FOR RELEASE:
July 1 2005
9am EST

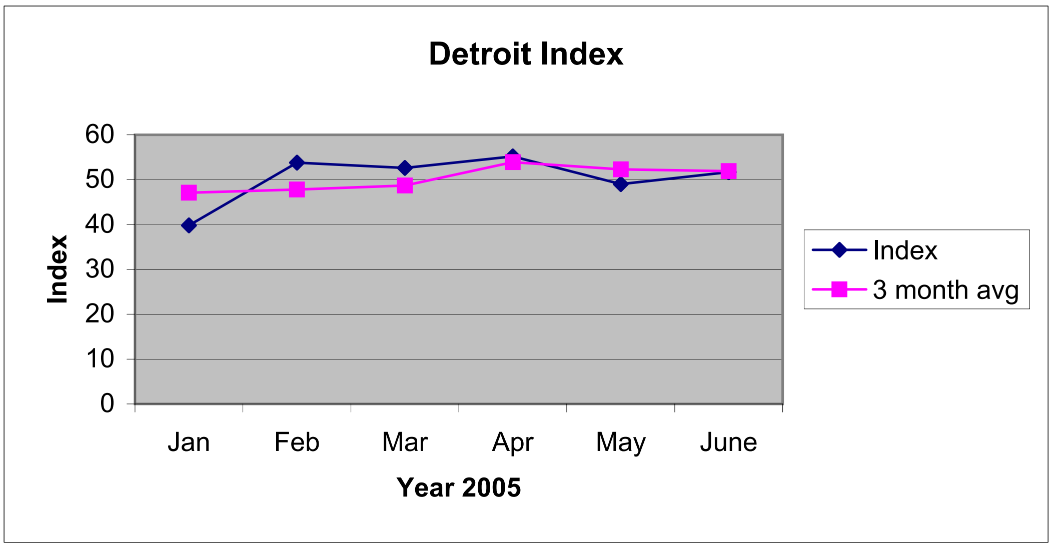
The Detroit Report

National Association of Purchasing Management - Metro Detroit

2005
June

The NAPM - Metro Detroit Purchasing Managers index 51.7

Detroit Index: Higher production, higher inventories, expanding employment, and vendor deliveries move index up in June	
Employment: Drops back from May, but still expanding at 51.0.	
Production: Recovers from May and for June is 51.0	
New Orders: Improve from May, but still below 50.	
Inventories: Finished goods expand and raw materials contract in June	
Commodities up/down in price: Most respondents that cited rising prices cite products that are petroleum based. Steel prices are mixed.	
Comments from Respondents: Many cite that they are looking for alternatives to cut cost of rising fuel prices and related commodities. Some uncertainty is expressed over the orders from the major auto manufacturers. Competitive pressure keeps the pricing very tight.	



Next Release
1 August 2005

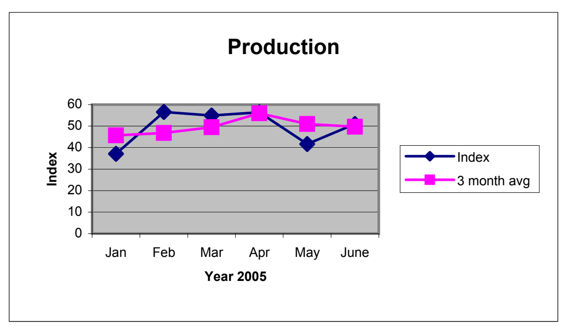
Detroit Index		2005					
		Jan	Feb	Mar	Apr	May	June
Index		39.8	53.8	52.6	55.2	49.0	51.7
Index	3 month average	47.1	47.8	48.7	53.9	52.3	51.9

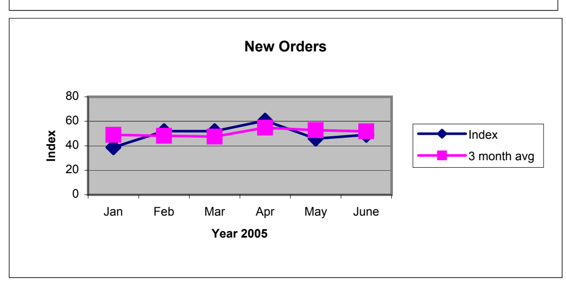
Production		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	19	38	37	38	25	33
	Same	35	38	35	36	33	37
	Lower	45	25	27	26	42	31
Index		37.1	56.6	54.9	56.4	41.7	51
Index	3 month average	45.7	46.8	49.5	56	51	49.7

Production moves up in June

New Orders		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	29	26	29	42	28	31
	Same	19	51	46	37	36	37
	Lower	52	23	25	21	36	33
Index		38.7	51.9	51.9	60.5	45.8	49
Index	3 month average	48.9	48.1	47.5	54.8	52.7	51.8

