

Economic activity in the **manufacturing sector** expanded in April for the second consecutive month, while the overall economy grew for the 83rd consecutive month, say the nation's supply executives in the latest **Manufacturing ISM® Report On Business®**.

The April PMI® registered 50.8 percent. The New Orders Index registered 55.8 percent, a decrease of 2.5 percentage points from the March reading of 58.3 percent. The Production Index registered 54.2 percent, 1.1 percentage points lower than the March reading of 55.3 percent. The Employment Index registered 49.2 percent, 1.1 percentage points above the March reading of 48.1 percent. The Prices Index registered 59 percent, an increase of 7.5 percentage points from the March reading of 51.5 percent, indicating higher raw materials prices for the second consecutive month. Manufacturing registered growth in April for the second consecutive month, as 15 of our 18 industries reported an increase in new orders in April (up from 13 in March), and 15 of our 18 industries reported an increase in production in April (up from 12 in March).

Of the 18 manufacturing industries, 11 are reporting growth in April in the following order: Wood Products; Printing & Related Support Activities; Paper Products; Plastics & Rubber Products; Primary Metals; Fabricated Metal Products; Chemical Products; Machinery; Computer & Electronic Products; Nonmetallic Mineral Products; and Food, Beverage & Tobacco Products. **ISM**

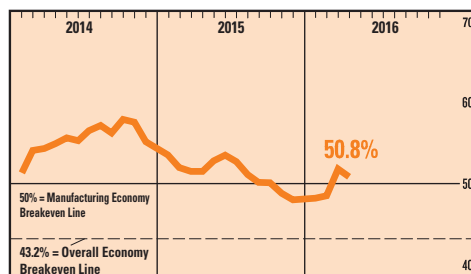
PMI® at 50.8%

New Orders and Production Growing; Employment and Inventories Contracting; Supplier Deliveries Faster

Manufacturing at a Glance

INDEX	Apr Index	Mar Index	% Point Change	Direction	Rate of Change	Trend* (months)
PMI®	50.8	51.8	-1.0	Growing	Slower	2
New Orders	55.8	58.3	-2.5	Growing	Slower	4
Production	54.2	55.3	-1.1	Growing	Slower	4
Employment	49.2	48.1	+1.1	Contracting	Slower	5
Supplier Deliveries	49.1	50.2	-1.1	Faster	From Slower	1
Inventories	45.5	47.0	-1.5	Contracting	Faster	10
Customers' Inventories	46.0	49.0	-3.0	Too Low	Faster	3
Prices	59.0	51.5	+7.5	Increasing	Faster	2
Backlog of Orders	50.5	51.0	-0.5	Growing	Slower	2
New Exports Orders	52.5	52.0	+0.5	Growing	Faster	2
Imports	50.0	49.5	+0.5	Unchanged	From Contracting	1
Overall Economy				Growing	Slower	83
Manufacturing Sector				Growing	Slower	2

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



PMI®

Manufacturing expanded in April as the PMI® registered 50.8 percent, a decrease of 1 percentage point from the March reading of 51.8 percent, indicating growth in manufacturing for the second consecutive month, following five consecutive months of contraction in manufacturing. A reading above 50 percent

indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting. A PMI® above 43.2 percent, over a period of time, generally indicates an expansion of the overall economy.



Commodities Reported

Commodities Up in Price: Aluminum (3); Aluminum Products; #1 Bundle Scrap; Carbon Steel Coil; Copper* (2); Diesel; Ethylene; HDPE Resin; Oil; Palm Oil; Plastic Resins; Polypropylene (3); Propylene; Scrap Steel; Stainless Steel; Steel (4); Steel— Cold Rolled; Steel— Hot Rolled (3); and Titanium Dioxide.

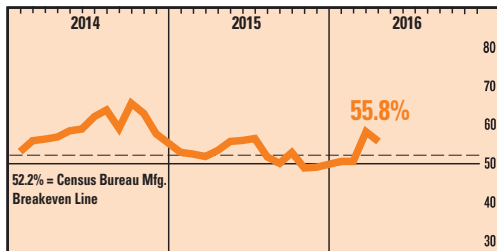
Commodities Down in Price: Copper*.

Commodities in Short Supply: None.

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

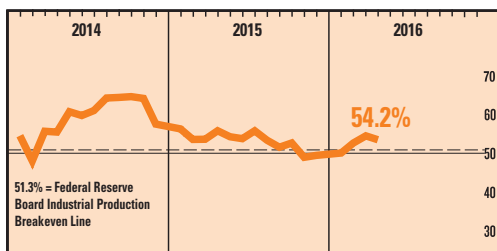
*Reported as both up and down in price.

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



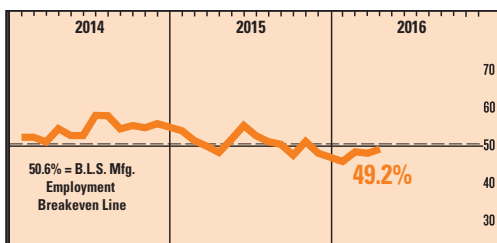
New Orders

ISM's New Orders Index registered 55.8 percent. The 15 industries reporting growth in new orders in April — listed in order — are: Apparel, Leather & Allied Products; Printing & Related Support Activities; Paper Products; Wood Products; Plastics & Rubber Products; Chemical Products; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Machinery; Furniture & Related Products; Primary Metals; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; and Transportation Equipment.



