



January - 2010 (FOR RELEASE: February 3, 2010 - 6am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 45.2↓

ISM-SEM Index: January's reports reveal that the ISM-SEM composite dropped down sharply from December's 51.5 to 45.2, the first significant reading below 50.00 in the last six months.

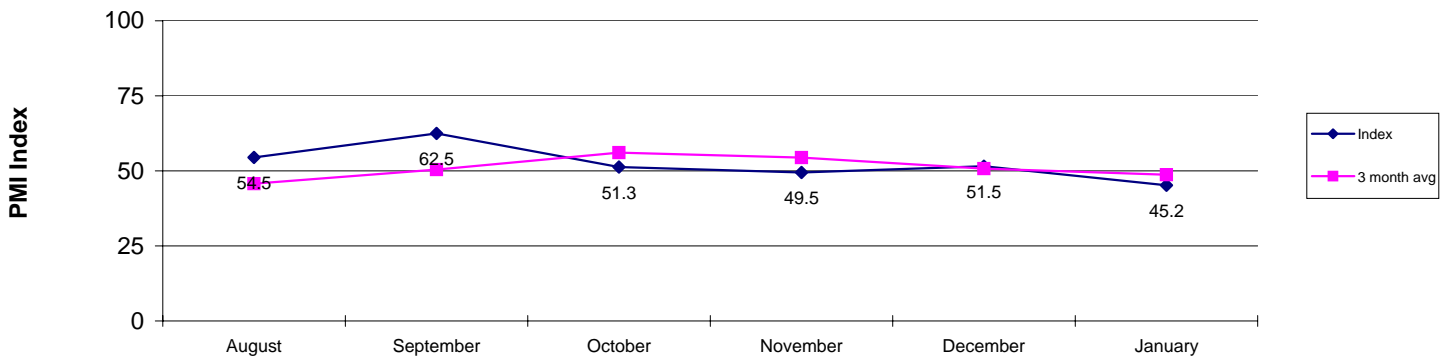
Employment: Purchasing managers report employment declines for the third straight month continuing its downward spiral to 36.0.

Prices: Commodity Prices reversed their course from the decline in December of 2009, climbing to 66.7.

Items up or down in price: January shows Southeast Michigan purchasing managers report that Aluminum, Steel, Copper, Zinc, and Resins prices were up, with Natural Gas, Pharmaceutical prices, and Caustic Soda prices being slightly up.

Economic Issues: Results of the January Southeast Michigan Purchasing Managers report are decidedly unfavorable to the Southeast Michigan Economy. The overall Purchasing Managers Index is down to 45.2, a deterioration from 51.5 reported in December, in sharp contrast to the national PMI index of 58.4, the Chicago PMI which rose to 61.5 in January, and the U.S. economy growing at a faster than expected rate of 5.7% in the fourth quarter of 2009 as reported by the Commerce Department. Other indicators within the Southeast Michigan PMI are also pointing downwards, with New Orders, Production, and Employment ALL being down. Raw material and finished goods inventories were down as well, and commodity prices roared back from the declining trend of the prior month. Respondents indicated that employment levels are declining; for 2009, U.S. Bureau of Labor Statistics indicate Michigan again registered the highest 4-quarter average rates, of 13.3 percent (this is the "official" normal unemployment rate), and a broader measure of unemployment of more than 1 in 5 or 21.5 percent (U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers). Further, Michigan's unemployment rate has now exceeded 10% for each of the last 12 months. Almost 60% of the respondents believe that the regional economy will maintain its current status, while almost 31% indicate more stability in economic conditions. In contrast, comments by members reflect unease about the recovery of the regional economy, with a strong focus on the availability of credit, and reducing the high unemployment rate in the Michigan economy. including "THE ABILITY TO SATISFY OUR CASH FLOW REQUIREMENTS AS BUSINESS INCREASES. THE BANKS ARE RESTRICTING LENDING WHICH WILL ULTIMATELY SLOW ANY ECONOMIC RECOVERY", "Interest rates need to stay low for the time being, and the availability of credit from banks - large & small - needs to be opened up", "the Auto industry is not yet fully healthy, and any double dip recession or back slide in sales will wipe out any progress made to this point. If that were to come to pass, a second wave of bankruptcies will occur, and we will lose an OEM - Chrysler-Fiat", "Without the availability of loan money available to our customers in order to expand or increase their capacities, the Michigan market will not see any type of turn around this year".

