

Economic activity in the manufacturing sector expanded in February, and the overall economy grew for the 93rd consecutive month, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The February PMI® registered 57.7 percent. The New Orders Index registered 65.1 percent, an increase of 4.7 percentage points from the January reading of 60.4 percent. The Employment Index registered 54.2 percent, a decrease of 1.9 percentage points from the January reading of 56.1 percent. Inventories of raw materials registered 51.5 percent, an increase of 3 percentage points from the January reading of 48.5 percent. The Prices Index registered 68 percent in February, a decrease of 1 percentage point from the January reading of 69 percent, indicating higher raw materials prices for the 12th consecutive month. Comments

from the panel largely indicate strong sales and demand, and reflect a positive view of business conditions with a watchful eye on commodities and the potential for inflation. Of the 18 manufacturing industries, 17 reported growth in February in the following order: Textile Mills; Apparel, Leather & Allied Products;

PMI® @ 57.7%

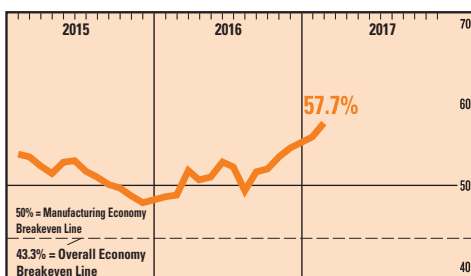
Machinery; Computer & Electronic Products; Primary Metals; Plastics & Rubber Products; Nonmetallic Mineral Products; Chemical Products; Paper Products; Fabricated Metal Products; Transportation Equipment; Food, Beverage & Tobacco Products; Wood Products; Electrical Equipment, Appliances & Components; Printing & Related Support Activities; Petroleum & Coal Products; and Miscellaneous Manufacturing‡.

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

MANUFACTURING AT A GLANCE

Index	Feb Index	Jan Index	% Point Change	Direction	Rate of Change	Trend* (months)
PMI®	57.7	56.0	+1.7	Growing	Faster	6
New Orders	65.1	60.4	+4.7	Growing	Faster	6
Production	62.9	61.4	+1.5	Growing	Faster	6
Employment	54.2	56.1	-1.9	Growing	Slower	5
Supplier Deliveries	54.8	53.6	+1.2	Slowing	Faster	10
Inventories	51.5	48.5	+3.0	Growing	From Contracting	1
Customers' Inventories	47.5	48.5	-1.0	Too Low	Faster	5
Prices	68.0	69.0	-1.0	Increasing	Slower	12
Backlog of Orders	57.0	49.5	+7.5	Growing	From Contracting	1
New Export Orders	55.0	54.5	+0.5	Growing	Faster	12
Imports	54.0	50.0	+4.0	Growing	From Unchanged	1
OVERALL ECONOMY				Growing	Faster	93
Manufacturing Sector				Growing	Faster	6

*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 February as the PMI® registered 57.7 percent, an increase of 1.7 percentage points from the January reading of 56 percent, indicating growth in manufacturing for the sixth consecutive month, and is the highest reading since August 2014, when the PMI registered 57.9 percent. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting. If the PMI® for February (57.7 percent) is annualized, it corresponds to a 4.5 percent increase in real GDP annually.

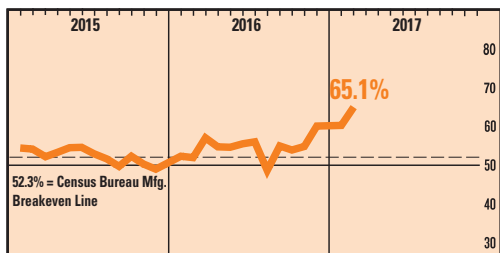
COMMODITIES REPORTED

Commodities Up in Price: Aluminum (4); Butadiene (2); Caustic Soda; Copper (4); Copper Based Products; Corn (2); Corrugate (5); Diesel; Ethylene; HDPE Resin; Isopropyl Alcohol; LDPE Resin; Oil; Polypropylene; Rubber – Natural; Rubber – Synthetic; Scrap Metal*; Stainless Steel (11); Steel (14); Steel Tubing; Steel – Carbon (3); Steel – Cold Rolled (4); Steel – Galvanized; Steel – Hot Rolled (3); Styrene (2); and Titanium Dioxide (3).

