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

The November Manufacturing PMI® registered 57.5 percent. Manufacturing performed well for the sixth straight month, with demand, consumption and inputs registering growth, but at slower rates compared to October. Labor market difficulties, both current and anticipated, at panelists’ companies and their suppliers will continue to dampen the manufacturing economy until the coronavirus (COVID-19) crisis ends. Among the six biggest manufacturing industries, five (Fabricated Metal Products; Chemical Products; Computer & Electronic Products; Transportation Equipment; and Food, Beverage & Tobacco Products) registered solid growth in November.

Of the 18 manufacturing industries, 16 reported growth in November, in the following order: Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Textile Mills; Wood Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Plastics & Rubber Products; Primary Metals; Chemical Products; Machinery; Computer & Electronic Products; Paper Products; Primary Metals; Chemical Products; Miscellaneous Manufacturing†; Transportation Equipment; Furniture & Related Products; and Food, Beverage & Tobacco Products. ISM

**MANUFACTURING PMI® at 57.5%**

Manufacturing grew in November, as the Manufacturing PMI® registered 57.5 percent, 1.8 percentage points lower than the October reading of 59.3 percent. The Manufacturing PMI® signaled a continued rebuilding of economic activity in November, with four of five contributing subindexes in moderate to strong growth territory. Employment disappointed by returning to contraction. The New Orders and Production indexes continued at strong expansion levels. The Supplier Deliveries Index continued to reflect suppliers’ difficulties in maintaining delivery rates due to factory labor safety issues and transportation challenges. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting.

<table>
<thead>
<tr>
<th>INDEX</th>
<th>Nov Index</th>
<th>Oct Index</th>
<th>% Point Change</th>
<th>Direction</th>
<th>Rate of Change</th>
<th>Trend* (months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing PMI®</td>
<td>57.5</td>
<td>59.3</td>
<td>-1.8</td>
<td>Growing</td>
<td>Slower</td>
<td>6</td>
</tr>
<tr>
<td>New Orders</td>
<td>65.1</td>
<td>67.9</td>
<td>-2.8</td>
<td>Growing</td>
<td>Slower</td>
<td>6</td>
</tr>
<tr>
<td>Production</td>
<td>60.8</td>
<td>63.0</td>
<td>-2.2</td>
<td>Growing</td>
<td>Slower</td>
<td>6</td>
</tr>
<tr>
<td>Employment</td>
<td>48.4</td>
<td>53.2</td>
<td>-4.8</td>
<td>Contracting</td>
<td>From Growing</td>
<td>1</td>
</tr>
<tr>
<td>Supplier Deliveries</td>
<td>61.7</td>
<td>60.5</td>
<td>+1.2</td>
<td>Slowing</td>
<td>Faster</td>
<td>13</td>
</tr>
<tr>
<td>Inventories</td>
<td>51.2</td>
<td>51.9</td>
<td>-0.7</td>
<td>Growing</td>
<td>Slower</td>
<td>2</td>
</tr>
<tr>
<td>Customers’ Inventories</td>
<td>36.3</td>
<td>36.7</td>
<td>-0.4</td>
<td>Too Low</td>
<td>Faster</td>
<td>50</td>
</tr>
<tr>
<td>Prices</td>
<td>65.4</td>
<td>65.5</td>
<td>-0.1</td>
<td>Increasing</td>
<td>Slower</td>
<td>6</td>
</tr>
<tr>
<td>Backlog of Orders</td>
<td>56.9</td>
<td>55.7</td>
<td>+1.2</td>
<td>Growing</td>
<td>Faster</td>
<td>5</td>
</tr>
<tr>
<td>New Export Orders</td>
<td>57.8</td>
<td>55.7</td>
<td>+2.1</td>
<td>Growing</td>
<td>Faster</td>
<td>5</td>
</tr>
<tr>
<td>Imports</td>
<td>55.1</td>
<td>58.1</td>
<td>-3.0</td>
<td>Growing</td>
<td>Slower</td>
<td>5</td>
</tr>
<tr>
<td>Overall Economy</td>
<td>Growing</td>
<td>Slower</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*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:** Acetone; Aluminum (6); Aluminum Products (2); Ammonia; Brass Products; Copper (6); Corrugate (2); Corrugate Boxes; Freight; Lumber (5); Natural Gas; Plastic Resins (3); Plywood Products; Polyethylene Resins (2); Polyurethane Foam; Polypropylene (5); Polyvinyl Chloride (2); Precious Metals (5); Propylene Glycol; Rubber Products; Soybean Products (2); Steel (4); Steel — Cold Rolled (3); Steel — Hot Rolled (3); Steel — Stainless; Steel Products (3); and Zinc Products.

