

The NAPM - Metro Detroit Purchasing Managers index expanding 55.9

Detroit Index: The gains reported in August were largely lost in September. The region's economy continues to expand, but at a somewhat slower rate. Most of the slowdown is attributed to the reported decline in employment.

Employment: After recovering in August, the September employment index fell to 44.3.

Production: Production, while still expanding, declined from August to 61.4 in September.

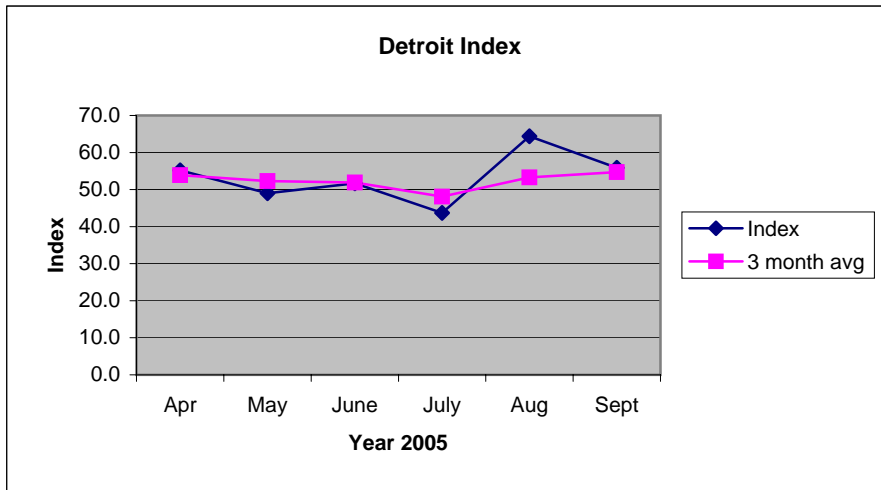
New Orders: New orders continue to expand, with the August index at 60.0.

Inventories: Raw material inventories were expanding (57.1), while finished goods inventories are declining (48.6).

Prices: The September index (77.1) shows upward price pressures, with only 3% of the firms reporting any lower prices.

Commodities up/down in price: Upward price pressure was reported for petroleum and petroleum based products: plastics, resins, chemicals, paints, and polyesters. A larger number of reporters indicate that fuel surcharges and rising transportation costs are more evident. Steel and steel alloys were cited as being up in price. Specialty steel was reported in short supply. Some cited a shortage of plywood.

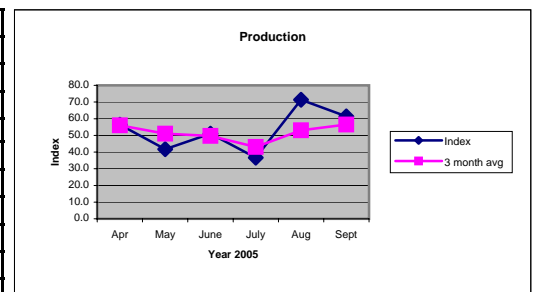
Katrina and Rita impact: 17% of the reporters indicated that the two recent hurricanes in the Gulf Coast had an impact on their operations. Impacts were due to rail and transportation disruptions, which impacted shipments to and from the affected region. Supply chain disruptions were noted for plastic resin production, rubber supplies, and certain steel products.



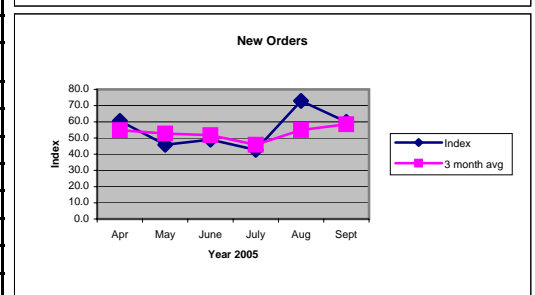
Next Release
1 November 2005

Detroit Index		2005					
		Apr	May	June	July	Aug	Sept
Index		55.2	49.0	51.7	43.7	64.4	55.9
Index	3 month average	53.9	52.3	51.9	48.1	53.3	54.7

