



January - 2011 (FOR RELEASE: February 1, 2011 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 55.5 ↓

ISM-SEM Index: In January, the PMI showed a small decline, from 56.3 to 55.5, but still remains above 50. The six consecutive months shown all scored above 50.0, but the 3 Month average decreased from 59.2 to 55.3.

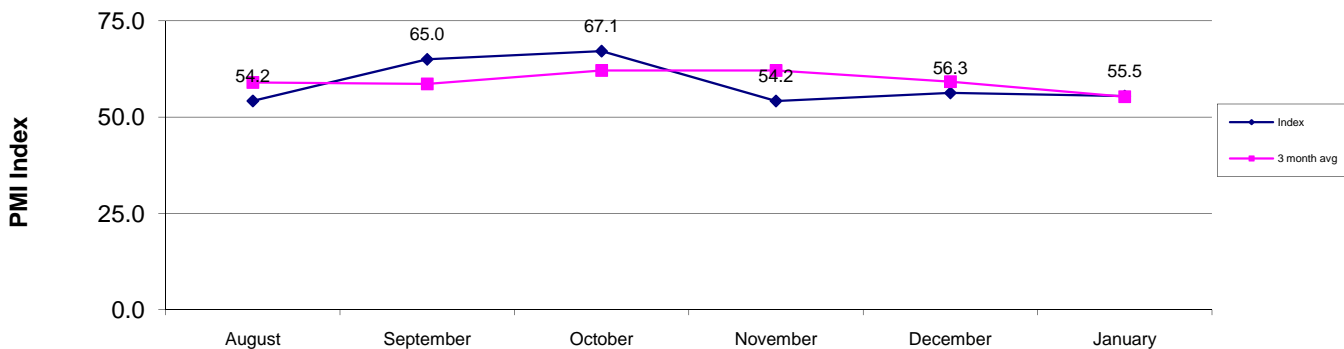
Employment: Employment dropped 5 points, with a January score of 54.7. The 3 Month average is at 56.2!

Commodity Prices: Commodity Prices are extremely high at 75.0. An overwhelming number of Purchasing Agents see prices on the rise.

Items up or down in price: January shows crude, specialty chemicals, polypropylene resins, titanium, plate and coiled steel, steel tubing, stainless steel, aluminum, copper, diesel, and all petroleum based oils and polymers as well as plastic components bottles and caps up in price. No specific commodities were cited as being down in price.

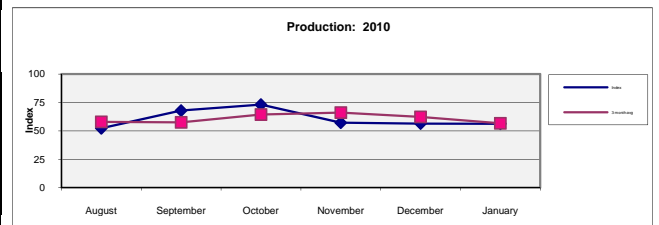
Economic Issues: The January survey shows that Michigan's economy is still powering ahead, with production, new orders, and employment all still growing but at a slightly slower rate. The purchasing managers index has now shown growth in the southeast Michigan economy for a solid 12 consecutive months. As a consequence, Michigan's unemployment rate which was 14.5% in December of 2009, dropped sharply to 11.7% by December 2010, a statistically significant improvement. Comments about the stability of the Michigan economy were decidedly mixed, ranging from "steady improvement is still being seen", "little improvement at this time", "still crawling along for us", "Market way to volatile for us. Seems to be improving slowly", "Although fragile, the economic conditions appear to be slowly improving". On the other hand, "every segment of our company finished the last quarter with very positive earnings. If the economy continues the slow steady improvement that we are seeing, our hopes are that the profitability trend will continue not only for our business but others as well". The automotive sector is also seen to be doing well, with "Vehicle sales continue to increase". Some concern is raised about price pressures, as in "Need to figure out how to determine a better way to deal with the resin increases", "price improvement on raw materials", "Recently receiving price increases due to raw material increases mostly from Europe", "Steel, aluminum and copper prices", "Oil prices are a high concern". Some lingering credit concerns as in "bank credit to potential customers", and concerns about "Defence cut backs, and new car program development cut backs. It's the heart of our business!" also take center stage. On one interesting observation, of a personal nature by a survey participant, "If there is any indication of the economy taking off. The on road truck traffic seems to have picked up significantly to the point of almost 2008 levels seemingly moving product to Tier 1/2, & OEMs in/out of SE Mi". The great recession of 2008 - 2010 seems to be over for good!

Southeast Michigan Index: 2010 - 11



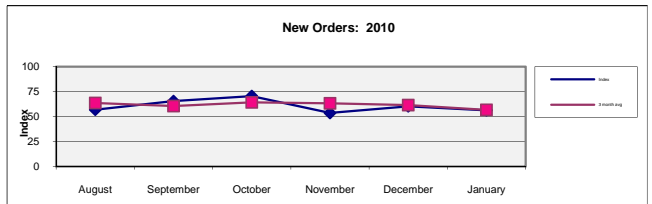
ISM-SEM Index		2010 - 2011					
		August	September	October	November	December	January
Index		54.2	65.0	67.1	54.2	56.3	55.5
Index	3 month average	59.0	58.6	62.1	62.1	59.2	55.3
Production		2010 - 2011					
		August	September	October	November	December	January
	Higher	31.8	47.6	51.3	25.0	30.8	34.4
	Same	40.9	40.5	43.6	64.3	51.3	43.8
	Lower	27.3	11.9	5.1	10.7	17.9	21.9
Index		52.3	67.9	73.1	57.1	56.4	56.3
Index	3 month average	57.9	57.5	64.4	66.0	62.2	56.6

Production contracted slightly to 56.3, but is still growing.



