

Economic activity in the manufacturing sector expanded in March, and the overall economy grew for the 94th consecutive month, say the nation's supply executives in the latest Manufacturing ISM® Report On Business®.

The March PMI® registered 57.2 percent. The New Orders Index registered 64.5 percent, a decrease of 0.6 percentage point from the February reading of 65.1 percent. The Employment Index registered 58.9 percent, an increase of 4.7 percentage points from the February reading of 54.2 percent. Inventories of raw materials registered 49 percent, a decrease of 2.5 percentage points from the February reading of 51.5 percent. The Prices Index registered 70.5 percent in March, an increase of 2.5 percentage points from the February reading of 68 percent, indicating higher raw materials prices

PMI® @ 57.2%

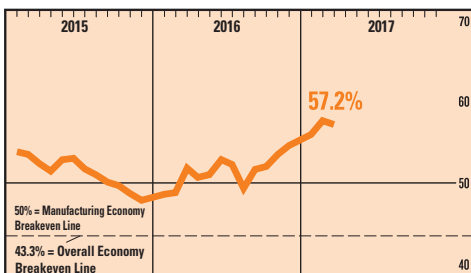
for the 13th consecutive month. Consistent with generally positive comments from the panel, 17 out of the 18 industries reported growth in March in the following order: Electrical Equipment, Appliances & Components; Printing & Related Support Activities; Furniture & Related Products; Textile Mills; Machinery; Primary Metals; Miscellaneous Manufacturing#; Wood Products; Nonmetallic Mineral Products; Plastics & Rubber Products; Paper Products; Transportation Equipment; Chemical Products; Computer & Electronic Products; Food, Beverage & Tobacco Products; Fabricated Metal Products; and Petroleum & Coal Products.

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

MANUFACTURING AT A GLANCE

Index	Mar Index	Feb Index	% Point Change	Direction	Rate of Change	Trend* (months)
PMI®	57.2	57.7	-0.5	Growing	Slower	7
New Orders	64.5	65.1	-0.6	Growing	Slower	7
Production	57.6	62.9	-5.3	Growing	Slower	7
Employment	58.9	54.2	+4.7	Growing	Faster	6
Supplier Deliveries	55.9	54.8	+1.1	Slowing	Faster	11
Inventories	49.0	51.5	-2.5	Contracting	From Growing	1
Customers' Inventories	47.0	47.5	-0.5	Too Low	Faster	6
Prices	70.5	68.0	+2.5	Increasing	Faster	13
Backlog of Orders	57.5	57.0	+0.5	Growing	Faster	2
New Export Orders	59.0	55.0	+4.0	Growing	Faster	13
Imports	53.5	54.0	-0.5	Growing	Slower	2
OVERALL ECONOMY				Growing	Slower	94
Manufacturing Sector				Growing	Slower	7

*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 March as the PMI® registered 57.2 percent, a decrease of 0.5 percentage point from the February reading of 57.7 percent, indicating growth in manufacturing for the seventh consecutive month. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting. The past relationship between the PMI® and the overall economy indicates that the average PMI® for January through March (57 percent) corresponds to a 4.3 percent increase in real gross domestic product on an annualized basis.

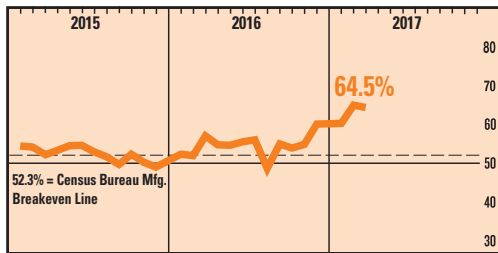
COMMODITIES REPORTED

Commodities Up in Price: Acetone; Acrylates; Aluminum (5); Butadiene (3); Caustic Soda (2); Copper (5); Corrugate (6); Corrugated Boxes; Corrugated Packaging; Foam; HDPE; Nylon; Plastic Resin; Polypropylene (2); Rubber – Natural (2); Scrap Metal (2); Stainless Steel (12); Steel (15); Steel Tubing (2); Steel – Carbon (4); Steel – Cold Rolled (5); Steel – Hot Rolled (4); and Titanium Dioxide (4).

Commodities Down in Price: None.