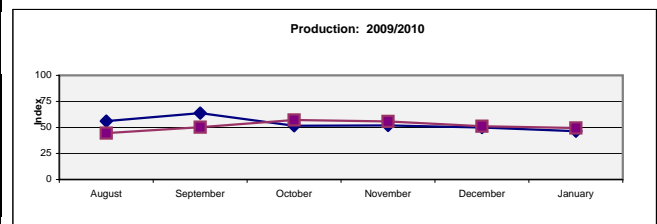
Southeast Michigan Index - 2009/2010



ISM-SEM Index		2009					
		August	September	October	November	December	January
Index		54.5	62.5	51.3	49.5	51.5	45.2
Index	3 month average	45.8	50.4	56.1	54.4	50.8	48.7

Production		2009 / 2010					
		August	September	October	November	December	January
	Higher	44.0	44.8	35.5	38.5	21.7	35.7
	Same	24.0	37.9	32.3	26.9	56.5	21.4
	Lower	32.0	17.2	32.3	34.6	21.7	42.9
Index		56.0	63.8	51.6	51.9	50.0	46.4
Index	3 month average	44.5	50.2	57.1	55.8	51.2	49.5

Production dropped for the second month in a row, coming in below 50....



New Orders		2009 / 2010						
		August	September	October	November	December	January	
	Higher	32.0	55.2	41.9	46.2	39.1	42.6	
	Same	44.0	27.6	22.6	23.1	43.5	13.1	
	Lower	24.0	17.2	35.5	30.8	17.4	44.3	
Index		54.0	69.0	53.2	57.7	60.9	49.2	
Index	3 month average	46.7	52.3	58.7	60.0	57.3	55.9	

New orders dropped sharply coming in below 50.

Inventory - Raw Materials		2009 / 2010						
		August	September	October	November	December	January	
	Higher	24.0	17.2	16.1	26.9	26.1	28.6	
	Same	44.0	62.1	61.3	38.5	56.5	34.7	
	Lower	32.0	20.7	22.6	34.6	17.4	36.7	
Index		46.0	48.3	46.8	46.2	54.3	45.9	
Index	3 month average	33.2	37.4	47.0	47.1	49.1	48.8	

Raw materials inventories sharply decreased after a period of expansion.

Inventory - Finished Goods		2009 / 2010						
		August	September	October	November	December	January	
	Higher	20.0	13.8	6.5	3.8	21.7	11.8	
	Same	44.0	62.1	71.0	61.5	60.9	35.3	
	Lower	36.0	24.1	22.6	34.6	17.4	52.9	
Index		42.0	44.8	41.9	34.6	52.2	29.4	
Index	3 month average	39.1	40.1	42.9	40.5	42.9	38.7	

Finished goods inventories sharply decreased after a period of expansion.

Employment		2009 / 2010						
		August	September	October	November	December	January	
	Higher	29.2	27.6	20.0	20.0	8.7	20.0	
	Same	58.3	65.5	60.0	48.0	56.5	32.0	
	Lower	12.5	6.9	20.0	32.0	34.8	48.0	
Index		58.3	60.3	50.0	44.0	37.0	36.0	
Index	3 month average	42.1	49.4	56.2	51.4	43.7	39.0	

Employment levels continue to decline at a faster rate.

Vendor Deliveries		2009 / 2010						
		August	September	October	November	December	January	
	Faster	4.0	0.0	6.5	11.5	8.7	18.2	
	Same	80.0	75.9	77.4	84.6	73.9	47.7	
	Slower	16.0	24.1	16.1	3.8	17.4	34.1	
Index		56.0	62.1	54.8	46.2	54.3	58.0	
Index	3 month average	55.3	55.4	57.6	54.4	51.8	52.8	

Deliveries remain above 50 for the second month in a row.

