

FOR
RELEASE:
October 1,
2007
6am EST

THE DETROIT REPORT

2007
September

National Association of Purchasing Management - Metro Detroit

The NAPM – Metro Detroit Purchasing Managers Index 57.4

Detroit Index: September reports reveal that the NAPM-DM composite index rose 5.7 points to 57.4.

Employment: Employment falling at 48.3.

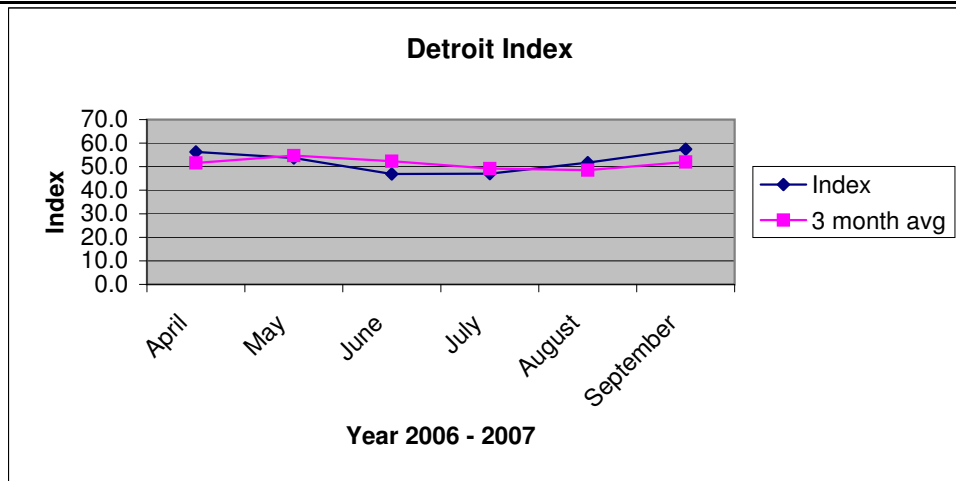
Prices: Prices continue to rise 61.1 in September.

Items up or down in price: Respondents indicated that the following items have been up in price in September: polypropylene, polyethylene, carbon black, corrugated paper, sodium hydroxide, copper, aluminum, zinc, and all items imported from China. Nylon, polystyrene, and natural gas were reported down in price.

Economic Issues: At the time the September survey was administered it was unclear as to the impact of the GM/UAW contract negotiations and the impact of the strike. The strike was settled after two days, and thus the impact of the event on the supply chain was considered to be minimal in its impact. Some concern was expressed that GM's financial problems will not be resolved for sometime.

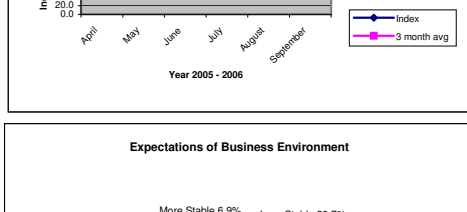
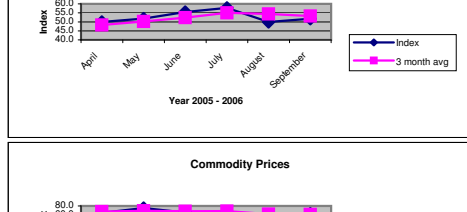
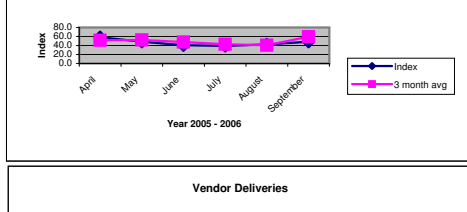
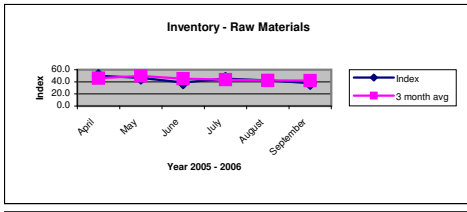
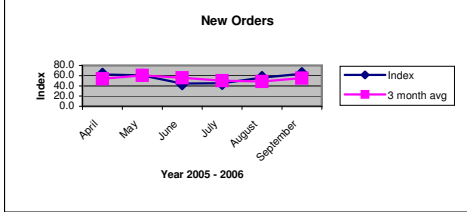
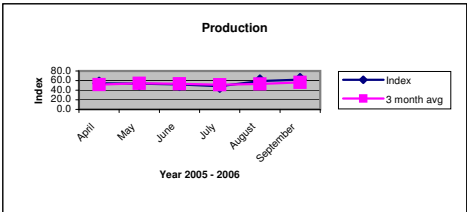
Respondents were also concerned with the impact Michigan's fiscal crisis upon business within the state. The potential for a state government shutdown and a protracted strike at GM (which did not come to pass) were of concerns to the supply chain. One respondent indicated that in the current economic climate they foresee more automotive suppliers closing their doors in the U.S. and moving operations to either China or Mexico.

