



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

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

ISM-SEM Index: In November, the PMI plunged, from 59.7 to 51.5. This is the lowest figure in 2011, and comes right when the retail economic sector traditionally accelerates.

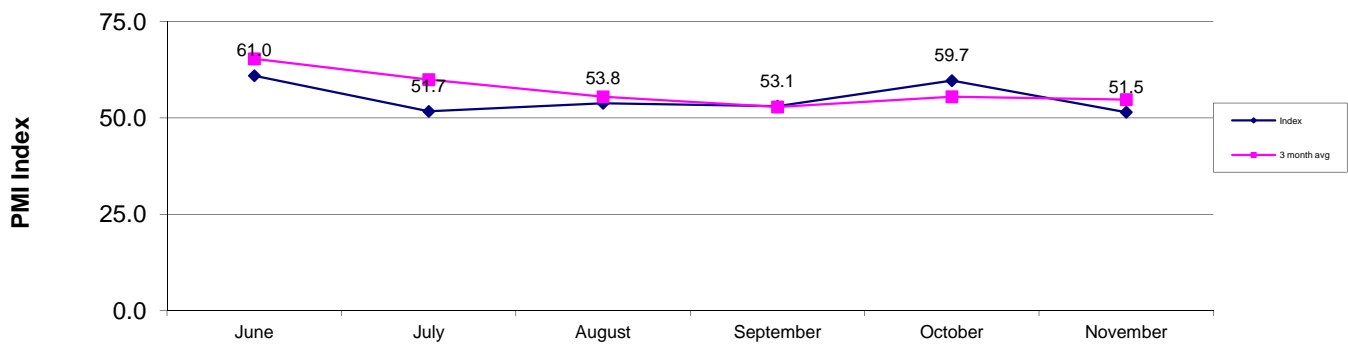
Employment: Employment finished strong, even though it was down from 68.8 in October to 58.0 in November. The 3 Month average remains above 60 at 62.1.

Commodity Prices: Commodity Prices also declined but remain high, from 66.7 in October down to 60.0. The three month average of 61.6 is the lowest average of the year, continuing what has been a steady decline since August.

Items up or down in price: November shows paper, cotton, chemicals, crude oil, oil based products, steel, food, corn, fruit, forged rings, stainless steel up in price. Natural Gas, energy, foam - styropor, Neopor, Epor, and polypropylene were down in price.

Economic Issues: The November survey shows the Southeast Michigan economy growing for the 22nd consecutive month. However, the growth has slowed sharply. Specifically, production activity has declined though new orders and employment levels seem to be showing some strength. Commodity prices also seem to have moderated their growth suggesting that inflation may not be a problem. The proportion of managers surveyed indicating that business conditions would be less stable declined from the prior month of 33% to 24%. Comments from managers are reflective of uncertainty in the economy, ranging from "Very concerned about the U.S. Debt and U.S. dollar as a global currency", "Government military spending will be a factor on where we will be in another year. Also new program kick offs in the automotive sector will give additional hope in the future. Hard to believe the auto industry is selling vehicles at a pretty good pace yet the economy struggles. I guess the old saying 'As GM goes, so goes the country' no longer fits", "Still a lot of uncertainty with suppliers I have talked with", "Reductions to staff have been planned", "Have noticed an increase in small business home repair and improvement. Where we would see 1 per week we are now seeking 3-5", "This is our typical slow time (November-December). It is typical that our order and production volumes are down", "Transmission utility construction will increase for the next 6 months into the entire 2012 and 2013 year going forward", "Entire organization is under review to develop strategies for cost reductions and revenue generation", "Winter Weather - Let us hope for snow as it helps many independent contractors in SE MI through the winter".

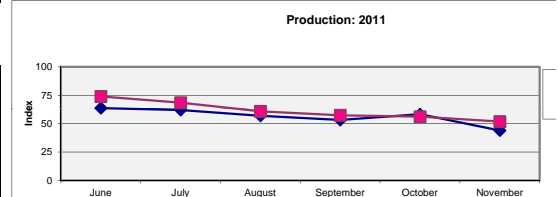
Southeast Michigan Index: 2011



ISM-SEM Index		2011					
		June	July	August	September	October	November
Index		61.0	51.7	53.8	53.1	59.7	51.5
Index	3 month average	65.3	59.9	55.5	52.9	55.5	54.8

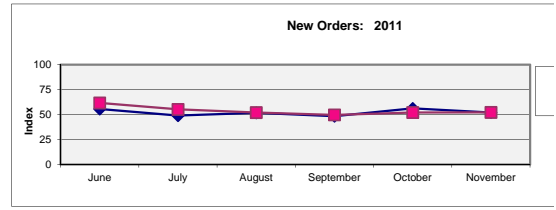
Production		2011					
		June	July	August	September	October	November
	Higher	51.0	56.5	37.9	25.8	37.5	20.0
	Same	25.5	10.9	37.9	54.8	41.7	48.0
	Lower	23.5	32.6	24.1	19.4	20.8	32.0
Index		63.7	62.0	56.9	53.2	58.3	44.0
Index	3 month average	73.9	68.5	60.9	57.4	56.2	51.9

Production dropped sharply to 44.0.



