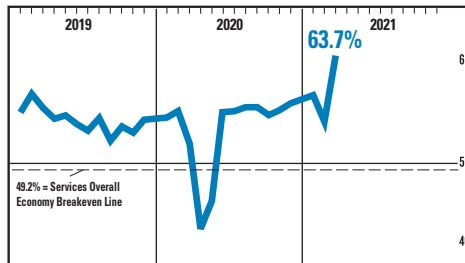


SERVICES PMI® at 63.7%

In March, the Services PMI® registered 63.7 percent, 8.4 percentage points higher than the February figure of 55.3 percent. This reading indicates the services sector grew for the 10th consecutive month after two months of contraction and 122 months of growth before that. A reading above 50 percent indicates the services sector economy is generally expanding; below 50 percent indicates the services sector is generally contracting.



Economic activity in the services sector grew in March for the 10th month in a row, say the nation's purchasing and supply executives in the latest Services ISM® Report On Business®.

The Services PMI® registered an all-time high of 63.7 percent. The previous high was in October 2018, when the Services PMI® registered 60.9 percent. The March reading indicates the 10th straight month of growth for the services sector, which has expanded for all but two of the last 134 months. There was a substantial increase in the rate of growth in the services sector in March. Respondents' comments indicate that the lifting of coronavirus (COVID-19) pandemic-related restrictions has released pent-up demand for many of their respective companies' services. Production-capacity constraints, material shortages, weather and challenges in logistics and human resources continue to cause supply chain disruption.

All of the 18 services industries reporting growth in March — listed in order — are: Arts, Entertainment & Recreation; Wholesale Trade; Mining; Management of Companies & Support Services; Construction; Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; Real Estate, Rental & Leasing; Transportation & Warehousing; Public Administration; Finance & Insurance; Utilities; Health Care & Social Assistance; Professional, Scientific & Technical Services; Information; Retail Trade; Educational Services; and Other Services*¹. ISM

¹Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).

Services at a Glance

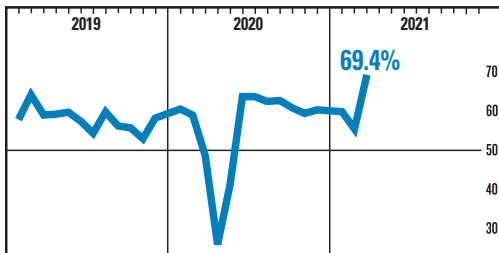
INDEX	Mar Index	Feb Index	% Point Change	Direction	Rate of Change	Trend* (months)
Services PMI®	63.7	55.3	+8.4	Growing	Faster	10
Business Activity	69.4	55.5	+13.9	Growing	Faster	10
New Orders	67.2	51.9	+15.3	Growing	Faster	10
Employment	57.2	52.7	+4.5	Growing	Faster	3
Supplier Deliveries	61.0	60.8	+0.2	Slowing	Faster	22
Inventories	54.0	58.9	-4.9	Growing	Slower	2
Prices	74.0	71.8	+2.2	Increasing	Faster	46
Backlog of Orders	50.2	55.2	-5.0	Growing	Slower	3
New Export Orders	55.5	57.6	-2.1	Growing	Slower	2
Imports	50.7	50.5	+0.2	Growing	Faster	6
Inventory Sentiment	52.7	54.3	-1.6	Too High	Slower	2
Overall Economy				Growing	Faster	10
Services Sector				Growing	Faster	10

*Number of months moving in current direction.
Services ISM® Report On Business® data is seasonally adjusted for the Business Activity, New Orders, Prices and Employment indexes.

Commodities Reported

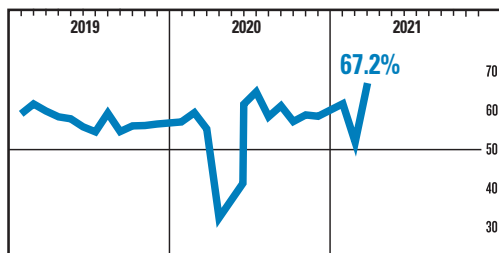
Commodities Up in Price: Chemicals; Construction Materials; Construction Services; Copper Products (2); Diesel (4); Electrical Components (2); Exam Gloves (6); Food & Beverage; Freight (4); Fuel (3); Gasoline (4); Gasoline-Related Products; Labor (4); Labor — Construction; Labor — Temporary (3); Lumber (3); Oriented Strand Board (OSB) (4); Packaging Materials; Paint-Related Products; Personal Protective Equipment (PPE)* (14); PPE — Gloves (6); Poly Products; Polyvinyl Chloride (PVC) Products (7); Resin Products (3); Steel (7); Steel Conduit; Steel Products (3); Steel — Rolled; Trucking Services; and Wood Products (2). **Commodities Down in Price:** Personal Protective Equipment (PPE)* (2)

Note: To view the full list, visit the ISM website at ismworld.org.



