



December - 2009 (FOR RELEASE: January 4, 2010 - 6am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 51.5

ISM-SEM Index: December reports reveal that the ISM-SEM composite index rose from November's 49.5 to 51.5. The index has been stable for the last 3 months with values near 50. An index value greater than 50 indicates a growing economy.

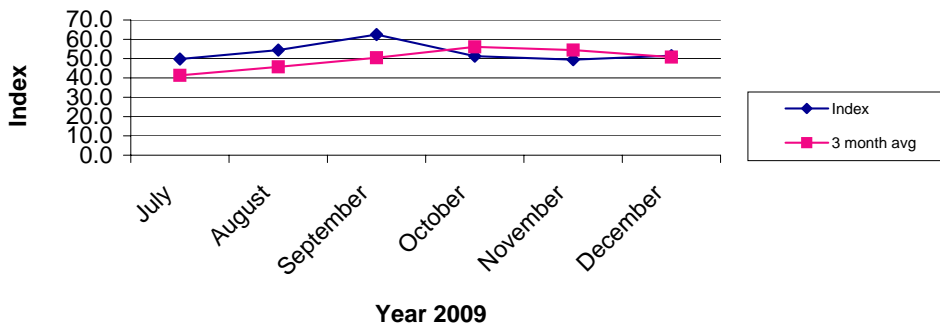
Employment: Purchasing managers report employment declines for the second straight month. The index value fell from 44.0 in November to 37.0 in December.

Prices: The price index decreased by 2.8 points to 58.7, but remains well above 50.00-- which indicates rising prices.

Items up or down in price: Southeast Michigan purchasing managers report that aluminum, steel, and natural gas prices are up. Soda ash is reported down in price.

Economic Issues: Results of the December Southeast Michigan Purchasing Managers report are mixed. The overall Purchasing Managers index is up to 51.5, which is an indication of some growth in the economy. This reverses the declining index value of 49.5 reported in November. New orders are up, which indicates optimism, but raw material and finished goods inventories are reported up as well, which can indicate slower sales. Respondents indicated that employment levels are declining -- in contrast to recent reports of slightly optimistic employment levels statewide. Unemployment in Michigan has declined for two consecutive months, to 14.7%, which state economists believe is a possible sign of stabilization. Commodity prices continue to increase, but at a more moderate pace than the four previous months reports. Half of the respondents believe that the regional economy will maintain its current status, while slightly more than 1/4th believe that the economy will become "more stable". Comments by members reflect the uncertainty of the regional economy. Concerns about the "shakey economy" and "government intervention into business has made business decisions a lot harder", can be contrasted with more optimistic comments like "Expect OEM (Original Equipment Manufacturers) sales to continue recovery in 2010", and "the continued recovery of the North American auto industry will be critical to our success".

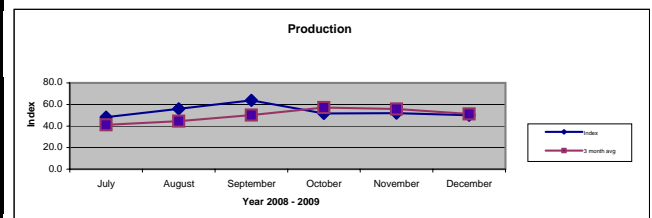
Southeast Michigan Index



Next Release
February 1, 2010

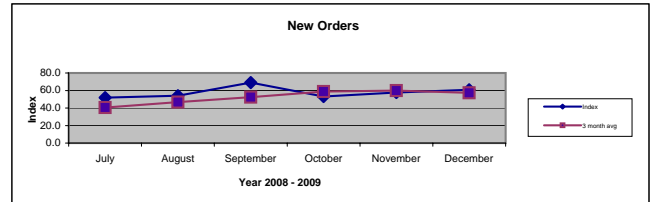
ISM-SEM Index		2009					
		July	August	September	October	November	December
Index		49.8	54.5	62.5	51.3	49.5	51.5
Index	3 month average	41.3	45.8	50.4	56.1	54.4	50.8
Production		2009					
		July	August	September	October	November	December
	Higher	25.0	44.0	44.8	35.5	38.5	21.7
	Same	46.4	24.0	37.9	32.3	26.9	56.5
	Lower	28.6	32.0	17.2	32.3	34.6	21.7
Index		48.2	56.0	63.8	51.6	51.9	50.0
Index	3 month average	41.0	44.5	50.2	57.1	55.8	51.2

Production levels unchanged from November survey.



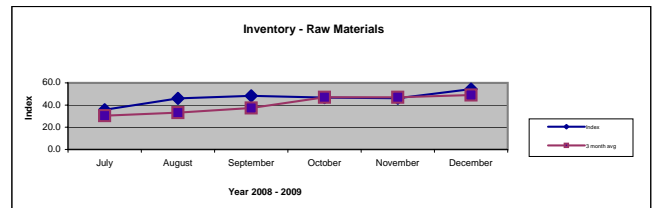
New Orders		2009					
		July	August	September	October	November	December
	Higher	28.6	32.0	55.2	41.9	46.2	39.1
	Same	46.4	44.0	27.6	22.6	23.1	43.5
	Lower	25.0	24.0	17.2	35.5	30.8	17.4
Index		51.8	54.0	69.0	53.2	57.7	60.9
Index	3 month average	40.5	46.7	52.3	58.7	60.0	57.3

New orders continue to increase for 2nd consecutive month.



