

Economic activity in the manufacturing sector expanded in January, and the overall economy grew for the 92nd consecutive month, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The January PMI® registered 56 percent. The New Orders Index registered 60.4 percent, an increase of 0.1 percentage point from the seasonally adjusted December reading of 60.3 percent. The Employment Index registered 56.1 percent, an increase of 3.3 percentage points from the seasonally adjusted December reading of 52.8 percent. Inventories of raw materials registered 48.5 percent, an increase of 1.5 percentage points from the December reading of 47 percent. The Prices Index registered 69 percent in January, an increase of 3.5 percentage points from the December reading of 65.5 percent, indicating

higher raw materials prices for the 11th consecutive month. The PMI®, New Orders, and Production Indexes all registered their highest levels since November 2014, and comments from the panel are generally positive regarding demand levels and business conditions. Of the 18 manufacturing industries,

12 reported growth in January in the following order: Plastics & Rubber Products; Miscellaneous Manufacturing[‡]; Apparel, Leather & Allied Products; Paper Products; Chemical Products; Transportation Equipment; Food, Beverage &

Tobacco Products; Machinery; Petroleum & Coal Products; Primary Metals; Fabricated Metal Products; and Computer & Electronic Products.

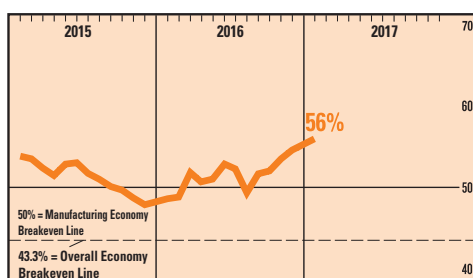
[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).

PMI® @ 56%

MANUFACTURING AT A GLANCE

Index	Jan Index	Dec Index	% Point Change	Direction	Rate of Change	Trend* (months)
PMI®	56.0	54.5	+1.5	Growing	Faster	5
New Orders	60.4	60.3	+0.1	Growing	Faster	5
Production	61.4	59.4	+2.0	Growing	Faster	5
Employment	56.1	52.8	+3.3	Growing	Faster	4
Supplier Deliveries	53.6	53.0	+0.6	Slowing	Faster	9
Inventories	48.5	47.0	+1.5	Contracting	Slower	19
Customers' Inventories	48.5	49.0	-0.5	Too Low	Faster	4
Prices	69.0	65.5	+3.5	Increasing	Faster	11
Backlog of Orders	49.5	49.0	+0.5	Contracting	Slower	7
New Export Orders	54.5	56.0	-1.5	Growing	Slower	11
Imports	50.0	50.5	-0.5	Unchanged	From Growing	1
OVERALL ECONOMY				Growing	Faster	92
Manufacturing Sector				Growing	Faster	5

*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 January as the PMI® registered 56 percent, an increase of 1.5 percentage points from the seasonally adjusted December reading of 54.5 percent, indicating growth in manufacturing for the fifth consecutive month. 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 43.3 percent, over a period of time, generally indicates an expansion of the overall economy.

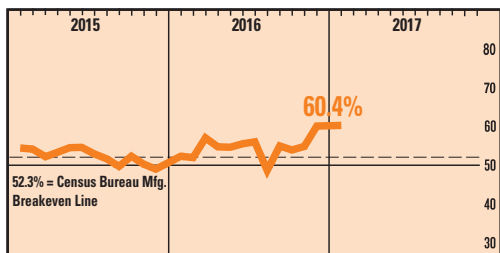
COMMODITIES REPORTED

Commodities Up in Price: Aluminum (3); Benzene; #1 Bundle Scrap (2); #1 Busheling Scrap (2); Butadiene; Copper (3); Corn; Corrugate (4); Corrugated Boxes (3); Methanol (4); Natural Gas (2); Nickel (2); Paper; Petroleum Fuels (2); 304 Stainless Steel; Stainless Steel (10); Steel (13); Steel – Carbon (2); Steel – Cold Rolled (3); Steel – Hot Rolled (2); Styrene; and Titanium Dioxide (2).

