

Economic activity in the manufacturing sector grew in September, with the overall economy notching a 16th consecutive month of growth, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

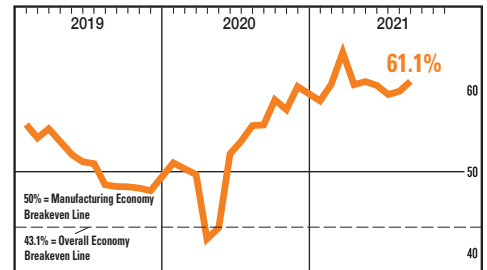
The September Manufacturing PMI® registered 61.1 percent. The New Orders Index registered 66.7 percent, unchanged from the August reading. The Prices Index registered 81.2 percent, up 1.8 percentage points compared to the August figure of 79.4 percent. The Employment Index returned to growth with a reading at 50.2 percent, 1.2 percentage points higher compared to the August reading of 49 percent. All of the six biggest manufacturing industries — Petroleum & Coal Products; Computer & Electronic Products; Chemical Products; Food, Beverage & Tobacco Products; Fabricated Metal Products; and Transportation Equipment, in that order — registered moderate to strong growth in September.

The 17 manufacturing industries reporting growth in September — in the following order — are: Furniture & Related Products; Petroleum & Coal Products; Machinery; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Chemical Products; Apparel, Leather & Allied Products; Textile Mills; Paper Products; Printing & Related Support Activities; Miscellaneous Manufacturing†; Food, Beverage & Tobacco Products; Fabricated Metal Products; Transportation Equipment; Primary Metals; Nonmetallic Mineral Products; and Plastics & Rubber Products. **ISM**

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

MANUFACTURING PMI® at 61.1%

Manufacturing grew in September, as the Manufacturing PMI® registered 61.1 percent, 1.2 percentage points higher than the August reading of 59.9 percent. All 10 subindexes were positive for the period; a reading of 'too low' for the Customers' Inventories Index is considered a positive for future production. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting.



Manufacturing at a Glance

INDEX	Sep Index	Aug Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	61.1	59.9	+1.2	Growing	Faster	16
New Orders	66.7	66.7	0.0	Growing	Unchanged	16
Production	59.4	60.0	-0.6	Growing	Slower	16
Employment	50.2	49.0	+1.2	Growing	From Contracting	1
Supplier Deliveries	73.4	69.5	+3.9	Slowing	Faster	67
Inventories	55.6	54.2	+1.4	Growing	Faster	2
Customers' Inventories	31.7	30.2	+1.5	Too Low	Slower	60
Prices	81.2	79.4	+1.8	Increasing	Faster	16
Backlog of Orders	64.8	68.2	-3.4	Growing	Slower	15
New Export Orders	53.4	56.6	-3.2	Growing	Slower	15
Imports	54.9	54.3	+0.6	Growing	Faster	15
Overall Economy				Growing	Faster	16
Manufacturing Sector				Growing	Faster	16

*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.

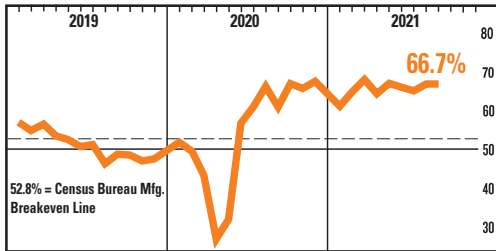


Commodities Reported

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

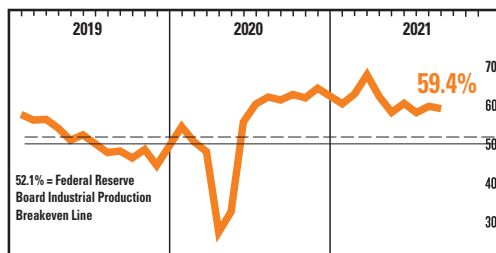
Commodities Up in Price: Adhesives (3); Aluminum (16); Aluminum Extrusions (2); Aluminum Products (6); Caustic Soda (4); Copper; Corrugate (12); Corrugated Packaging (11); Diesel Fuel (9); Electrical Components (10); Electrical Motors (3); Electronic Components (10); Foam; Freight (11); High-Density Polyethylene (HDPE) (9); Labor — Temporary (5); Logistics Services; Maintenance, Repair, and Operations (MRO) Supplies; Natural Gas (3); Ocean Freight (10); Packaging Supplies (10); Pallets (3); Paper; Plastic Containers; Plastic Resins (13); Polyethylene (8); Polypropylene (15); Resins; Resin-Based Products (8); Rubber-Based Products (2); Semiconductors (8); Solvents; Steel (14); Steel — Carbon (10); Steel — Cold Rolled (2); Steel — Drums; Steel — Galvanized; Steel — Hot Rolled (13); Steel — Stainless (11); Steel Products (13); Surfactants; and Tires.