Commodities Down in Price: Scrap Metal*.

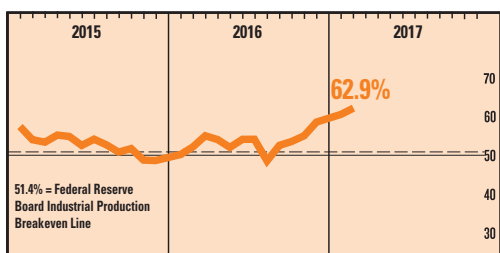
Commodities in Short Supply: Garlic.

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



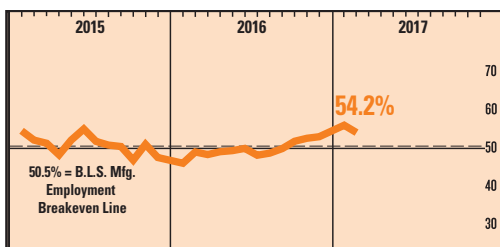
New Orders

ISM's New Orders Index registered 65.1 percent. The 16 industries reporting growth in new orders in February — listed in order — are: Apparel, Leather & Allied Products; Primary Metals; Machinery; Wood Products; Chemical Products; Computer & Electronic Products; Plastics & Rubber Products; Nonmetallic Mineral Products; Paper Products; Transportation Equipment; Furniture & Related Products; Fabricated Metal Products; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; and Petroleum & Coal Products.



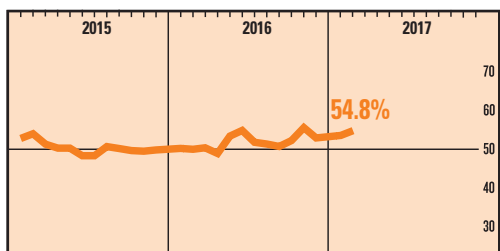
Production

ISM's Production Index registered 62.9 percent. The 14 industries reporting growth in production during the month of February — listed in order — are: Plastics & Rubber Products; Machinery; Primary Metals; Textile Mills; Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Chemical Products; Transportation Equipment; Paper Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Miscellaneous Manufacturing[‡]; and Petroleum & Coal Products.



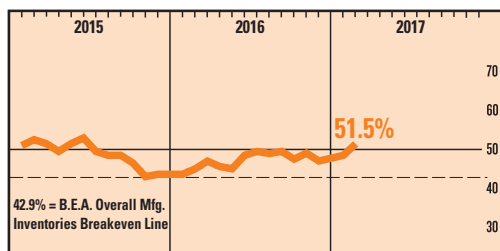
Employment

ISM's Employment Index registered 54.2 percent. Of the 18 manufacturing industries, the 10 reporting employment growth in February — listed in order — are: Textile Mills; Printing & Related Support Activities; Machinery; Computer & Electronic Products; Paper Products; Nonmetallic Mineral Products; Chemical Products; Food, Beverage & Tobacco Products; Petroleum & Coal Products; and Electrical Equipment, Appliances & Components.



Supplier Deliveries

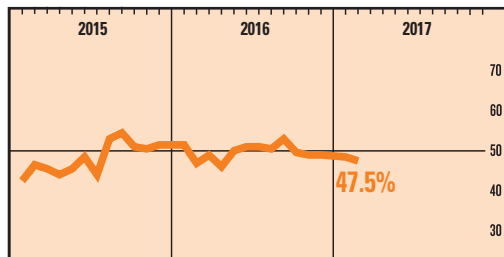
The delivery performance of suppliers to manufacturing organizations was slower in February as the Supplier Deliveries Index registered 54.8 percent. The 13 industries reporting slower supplier deliveries in February — listed in order — are: Textile Mills; Machinery; Fabricated Metal Products; Nonmetallic Mineral Products; Chemical Products; Paper Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Petroleum & Coal Products; Plastics & Rubber Products; Miscellaneous Manufacturing[‡]; Transportation Equipment; and Food, Beverage & Tobacco Products.



