

Summary, ISM-Western Washington, Inc. Report on Business

Month: August, 2021

The month of August cannot be compared to July data, because there was not enough data available to do the report. We do however show decreases from June for most measures of the Western Washington manufacturing economy. The Index, at 52.7, lost 1.9 points from June, but the Forecast at 53.5 decreased 5.8 points from 59.3 in June, indicating signs of a flatter economy. Prices, New Orders, inventory and Employment, were a bit down from June, while Production is up and all are forecasted higher in 90 days. Current Prices dipped a bit, but are forecasted to be a bit higher in 90 days. Supplier lead times were shorter, but forecasted longer in 90 days. The National figure for July was 59.5, a 2.6-point decrease from June. Problems with long lead times for materials, also high expenses for Freight, continued to adversely affect business conditions in Western Washington.

Index Numbers less than 50 indicate a shrinking economy, while those over 50 signal an expanding economy. Prices and International Index numbers are not included in the Composite Index, and index numbers (excluding Prices, Supplier Deliveries, and International purchases) are seasonally adjusted.

Items in short supply: Many electronic components, especially integrated circuits and microprocessors. Component supplies from overseas (with lead times now as much as 50 weeks), PPE, and freight capacity in all modes.

Items up in price: Scrap metal, wood and crating items, belts, sheaves, pulleys and bushings, acetone, fiberglass, PPE, freight rates.

Buying Policy in Average Lead Times (days):

MRO: 20 (down from June)

Production: 18 (unchanged from June)

Capital: 155 (down from June)

The data presented herein are obtained from a survey of manufacturing supply managers based on information they have collected within their respective organizations. ISM-Western Washington, Inc. makes no representation, other than that stated within this release, regarding the individual company data collection procedures. Use of the data is in the public domain and should be compared to all other economic data sources when used in decision-making.

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Summary, July/Aug. 2021	% Higher	% Same	% Lower	Net	Index	PMI	
Production	16.67	83.33	0.00	27	59.1	11.8	
Production Forecast (90day)	8.33	91.67	0.00	27	54.9		
New Orders	8.33	91.67	0.00	45	56.1	11.2	
New Order Forecast (90day)	8.33	91.67	0.00	45	56.1		
Employment	0.00	100.00	0.00	27	49.6	9.9	
Employment Forecast (90day)	8.33	91.67	0.00	10	53.7		
Inventory	8.33	75.00	16.67	-9	44.7	8.9	
Inventory Forecast (90day)	8.33	66.67	25.00	0	40.6		
Prices	41.67	58.33	0.00	36	70.8		
Price Forecast (90day)	58.33	41.67	0.00	64	79.2		
Deliveries	8.33	75.00	16.67	9	54.2	10.8	
Delivery Forecast (90day)	0.00	75.00	25.00	-9	62.5		
Composite						52.7	
Composite 90-Day Forecast						53.5	
International	36.36	45.45	18.18	-11	59.1		

july/august2021	This Month	Last Month	Diff.	WW Index	Last Month	Diff.	
<i>Production</i>	54.3	0.0	54.3	59.1	0.0	59.1	
Production Forecast	70.7	0.0	70.7	54.9	0.0	54.9	
New Orders	54.1	0.0	54.1	56.1	0.0	56.1	
New Order Forecast	70.3	0.0	70.3	56.1	0.0	56.1	
Employment	31.3	0.0	31.3	49.6	0.0	49.6	
Employment Forecast	57.5	0.0	57.5	53.7	0.0	53.7	
Inventory	42.2	0.0	42.2	44.7	0.0	44.7	
Inventory Forecast	58.1	0.0	58.1	40.6	0.0	40.6	
Prices	55.0	0.0	55.0	70.8			
Price Forecast	80.0	0.0	80.0	79.2			
Deliveries	65.0	0.0	65.0	54.2	0.0	54.2	
Delivery Forecast	40.0	0.0	40.0	62.5	0.0	62.5	
Composite				52.7	0.0	52.7	
Composite Forecast				53.5	0.0	53.5	
International	44.4	0.0	44.4	59.1			