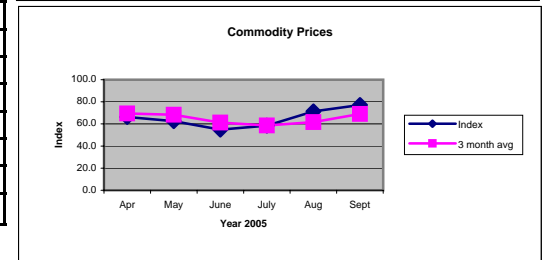
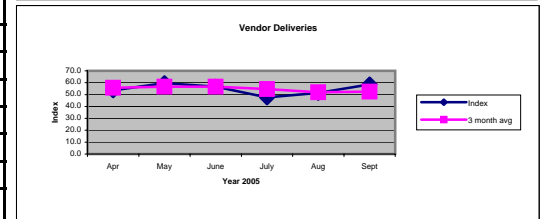
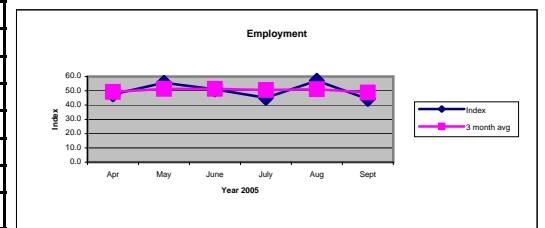
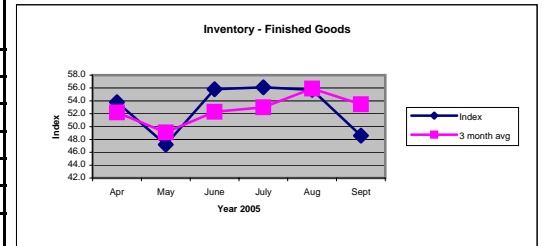
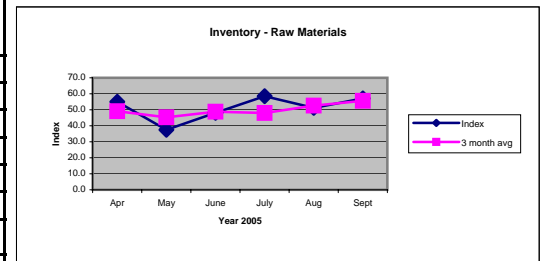
Production		2005					
		Apr	May	June	July	Aug	Sept
	Higher	38.0	25.0	33.0	22.0	57.0	43.0
	Same	36.0	33.0	37.0	29.0	29.0	37.0
	Lower	26.0	42.0	31.0	49.0	14.0	20.0
Index		56.4	41.7	51.0	36.6	71.4	61.4
Index	3 month average	56.0	51.0	49.7	43.1	53.0	56.5



New Orders		2005					
		Apr	May	June	July	Aug	Sept
	Higher	42.0	28.0	31.0	27.0	60.0	46.0
	Same	37.0	36.0	37.0	32.0	26.0	29.0
	Lower	21.0	36.0	33.0	41.0	14.0	26.0
Index		60.5	45.8	49.0	42.7	72.9	60.0
Index	3 month average	54.8	52.7	51.8	45.8	54.9	58.5



Inventory - Raw Materials		2005					
		Apr	May	June	July	Aug	Sept
	Higher	23.0	14.0	17.0	32.0	34.0	37.0
	Same	65.0	47.0	62.0	54.0	34.0	40.0
	Lower	13.0	39.0	21.0	15.0	31.0	23.0
Index		55.0	37.5	48.1	58.5	51.2	57.1
Index	3 month average	49.1	45.3	48.8	48.0	52.6	55.6
Raw materials inventory expands							
Inventory - Finished Goods		2005					
		Apr	May	June	July	Aug	Sept
	Higher	25.0	19.0	23.0	29.0	31.0	20.0
	Same	58.0	56.0	65.0	54.0	49.0	57.0
	Lower	18.0	25.0	12.0	17.0	20.0	23.0
Index		53.8	47.2	55.8	56.1	55.7	48.6
Index	3 month average	52.2	49.1	52.3	53.0	55.9	53.5
Finished goods inventory decline							
Employment		2005					
		Apr	May	June	July	Aug	Sept
	Higher	18.0	22.0	13.0	15.0	23.0	14.0
	Same	60.0	67.0	75.0	61.0	69.0	60.0
	Lower	23.0	11.0	12.0	24.0	9.0	26.0
Index		47.5	55.6	51.0	45.1	57.1	44.3
Index	3 month average	49.2	51.4	51.4	50.6	51.1	48.8
Employment is contracting							
Vendor Deliveries		2005					
		Apr	May	June	July	Aug	Sept
	Faster	10.0	8.0	4.0	17.0	20.0	9.0
	Same	73.0	64.0	79.0	71.0	57.0	66.0
	Slower	18.0	28.0	17.0	12.0	23.0	26.0
Index		53.6	59.7	56.7	47.6	51.4	58.6
Index	3 month average	55.7	56.7	56.7	54.7	51.9	52.5
Vendors are slower							
Commodity Prices		2005					
		Apr	May	June	July	Aug	Sept
	Higher	40.0	36.0	31.0	32.0	51.0	57.0
	Same	53.0	53.0	48.0	54.0	40.0	40.0
	Lower	8.0	11.0	21.0	15.0	9.0	3.0
Index		66.3	62.5	54.8	58.5	71.4	77.1
Index	3 month average	69.4	68.3	61.2	58.6	61.6	69.0
Prices are up sharply							



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