Inventories

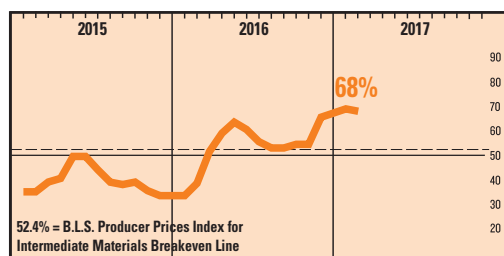
The Inventories Index registered 51.5 percent. The nine industries reporting higher inventories in February — listed in order — are: Textile Mills; Apparel, Leather & Allied Products; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Food, Beverage & Tobacco Products; Fabricated Metal Products; Machinery; Transportation Equipment; and Petroleum & Coal Products.

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



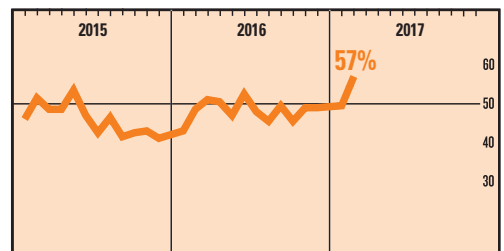
Customers' Inventories

ISM's Customers' Inventories Index registered 47.5 percent. The three manufacturing industries reporting customers' inventories as being too high during the month of February are: Nonmetallic Mineral Products; Transportation Equipment; and Computer & Electronic Products.



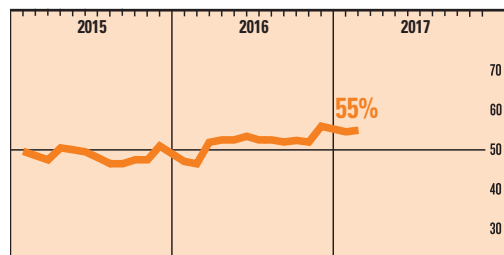
Prices

The ISM Prices Index registered 68 percent. Of the 18 manufacturing industries, the 16 that reported paying increased prices for its raw materials in February — listed in order — are: Plastics & Rubber Products; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Chemical Products; Textile Mills; Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Machinery; Primary Metals; Transportation Equipment; Food, Beverage & Tobacco Products; Petroleum & Coal Products; Furniture & Related Products; Paper Products; Computer & Electronic Products; and Miscellaneous Manufacturing[‡].



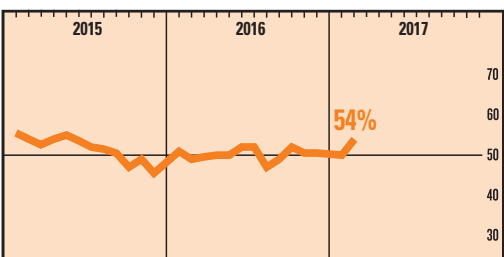
Backlog of Orders

ISM's Backlog of Orders Index registered 57 percent. The 12 industries reporting growth in order backlogs in February — listed in order — are: Textile Mills; Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Paper Products; Primary Metals; Transportation Equipment; Miscellaneous Manufacturing[‡]; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Computer & Electronic Products; Chemical Products; and Machinery.



New Export Orders

ISM's New Export Orders Index registered 55 percent. The six industries reporting growth in new export orders in February — listed in order — are: Food, Beverage & Tobacco Products; Computer & Electronic Products; Transportation Equipment; Paper Products; Chemical Products; and Machinery.



Imports

ISM's Imports Index registered 54 percent. The nine industries reporting growth in imports during the month of February — listed in order — are: Apparel, Leather & Allied Products; Primary Metals; Electrical Equipment, Appliances & Components; Transportation Equipment; Computer & Electronic Products; Petroleum & Coal Products; Chemical 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).