.9	53.2	51.6	52.8	51.5
Index	3 month average	52.6	51.8	48.2	49.2	52.5	52.0
New orders continue to expand							
Inventory - Raw Materials		2007			2008		
		October	November	December	January	February	March
Higher		17.1	16.7	16.1	25.0	20.0	30.3
Same		51.4	47.6	58.1	46.9	65.7	39.4
Lower		31.4	35.7	25.8	28.1	14.3	30.3
Index		42.8	40.5	45.2	48.4	52.8	39.4
Index	3 month average	41.0	40.4	42.8	44.7	48.8	46.9
Raw materials fall in March							
Inventory - Finished Goods		2007			2008		
		October	November	December	January	February	March
Higher		14.3	14.3	12.9	28.1	11.4	21.2
Same		60.0	52.4	58.1	53.1	62.9	57.6
Lower		25.7	33.3	29.0	18.8	25.7	21.2
Index		44.3	40.5	41.9	54.7	42.8	50.0
Index	3 month average	46.2	46.1	42.2	45.7	46.5	49.2
Finished goods inventories fall in March							
Employment		2007			2008		
		October	November	December	January	February	March
Higher		17.1	9.5	22.6	12.9	22.9	25.0
Same		57.1	50.0	54.8	74.2	54.3	53.1
Lower		17.1	40.5	22.6	12.9	22.9	21.9
Index		45.7	34.5	50.0	50.0	50.0	51.6
Index	3 month average	45.5	42.8	43.4	44.8	50.0	50.5
Employment up in March							
Vendor Deliveries		2007			2008		
		October	November	December	January	February	March
Faster		8.6	4.8	6.5	3.2	0.0	12.1
Same		71.4	85.7	87.1	80.6	74.3	66.7
Slower		20.0	9.5	6.5	16.1	25.7	21.2
Index		55.7	52.4	50.0	56.5	62.9	54.5
Index	3 month average	52.5	53.3	52.7	53.0	56.5	58.0
Vendor deliveries fall back in March							
Commodity Prices		2007			2008		
		October	November	December	January	February	March
Higher		40.0	42.9	35.5	48.4	51.4	75.8
Same		51.4	54.8	54.8	48.4	42.9	21.2
Lower		8.6	2.4	9.7	3.2	5.7	3.0
Index		65.7	70.2	62.9	72.6	72.8	86.4
Index	3 month average	60.8	66.0	66.3	68.6	69.4	77.3
Commodity prices soar in March							



Expectations of Business Environment
6 months into the future:

Less Stable	30.3	percent
About the same	54.6	percent
More Stable	15.2	percent



NOTICE:

No warranty, expressed or implied, is attached to these figures or their use. While the figures are compiled with professional care, no representations about appropriateness, accuracy, or suitability for specific applications are made.

Production by: Renea Liebe

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