

## The NAPM - Metro Detroit Purchasing Managers index contracting 47.6

**Detroit Index:** After expanding for 2 months, the overall NAPM-MD Index fell back sharply in November to 47.6, indicating a contraction in the local manufacturing sector.

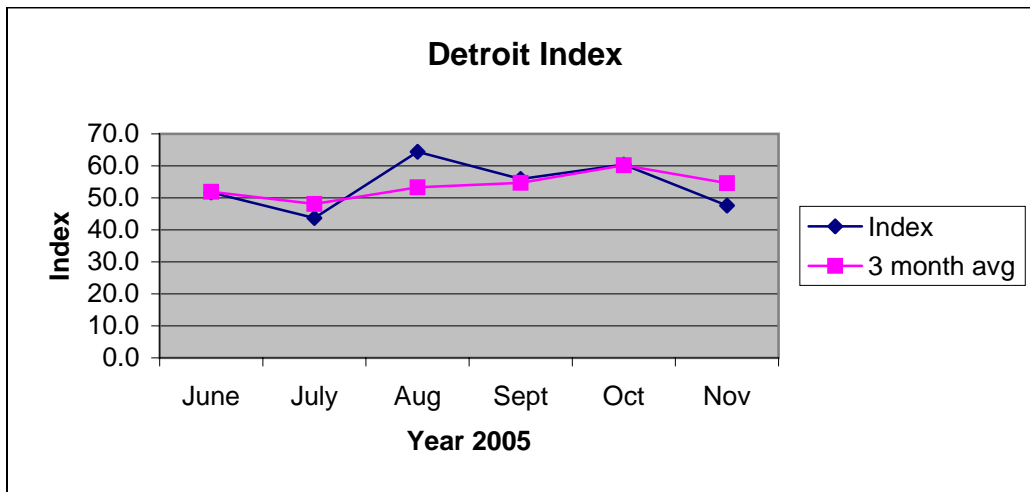
**Employment:** November experienced a significant decline in the monthly index (38.9), indicating a contraction in employment.

**Production:** November's production index weakened to 50.0.

**Prices:** After hitting a high in October, November prices eased somewhat, but still remain at high levels (72.2)

**Commodities up/down in price:** Oil and petroleum prices remain high. One reporter indicates that acrylics, paints and aluminum are all high. Reporters indicate mixed signals on packaging prices. Lower diesel fuel and natural gas prices were reported. One supplier noted deliveries are taking longer due to shippers' freight consolidations to save fuel.

**Hurricane Impacts:** About 16% of the reports indicate supply chain problems still exist due to the 2005 hurricane season impacts. Some note an inability to ship to certain UPS zones, with some shipments halted. Reporters indicate business disruptions due to the lack of or allocation of industrial gasses. Freight shipments to and from the region have had to be rerouted, with a resulting time delay and cost increase. Some reporters anticipate effects will be felt in the coming months due to cuts in manufacturing output.



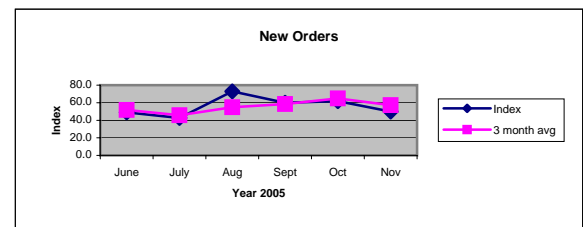
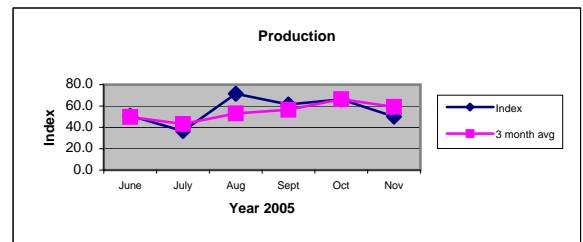
Next Release  
**2 January 2006**

Detroit Index		2005					
		June	July	Aug	Sept	Oct	Nov
Index		51.7	43.7	64.4	55.9	60.4	47.6
Index	3 month average	51.9	48.1	53.3	54.7	60.2	54.6

