

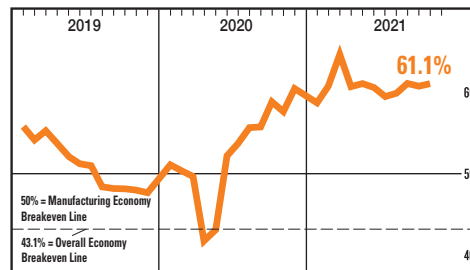
Economic activity in the manufacturing sector grew in November, with the overall economy achieving an 18th consecutive month of growth, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The November Manufacturing PMI® registered 61.1 percent. Manufacturing performed well for the 18th straight month, with demand and consumption registering month-over-month growth, in spite of continuing obstacles. Meeting demand remains a challenge, due to hiring difficulties and a clear cycle of labor turnover at all tiers. Panelists' comments suggest month-over-month improvement on hiring, offset by backfilling required to address employee turnover. Indications that supplier delivery rates are improving were supported by the Supplier Deliveries Index softening. Transportation networks, a harbinger of future supplier delivery performance, are still performing erratically.

The 13 manufacturing industries reporting growth in November — in the following order — are: Apparel, Leather & Allied Products; Furniture & Related Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Machinery; Plastics & Rubber Products; Paper Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing; Chemical Products; Petroleum & Coal Products; Fabricated Metal Products; and Transportation Equipment. **ISM**

MANUFACTURING PMI® at 61.1%

Manufacturing grew in November, as the Manufacturing PMI® registered 61.1 percent, 0.3 percentage point higher than the October reading of 60.8 percent. The Manufacturing PMI® continued to indicate strong sector expansion and U.S. economic growth in November. All five subindexes that directly factor into the Manufacturing PMI® were in growth territory. All of the six biggest manufacturing industries expanded, in the following order: Computer & Electronic Products; Food, Beverage & Tobacco Products; Chemical Products; Petroleum & Coal Products; Fabricated Metal Products; and Transportation Equipment.



Manufacturing at a Glance

INDEX	Nov Index	Oct Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	61.1	60.8	+0.3	Growing	Faster	18
New Orders	61.5	59.8	+1.7	Growing	Faster	18
Production	61.5	59.3	+2.2	Growing	Faster	18
Employment	53.3	52.0	+1.3	Growing	Faster	3
Supplier Deliveries	72.2	75.6	-3.4	Slowing	Slower	69
Inventories	56.8	57.0	-0.2	Growing	Slower	4
Customers' Inventories	25.1	31.7	-6.6	Too Low	Faster	62
Prices	82.4	85.7	-3.3	Increasing	Slower	18
Backlog of Orders	61.9	63.6	-1.7	Growing	Slower	17
New Export Orders	54.0	54.6	-0.6	Growing	Slower	17
Imports	52.6	49.1	+3.5	Growing	From Contracting	1
Overall Economy				Growing	Faster	18
Manufacturing Sector				Growing	Faster	18

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



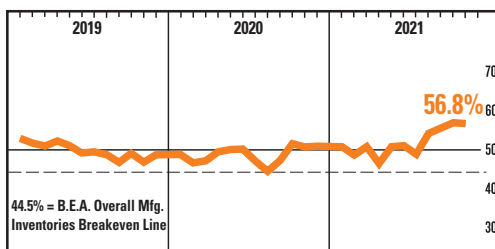
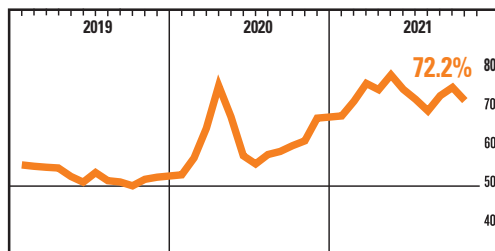
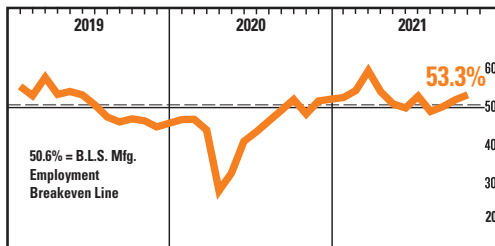
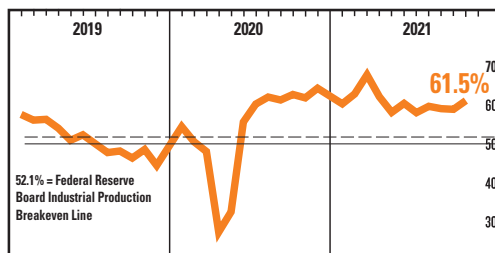
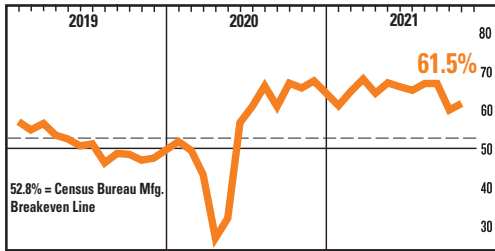
Commodities Reported