When asked about their 6 month expectation for business, about 72% of the respondents indicated that they see things about the same over that time period (up from 70% in August). About 21% of the respondents feel their markets will be less stable (up from 18% in August). Only 7% of the respondents feel conditions will be more stable in the coming 6 months (down from 12% in August). The September report indicates a slight tilt toward a less stable business environment in the supply chain in the coming 6 months.



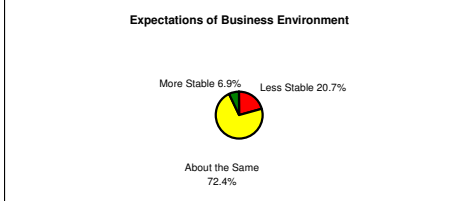
Next Release
1 November 2007

Detroit Index		2007					
		April	May	June	July	August	September
Index		56.3	53.7	46.9	47.0	51.7	57.4
Index	3 month average	51.6	54.7	52.3	49.2	48.5	52.0
Production		2007					
		April	May	June	July	August	September
	Higher	30.6	32.1	33.3	34.4	45.5	41.4
	Same	47.2	42.9	37.0	28.1	27.3	41.4
	Lower	22.2	25.0	29.6	37.5	27.3	17.2
Index		54.2	53.6	51.9	48.4	59.1	62.1
Index	3 month average	51.8	54.3	53.2	51.3	53.1	56.5
Production expands in September							
New Orders		2007					
		April	May	June	July	August	September
	Higher	44.4	46.4	37.0	34.4	42.4	48.3
	Same	36.1	28.6	14.9	21.9	27.3	31.0
	Lower	19.5	25.0	48.2	43.8	30.3	20.7
Index		62.5	60.7	44.4	45.3	56.1	63.8
Index	3 month average	54.1	60.7	55.9	50.1	48.6	55.1
New orders rise in September							
Inventory - Raw Materials		2007					
		April	May	June	July	August	September
	Higher	22.2	28.6	18.5	25.0	18.2	17.2
	Same	55.6	35.7	40.7	40.6	48.5	41.4
	Lower	22.2	35.7	40.7	34.4	33.3	41.4
Index		50.0	46.4	38.9	45.3	42.4	37.9
Index	3 month average	46.1	49.6	45.1	43.5	42.2	41.9
Raw materials decline in September							
Inventory - Finished Goods		2007					
		April	May	June	July	August	September
	Higher	16.7	14.3	14.8	28.1	9.1	27.6
	Same	63.9	64.3	51.9	40.6	63.6	51.7
	Lower	19.4	21.4	33.3	31.3	27.3	20.7
Index		48.6	46.4	40.7	48.4	40.9	53.4
Index	3 month average	49.1	50.0	48.1	45.3	43.3	47.6
Finished goods inventories expand in September							
Employment		2007					
		April	May	June	July	August	September
	Higher	25.0	21.4	7.4	21.9	6.1	13.8
	Same	66.7	53.6	66.7	34.4	72.7	69.0
	Lower	8.3	25.0	25.9	43.8	21.2	17.2
Index		58.3	48.2	40.7	39.1	42.4	48.3
Index	3 month average	51.5	52.2	47.5	42.7	40.7	59.4
Employment continues to contract in September							
Vendor Deliveries		2007					
		April	May	June	July	August	September
	Faster	11.1	7.1	0.0	3.1	6.1	6.9
	Same	77.9	82.1	88.9	78.1	87.9	82.8
	Slower	11.1	10.7	11.1	18.8	6.1	10.3
Index		50.0	51.8	55.5	57.8	50.0	51.7
Index	3 month average	48.3	50.2	52.4	55.0	54.4	53.2
Deliveries slowing in September							
Commodity Prices		2007					
		April	May	June	July	August	September
	Higher	27.8	50.0	29.6	31.3	29.2	27.6
	Same	72.2	50.0	70.4	65.6	60.6	69.0
	Lower	0.0	0.0	0.0	3.1	15.1	3.5
Index		63.9	75.0	64.8	64.1	54.5	62.1
Index	3 month average	66.9	68.8	67.9	68.0	61.1	60.2
Commodity prices on the rise.							



Expectations of Business Environment
6 months into the future:

Expectation	Value	Unit
Less Stable	20.7	percent
About the same	72.4	percent
More Stable	6.9	percent



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