Commodities Down in Price: None.

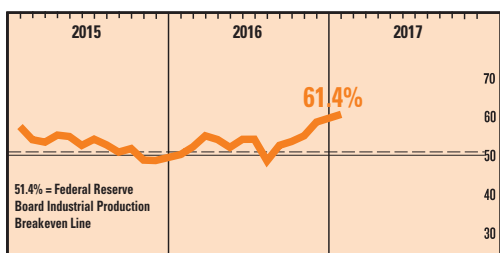
Commodities in Short Supply: None.

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



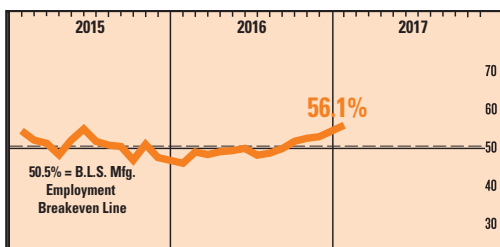
New Orders

ISM's New Orders Index registered 60.4 percent. The 12 industries reporting growth in new orders in January — listed in order — are: Plastics & Rubber Products; Apparel, Leather & Allied Products; Miscellaneous Manufacturing[‡]; Chemical Products; Paper Products; Transportation Equipment; Electrical Equipment, Appliances & Components; Petroleum & Coal Products; Primary Metals; Machinery; Fabricated Metal Products; and Food, Beverage & Tobacco Products.



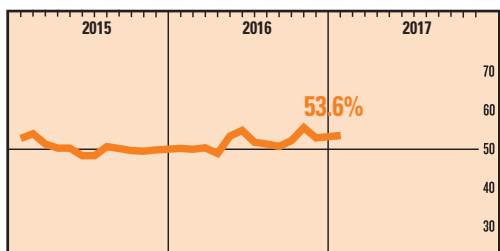
Production

ISM's Production Index registered 61.4 percent. The 10 industries reporting growth in production during the month of January — listed in order — are: Miscellaneous Manufacturing[‡]; Apparel, Leather & Allied Products; Paper Products; Petroleum & Coal Products; Plastics & Rubber Products; Transportation Equipment; Chemical Products; Machinery; Food, Beverage & Tobacco Products; and Computer & Electronic Products.



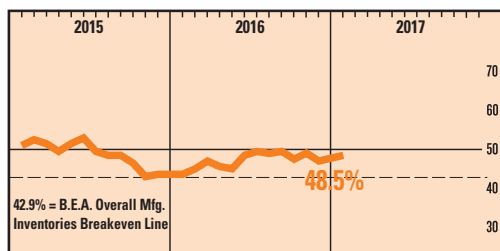
Employment

ISM's Employment Index registered 56.1 percent. Of the 18 manufacturing industries, the 10 reporting employment growth in January — listed in order — are: Textile Mills; Paper Products; Food, Beverage & Tobacco Products; Machinery; Electrical Equipment, Appliances & Components; Chemical Products; Miscellaneous Manufacturing[‡]; Transportation Equipment; Computer & Electronic Products; and Nonmetallic Mineral Products.



Supplier Deliveries

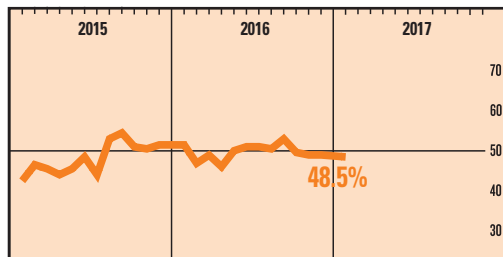
The Supplier Deliveries Index registered 53.6 percent. The 11 industries reporting slower supplier deliveries in January — listed in order — are: Textile Mills; Paper Products; Plastics & Rubber Products; Machinery; Nonmetallic Mineral Products; Miscellaneous Manufacturing[‡]; Petroleum & Coal Products; Primary Metals; Fabricated Metal Products; Food, Beverage & Tobacco Products; and Computer & Electronic Products.



