



June - 2012 (FOR RELEASE: July 2, 2012 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 60.3 ↓

ISM-SEM Index: In June the PMI dropped from 66.3 to 60.3, a three month low. The three month average dipped slightly, to 63.1. The majority (76.2%) of respondents expect the business environment to remain stable or improve.

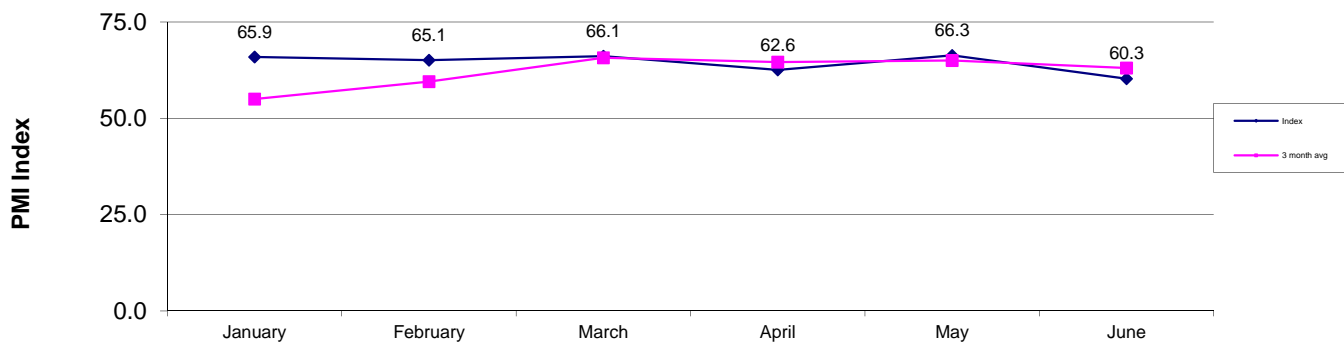
Employment: The Employment index is close to a 5-year high at 76.1. The index continues to indicate that employment conditions in Southeast Michigan are favorable. The 3 Month average is at an unheard of number of 75.5.

Commodity Prices: The commodity price index continued its dramatic drop, more than 7 points in June, and from 65.5 in March to 43.5 in June. Something is happening in the Southeast Michigan economy that's driving this, but the cause, remains unknown.

Items up or down in price: June shows resins and plastics up in price. Items down in price include petroleum products and copper.

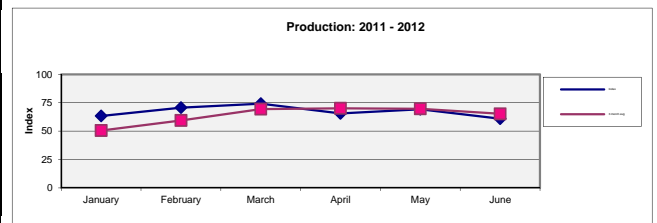
Economic Issues: The June survey shows continued improvement in the Southeast Michigan business economy despite a marked drop in the index. The Southeast Michigan Purchasing Managers Index (PMI) for June is a strong 60.3, down from the May PMI of 66.3. The Southeast Michigan PMI has been above 50 for twenty-eight of the past twenty-nine months. A PMI value of 50 or more generally denotes an expanding economy. The specific economic components that drove the strong PMI value include Production, in which the index value remained at a strong value of 60.9, though down from the May value of 69.2; New Orders, which declined sharply from 67.3, remained positive at 54.2; and Employment with remained very strong at 76.1, but down slightly from the May index of 78.8. Finished goods inventory declined slightly to 47.8, beneath the threshold index value of 50. The June Commodity Prices index dropped from 50.0 to 43.5 with purchasing managers noting that petroleum products and copper are down in price. Resins and plastics were reported to be up in price. Over 77% of respondents report that they believe that the economy will remain the same or become more stable over the next six months. The general demeanor of respondents varied widely. "We seem to be at a standstill with growth"; "Increased amount of 'booked' business"; "We have concerns over global economy and capacity of supply base"; "Lots of quotes out there. Hopefully we get our share of the business. Automotive still going strong"; "The election, election, election. What will happen and how will business react. We think this will drive our business for the next couple of years".

Southeast Michigan Index: 2011 - 2012



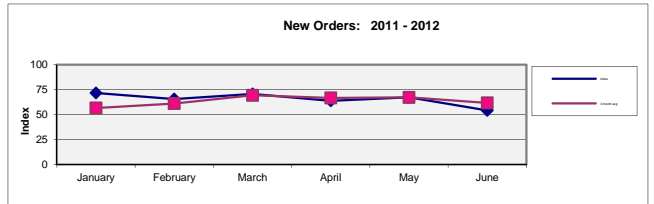
ISM-SEM Index		2011 - 2012					
		January	February	March	April	May	June
Index		65.9	65.1	66.1	62.6	66.3	60.3
Index	3 month average	55.0	59.5	65.7	64.6	65.0	63.1
Production		2011 - 2012					
		January	February	March	April	May	June
	Higher	40.0	51.7	58.6	44.8	57.7	39.1
	Same	46.7	37.9	31.0	41.4	23.1	43.5
	Lower	13.3	10.3	10.3	13.8	19.2	17.4
Index		63.3	70.7	74.1	65.5	69.2	60.9
Index	3 month average	50.4	59.3	69.4	70.1	69.6	65.2

Production declined markedly, yet remained strong at 60.9.