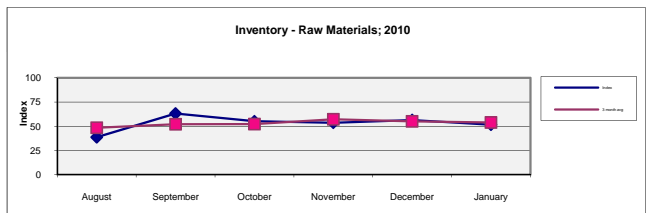
New Orders		2010 - 2011					
		August	September	October	November	December	January
	Higher	40.9	47.6	48.7	25.0	33.3	31.3
	Same	31.8	35.7	43.6	57.1	53.8	50.0
	Lower	27.3	16.7	7.7	17.9	12.8	18.8
	Index	56.8	65.5	70.5	53.6	60.3	56.3
	Index 3 month average	63.6	60.5	64.3	63.2	61.4	56.7

New orders dropped to 56.3 but still indicate expansion.



Inventory - Raw Materials		2010 - 2011					
		August	September	October	November	December	January
	Higher	9.1	33.3	23.1	17.9	20.5	25.0
	Same	59.1	59.5	64.1	71.4	71.8	53.1
	Lower	31.8	7.1	12.8	10.7	7.7	21.9
	Index	38.6	63.1	55.1	53.6	56.4	51.6
	Index 3 month average	48.4	52.1	52.3	57.3	55.0	53.8

Raw materials inventories decreased to 51.6.



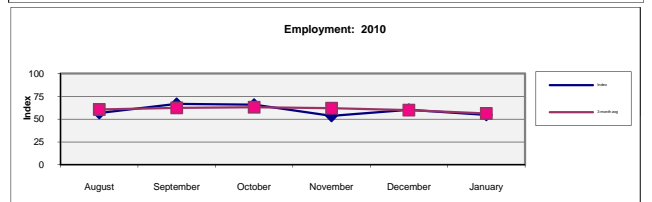
Inventory - Finished Goods		2010 - 2011					
		August	September	October	November	December	January
	Higher	0.0	23.8	20.5	7.1	12.8	25.0
	Same	63.6	64.3	61.5	82.1	69.2	53.1
	Lower	36.4	11.9	17.9	10.7	17.9	21.9
	Index	31.8	56.0	51.3	48.2	47.4	51.6
	Index 3 month average	39.7	43.7	46.4	51.8	49.0	49.1

Finished goods inventories increased to 51.6.



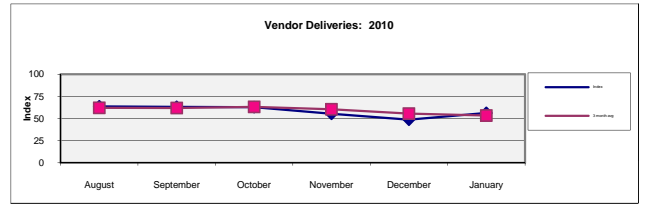
Employment		2010 - 2011					
		August	September	October	November	December	January
	Higher	31.8	42.9	36.8	17.9	33.3	25.0
	Same	50.0	47.6	57.9	71.4	53.8	59.4
	Lower	18.2	9.5	5.3	10.7	12.8	15.6
	Index	56.8	66.7	65.8	53.6	60.3	54.7
	Index 3 month average	60.7	62.4	63.1	62.0	59.9	56.2

Employment fell to 54.7 but still indicating growth in hiring.



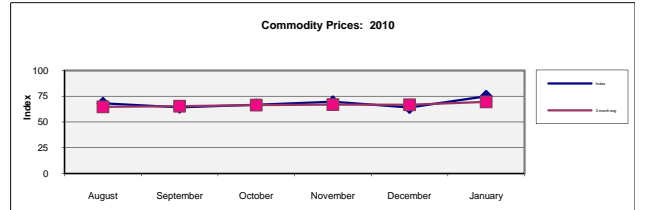
Vendor Deliveries		2010 - 2011					
		August	September	October	November	December	January
	Faster	4.5	2.4	2.6	10.7	15.4	3.1
	Same	63.6	69.0	69.2	67.9	71.8	81.3
	Slower	31.8	28.6	28.2	21.4	12.8	15.6
	Index	63.6	63.1	62.8	55.4	48.7	56.3
	Index 3 month average	62.1	61.9	63.2	60.4	55.6	53.4

Deliveries index increased to 56.3.



Commodity Prices		2010 - 2011					
		August	September	October	November	December	January
	Higher	36.4	31.0	33.3	39.3	28.2	50.0
	Same	63.6	66.7	66.7	60.7	71.8	50.0
	Lower	0.0	2.4	0.0	0.0	0.0	0.0
	Index	68.2	64.3	66.7	69.6	64.1	75.0
	Index 3 month average	64.8	65.4	66.4	66.9	66.8	69.6

Commodity prices surged strongly up to 75.



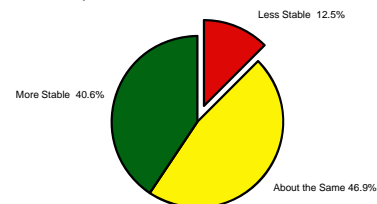
Expectations of Business Environment

6 months into the future:

Less Stable	12.5	percent
About the same	46.9	percent
More Stable	40.6	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"

Expectations of Business Environment: 2010



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