

Economic activity in the manufacturing sector grew in March, with the overall economy notching a 10th consecutive month of growth, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The March Manufacturing PMI® registered 64.7 percent. The New Orders Index registered 68 percent, up 3.2 percentage points from the February reading of 64.8 percent. The Production Index registered 68.1 percent, an increase of 4.9 percentage points compared to the February reading of 63.2 percent. The Backlog of Orders Index registered 67.5 percent, 3.5 percentage points above the February reading of 64 percent. The Employment Index registered 59.6 percent, 5.2 percentage points higher than the February reading of 54.4 percent. The Supplier Deliveries Index registered 76.6 percent, up 4.6 percentage points from the February figure of 72 percent. The Inventories Index registered 50.8 percent, 1.1 percentage points higher than the February reading of 49.7 percent.

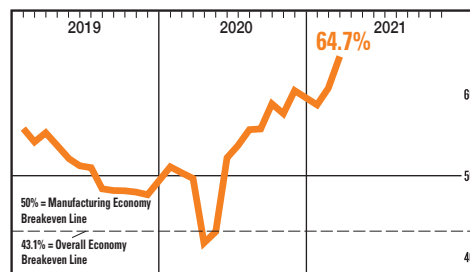
Of the 18 manufacturing industries, 17 reported growth in March, in the following order: Textile Mills; Electrical Equipment, Appliances & Components; Machinery; Computer & Electronic Products; Apparel, Leather & Allied Products; Furniture & Related Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Primary Metals; Plastics & Rubber Products; Paper Products; Transportation Equipment; Chemical Products; Nonmetallic Mineral Products; Miscellaneous Manufacturing†; Printing & Related Support Activities; and Petroleum & Coal Products. **ISM**

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



MANUFACTURING PMI® at 64.7%

Manufacturing grew in March, as the Manufacturing PMI® registered 64.7 percent, 3.9 percentage points higher than the February reading of 60.8 percent. This is the highest reading since December 1983 (69.9 percent); prior to that, the Manufacturing PMI® registered 66 percent in November 1983. 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	Mar Index	Feb Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	64.7	60.8	+3.9	Growing	Faster	10
New Orders	68.0	64.8	+3.2	Growing	Faster	10
Production	68.1	63.2	+4.9	Growing	Faster	10
Employment	59.6	54.4	+5.2	Growing	Faster	4
Supplier Deliveries	76.6	72.0	+4.6	Slowing	Faster	61
Inventories	50.8	49.7	+1.1	Growing	From Contracting	1
Customers' Inventories	29.9	32.5	-2.6	Too Low	Faster	54**
Prices	85.6	86.0	-0.4	Increasing	Slower	10
Backlog of Orders	67.5	64.0	+3.5	Growing	Faster	9
New Export Orders	54.5	57.2	-2.7	Growing	Slower	9
Imports	56.7	56.1	+0.6	Growing	Faster	9
Overall Economy				Growing	Faster	10
Manufacturing Sector				Growing	Faster	10

*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.

**Correction made to consecutive months from previous report.

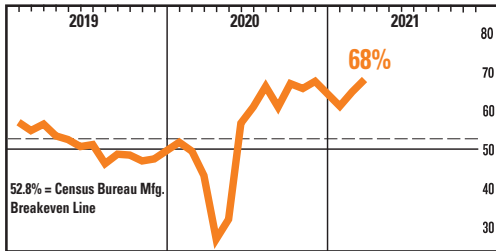


Commodities Reported

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

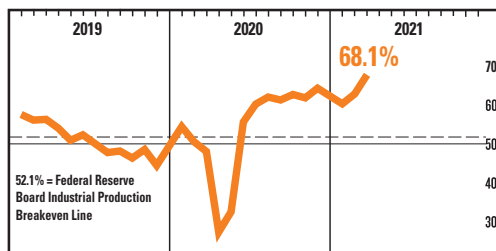
Commodities Up in Price: Acetone (2); Acrylonitrile Butadiene Styrene (ABS) Plastic (3); Adhesives; Aluminum (10); Aluminum Extrusions (2); Brass Products; Copper (10); Copper Products; Corn; Corrugate (6); Corrugated Boxes (5); Crude Oil (4); Diesel (3); Electrical Components (4); Electronic Components (4); Epoxy Resins; Ethylene; Freight (5); Foam Products; High-Density Polyethylene (HDPE) (3); Isocyanate; Labor — Temporary; Light Emitting Diode (LED) Displays; Lumber (9); Medium-Density Fiberboard (MDF); Nylon Fiber (3); Ocean Freight (4); Oil-Derived Products (2); Packaging Supplies (4); Paper Products (4); Petroleum-Based Products; Phosphates; Plastic Resins (7); Plasticizers; Polyethylene (2); Polypropylene (9); Polyvinyl Chloride (PVC) (6); Propylene (3); Resin-Based Products (2); Rubber Products (2); Semiconductors (2); Solvents — Other (2); Soybean Products (6); Steel (8); Steel — Carbon (4); Steel — Cold Rolled (7); Steel — Galvanized; Steel — Hot Rolled (7); Steel — Scrap (4); Steel — Stainless (5); Steel Products (7); Styrene; Surfactants; Wire Products; Wood — Pallets (4); and Vinyl Acetate Monomer.