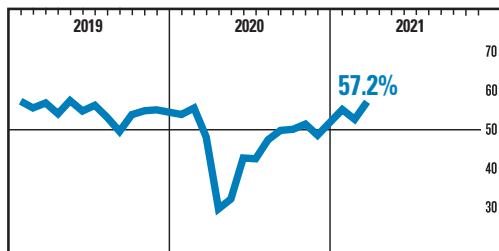
Business Activity

ISM's Business Activity Index registered an all-time high of 69.4 percent in March. The 17 industries reporting an increase in business activity for the month of March — listed in order — are: Arts, Entertainment & Recreation; Mining; Management of Companies & Support Services; Accommodation & Food Services; Wholesale Trade; Agriculture, Forestry, Fishing & Hunting; Real Estate, Rental & Leasing; Utilities; Finance & Insurance; Public Administration; Transportation & Warehousing; Health Care & Social Assistance; Construction; Information; Retail Trade; Educational Services; and Professional, Scientific & Technical Services.



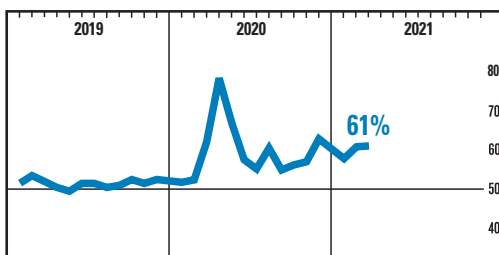
New Orders

ISM's New Orders Index registered an all-time high of 67.2 percent. The 17 industries reporting growth of new orders in March — listed in order — are: Arts, Entertainment & Recreation; Mining; Management of Companies & Support Services; Wholesale Trade; Accommodation & Food Services; Utilities; Public Administration; Health Care & Social Assistance; Professional, Scientific & Technical Services; Retail Trade; Transportation & Warehousing; Agriculture, Forestry, Fishing & Hunting; Real Estate, Rental & Leasing; Finance & Insurance; Construction; Information; and Educational Services.



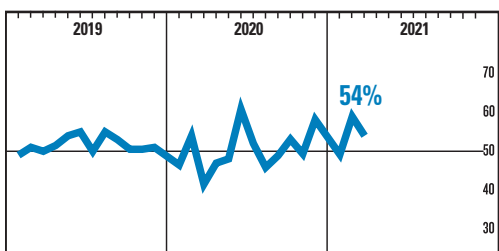
Employment

ISM's Services Employment Index registered 57.2 percent. Employment activity in the services sector grew in March for the third consecutive month after contracting in December. The 10 industries reporting an increase in employment in March — listed in order — are: Arts, Entertainment & Recreation; Management of Companies & Support Services; Wholesale Trade; Construction; Finance & Insurance; Other Services[†]; Accommodation & Food Services; Public Administration; Educational Services; and Professional, Scientific & Technical Services.



Supplier Deliveries

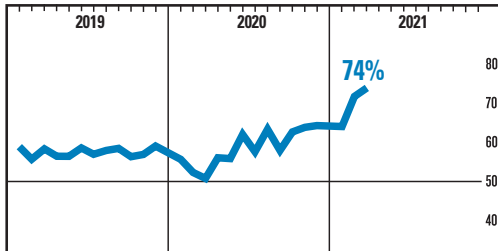
The Supplier Deliveries Index registered 61 percent, which is 0.2 percentage point higher than the 60.8 percent reported in February. A reading above 50 percent indicates slower deliveries, while a reading below 50 percent indicates faster deliveries. The 14 industries reporting slower deliveries in March — listed in order — are: Wholesale Trade; Agriculture, Forestry, Fishing & Hunting; Mining; Transportation & Warehousing; Construction; Real Estate, Rental & Leasing; Arts, Entertainment & Recreation; Management of Companies & Support Services; Health Care & Social Assistance; Utilities; Other Services[†]; Information; Professional, Scientific & Technical Services; and Public Administration.



