

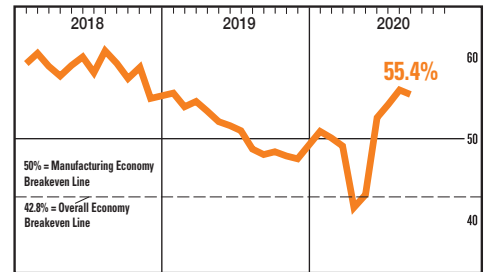
Economic activity in the manufacturing sector grew in September, with the overall economy notching a fifth consecutive month of growth, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The September PMI® registered 55.4 percent. The New Orders Index registered 60.2 percent, a decrease of 7.4 percentage points from the August reading of 67.6 percent. The Production Index registered 61 percent, down 2.3 percentage points compared to the August reading of 63.3 percent. The Backlog of Orders Index registered 55.2 percent, 0.6 percentage point higher compared to the August reading of 54.6 percent. The Employment Index registered 49.6 percent, an increase of 3.2 percentage points from the August reading of 46.4 percent. The Supplier Deliveries Index registered 59 percent, up 0.8 percentage point from the August figure of 58.2 percent.

Of the 18 manufacturing industries, 14 reported growth in September, in the following order: Paper Products; Wood Products; Food, Beverage & Tobacco Products; Furniture & Related Products; Electrical Equipment, Appliances & Components; Nonmetallic Mineral Products; Fabricated Metal Products; Chemical Products; Miscellaneous Manufacturing†; Plastics & Rubber Products; Machinery; Textile Mills; Computer & Electronic Products; and Transportation Equipment. **ISM**

# MANUFACTURING PMI® at 55.4%

Manufacturing grew in September, as the PMI® registered 55.4 percent, 0.6 percentage point lower than the August reading of 56 percent. The PMI® signaled a continued rebuilding of economic activity in September, with all subindexes either remaining in moderate to strong growth territory or slowing their rate of contraction (Employment and Inventories). Five of the big six industry sectors continue to expand. The New Orders and Production indexes continued at strong expansion levels. The Supplier Deliveries Index continues to reflect supplier difficulties in maintaining delivery rates due to factory labor safety issues and transportation challenges. Eight of the 10 subindexes were positive for the period. A reading of 'too low' for Customers' Inventories is considered a positive for future production.



## Manufacturing at a Glance

INDEX	Sep Index	Aug Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	55.4	56.0	-0.6	Growing	Slower	4
New Orders	60.2	67.6	-7.4	Growing	Slower	4
Production	61.0	63.3	-2.3	Growing	Slower	4
Employment	49.6	46.4	+3.2	Contracting	Slower	14
Supplier Deliveries	59.0	58.2	+0.8	Slowing	Faster	11
Inventories	47.1	44.4	+2.7	Contracting	Slower	3
Customers' Inventories	37.9	38.1	-0.2	Too Low	Faster	48
Prices	62.8	59.5	+3.3	Increasing	Faster	4
Backlog of Orders	55.2	54.6	+0.6	Growing	Faster	3
New Export Orders	54.3	53.3	+1.0	Growing	Faster	3
Imports	54.0	55.6	-1.6	Growing	Slower	3
<b>Overall Economy</b>				<b>Growing</b>	<b>Slower</b>	<b>5</b>
<b>Manufacturing Sector</b>				<b>Growing</b>	<b>Slower</b>	<b>4</b>

\*Number of months moving in current direction. Manufacturing ISM® *Report On Business*® data is seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.



## Commodities Reported

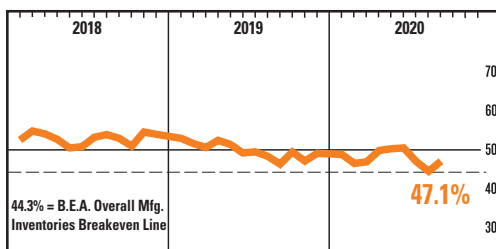
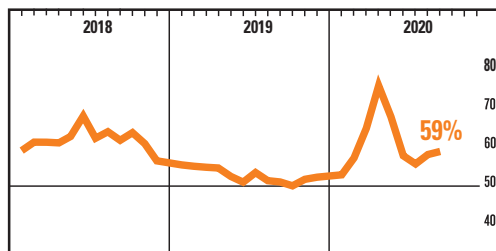
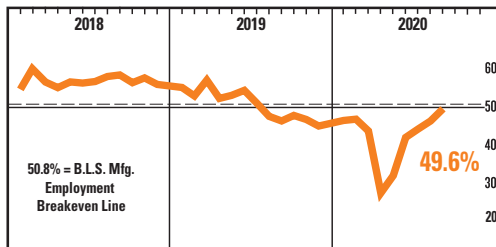
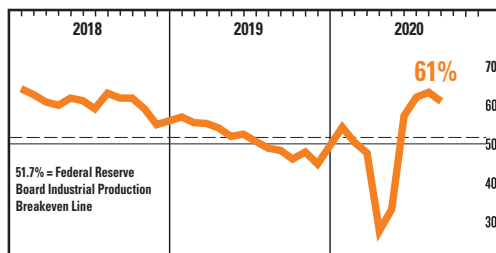
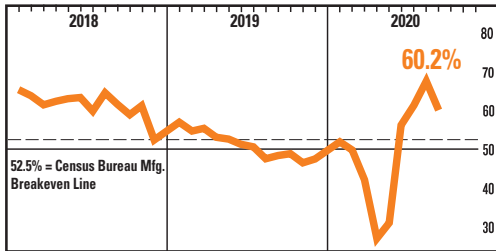
**Commodities Up in Price:** Aluminum (4); Aluminum Extrusions; Copper (4); Freight (2); High-Density Polyethylene (HDPE) (3); Lumber (3); Natural Gas (2); Polypropylene (3); Polyvinyl Chloride; Precious Metals (3); Propylene (2); Resins; Sanitizers; Steel (2); Steel — Cold Rolled; Steel — Hot Rolled; Steel — Scrap (2); and Steel Products.