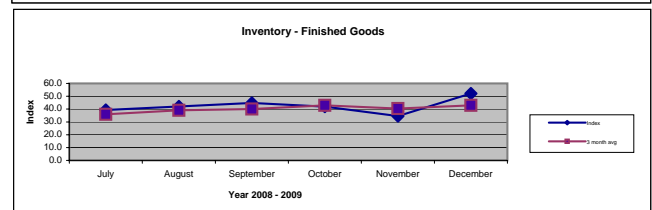
Inventory - Raw Materials		2009					
		July	August	September	October	November	December
	Higher	10.7	24.0	17.2	16.1	26.9	26.1
	Same	50.0	44.0	62.1	61.3	38.5	56.5
	Lower	39.3	32.0	20.7	22.6	34.6	17.4
Index		35.7	46.0	48.3	46.8	46.2	54.3
Index	3 month average	30.4	33.2	37.4	47.0	47.1	49.1

Raw materials inventories increase after period of contraction.



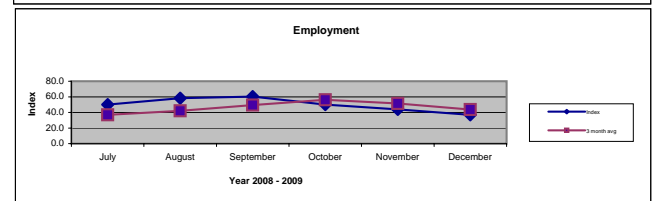
Inventory - Finished Goods		2009					
		July	August	September	October	November	December
	Higher	14.3	20.0	13.8	6.5	3.8	21.7
	Same	50.0	44.0	62.1	71.0	61.5	60.9
	Lower	35.7	36.0	24.1	22.6	34.6	17.4
Index		39.3	42.0	44.8	41.9	34.6	52.2
Index	3 month average	36.0	39.1	40.1	42.9	40.5	42.9

Finish goods inventories increase after period of contraction.



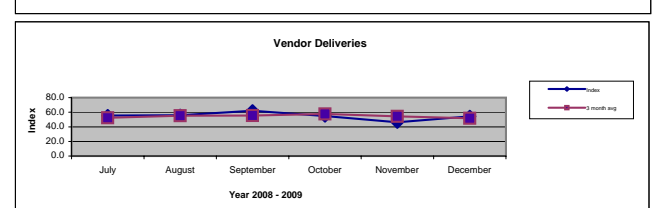
Employment		2009					
		July	August	September	October	November	December
	Higher	21.4	29.2	27.6	20.0	20.0	8.7
	Same	57.1	58.3	65.5	60.0	48.0	56.5
	Lower	21.4	12.5	6.9	20.0	32.0	34.8
Index		50.0	58.3	60.3	50.0	44.0	37.0
Index	3 month average	37.0	42.1	49.4	56.2	51.4	43.7

Employment declining at a faster rate.



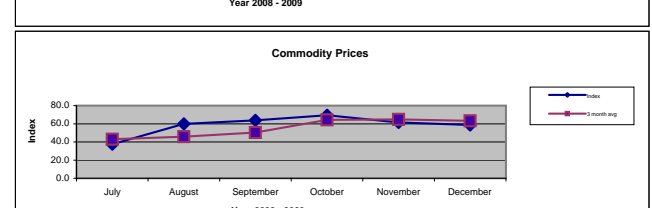
Vendor Deliveries		2009					
		July	August	September	October	November	December
	Faster	7.1	4.0	0.0	6.5	11.5	8.7
	Same	75.0	80.0	75.9	77.4	84.6	73.9
	Slower	17.9	16.0	24.1	16.1	3.8	17.4
Index		55.4	56.0	62.1	54.8	46.2	54.3
Index	3 month average	52.5	55.3	55.4	57.6	54.4	51.8

Deliveries bounce back up above 50 - offsetting last months decline.



Commodity Prices		2009					
		July	August	September	October	November	December
	Higher	7.1	32.0	34.5	41.9	26.9	21.7
	Same	60.7	56.0	58.6	54.8	69.2	73.9
	Lower	32.1428571	12.0	6.9	3.2	3.8	4.3
Index		37.5	60.0	63.8	69.4	61.5	58.7
Index	3 month average	42.9	45.8	50.4	64.4	64.9	63.2

Commodity prices still increasing, but at a slower rate.

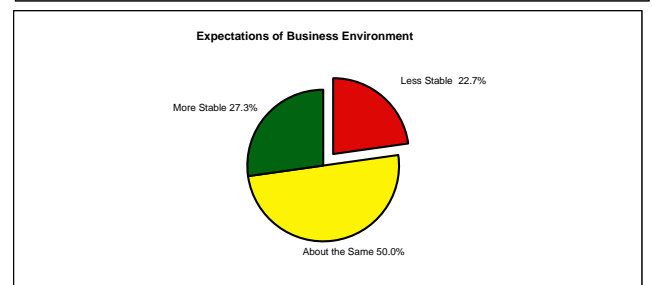


Expectations of Business Environment

6 months into the future:

Less Stable	22.7	percent
About the same	50.0	percent
More Stable	27.3	percent

For more information about the Survey or to obtain copies of previous surveys, visit our website at www.ism-sem.org and click on "Economic Surveys"



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