Inventories

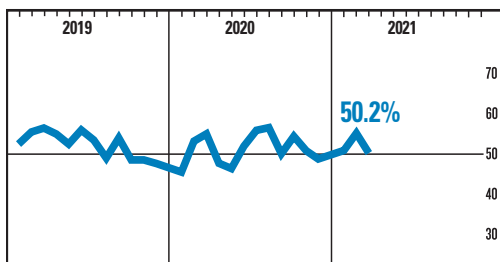
The Inventories Index registered 54 percent. The nine industries reporting an increase in inventories in March — listed in order — are: Finance & Insurance; Transportation & Warehousing; Other Services; Utilities; Wholesale Trade; Construction; Information; Management of Companies & Support Services; and Educational Services.

[†]Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).



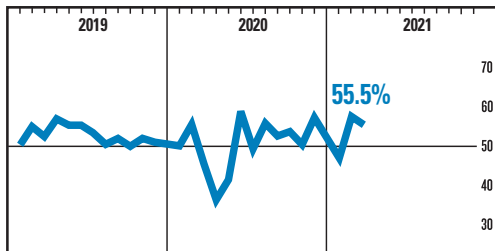
Prices

Prices paid by service organizations for materials and services increased in March, with the index registering 74.0 percent. All 18 services industries that reported an increase in prices paid during the month of March — listed in order — are: Construction; Wholesale Trade; Utilities; Mining; Real Estate, Rental & Leasing; Management of Companies & Support Services; Public Administration; Retail Trade; Transportation & Warehousing; Finance & Insurance; Other Services; Accommodation & Food Services; Agriculture, Forestry, Fishing & Hunting; Health Care & Social Assistance; Arts, Entertainment & Recreation; Professional, Scientific & Technical Services; Educational Services; and Information.



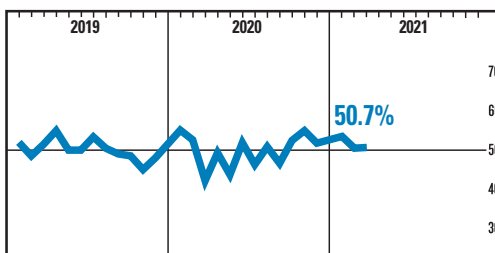
Backlog of Orders

The ISM Services Backlog of Orders Index grew in March for the ninth time in the last 10 months. The index registered 50.2 percent. The 11 industries reporting an increase in order backlogs in March — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Transportation & Warehousing; Management of Companies & Support Services; Utilities; Accommodation & Food Services; Retail Trade; Mining; Construction; Finance & Insurance; Public Administration; and Wholesale Trade.



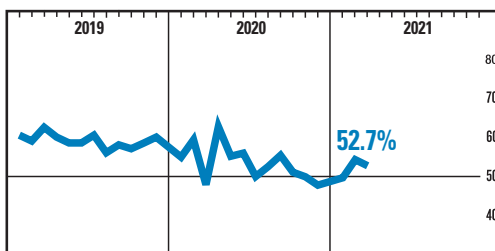
New Export Orders

Orders and requests for services and other non-manufacturing activities to be provided outside of the U.S. by domestically based companies grew in March for the second consecutive month after contracting in January. The New Export Orders Index registered 55.5 percent. The six industries reporting an increase in new export orders in March — listed in order — are: Real Estate, Rental & Leasing; Finance & Insurance; Construction; Transportation & Warehousing; Professional, Scientific & Technical Services; and Wholesale Trade.



Imports

The Imports Index grew at a slightly faster rate in March, as it registered 50.7 percent. The six industries reporting an increase in imports for the month of March — listed in order — are: Wholesale Trade; Retail Trade; Accommodation & Food Services; Transportation & Warehousing; Professional, Scientific & Technical Services; and Construction.



Inventory Sentiment

The ISM Services Inventory Sentiment Index in March registered 52.7 percent. The eight industries reporting sentiment that their inventories were too high in March — listed in order — are: Arts, Entertainment & Recreation; Mining; Finance & Insurance; Information; Health Care & Social Assistance; Utilities; Other Services[‡]; and Professional, Scientific & Technical Services.

[‡]Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).