Note: To view the full list, visit the ISM website at ismworld.org.



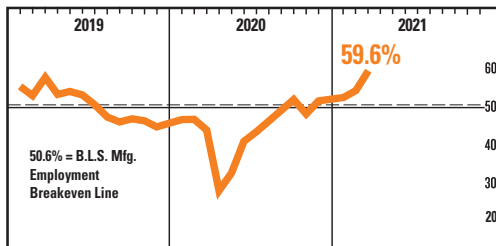
New Orders

ISM's New Orders Index registered 68 percent. Of the 18 manufacturing industries, the 15 that reported growth in new orders in March — in the following order — are: Apparel, Leather & Allied Products; Electrical Equipment, Appliances & Components; Textile Mills; Paper Products; Nonmetallic Mineral Products; Furniture & Related Products; Machinery; Fabricated Metal Products; Computer & Electronic Products; Food, Beverage & Tobacco Products; Primary Metals; Transportation Equipment; Chemical Products; Plastics & Rubber Products; and Miscellaneous Manufacturing[‡].



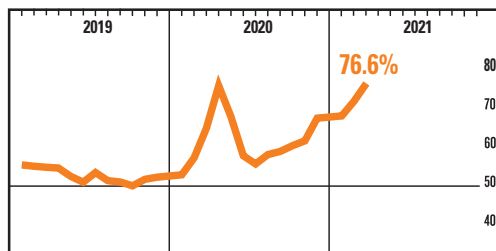
Production

The Production Index registered 68.1 percent. The 14 industries reporting growth in production during the month of March — listed in order — are: Textile Mills; Electrical Equipment, Appliances & Components; Petroleum & Coal Products; Machinery; Computer & Electronic Products; Primary Metals; Food, Beverage & Tobacco Products; Fabricated Metal Products; Furniture & Related Products; Transportation Equipment; Chemical Products; Nonmetallic Mineral Products; Miscellaneous Manufacturing[‡]; and Plastics & Rubber Products.



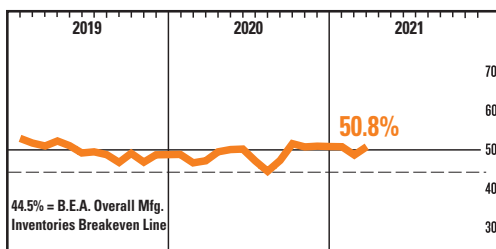
Employment

ISM's Employment Index registered 59.6 percent. Of the 18 manufacturing industries, the 14 industries to report employment growth in March — in the following order — are: Electrical Equipment, Appliances & Components; Textile Mills; Primary Metals; Machinery; Printing & Related Support Activities; Computer & Electronic Products; Nonmetallic Mineral Products; Fabricated Metal Products; Paper Products; Furniture & Related Products; Transportation Equipment; Plastics & Rubber Products; Food, Beverage & Tobacco Products; and Chemical Products.



Supplier Deliveries

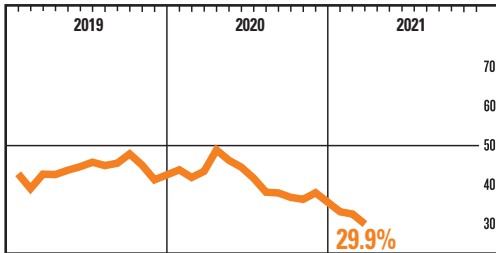
The delivery performance of suppliers to manufacturing organizations was slower in March, as the Supplier Deliveries Index registered 76.6 percent. Of the 18 industries, 17 reported slower supplier deliveries in March, listed in the following order: Apparel, Leather & Allied Products; Wood Products; Plastics & Rubber Products; Machinery; Textile Mills; Electrical Equipment, Appliances & Components; Furniture & Related Products; Paper Products; Miscellaneous Manufacturing[‡]; Chemical Products; Computer & Electronic Products; Fabricated Metal Products; Transportation Equipment; Food, Beverage & Tobacco Products; Nonmetallic Mineral Products; Printing & Related Support Activities; and Primary Metals.