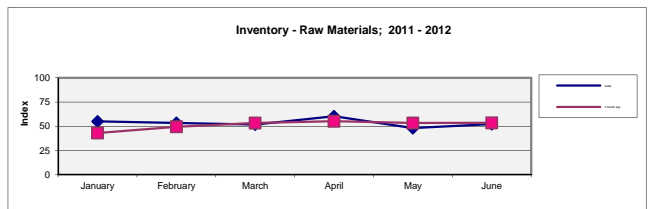
New Orders		2011 - 2012					
		January	February	March	April	May	June
	Higher	50.0	44.8	55.2	44.8	50.0	33.3
	Same	43.3	41.4	31.0	37.9	34.6	41.7
	Lower	6.7	13.8	13.8	17.2	15.4	25.0
Index		71.7	65.5	70.7	63.8	67.3	54.2
Index	3 month average	56.6	61.1	69.3	66.7	67.3	61.8

New orders declined markedly, yet remained positive at 54.2.



Inventory - Raw Materials		2011 - 2012					
		January	February	March	April	May	June
	Higher	26.7	20.7	27.6	37.9	19.2	17.4
	Same	56.7	65.5	48.3	44.8	57.7	69.6
	Lower	16.7	13.8	24.1	17.2	23.1	13.0
Index		55.0	53.4	51.7	60.3	48.1	52.2
Index	3 month average	43.0	49.5	53.4	55.2	53.4	53.5

Raw materials inventories increased slightly from 48.1 to 52.2.



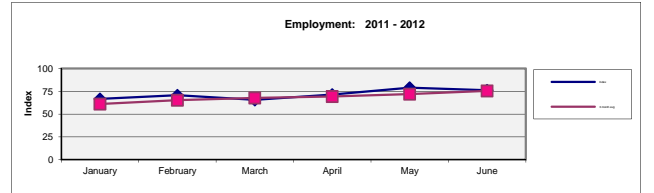
Inventory - Finished Goods		2011 - 2012					
		January	February	March	April	May	June
	Higher	36.7	20.7	20.7	17.2	19.2	13.0
	Same	46.7	65.5	58.6	65.5	61.5	69.6
	Lower	16.7	13.8	20.7	17.2	19.2	17.4
Index		60.0	53.4	50.0	50.0	50.0	47.8
Index	3 month average	49.3	51.8	54.5	51.1	50.0	49.3

Finished goods inventories dropped to 47.8.



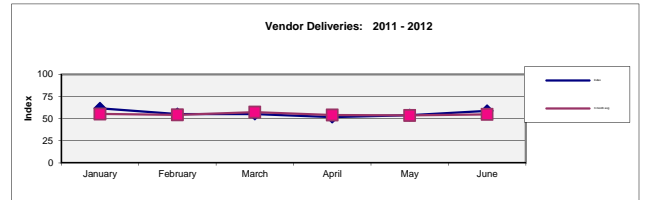
Employment		2011 - 2012					
		January	February	March	April	May	June
	Higher	46.7	44.8	41.4	50.0	61.5	60.9
	Same	40.0	51.7	48.3	42.9	34.6	30.4
	Lower	13.3	3.4	10.3	7.1	3.8	8.7
Index		66.7	70.7	65.5	71.4	78.8	76.1
Index	3 month average	61.0	65.2	67.6	69.2	71.9	75.5

Employment declined slightly, yet remained very strong at 76.1.



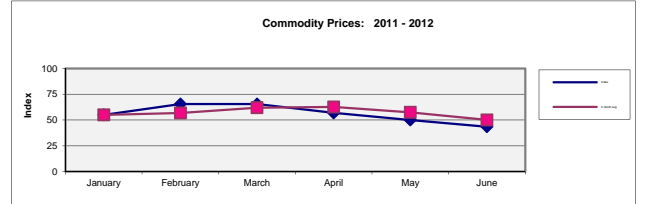
Vendor Deliveries		2011 - 2012					
		January	February	March	April	May	June
	Faster	3.3	10.3	3.4	10.3	3.8	4.3
	Same	70.0	69.0	82.8	75.9	84.6	73.9
	Slower	26.7	20.7	13.8	13.8	11.5	21.7
Index		61.7	55.2	55.2	51.7	53.8	58.7
Index	3 month average	55.2	54.3	57.3	54.0	53.6	54.8

Deliveries increased to 58.7.



Commodity Prices		2011 - 2012					
		January	February	March	April	May	June
	Higher	30.0	34.5	37.9	24.1	23.1	17.4
	Same	50.0	62.1	55.2	65.5	53.8	52.2
	Lower	20.0	3.4	6.9	10.3	23.1	30.4
Index		55.0	65.5	65.5	56.9	50.0	43.5
Index	3 month average	55.0	56.8	62.0	62.6	57.5	50.1

Commodity prices declined to 43.5.



Expectations of Business Environment - June 2012

6 months into the future:

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

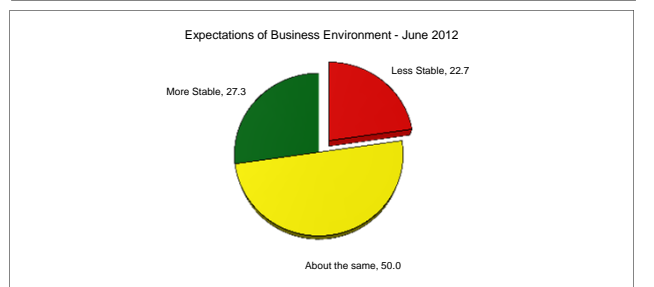
For more information about the Survey or to obtain copies of previous surveys, visit our website at www.ism-sem.org and click on "Economic Surveys"

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Survey Results Production by: Kenneth Doherty & Steve Welsh of ISM.

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