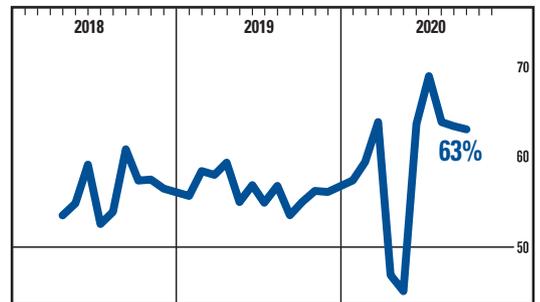


# HOSPITAL PMI™ at 63%

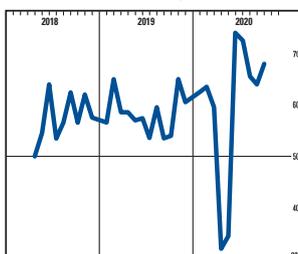
Economic activity in the hospital subsector grew in October for the fifth consecutive month, say the nation's hospital supply executives in the latest Hospital ISM® Report On Business®.

The Hospital PMI™ registered 63 percent in October, down 0.3 percentage point from the September reading of 63.3 percent. This was the fifth month of growth following two months of contraction. The Business Activity Index and Employment Index increased in October, and the New Orders Index decreased. The Case Mix Index increased to 61 percent, up 9.5 percentage points compared to the September reading of 51.5 percent. The Days Payable Outstanding Index decreased to 50.5 percent, down 3.5 percentage points from the September reading of 54 percent. The Technology Spend Index registered 56 percent, a decrease of 3.5 percentage points from the September reading of 59.5 percent.

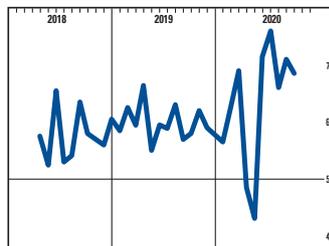


Survey Committee members' comments about growth continued to be mixed. In October, there were more comments about the negative impact of COVID-19 spikes on capacity and availability of personal protective equipment (PPE) than in the previous month. Despite increased spikes, several panelists commented on growing or stable volumes of elective procedures. Availability and cost of PPE continues to be a primary concern. Last month's positive comments that shortages might be easing slightly were replaced by concerns about the impacts of the flu and year-end inventory reductions on availability. One panelist wrote, "End of the year brings catalog consolidations from vendors, increased mergers-and-acquisitions activity, contract expirations and item shortages for things like flu supplies (which are also COVID-19 supplies). Unfortunately, COVID-19 has exacerbated all of this." Shortages and increased use are resulting in more special requests and manual ordering.

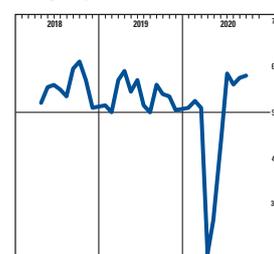
**Business Activity**



**New Orders**



**Employment**



## About This Report

The information compiled in this report is for the month of October 2020.

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

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