Note: To view the full list, visit the ISM® *Report On Business*® website at ismrob.org



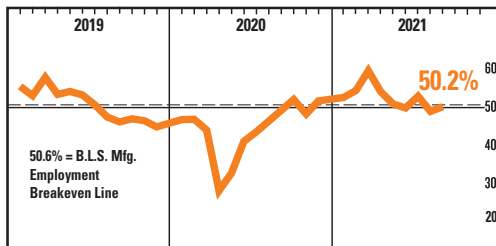
New Orders

ISM's New Orders Index registered 66.7 percent. Of the 18 manufacturing industries, the 13 that reported growth in new orders in September — in the following order — are: Primary Metals; Food, Beverage & Tobacco Products; Furniture & Related Products; Petroleum & Coal Products; Computer & Electronic Products; Machinery; Chemical Products; Miscellaneous Manufacturing[‡]; Paper Products; Nonmetallic Mineral Products; Transportation Equipment; Electrical Equipment, Appliances & Components; and Fabricated Metal Products.



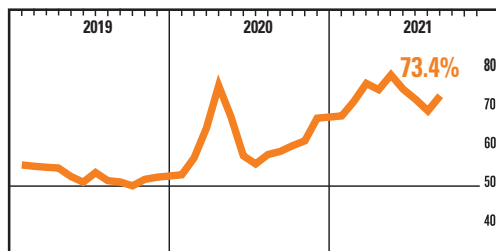
Production

The Production Index registered 59.4 percent. The 14 industries reporting growth in production during the month of September — listed in order — are: Printing & Related Support Activities; Furniture & Related Products; Petroleum & Coal Products; Textile Mills; Machinery; Nonmetallic Mineral Products; Transportation Equipment; Chemical Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Primary Metals; Computer & Electronic Products; Electrical Equipment, Appliances & Components; and Miscellaneous Manufacturing[‡].



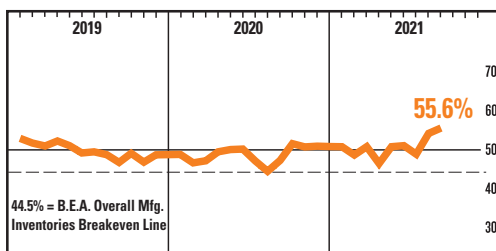
Employment

ISM's Employment Index registered 50.2 percent in September. Of the 18 manufacturing industries, the six industries reporting employment growth in September — in the following order — are: Electrical Equipment, Appliances & Components; Furniture & Related Products; Computer & Electronic Products; Primary Metals; Fabricated Metal Products; and Machinery.



Supplier Deliveries

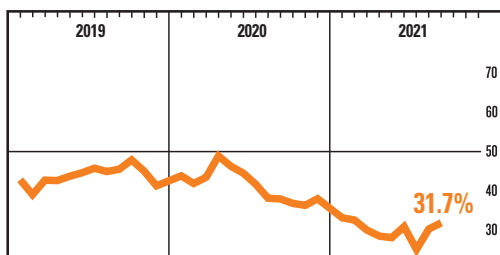
The delivery performance of suppliers to manufacturing organizations was slower in September, as the Supplier Deliveries Index registered 73.4 percent. The 17 industries that reported slower supplier deliveries in September — in the following order — are: Apparel, Leather & Allied Products; Textile Mills; Paper Products; Machinery; Miscellaneous Manufacturing[‡]; Nonmetallic Mineral Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Furniture & Related Products; Petroleum & Coal Products; Plastics & Rubber Products; Chemical Products; Wood Products; Transportation Equipment; Electrical Equipment, Appliances & Components; and Primary Metals.



