



October - 2011 (FOR RELEASE: November 1, 2011 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 59.7 ↑

ISM-SEM Index: In October, the PMI bounced back up, from 53.1 to 59.7. The 3 Month average increased to 55.5.

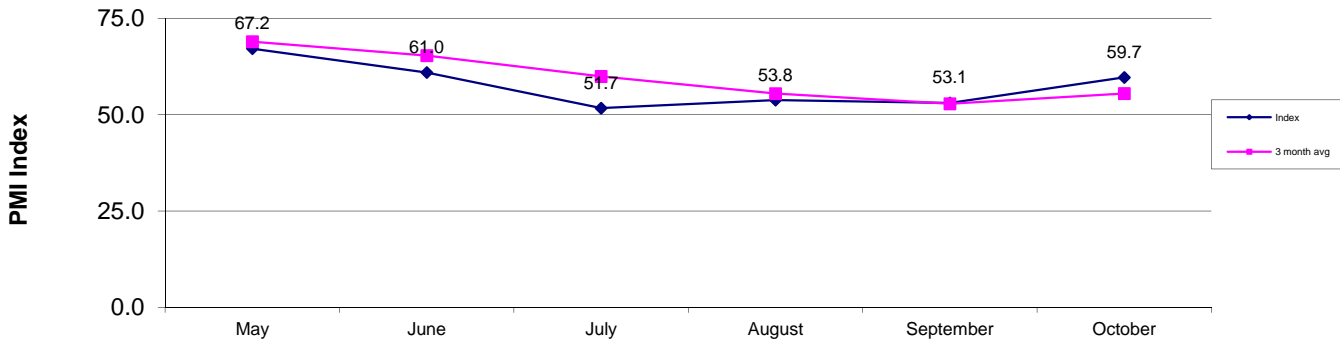
Employment: Employment continued its upward trend, from 59.7 in September to 68.8 in October. The 3 Month average has pushed above 60 at 61.8.

Commodity Prices: Commodity Prices have gone from 58.1 to a much higher 66.7. The three month average of 62.1 is the lowest average of the year, resulting from the low numbers in August and September.

Items up or down in price: October shows items up in price are agricultural products, software support and services, argon, raw plastic resin, titanium dioxide, fluorochemical Products. Items down in price include propane, petroleum, precious metals, softwood and hardwood pulp.

Economic Issues: The October Purchasing Managers Index for Southeast Michigan showed an increase to 59.7 -- the twenty-first consecutive month that the index has exceeded 50, which is the indicator of an expanding economy. During the last three months, the index had declined to near the threshold of 50, suggesting that the economy may be cooling. The October index suggests a possible, but far from conclusive, return to a stronger business economy. One-third of the responding purchasing managers indicate that the economy over the next six months will turn less stable -- the same percentage as in September. This represents a considerably higher proportion of pessimistic respondents compared to the summer months, where the percentage of those anticipating a less stable economy were below 10 percent. Specific indexes revealed glimpses of optimism. The Production Index and Employment Index improved in October over September, to 58.3 and 68.8 respectively, The New Order Index improved from 48.4 to 56.3, indicating that the amount of new orders had declined in September, but had increased again in October. Raw material and Finished goods inventory also reversed from declining to increasing from September to October. Commodity prices index rose markedly in October, to 66.7. Comments from purchasing managers were mixed, ranging from "Business is picking up" to "anticipate slowing during the holidays" and "the European financial crisis is a growing concern".

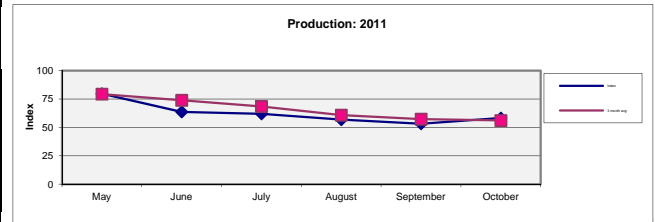
Southeast Michigan Index: 2011



ISM-SEM Index		2011					
		May	June	July	August	September	October
Index		67.2	61.0	51.7	53.8	53.1	59.7
Index	3 month average	69.0	65.3	59.9	55.5	52.9	55.5

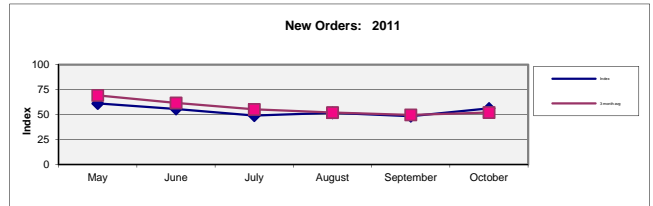
Production		2011					
		May	June	July	August	September	October
	Higher	66.7	51.0	56.5	37.9	25.8	37.5
	Same	26.2	25.5	10.9	37.9	54.8	41.7
	Lower	7.1	23.5	32.6	24.1	19.4	20.8
Index		79.8	63.7	62.0	56.9	53.2	58.3
Index	3 month average	79.4	73.9	68.5	60.9	57.4	56.2

Production increased modestly from 53.2 to 58.3.