**Commodities Down in Price:** Caustic Soda (2).

**Commodities in Short Supply:** Aluminum Products (2); Corrugate Boxes; Disinfectant and Cleaning Supplies; Electrical Components (2); Personal Protective Equipment (PPE) — Gloves (9); PPE — Masks; Steel — Hot Rolled; and Steel Products (2).

Note: The number of consecutive months the commodity is listed is indicated after each item.
New Orders
ISM’s New Orders Index registered 65.1 percent. Of the 18 manufacturing industries, the 15 that reported growth in new orders in November — in the following order — are: Apparel, Leather & Allied Products; Plastics & Rubber Products; Textile Mills; Wood Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Paper Products; Nonmetallic Mineral Products; Chemical Products; Machinery; Computer & Electronic Products; Miscellaneous Manufacturing‡; Food, Beverage & Tobacco Products; Primary Metals; and Transportation Equipment.

Production
The Production Index registered 60.8 percent. The 14 industries reporting growth in production during the month of November — listed in order — are: Apparel, Leather & Allied Products; Textile Mills; Wood Products; Paper Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Primary Metals; Plastics & Rubber Products; Nonmetallic Mineral Products; Machinery; Chemical Products; Computer & Electronic Products; Transportation Equipment; and Food, Beverage & Tobacco Products.

Employment
ISM’s Employment Index registered 48.4 percent. Of the 18 manufacturing industries, the eight industries to report employment growth in November — in the following order — are: Wood Products; Textile Mills; Nonmetallic Mineral Products; Primary Metals; Electrical Equipment, Appliances & Components; Machinery; Fabricated Metal Products; and Chemical Products.

Supplier Deliveries
The delivery performance of suppliers to manufacturing organizations was slower in November, as the Supplier Deliveries Index registered 61.7 percent. Sixteen industries reported slower supplier deliveries in November, listed in the following order: Furniture & Related Products; Wood Products; Plastics & Rubber Products; Textile Mills; Fabricated Metal Products; Paper Products; Computer & Electronic Products; Printing & Related Support Activities; Primary Metals; Miscellaneous Manufacturing‡; Machinery; Food, Beverage & Tobacco Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Chemical Products; and Transportation Equipment.

Inventories
The Inventories Index registered 51.2 percent. The five industries reporting higher inventories in November are: Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Petroleum & Coal Products; Electrical Equipment, Appliances & Components; and Chemical Products.

‡Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).
Customers' Inventories
ISM’s Customers’ Inventories Index registered 36.3 percent in November, 0.4 percentage point lower than the 36.7 percent reported for October, indicating that customers’ inventory levels were considered too low. Of the 18 industries, the only one reporting higher customers’ inventories in November is Apparel, Leather & Allied Products.

Prices
The ISM Prices Index registered 65.4 percent. The 17 industries reporting paying increased prices for raw materials in November — listed in order — are: Apparel, Leather & Allied Products; Textile Mills; Wood Products; Paper Products; Fabricated Metal Products; Primary Metals; Plastics & Rubber Products; Machinery; Furniture & Related Products; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing‡; Printing & Related Support Activities; Food, Beverage & Tobacco Products; Transportation Equipment; Chemical Products; Nonmetallic Mineral Products; and Computer & Electronic Products.

Backlog of Orders
ISM’s Backlog of Orders Index registered 56.9 percent. The 12 industries reporting growth in order backlogs in November, in the following order, are: Apparel, Leather & Allied Products; Paper Products; Primary Metals; Wood Products; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Machinery; Nonmetallic Mineral Products; Transportation Equipment; Chemical Products; Computer & Electronic Products; and Plastics & Rubber Products.

New Export Orders
ISM’s New Export Orders Index registered 57.8 percent. The 10 industries reporting growth in new export orders in November — in the following order — are: Nonmetallic Mineral Products; Wood Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Chemical Products; Plastics & Rubber Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing‡; Computer & Electronic Products; and Machinery.

Imports
ISM’s Imports Index registered 55.1 percent. The 11 industries reporting growth in imports in November — in the following order — are: Paper Products; Nonmetallic Mineral Products; Food, Beverage & Tobacco Products; Machinery; Primary Metals; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Transportation Equipment; Miscellaneous Manufacturing‡; and Chemical Products.

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