Inventories

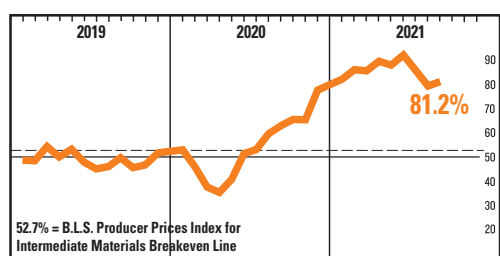
The Inventories Index registered 55.6 percent. The 10 industries reporting higher inventories in September — in the following order — are: Printing & Related Support Activities; Apparel, Leather & Allied Products; Petroleum & Coal Products; Electrical Equipment, Appliances & Components; Paper Products; Transportation Equipment; Chemical Products; Machinery; Computer & Electronic Products; and Fabricated Metal Products.

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



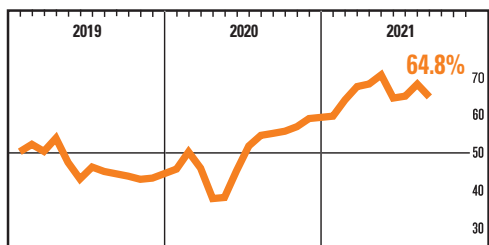
Customers' Inventories

ISM's Customers' Inventories Index registered 31.7 percent. The only industry reporting higher customers' inventories in September is Petroleum & Coal Products. The 16 industries reporting customers' inventories as too low during September — listed in order — are: Apparel, Leather & Allied Products; Textile Mills; Printing & Related Support Activities; Primary Metals; Wood Products; Machinery; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing[‡]; Computer & Electronic Products; Chemical Products; Plastics & Rubber Products; Paper Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Fabricated Metal Products; and Furniture & Related Products.



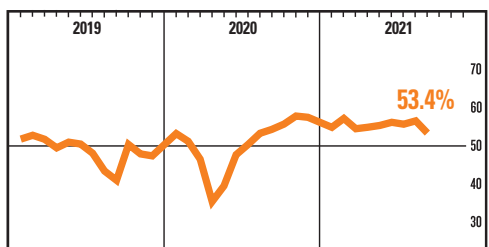
Prices

The ISM Prices Index registered 81.2 percent. In September, 17 of 18 industries reported paying increased prices for raw materials, in the following order: Apparel, Leather & Allied Products; Textile Mills; Printing & Related Support Activities; Paper Products; Plastics & Rubber Products; Machinery; Miscellaneous Manufacturing[‡]; Furniture & Related Products; Nonmetallic Mineral Products; Computer & Electronic Products; Fabricated Metal Products; Transportation Equipment; Food, Beverage & Tobacco Products; Primary Metals; Chemical Products; Electrical Equipment, Appliances & Components; and Wood Products.



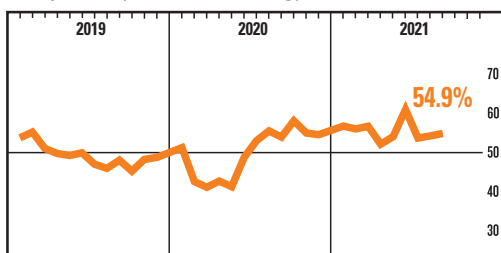
Backlog of Orders

ISM's Backlog of Orders Index registered 64.8 percent. The 14 industries reporting growth in order backlogs in September, in the following order, are: Apparel, Leather & Allied Products; Furniture & Related Products; Primary Metals; Machinery; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing[‡]; Nonmetallic Mineral Products; Paper Products; Plastics & Rubber Products; Chemical Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Computer & Electronic Products; and Fabricated Metal Products.



New Export Orders

ISM's New Export Orders Index registered 53.4 percent. The seven industries reporting growth in new export orders in September — in the following order — are: Paper Products; Primary Metals; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; Chemical Products; Computer & Electronic Products; and Machinery.



Imports

ISM's Imports Index registered 54.9 percent. The nine industries reporting growth in imports in September — in the following order — are: Nonmetallic Mineral Products; Petroleum & Coal Products; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; Furniture & Related Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Transportation Equipment; and Machinery.

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