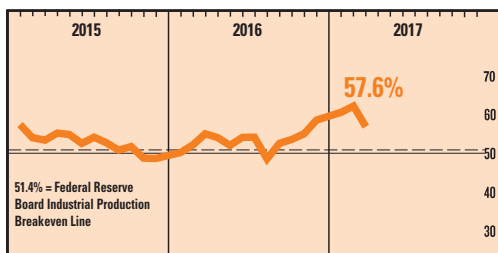
Commodities in Short Supply: Capacitors; Electronic Components; and Methacrylates.

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



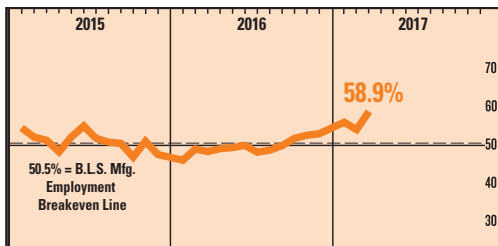
New Orders

ISM's New Orders Index registered 64.5 percent. All 18 industries reported growth in new orders in March, listed in the following order: Wood Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Apparel, Leather & Allied Products; Paper Products; Plastics & Rubber Products; Primary Metals; Furniture & Related Products; Machinery; Nonmetallic Mineral Products; Transportation Equipment; Miscellaneous Manufacturing[‡]; Textile Mills; Chemical Products; Computer & Electronic Products; Fabricated Metal Products; Petroleum & Coal Products; and Food, Beverage & Tobacco Products.



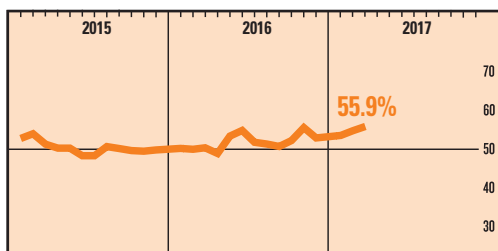
Production

ISM's Production Index registered 57.6 percent. The 17 industries reporting growth in production during the month of March — listed in order — are: Textile Mills; Apparel, Leather & Allied Products; Electrical Equipment, Appliances & Components; Furniture & Related Products; Miscellaneous Manufacturing[‡]; Machinery; Printing & Related Support Activities; Nonmetallic Mineral Products; Fabricated Metal Products; Primary Metals; Transportation Equipment; Chemical Products; Petroleum & Coal Products; Plastics & Rubber Products; Paper Products; Food, Beverage & Tobacco Products; and Computer & Electronic Products.



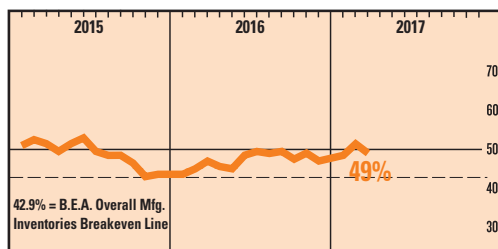
Employment

ISM's Employment Index registered 58.9 percent. Of the 18 manufacturing industries, the 14 reporting employment growth in March — listed in order — are: Electrical Equipment, Appliances & Components; Printing & Related Support Activities; Furniture & Related Products; Nonmetallic Mineral Products; Primary Metals; Paper Products; Machinery; Transportation Equipment; Food, Beverage & Tobacco Products; Computer & Electronic Products; Plastics & Rubber Products; Fabricated Metal Products; Miscellaneous Manufacturing[‡]; and Chemical Products.



Supplier Deliveries

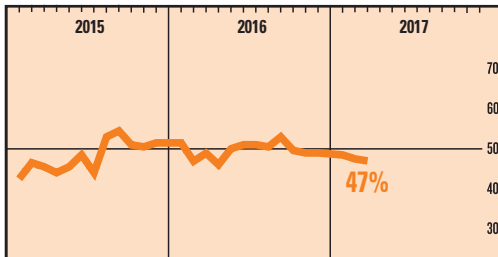
The delivery performance of suppliers to manufacturing organizations was slower in March, as the Supplier Deliveries Index registered 55.9 percent. The 12 industries reporting slower supplier deliveries in March — listed in order — are: Textile Mills; Machinery; Electrical Equipment, Appliances & Components; Food, Beverage & Tobacco Products; Chemical Products; Petroleum & Coal Products; Nonmetallic Mineral Products; Plastics & Rubber Products; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; Transportation Equipment; and Fabricated Metal Products.