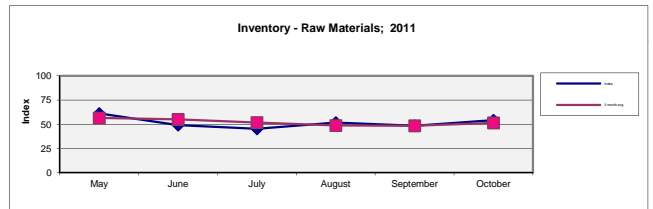
New Orders		2011					
		May	June	July	August	September	October
	Higher	48.9	44.4	42.6	27.6	25.8	37.5
	Same	24.4	22.2	12.8	48.3	45.2	37.5
	Lower	26.7	33.3	44.7	24.1	29.0	25.0
Index		61.1	55.6	48.9	51.7	48.4	56.3
Index	3 month average	69.3	61.7	55.2	52.1	49.7	52.1

New orders reversed from a decline to increasing orders in October.



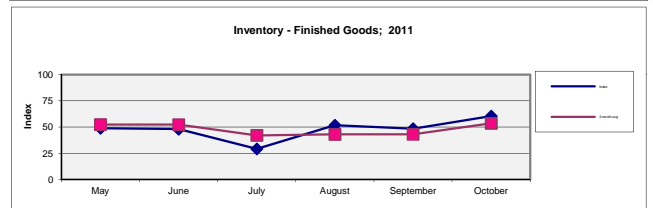
Inventory - Raw Materials		2011					
		May	June	July	August	September	October
	Higher	48.9	37.0	33.3	27.6	16.1	25.0
	Same	24.4	24.1	23.8	48.3	64.5	58.3
	Lower	26.7	38.9	42.9	24.1	19.4	16.7
Index		61.1	49.1	45.2	51.7	48.4	54.2
Index	3 month average	56.5	55.1	51.8	48.7	48.4	51.4

Raw materials inventories reversed from declining to increasing in October.



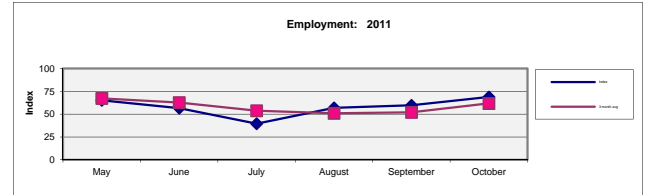
Inventory - Finished Goods		2011					
		May	June	July	August	September	October
	Higher	32.6	32.0	20.8	24.1	19.4	25.0
	Same	32.6	32.0	16.7	55.2	58.1	70.8
	Lower	34.9	36.0	62.5	20.7	22.6	4.2
Index		48.8	48.0	29.2	51.7	48.4	60.4
Index	3 month average	52.4	52.3	42.0	43.0	43.1	53.5

Finished goods inventories reversed from declining to large increase.



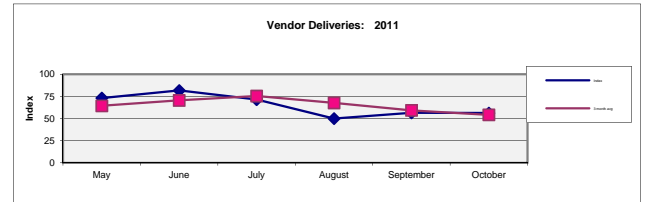
Employment		2011					
		May	June	July	August	September	October
	Higher	51.2	39.1	27.9	31.0	29.0	37.5
	Same	27.9	34.8	23.3	51.7	61.3	62.5
	Lower	20.9	26.1	48.8	17.2	9.7	0.0
Index		65.1	56.5	39.5	56.9	59.7	68.8
Index	3 month average	67.3	62.8	53.7	51.0	52.0	61.8

Employment shows continuing improvement, to a strong 68.8.



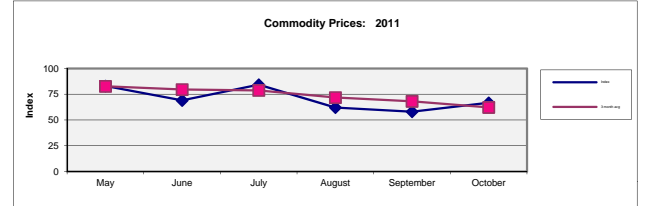
Vendor Deliveries		2011					
		May	June	July	August	September	October
	Faster	4.9	0.0	14.3	10.3	9.7	8.3
	Same	43.9	36.5	28.6	79.3	67.7	70.8
	Slower	51.2	63.5	57.1	10.3	22.6	20.8
Index		73.2	81.7	71.4	50.0	56.5	56.3
Index	3 month average	64.4	70.5	75.4	67.7	59.3	54.2

Deliveries index reduced slightly to 56.3.



Commodity Prices		2011					
		May	June	July	August	September	October
	Higher	72.7	56.0	68.6	27.6	22.6	41.7
	Same	20.5	26.0	31.4	69.0	71.0	50.0
	Lower	6.8	18.0	0.0	3.4	6.5	8.3
Index		83.0	69.0	84.3	62.1	58.1	66.7
Index	3 month average	82.7	79.5	78.7	71.8	68.1	62.3

Commodity prices were higher, with index value at 66.7.



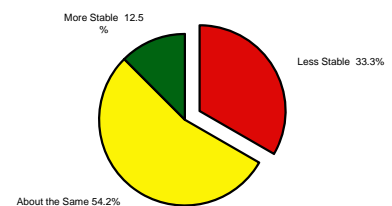
Expectations of Business Environment

6 months into the future:

Less Stable	33.3	percent
About the same	54.2	percent
More Stable	12.5	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: 2011



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