Commodity Prices		2009 / 2010						
		August	September	October	November	December	January	
	Higher	32.0	34.5	41.9	26.9	21.7	33.3	
	Same	56.0	58.6	54.8	69.2	73.9	66.7	
	Lower	12	6.9	3.2	3.8	4.3	0.0	
Index		60.0	63.8	69.4	61.5	58.7	66.7	
Index	3 month average	45.8	50.4	64.4	64.9	63.2	62.3	

Commodity prices increasing at a faster rate.

Expectations of Business Environment

6 months into the future:

Less Stable	11.9	percent
About the same	57.6	percent
More Stable	30.5	percent

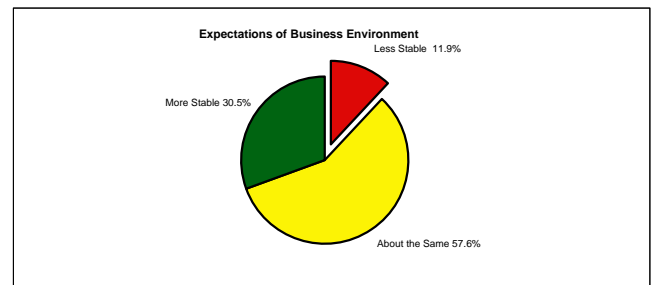
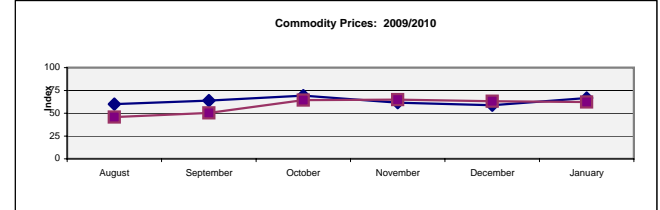
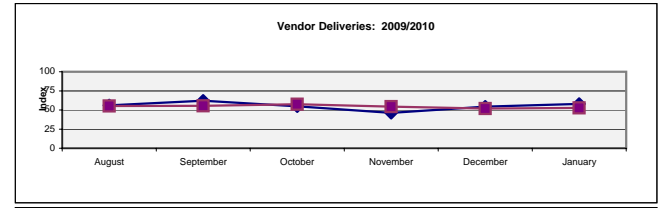
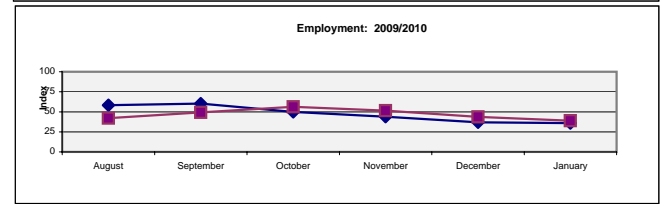
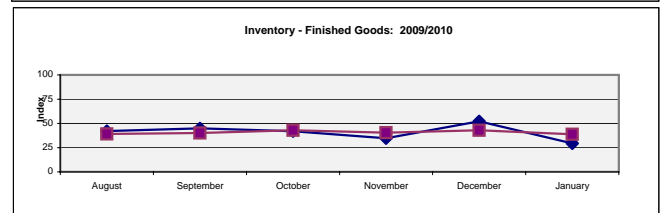
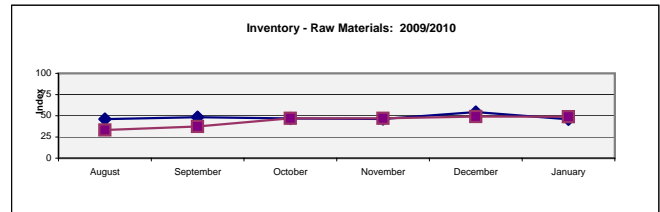
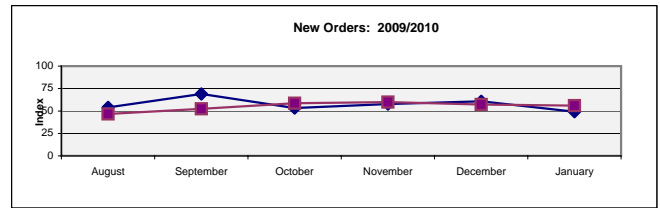
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