Inventories

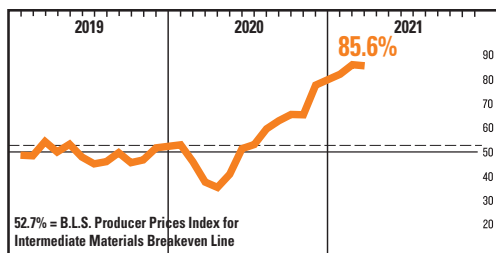
The Inventories Index registered 50.8 percent in March, 1.1 percentage points higher than the 49.7 percent reported for February. The eight industries reporting higher inventories in March — listed in order — are: Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Textile Mills; Computer & Electronic Products; Furniture & Related Products; Food, Beverage & Tobacco Products; Primary Metals; and Plastics & Rubber Products.

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



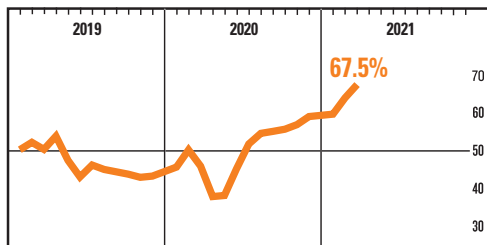
Customers' Inventories

ISM's Customers' Inventories Index registered 29.9 percent in March, 2.6 percentage points lower than the 32.5 percent reported for February. None of the 18 industries reported higher customers' inventories in March. The 15 industries reporting customers' inventories as too low during March — listed in order — are: Wood Products; Nonmetallic Mineral Products; Primary Metals; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Machinery; Chemical Products; Transportation Equipment; Computer & Electronic Products; Paper Products; Textile Mills; Plastics & Rubber Products; Furniture & Related Products; Miscellaneous Manufacturing[‡]; and Food, Beverage & Tobacco Products.



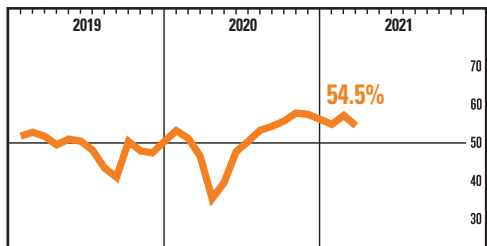
Prices

The ISM Prices Index registered 85.6 percent. All 18 industries reported paying increased prices for raw materials in March, in the following order: Apparel, Leather & Allied Products; Furniture & Related Products; Wood Products; Machinery; Miscellaneous Manufacturing[‡]; Fabricated Metal Products; Nonmetallic Mineral Products; Primary Metals; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Computer & Electronic Products; Chemical Products; Printing & Related Support Activities; Textile Mills; Transportation Equipment; Paper Products; and Petroleum & Coal Products.



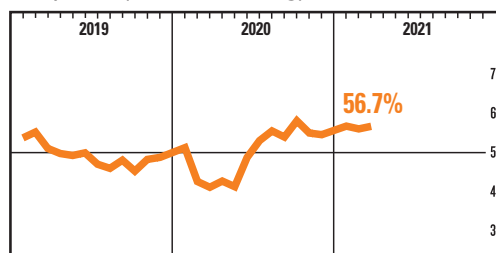
Backlog of Orders

ISM's Backlog of Orders Index registered 67.5 percent in March, a 3.5-percentage point increase compared to the 64 percent reported in February, indicating order backlogs expanded for the ninth consecutive month. The 15 industries reporting growth in order backlogs in March, in the following order, are: Apparel, Leather & Allied Products; Furniture & Related Products; Textile Mills; Paper Products; Nonmetallic Mineral Products; Machinery; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Plastics & Rubber Products; Computer & Electronic Products; Primary Metals; Chemical Products; Miscellaneous Manufacturing[‡]; and Food, Beverage & Tobacco Products.



New Export Orders

ISM's New Export Orders Index registered 54.5 percent in March, down 2.7 percentage points compared to the February reading of 57.2 percent. The eight industries reporting growth in new export orders in March — in the following order — are: Printing & Related Support Activities; Fabricated Metal Products; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Machinery; Miscellaneous Manufacturing[‡]; and Chemical Products.



Imports

ISM's Imports Index registered 56.7 percent in March, an increase of 0.6 percentage point compared to the 56.1 percent reported for February. The 11 industries reporting growth in imports in March — in the following order — are: Wood Products; Furniture & Related Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Textile Mills; Food, Beverage & Tobacco Products; Computer & Electronic Products; Chemical Products; Machinery; Transportation Equipment; and Fabricated Metal Products.

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