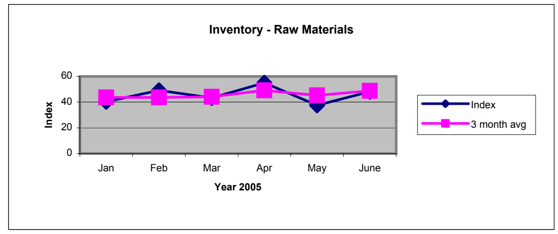
New orders are sluggish





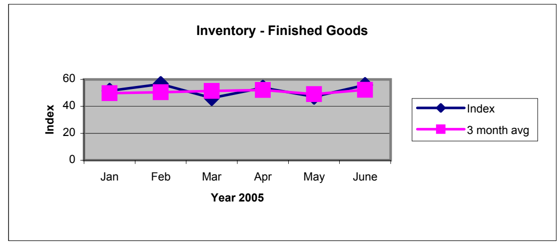
Inventory - Raw Materials		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	19	19	19	23	14	17
	Same	42	60	48	65	47	62
	Lower	39	21	33	13	39	21
Index		40.3	49.1	43.3	55	37.5	48.1
Index	3 month average	43.6	43.7	44.2	49.1	45.3	48.8

Raw materinals are contracting



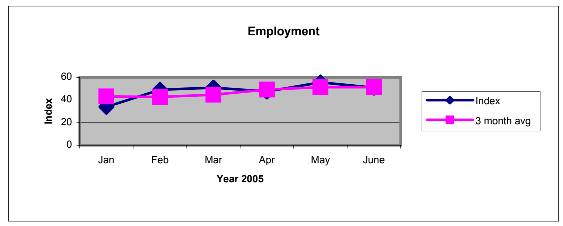
Inventory - Finished Goods		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	32	21	21	25	19	23
	Same	39	72	50	58	56	65
	Lower	29	8	29	18	25	12
Index		51.6	56.6	46.2	53.8	47.2	55.8
Index	3 month average	49.8	50.5	51.4	52.2	49.1	52.3

Finished goods inventory grows



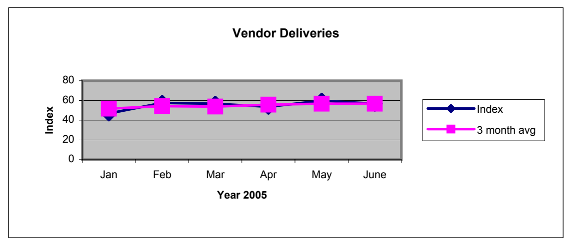
Employment		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	3	11	21	18	22	13
	Same	61	75	60	60	67	75
	Lower	35	13	19	23	11	12
Index		33.9	49.1	51	47.5	55.6	51
Index	3 month average	43.2	42.7	44.7	49.2	51.4	51.4

Modest growth in June employment



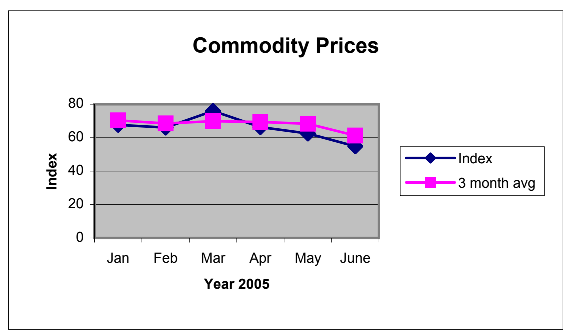
Vendor Deliveries		2005					
		Jan	Feb	Mar	Apr	May	June
	Faster	16	8	6	10	8	4
	Same	74	70	75	73	64	79
	Slower	10	23	19	18	28	17
Index		46.8	57.5	56.7	53.6	59.7	56.7
Index	3 month average	51.7	54.2	53.7	55.7	56.7	56.7

Vendor deliveries slow



Commodity Prices		2005					
		Jan	Feb	Mar	Apr	May	June
	Higher	39	42	56	40	36.0	31
	Same	58	49	40	53	53.0	48
	Lower	3	9	4	8	11.0	21
Index		67.7	66	76	66.3	62.5	54.8
Index	3 month average	70.3	68.5	69.9	69.4	68.3	61.2

Prices remain high but coming down



Pricing Policy:	2005					
	Jan	Feb	Mar	Apr	May	June
Little Impact			25	32.5	30.6	34.6
Moderate, but absorbing			25	28	25.0	32.7
Moderate, pass along			11.5	12.5	5.6	13.5
Growing pressure, but absorbing			26.9	20	25.0	15.4
Growing pressure, pass along			11.5	7.5	14.6	3.8

65% report moderate or greater price increases in June, 74% are absorbing the price increase

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