**Commodities Down in Price:** Oil.

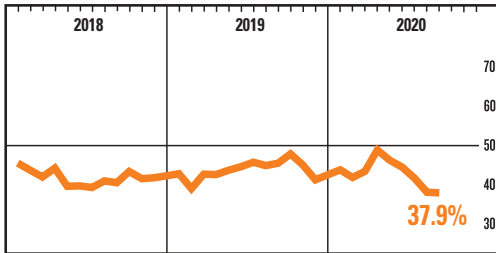
**Commodities in Short Supply:** Aluminum; Cable Assemblies; Capacitors; Lumber (2); Personal Protective Equipment (PPE); PPE — Gloves (7); PPE — Masks; Polypropylene; Resins; Resistors; and Sanitizers.

**Note:** The number of consecutive months the commodity is listed is indicated after each item.

†Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).

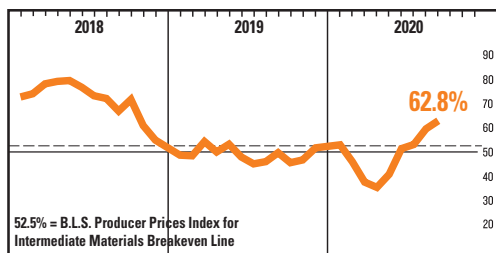


<sup>‡</sup>Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



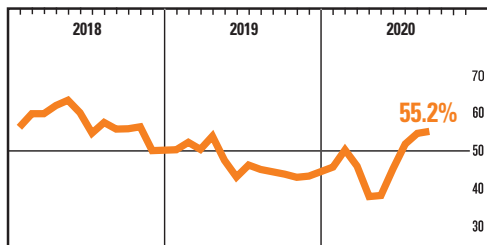
## Customers' Inventories

ISM's Customers' Inventories Index registered 37.9 percent. Of the 18 industries, the two reporting higher customers' inventories in September are: Apparel, Leather & Allied Products; and Printing & Related Support Activities.



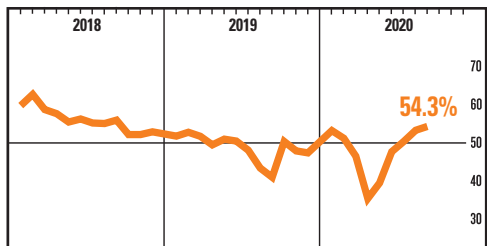
## Prices

The ISM Prices Index registered 62.8 percent. The 15 industries reporting paying increased prices for raw materials in September — listed in order — are: Wood Products; Textile Mills; Furniture & Related Products; Plastics & Rubber Products; Fabricated Metal Products; Machinery; Primary Metals; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing<sup>‡</sup>; Printing & Related Support Activities; Computer & Electronic Products; Chemical Products; Transportation Equipment; Paper Products; and Food, Beverage & Tobacco Products.



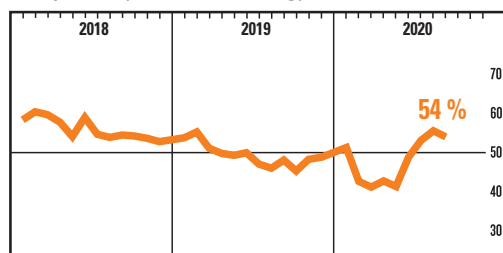
## Backlog of Orders

ISM's Backlog of Orders Index registered 55.2 percent. The 10 industries reporting growth in order backlogs in September, in the following order, are: Electrical Equipment, Appliances & Components; Wood Products; Plastics & Rubber Products; Fabricated Metal Products; Miscellaneous Manufacturing<sup>‡</sup>; Chemical Products; Food, Beverage & Tobacco Products; Transportation Equipment; Furniture & Related Products; and Machinery.



## New Export Orders

ISM's New Export Orders Index registered 54.3 percent. The 10 industries reporting growth in new export orders in September — in the following order — are: Furniture & Related Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Paper Products; Food, Beverage & Tobacco Products; Transportation Equipment; Fabricated Metal Products; Miscellaneous Manufacturing<sup>‡</sup>; Computer & Electronic Products; and Chemical Products.



## Imports

ISM's Imports Index registered 54 percent. The 10 industries reporting growth in imports in September — in the following order — are: Wood Products; Electrical Equipment, Appliances & Components; Paper Products; Transportation Equipment; Nonmetallic Mineral Products; Furniture & Related Products; Machinery; Computer & Electronic Products; Food, Beverage & Tobacco Products; and Chemical Products.

<sup>‡</sup>Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).