Inventories

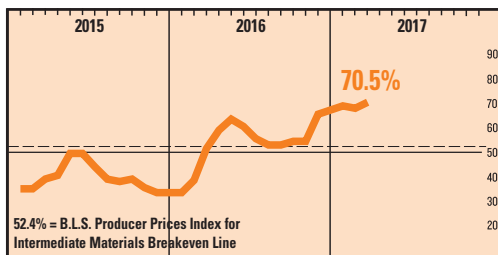
The Inventories Index registered 49 percent. The eight industries reporting higher inventories in March — listed in order — are: Textile Mills; Furniture & Related Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Primary Metals; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; and Computer & Electronic Products.

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



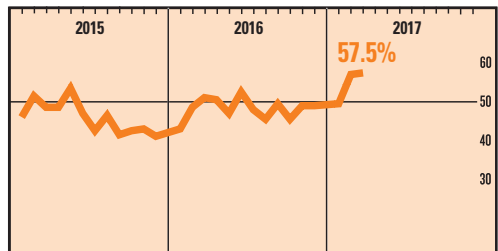
Customers' Inventories

ISM's Customers' Inventories Index registered 47 percent in March, which is 0.5 percentage point lower than the 47.5 percent reported for February, indicating that customers' inventory levels are considered too low in March for the sixth consecutive month. The two manufacturing industries reporting customers' inventories as being too high during the month of March are: Primary Metals; and Transportation Equipment.



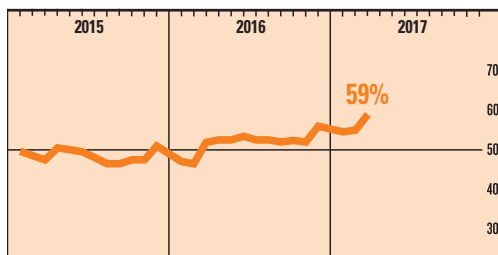
Prices

The ISM Prices Index registered 70.5 percent. Of the 18 manufacturing industries, the 16 that reported paying increased prices for its raw materials in March – listed in order – are: Apparel, Leather & Allied Products; Plastics & Rubber Products; Electrical Equipment, Appliances & Components; Textile Mills; Fabricated Metal Products; Primary Metals; Paper Products; Chemical Products; Machinery; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; Nonmetallic Mineral Products; Transportation Equipment; Furniture & Related Products; Computer & Electronic Products; and Petroleum & Coal Products.



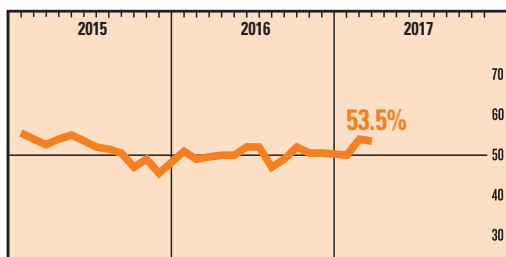
Backlog of Orders

ISM's Backlog of Orders Index registered 57.5 percent. The 13 industries reporting growth in order backlogs in March – listed in order – are: Textile Mills; Wood Products; Furniture & Related Products; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Transportation Equipment; Machinery; Nonmetallic Mineral Products; Paper Products; Computer & Electronic Products; Chemical Products; Fabricated Metal Products; and Primary Metals.



New Export Orders

ISM's New Export Orders Index registered 59 percent. The 11 industries reporting growth in new export orders in March – listed in order – are: Wood Products; Furniture & Related Products; Transportation Equipment; Chemical Products; Paper Products; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Food, Beverage & Tobacco Products; Fabricated Metal Products; Machinery; and Miscellaneous Manufacturing[‡].



Imports

ISM's Imports Index registered 53.5 percent. The 10 industries reporting growth in imports during the month of March – listed in order – are: Textile Mills; Paper Products; Furniture & Related Products; Fabricated Metal Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Chemical Products; Transportation Equipment; Miscellaneous Manufacturing[‡]; and Computer & Electronic Products.

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