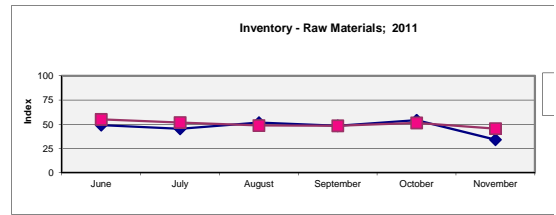
New Orders		2011					
		June	July	August	September	October	November
Higher		44.4	42.6	27.6	25.8	37.5	32.0
Same		22.2	12.8	48.3	45.2	37.5	40.0
Lower		33.3	44.7	24.1	29.0	25.0	28.0
Index		55.6	48.9	51.7	48.4	56.3	52.0
Index	3 month average	61.7	55.2	52.1	49.7	52.1	52.2

New orders growth slows down.



Inventory - Raw Materials		2011					
		June	July	August	September	October	November
Higher		37.0	33.3	27.6	16.1	25.0	12.0
Same		24.1	23.8	48.3	64.5	58.3	44.0
Lower		38.9	42.9	24.1	19.4	16.7	44.0
Index		49.1	45.2	51.7	48.4	54.2	34.0
Index	3 month average	55.1	51.8	48.7	48.4	51.4	45.5

Raw materials inventories decreased sharply.



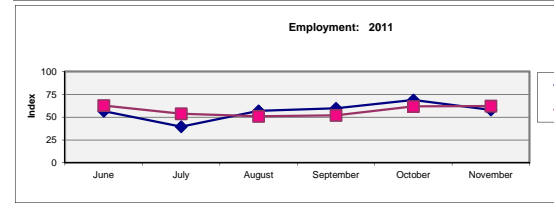
Inventory - Finished Goods		2011					
		June	July	August	September	October	November
Higher		32.0	20.8	24.1	19.4	25.0	16.0
Same		32.0	16.7	55.2	58.1	70.8	60.0
Lower		36.0	62.5	20.7	22.6	4.2	24.0
Index		48.0	29.2	51.7	48.4	60.4	46.0
Index	3 month average	52.3	42.0	43.0	43.1	53.5	51.6

Finished goods inventories also declined sharply.



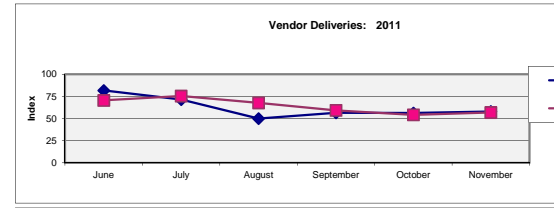
Employment		2011					
		June	July	August	September	October	November
Higher		39.1	27.9	31.0	29.0	37.5	32.0
Same		34.8	23.3	51.7	61.3	62.5	52.0
Lower		26.1	48.8	17.2	9.7	0.0	16.0
Index		56.5	39.5	56.9	59.7	68.8	58.0
Index	3 month average	62.8	53.7	51.0	52.0	61.8	62.1

Employment growth slowed slightly.



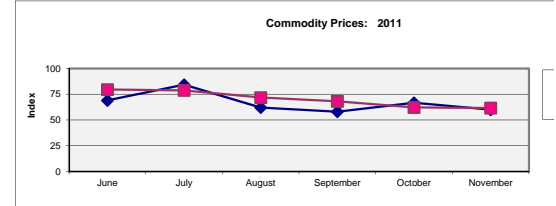
Vendor Deliveries		2011					
		June	July	August	September	October	November
Faster		0.0	14.3	10.3	9.7	8.3	8.0
Same		36.5	28.6	79.3	67.7	70.8	68.0
Slower		63.5	57.1	10.3	22.6	20.8	24.0
Index		81.7	71.4	50.0	56.5	56.3	58.0
Index	3 month average	70.5	75.4	67.7	59.3	54.2	56.9

Deliveries index went up slightly.



Commodity Prices		2011					
		June	July	August	September	October	November
Higher		56.0	68.6	27.6	22.6	41.7	36.0
Same		26.0	31.4	69.0	71.0	50.0	48.0
Lower		18.0	0.0	3.4	6.5	8.3	16.0
Index		69.0	84.3	62.1	58.1	66.7	60.0
Index	3 month average	79.5	78.7	71.8	68.1	62.3	61.6

Commodity prices moderated slightly.

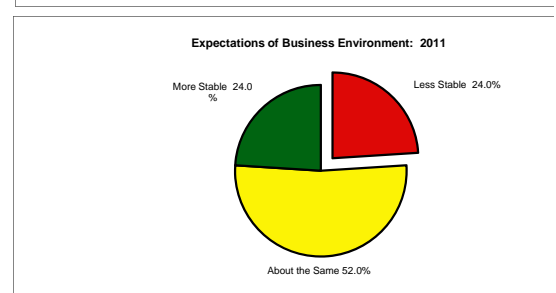


Expectations of Business Environment

6 months into the future:

Less Stable	24.0	percent
About the same	52.0	percent
More Stable	24.0	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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