Commodities Up in Price: Adhesives (5); Aluminum* (18); Aluminum Products (8); Caustic Soda (6); Copper (3); Corrugate (14); Corrugated Packaging (13); Crude Oil (2); Diesel Fuel (11); Electrical Components (12); Electronic Components (12); Freight (13); Gasoline; Hydraulic Components; Labor — Temporary (7); Magnesium; Motors (2); Natural Gas (5); Nylon (2); Ocean Freight (12); Packaging Supplies (12); Paper (3); Plastic Containers (3); Plastic Resins* (15); Resin-Based Products (10); Rubber-Based Products (4); Semiconductors (10); Silicon; Silicone; Soy Products; Steel* (16); Steel — Cold Rolled (4); Steel — Hot Rolled* (15); Steel — Stainless (13); Steel Products (15); Surfactants; and Zinc. **Commodities Down in Price:** Aluminum*; Plastic Resins*; Polypropylene; Steel*; and Steel — Hot Rolled*.

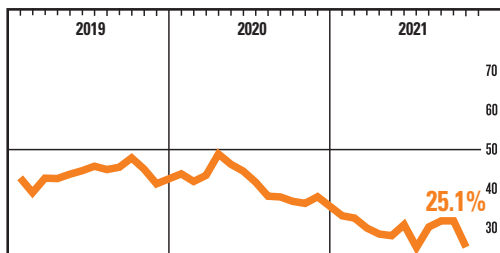
Note: To view the full list, visit the ISM® *Report On Business*® website at ismrob.org

Note: The number of consecutive months the commodity has been listed is indicated after each item. *Reported as both up and down in price.

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

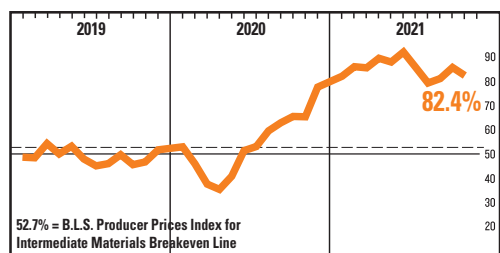


[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



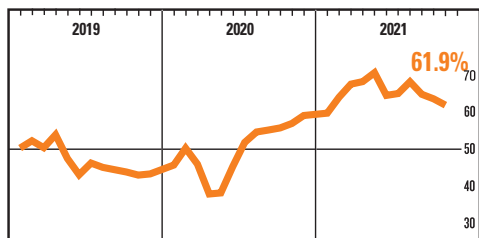
Customers' Inventories

ISM's Customers' Inventories Index registered 25.1 percent. No industries reported higher customers' inventories in November. The 15 industries reporting customers' inventories as too low during November — listed in order — are: Wood Products; Petroleum & Coal Products; Nonmetallic Mineral Products; Machinery; Miscellaneous Manufacturing[‡]; Primary Metals; Paper Products; Furniture & Related Products; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Chemical Products; and Transportation Equipment.



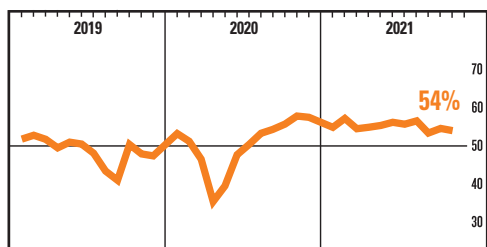
Prices

The ISM Prices Index registered 82.4 percent. In November, all 18 industries reported paying increased prices for raw materials, in the following order: Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Textile Mills; Wood Products; Furniture & Related Products; Paper Products; Miscellaneous Manufacturing[‡]; Transportation Equipment; Primary Metals; Computer & Electronic Products; Petroleum & Coal Products; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Chemical Products; Machinery; Fabricated Metal Products; Printing & Related Support Activities; and Plastics & Rubber Products.



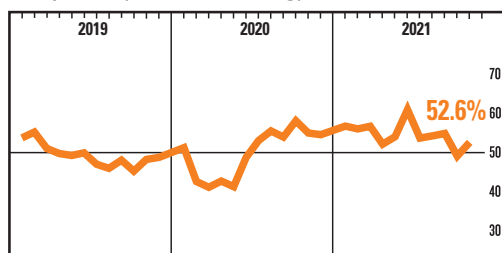
Backlog of Orders

ISM's Backlog of Orders Index registered 61.9 percent. The 13 industries reporting growth in order backlogs in November, in the following order, are: Apparel, Leather & Allied Products; Wood Products; Machinery; Paper Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Primary Metals; Fabricated Metal Products; Chemical Products; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing[‡]; Transportation Equipment; and Plastics & Rubber Products.



New Export Orders

ISM's New Export Orders Index registered 54 percent. The nine industries reporting growth in new export orders in November — in the following order — are: Plastics & Rubber Products; Primary Metals; Miscellaneous Manufacturing[‡]; Machinery; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Chemical Products; Transportation Equipment; and Computer & Electronic Products.



Imports

ISM's Imports Index registered 52.6 percent. The seven industries reporting growth in imports in November — in the following order — are: Textile Mills; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; Machinery; Fabricated Metal Products; and Chemical Products.

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