



March - 2013 (FOR RELEASE: April 1, 2013 - 6 am EST)

The ISM - Southeast Michigan Purchasing Managers Index (PMI) at 55.7 ↑

ISM-SEM Index: In March, the PMI grew by 4 points, from 51.7 to 55.7, signifying a faster growing economy. The three month average also increased, from 52.9 to 54.2. The three month average has remained between 50 and 55 for eight consecutive reports, further exemplifying that growth continues in the local economy.

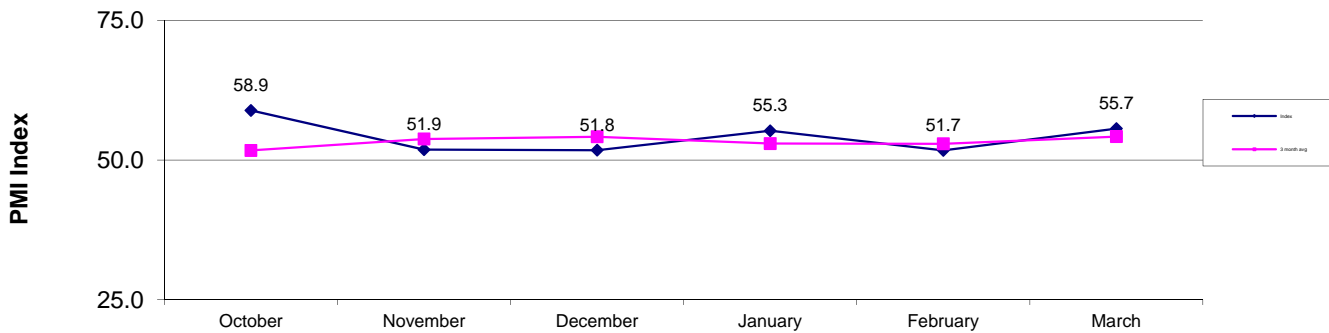
Employment: The Employment index increased significantly, from 54.2 in February to 60.6 in March. The three month average also increased from 54.2 to 56.7.

Commodity Prices: The commodity price index dropped slightly from 66.7 to 58.8. The three month average is at 61.5 .

Items up or down in price: *March shows petroleum/gas/diesel were up in price as well as active fine chemicals, and oil based products. Aluminum was also up in price.*

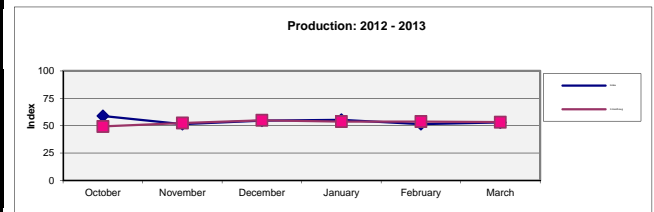
Economic Issues: *The March survey shows that growth in the South East Michigan economy accelerated from the prior month. Components of the index that exhibited growth were production, new orders and employment, with both new orders and employment accelerating. Production activity grew at a slightly higher rate. Commodity prices which had grown substantially faster in February, moderated their rate of increase in March. Commodity prices mainly of petroleum, and petroleum based products are quite volatile, and the moderation in their rate of growth is welcome, though easily reversible. Expectations of future business activity by survey respondents while generally supportive of stability, indicated some increase in uncertainty, with about 21% of respondents indicating less stable conditions. Comments from participants indicated the influence of Europe, sequestration, budget impasse, and health care reform, to name a few, and hoped that some of these influences would be temporary. Comments ranged from "As both the Federal and State tax dollars dry up and spending is offset accordingly, it appears the economy will have a set-back, albeit a temporary one, I hope", "Europe will likely decline dragging down the global economy; however, this could help the manufacturing resurgence in the US", "The government budget. A compromise is needed not a band aid", "Congress really needs to fix this budget mess", "The sequester has hit us as our customer has asked us to stop running additional vehicles after phase one is completed. They are not sure if monies will be available to complete program", "Employment/Hiring has taken a seasonal dip in February. Most in the industry are still looking for an uptick into Summer", "Health care reform/PPACA", "FTTA (Fiber to the Antenna) and DAS (Distributed Antenna Systems) deployments will increase my business. It just depends on how quickly the carriers roll them out".*

Southeast Michigan Index: 2012 - 2013



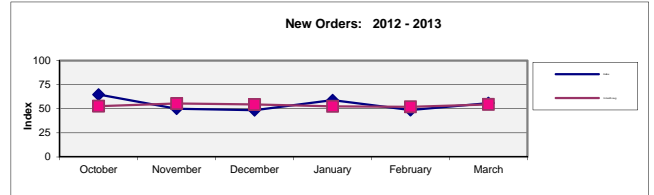
ISM-SEM Index		2012 - 2013					
		October	November	December	January	February	March
Index		58.9	51.9	51.8	55.3	51.7	55.7
Index	3 month average	51.7	53.8	54.2	53.0	52.9	54.2
Production		2012 - 2013					
		October	November	December	January	February	March
	Higher	35.3	24.3	36.4	25.0	25.0	29.4
	Same	47.1	54.1	36.4	60.7	52.8	47.1
	Lower	17.6	21.6	27.3	14.3	22.2	23.5
Index		58.8	51.4	54.5	55.4	51.4	52.9
Index	3 month average	49.3	52.4	54.9	53.8	53.8	53.2

Production grew at a slightly faster rate.