Inventories

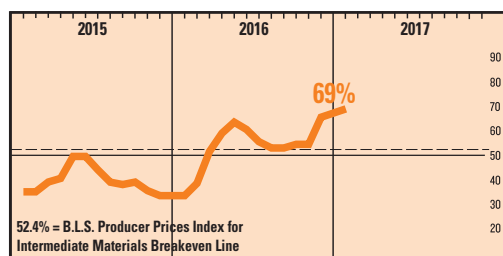
The Inventories Index registered 48.5 percent. The five industries reporting higher inventories in January are: Plastics & Rubber Products; Primary Metals; Fabricated Metal Products; Transportation Equipment; and Food, Beverage & Tobacco Products.

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



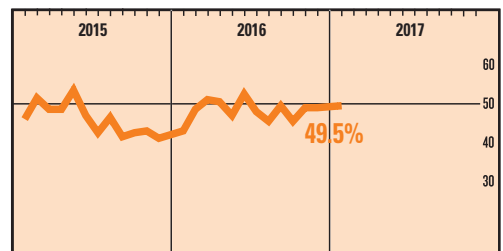
Customers' Inventories

ISM's Customers' Inventories Index registered 48.5 percent. The three manufacturing industries reporting customers' inventories as being too high during the month of January are: Furniture & Related Products; Fabricated Metal Products; and Transportation Equipment.



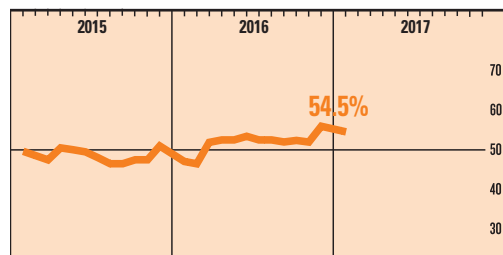
Prices

The ISM Prices Index registered 69 percent. Of the 18 manufacturing industries, the 15 that reported paying increased prices for its raw materials in January — listed in order — are: Textile Mills; Primary Metals; Fabricated Metal Products; Plastics & Rubber Products; Machinery; Apparel, Leather & Allied Products; Paper Products; Transportation Equipment; Furniture & Related Products; Chemical Products; Petroleum & Coal Products; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing[‡]; and Computer & Electronic Products.



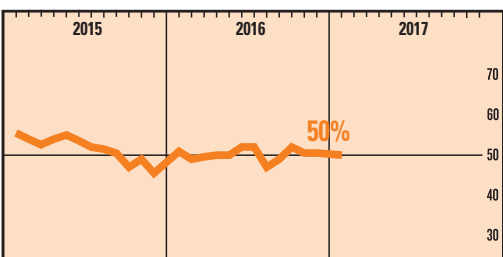
Backlog of Orders

ISM's Backlog of Orders Index registered 49.5 percent. The seven industries reporting growth in order backlogs in January — listed in order — are: Wood Products; Plastics & Rubber Products; Electrical Equipment, Appliances & Components; Primary Metals; Fabricated Metal Products; Miscellaneous Manufacturing[‡]; and Chemical Products.



New Export Orders

ISM's New Export Orders Index registered 54.5 percent. The eight industries reporting growth in new export orders in January — listed in order — are: Wood Products; Paper Products; Petroleum & Coal Products; Chemical Products; Fabricated Metal Products; Transportation Equipment; Miscellaneous Manufacturing[‡]; and Food, Beverage & Tobacco Products.



Imports

ISM's Imports Index registered 50 percent. The four industries reporting growth in imports during the month of January are: Furniture & Related Products; Apparel, Leather & Allied Products; Fabricated Metal Products; and Food, Beverage & Tobacco Products.

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