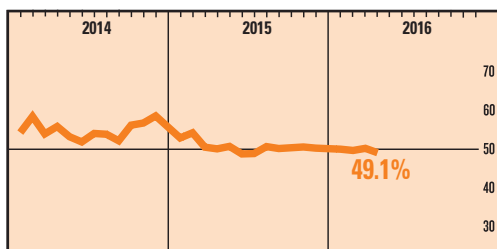
Production

ISM's Production Index registered 54.2 percent. The 15 industries reporting growth in production during the month of April — listed in order — are: Paper Products; Wood Products; Chemical Products; Plastics & Rubber Products; Fabricated Metal Products; Printing & Related Support Activities; Primary Metals; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; Nonmetallic Mineral Products; Machinery; Furniture & Related Products; Transportation Equipment; and Food, Beverage & Tobacco Products.



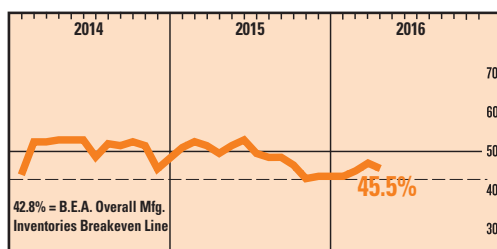
Employment

ISM's Employment Index registered 49.2 percent. Of the 18 manufacturing industries, in April, the 11 industries reporting employment growth — listed in order — are: Wood Products; Textile Mills; Printing & Related Support Activities; Paper Products; Primary Metals; Machinery; Furniture & Related Products; Nonmetallic Mineral Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; and Chemical Products.



Supplier Deliveries

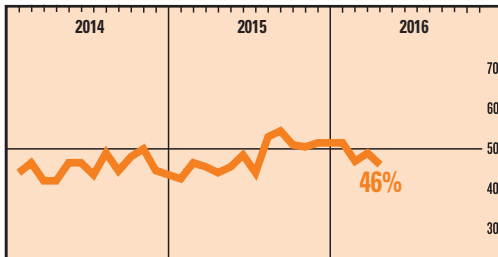
The delivery performance of suppliers to manufacturing organizations was faster in April as the Supplier Deliveries Index registered 49.1 percent. The five industries reporting slower supplier deliveries in April are: Fabricated Metal Products; Plastics & Rubber Products; Computer & Electronic Products; Food, Beverage & Tobacco Products; and Chemical Products.



Inventories

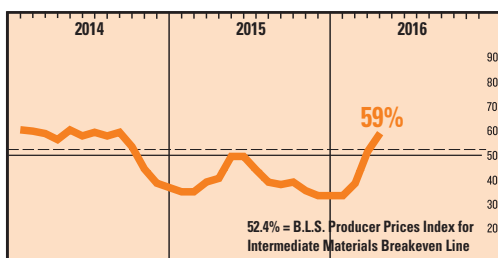
The Inventories Index registered 45.5 percent in April, which is a decrease of 1.5 percentage points when compared to the 47 percent reported for March, indicating raw materials inventories are contracting in April for the 10th consecutive month at a faster rate than in March. The three industries reporting higher inventories in April are: Plastics & Rubber Products; Fabricated Metal Products; and Primary Metals.

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



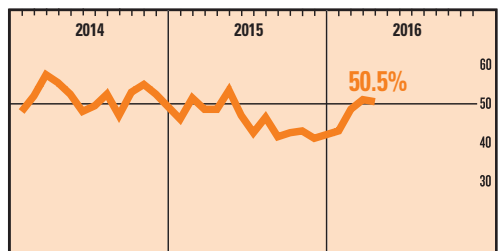
Customers' Inventories

ISM's Customers' Inventories Index registered 46 percent. The four manufacturing industries reporting customers' inventories as being too high during the month of April are: Nonmetallic Mineral Products; Furniture & Related Products; Fabricated Metal Products; and Chemical Products.



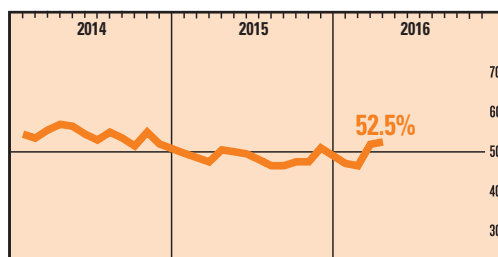
Prices

The ISM Prices Index registered 59 percent. Of the 18 manufacturing industries, the 12 industries that reported paying increased prices for its raw materials in April — listed in order — are: Apparel, Leather & Allied Products; Primary Metals; Fabricated Metal Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Nonmetallic Mineral Products; Machinery; Transportation Equipment; Chemical Products; and Paper Products.



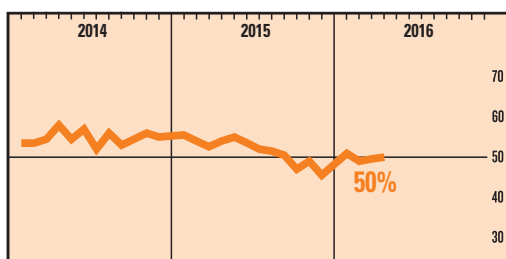
Backlog of Orders

ISM's Backlog of Orders Index registered 50.5 percent. The seven industries reporting an increase in order backlogs in April — listed in order — are: Primary Metals; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Chemical Products; Machinery; and Paper Products.



New Export Orders

ISM's New Export Orders Index registered 52.5 percent. The eight industries reporting growth in new export orders in April — listed in order — are: Wood Products; Printing & Related Support Activities; Chemical Products; Fabricated Metal Products; Transportation Equipment; Paper Products; Miscellaneous Manufacturing[‡]; and Plastics & Rubber Products.



Imports

ISM's Imports Index registered 50 percent in April, which is 0.5 percentage point higher than the 49.5 percent reported in March, indicating that imports in April are unchanged from March. The four industries reporting growth in imports during the month of April are: Nonmetallic Mineral Products; Chemical Products; Fabricated Metal Products; and Paper Products.

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