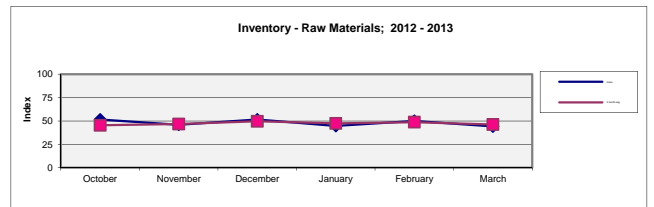
New Orders		2012 - 2013					
		October	November	December	January	February	March
	Higher	44.1	24.3	27.3	32.1	25.0	32.4
	Same	41.2	51.4	42.4	53.6	47.2	47.1
	Lower	14.7	24.3	30.3	14.3	27.8	20.6
Index		64.7	50.0	48.5	58.9	48.6	55.9
Index	3 month average	52.7	55.4	54.4	52.5	52.0	54.5

New orders grew substantially.



Inventory - Raw Materials		2012 - 2013					
		October	November	December	January	February	March
	Higher	23.5	10.8	21.2	7.1	19.4	11.8
	Same	55.9	70.3	60.6	75.0	61.1	64.7
	Lower	20.6	18.9	18.2	17.9	19.4	23.5
Index		51.5	45.9	51.5	44.6	50.0	44.1
Index	3 month average	45.4	46.7	49.6	47.4	48.7	46.3

Raw materials inventories dropped below 50.



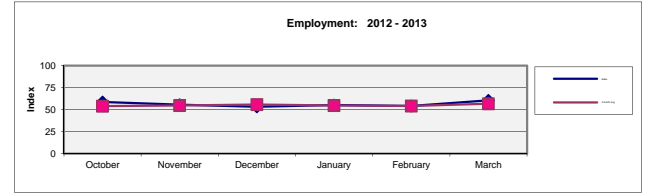
Inventory - Finished Goods		2012 - 2013					
		October	November	December	January	February	March
	Higher	14.7	10.8	18.2	14.3	16.7	23.5
	Same	67.6	70.3	63.6	64.3	69.4	55.9
	Lower	17.6	18.9	18.2	21.4	13.9	20.6
Index		48.5	45.9	50.0	46.4	51.4	51.5
Index	3 month average	47.9	48.2	48.2	47.5	49.3	49.8

Finished goods inventories remained flat.



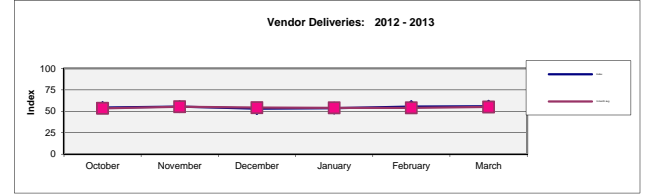
Employment		2012 - 2013					
		October	November	December	January	February	March
	Higher	38.2	22.9	19.4	25.0	25.0	33.3
	Same	41.2	65.7	67.7	60.7	58.3	54.5
	Lower	20.6	11.4	12.9	14.3	16.7	12.1
Index		58.8	55.7	53.2	55.4	54.2	60.6
Index	3 month average	54.0	54.8	55.9	54.8	54.2	56.7

Employment index grew sharply.



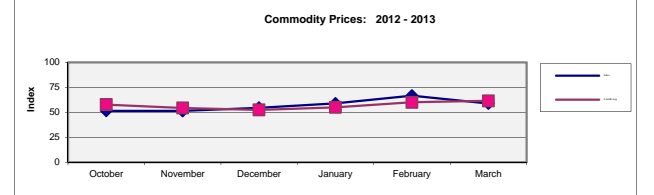
Vendor Deliveries		2012 - 2013					
		October	November	December	January	February	March
	Faster	8.8	2.7	9.1	3.6	8.3	2.9
	Same	73.5	83.8	75.8	85.7	72.2	82.4
	Slower	17.6	13.5	15.2	10.7	19.4	14.7
Index		54.4	55.4	53.0	53.6	55.6	55.9
Index	3 month average	53.4	55.2	54.3	54.0	54.1	55.0

Deliveries remained relatively unchanged.



Commodity Prices		2012 - 2013					
		October	November	December	January	February	March
	Higher	20.6	13.5	21.2	21.4	36.1	17.6
	Same	61.8	75.7	66.7	75.0	61.1	82.4
	Lower	17.6	10.8	12.1	3.6	2.8	0.0
Index		51.5	51.4	54.5	58.9	66.7	58.8
Index	3 month average	57.7	54.4	52.5	54.9	60.0	61.5

Commodity prices growth rate slowed.

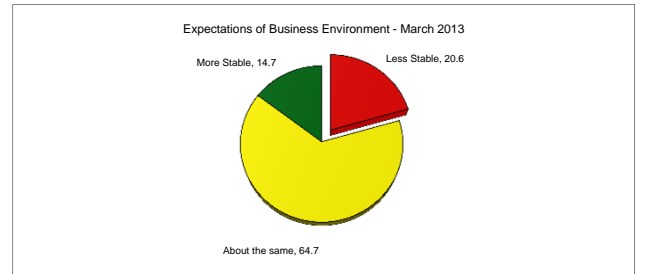


Expectations of Business Environment - March 2013

6 months into the future:

Less Stable	20.6	percent
About the same	64.7	percent
More Stable	14.7	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"



NOTICE:

No warranty, expressed or implied, is attached to these figures or their use. While the figures are compiled with professional care, no representations about appropriateness, accuracy, or suitability for specific applications are made.

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

Next Release: **May 1, 2013**

For more information, contact
ISM - Southeast Michigan
Email: businessmanager@ism-sem.org
Tel: 313-881-0800
OR
Wayne State University
Timothy Butler
timothy.butler@wayne.edu
Tel: 313-577-9810
OR
Nitin Paranjpe
ai8668@wayne.edu
Tel: 248-292-0208