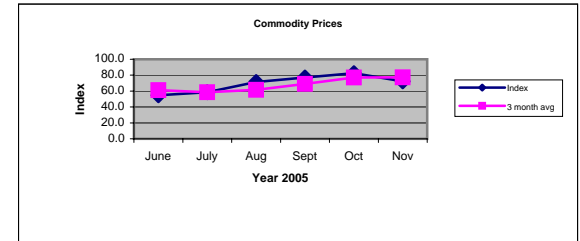
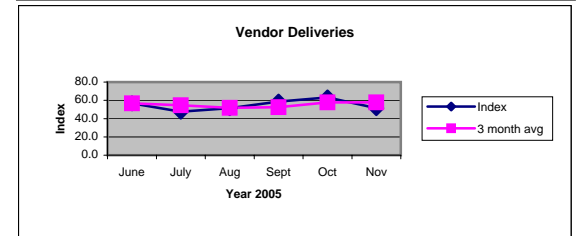
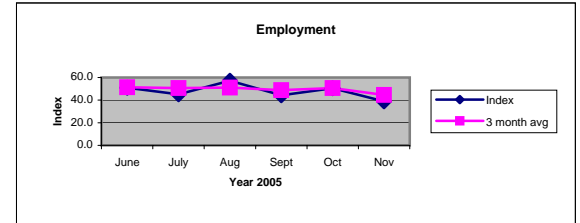
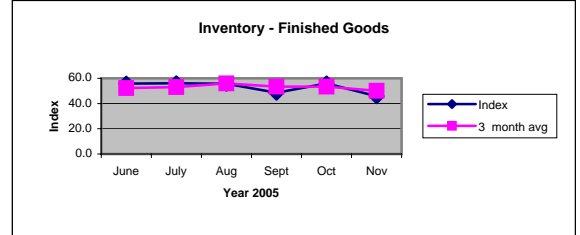
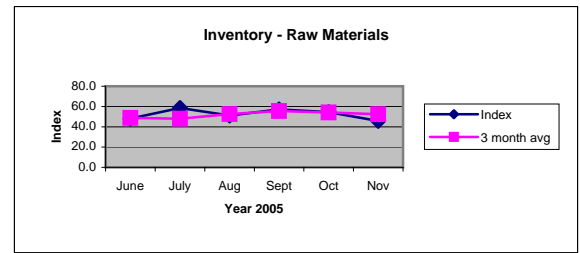
Production		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	33.0	22.0	57.0	43.0	47.1	25.0
	Same	37.0	29.0	29.0	37.0	38.2	50.0
	Lower	31.0	49.0	14.0	20.0	14.7	25.0
Index		51.0	36.6	71.4	61.4	66.2	50.0
Index	3 month average	49.7	43.1	53.0	56.5	66.3	59.2

New Orders		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	31.0	27.0	60.0	46.0	38.2	33.0
	Same	37.0	32.0	26.0	29.0	47.0	33.0
	Lower	33.0	41.0	14.0	26.0	11.9	33.0
Index		49.0	42.7	72.9	60.0	61.8	50.0
Index	3 month average	51.8	45.8	54.9	58.5	64.9	57.3

New orders slowing



Inventory - Raw Materials		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	17.0	32.0	34.0	37.0	26.0	17.0
	Same	62.0	54.0	34.0	40.0	56.0	58.0
	Lower	21.0	15.0	31.0	23.0	18.0	25.0
<b>Index</b>		48.1	58.5	51.2	57.1	54.4	45.8
<b>Index</b>	3 month average	48.8	48.0	52.6	55.6	54.2	52.4
<b>Raw materials inventory declining</b>							
Inventory - Finished Goods		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	23.0	29.0	31.0	20.0	24.0	17.0
	Same	65.0	54.0	49.0	57.0	65.0	58.0
	Lower	12.0	17.0	20.0	23.0	12.0	25.0
<b>Index</b>		55.8	56.1	55.7	48.6	55.9	45.8
<b>Index</b>	3 month average	52.3	53.0	55.9	53.5	53.4	50.1
<b>Finished goods inventory declining</b>							
Employment		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	13.0	15.0	23.0	14.0	21.0	19.0
	Same	75.0	61.0	69.0	60.0	59.0	39.0
	Lower	12.0	24.0	9.0	26.0	21.0	42.0
<b>Index</b>		51.0	45.1	57.1	44.3	50.5	38.9
<b>Index</b>	3 month average	51.4	50.6	51.1	48.8	50.6	44.6
<b>Employment contracts</b>							
Vendor Deliveries		2005					
		June	July	Aug	Sept	Oct	Nov
	Faster	4.0	17.0	20.0	9.0	9.0	14.0
	Same	79.0	71.0	57.0	66.0	56.0	69.0
	Slower	17.0	12.0	23.0	26.0	35.0	17.0
<b>Index</b>		56.7	47.6	51.4	58.6	63.2	51.4
<b>Index</b>	3 month average	56.7	54.7	51.9	52.5	57.7	57.7
<b>Vendors are slower</b>							
Commodity Prices		2005					
		June	July	Aug	Sept	Oct	Nov
	Higher	31.0	32.0	51.0	57.0	71.0	50.0
	Same	48.0	54.0	40.0	40.0	24.0	44.0
	Lower	21.0	15.0	9.0	3.0	6.0	6.0
<b>Index</b>		54.8	58.5	71.4	77.1	82.4	72.2
<b>Index</b>	3 month average	61.2	58.6	61.6	69.0	77.0	77.2
<b>Prices remain high</b>							



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